

September 06, 2019

To
The Listing Manager
Bombay Stock Exchange Limited
PJ Towers, Dalal Street,
Mumbai – 400 001

To
The Listing Manager
National Stock Exchange of India Limited
Bandra Kurla Complex,
Mumbai - 400051

Dear Sir/Madam,

Subject: Submission of Notice of the 27th Annual General Meeting and Annual Report for the FY 2018-19 under Regulation 30 and 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

This is to inform that the 27th Annual General Meeting of the members of the Company will be held on Saturday 28th September, 2019 at 12.00 P.M at Senior Citizen Hall, 2nd Floor, Beside S.R.K. Raju Community Hall, Madhura Nagar, Hyderabad - 500 038, Telangana.

Pursuant to Regulation 34(1) and Regulation 30(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company along with the Notice of 27th Annual General Meeting for the Financial Year 2018-19, which are being dispatched/ sent to the members by the permitted mode(s). The Annual Report for the financial year 2018-19 is also available on the website of the Company i.e www.proseedindia.in

The Company will provide to its members the facility to cast their vote(s) on all resolutions set forth in the Notice by electronic means ("e-voting").

This is for your information and record

Thanking you,

Yours Sincerely,

For **PROSEED INDIA LIMITED**



DASIGI VENKATA SURYA PRAKASH RAO
Whole-time Director

Encl: As Above



An Agri BioTech Company

Proseed India Limited

**27th Annual Report
2018-19**

BOARD OF DIRECTORS

Name

Mr. D V S Prakash Rao
Mr. Satya Srikanth Karaturi
Mr. Nekkanti Venkata Krishnayya
Mrs. Chukka Lakshmi

Designation

- Whole Time Director & CEO
- Non Executive & Independent Director
- Non Executive & Independent Director
- Non Executive Director

REGISTERED OFFICE

Flat No. 302, Lotus Block, Block-B,
Sandy Springs, Manikonda,
Ranga Reddy Dist., Telangana, Hyderabad - 500 089.
Tel: 08413485046
Fax: +91-40-23548537
URL: www.proseedindia.in
CIN: L01403TG2002PLC039113

STATUTORY AUDITORS

M/s Navitha & Associates
Chartered Accountants
#16-2-740/75, Plot No.26,
V.K. Dhage Nagar, Dilsukhnagar,
Hyderabad Telangana 500060

INTERNAL AUDITORS

M/S Gorantla & Co.,
Chartered Accountants
Off: H.No. 6-3-664, Prestige Rai Tower
Hyderabad – 500 018

SECRETARIAL AUDITORS

M/s Kota & Associates (Formerly known as Kota Srinivas & Associates)
Company Secretaries
Flat No. 101, 1st Floor,
Chaitanya Chambers,
Chaitanyapuri, Hyderabad – 500036

SHARE TRANSFER AGENT

CIL Securities Limited
214, Raghava Ratna Towers,
Chirag Ali Lane,
Hyderabad-500001 Telangana
Phone: +91 040-23203155

BANKERS

BANK OF BARODA,
HDFC BANK,
KARUR VYSYA BANK

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NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 27th Annual General Meeting of the Members of Proseed India Limited (formerly Green Fire Agri Commodities Limited) will be held on Saturday, the 28th day of September, 2019 at 12.00 p.m at Senior Citizen Hall 2nd Floor, Beside S.R.K Raju Community Hall, Madhuranagar, Hyderabad 500038 Telangana to transact the following business:

ORDINARY BUSINESS

1. Adoption of Financial Statements & Reports

To consider and adopt the audited financial statements of the Company for the financial year ended 31st March, 2019 and the reports of the Auditors and Board of Directors thereon; and in this regard, pass the following resolutions, with or without modification(s), as Ordinary Resolutions:

“RESOLVED THAT the audited financial statements of the Company for the financial year ended 31st March, 2019 and the reports of the Auditors and Board of Directors thereon laid before this meeting, be and are hereby considered and adopted.”

2. Appointment of Mr. DASIGI VENKATA SURYA PRAKASH RAO as a Director liable to retire by rotation

To appoint a Director in place of Mr. DasigiVenkata Surya PrakashRao, Wholetime Director & Chief Executive Officer (DIN No: 03013165) who retires by rotation and being eligible, offers himself for re-appointment.

Rational: Mr. DasigiVenkata Surya PrakashRao, being longest in the office amongst the Directors liable to retire by rotation is proposed to retire at the ensuing Annual General Meeting., it is proposed to re-appoint him as a Director.

To the extent that Mr. DasigiVenkata Surya PrakashRao is required to retire by rotation, he would need to be re-appointed as a Director of the Company, who shall continue his term as a Wholetime Director & Chief Executive Officer of the Company.

Therefore, members are requested to consider and if thought fit, to pass the following resolution, with or without modification(s), as Ordinary Resolution:

“RESOLVED THAT pursuant to Section 152 and other applicable provisions, if any, of the Companies Act, 2013, , the approval of the Members of the Company be and is hereby accorded to the re-appointment of Mr. DasigiVenkata Surya PrakashRao, as a Director of the Company, who shall continue as a Wholetime Director & Chief Executive Officer of the Company, to the extent that he is required to retire by rotation.”

SPECIAL BUSINESS

3. Appointment of Mrs. Chukka Lakshmi (DIN: 07733231) as a Woman Director and in this regard to consider and if thought fit, to pass, the following resolution as an Ordinary Resolution

“RESOLVED that pursuant to the provisions of Sections 149, 152, 164 read with the rule of the Companies (Appointment and Qualifications of Directors) Rules 2014, and any other applicable provisions of the Companies Act, 2013 ("Act") and the companies (Appointment & Qualification of

Directors) Rules, 2014 , Mrs. Chukka Lakshmi (DIN: 07733231), who was appointed as additional director by the Board of Directors of the company pursuant to section 161(1) of the Companies Act, 2013 and who holds office up to the conclusion date of this AGM and in respect of whom the Company has received a notice under section 161(1) of the Companies Act, 2013 from a member proposing her candidature for the office of a Director, be and is, hereby, appointed as the Non-Executive Women Director of the Company liable to retire by rotation.”

4. Appointment of Mr. Satya Srikanth Karaturi (DIN: 07733024) as an Independent Director and in this regard to consider and if thought fit, to pass, the following resolution as an Ordinary Resolution

"RESOLVED that pursuant to the provisions of Sections 149, 152, and any other applicable provisions of the Companies Act, 2013 ('Act') and the Rules made there under read with Schedule IV to the Act, (including any statutory modification (s) or re-enactment there of for the time being in force), Mr. Satya Srikanth Karaturi (DIN: 07733024), who was appointed as an Additional (Independent) Director of the Company by the Board of Directors at its meeting held on February 13, 2019 and whose term of office expires at this Annual General meeting ('AGM') and in respect of whom the Company has received a Notice in writing from a Member along with the deposit of the requisite amount under section 160 of the Companies Act, 2013 proposing his candidature for the office of Director and who has submitted a declaration that he meets the criteria for independence as provide in Section 149 (6) of the Act, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5(five) consecutive years up to the conclusion of 32nd AGM.

Regd Office:

Flat No. 302, Lotus Block,
Block-B, Sandy Springs,
Manikonda, Ranga Reddy Dist.,
Telangana, Hyderabad - 500 089

**For and on behalf of the Board
For Proseed India Limited**

Sd/-

D.V.S.Prakash Rao

Wholetime Director & CEO
(DIN No. 03013165)

Date: 28th August, 2019

NOTES:

1. The Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of the Special Business is annexed here to.
2. PROXIES
 - a. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES (WHETHER MEMBER OR NOT) TO ATTEND AND VOTE INSTEAD OF HIMSELF OR HERSELF AND A PROXY SO APPOINTED NEED NOT BE A MEMBER OF THE COMPANY.
 - b. A person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the company carrying voting rights, then such proxy shall not act as proxy for any other person or shareholder.
 - c. Members voting rights shall be in proportion to his/hers hare of paid up equity share capital of the Company.
 - d. This notice ("AGM Notice") is being sent to all the members, whose names appear in the Register of Members as on 31st August, 2019.
 - e. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.
 - f. Members desirous of asking any questions at the General Meeting are requested to send their questions so as to reach the Registered Office of the Company at least Seven (7) days before the General Meeting so that the same can be suitably replied to.
 - g. Members / Proxies are requested to bring their attendance slip, sent herewith, duly filled in, for attending the meeting.
 - h. Proxy forms in order to be effective, must be deposited at the Registered Office of the Company, not later than 48 hours before the time fixed for the meeting.
 - i. Pursuant to Section 103 of the Companies Act, 2013 at least Thirty (30) members should be personally present to form quorum for a meeting of the Company.
 - j. Members who have registered their e-mail Id for the receipt of documents in electronic mode are being sent AGM Notice by e-mail and others are sent by the permitted mode. Members who have received AGM Notice by e-mail and wish to vote physically can do the same by remaining present in the meeting.
 - k. Documents specifically stated in the explanatory statement are open for inspection at the Registered office of the Company between 10:00 a.m. to 01:00 p.m. on all working days (except Saturdays, Sundays and public holidays) up to the date of AGM.
 - l. The Company has notified closure of Register of Members and Share Transfer Books from 25th September, 2019 to 28th September, 2019 (both days inclusive).
 - m. The business as set out in this AGM Notice may be transacted through electronic voting system and the Company will provide a facility for voting by electronic means. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of Companies (Management and Administration) Rules, 2014 the Company is pleased to offer the facility of voting through electronic means, as an alternate, to all its members to enable them to cast their votes electronically instead of casting their vote at the Meeting. Please note that the voting through

- electronic means is optional. The members who wish to vote physically in the meeting (instead of e-voting) can do the same by voting in the meeting dated 28th September 2019.
- n. The voting through an electronic means will commence on 25th September, 2019 at 09.00 a.m. and will end on 27th September, 2019 at 05.00 p.m. the members will not be able to cast their vote electronically beyond the date and time mentioned above.
- o. The Company has appointed M/s. Gorantla & Co, Chartered Accountants (FRN:016943S) to act as Scrutinizer for conducting the electronic voting process in a fair and transparent manner.
- p. The instructions for share holders voting electronically are as under:
- (i) The voting period begins on 25th September, 2019 at 09.00 a.m. and ends on 27th September, 2019 at 05.00 p.m. During this period share holders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 21st September, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) Share holders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
 - (iii) The share holders should log on to the e-voting website www.evotingindia.com.
 - (iv) Click on Share holders.
 - (v) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DPID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Forms should enter Folio Number registered with the Company
 - (vi) Next enter the Image Verification as displayed and Click on Login.
 - (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and vote do not earlier voting of any company, then your existing password is to be used.
 - (viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</p> <p>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters.</p> <p>Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</p>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <p>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</p>

- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for evoting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant Company Name on which you choose to vote.
- (xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xx) Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- q. Kindly note that the members can opt only one mode of voting i.e. either by physical voting or e-voting. If you are opting for e-voting, then you are not eligible for physical voting. However, once the vote on resolution is cast by any share holder by e-voting, he shall not be allowed to change it subsequently at the physical meeting.
- r. The scrutinizer will submit his / her report addressed to the chairman within a period not exceeding three working days from the date of conclusion of e-voting period. The result of the voting on resolutions at the meeting shall be announced by the chairman on 29th September, 2019. The results declared along with the scrutinizer's report, will be posted on the company's website and on cdsl's website and stock exchanges on 29th September, 2019.

For and on behalf of the Board
for Proseed India Limited

Regd Office:

Flat No. 302, Lotus Block, Block-B,
Sandy Springs, Manikonda,
Ranga Reddy Dist., Telangana,
Hyderabad - 500 089

Date: 28th August, 2019

D.V.S. Prakash Rao
Whole time Director & CEO

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No.3

Mrs. Chukka Lakshmi (DIN: 07733231) was appointed as an Additional Woman Director of the Company with effect from November 14, 2018 by the Board of Directors. In terms of Section 161(1) of the Companies Act, 2013, Mrs. Chukka Lakshmi holds office upto the date of this Annual General Meeting but is eligible for the appointment as a Director. The Company has received a Notice from a Member in writing along with requisite deposit under Section 160 of the Act, proposing her candidature for the office of Director.

Mrs. Chukka Lakshmi has given a declaration to the Board that she meets the criteria for the appointment as a woman director as per the provisions of the Companies Act, 2013.

Mrs. Chukka Lakshmi aged 44 years has a lot of business experience in the various fields. Accordingly, the Board recommends the passing of the Ordinary Resolution as set out in the Item no. 3 of the Notice for appointment of Mrs. Chukka Lakshmi as a Non-executive Woman Director.

A statement containing her profile is given as per Annexure 1.

Except Mrs. Chukka Lakshmi, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.3

Item No.4

Mr. Satya Srikanth Karaturi (DIN: 07733024) was appointed as an Additional Independent Director of the Company with effect from February 13, 2019 by the Board of Directors. In terms of Section 161(1) of the Companies Act, 2013, Mr. Satya Srikanth Karaturi, holds office upto the date of this Annual General Meeting but is eligible for the appointment as a Director. The Company has received a Notice from a Member in writing along with requisite deposit under Section 160 of the Act, proposing his candidature for the office of Director.

Mr. Satya Srikanth Karaturi has given a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act.

Mr. Satya Srikanth Karaturi, aged 45 years, has more than 20 years of experience in MIS and risk Management. Accordingly, the Board recommends the passing of the Ordinary Resolution as set out in the Item no.4 of the Notice for appointment of Mr. Satya Srikanth Karaturi, as a Director. A statement containing his profile is given as per Annexure 1.

Except Mr. Satya Srikanth Karaturi, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.4

Annexure 1
EXPLANATORY STATEMENTS AS PER SEBI LODR Regulations

Name of the Director	Chukka Lakshmi
DIN	07733231
Date of Birth	18-10-1973
Type of appointment	Independent Director
Date of Appointment/ Re-appointment	14th November, 2018
Areas of Specialization	Business Experience
Qualifications	Under graduate
No. of Shares Held in the Company	Nil
List of Directorship held in outside Public Limited Companies	SPACENET ENTERPRISES INDIA LIMITED STAMPEDE CAPITAL LIMITED
Chairman/member of the Committee of the Board of Directors of this Company	3
Chairman/member of the Committee of the Board of Directors of other Companies	6
Relation with Key Managerial Personnel and Directors	Nil
Justification for appointment	Her business expertise to be used for the overall business development of the Company.

Name of the Director	Satya Srikanth Karaturi
DIN	07733024
Date of Birth	30-07-1974
Type of appointment	Independent Director
Date of Appointment/ Re-appointment	13th February, 2019
Areas of Specialization	He has specialized in risk managment.
Qualifications	Graduate
No. of Shares Held in the Company	Nil
List of Directorship held in outside Public Limited Companies	SPACENET ENTERPRISES INDIA LIMITED KLING ENTERPRISES INDIA LIMITED
Chairman/member of the Committee of the Board of Directors of this Company	3
Chairman/member of the Committee of the Board of Directors of other Companies	3
Relation with Key Managerial Personnel and Directors	Nil
Justification for appointment	His experienced to be used for the overall business development of the company.

1. Members are requested to send intimations of any changes in their addresses, applications for demat of shares, applications for transfer of shares and any related correspondence to the Company's share transfer agents M/s CIL Securities Limited, 214, Raghava Ratna Towers, Chirag Ali Lane, Hyderabad-500001, Telangana Ph: 040-23203155, Email: rtta@cilsecurities.com

Sending notices and documents to shareholders through email:

2. As a part of "Green Initiative" in Corporate Governance, the Ministry of Corporate Affairs has allowed sending communication to the shareholders through electronic mode. Accordingly, we propose to send documents like notices convening general meetings, Annual Reports, etc to the email addresses of the shareholders. For this purpose, shareholders holding shares in physical form are requested to register their email addresses and any changes therein from time to time with the Share Transfer Agents of the Company M/s CIL Securities Limited at their postal / email address given above. Please give the details in the attached format for registering your email ID. Those holding shares in demat form are requested to register their email IDs with their Depository Participants.

DIRECTORS REPORT

To The Members of Proseed India Limited

Your Directors have pleasure in presenting the Twenty Seventh Annual Report together with the Audited Accounts for the year ended 31st March, 2019.

Financial Highlights:

(Amount in ₹)

Particulars	Year ended 2019	Year ended 2018
Revenue from operations		
Income from operations	2,03,18,079	70,28,565
Other income	2,39,194	48,83,138
Total revenue	2,05,57,273	1,19,11,703
Expenses		
Purchase of stock-in-trade	1,98,75,222	65,96,830
Employee benefits expense	15,99,279	31,23,841
Finance costs	53,60,168	51,31,292
Depreciation and amortisation expense	67,867	88,330
Other expenses	48,21,927	15,81,202
Total expenses	3,17,24,463	1,65,21,495
Profit / (Loss) before extraordinary items and tax	(1,11,67,190)	(46,09,792)
Extraordinary items	-	-
Profit / (Loss) before tax after extraordinary items	(1,11,67,190)	(46,09,792)
Tax expense		
- Current tax	(43,33,717)	(36,28,340)
- Current tax for earlier years	-	-
- Deferred tax charge	-	-
Net Profit / (Loss) after tax	(68,33,473)	(9,81,452)
Other Comprehensive Income/(Loss) (OCI)		
Items that will not be reclassified to profit or loss in subsequent periods:		
Other Comprehensive Income/(Loss) for the period net of tax	-	-
Total Comprehensive Income for the period, net tax	(68,33,473)	(9,81,452)
Paid up equity share capital (face value of ₹1/-each)	-	-
Earning per share (face value of share ₹ 1 each)	-	-
[previous year: ₹ 1 each]		
- Basic/ Diluted	(0.07)	(0.01)
Earning per share (Excluding Extraordinary Items)		
- Basic/ Diluted	(0.07)	(0.01)

REVIEW OF OPERATIONS:

For the financial year ended March 31, 2019, your Company had reported total income of 205.57 lakhs as against 119.11 lakhs during the previous financial year. The Company recorded a Net Loss of 68.33 lakhs as against net loss of 9.81 lakhs during the previous financial year.

DIVIDEND:

During the year under review, the company has not declared any dividend.

BORROWINGS:

Please refer Note No. 2.9 of the notes on accounts (Financial Statements) Indebtedness in Form MGT-9 Under Clause V in this Report.

DIRECTORS:

In accordance with Sections 149, 150, 152 & other applicable provisions if any, of the Companies Act, 2013 Mr. D V S Prakash Rao (DIN : 03013165) Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Mr. Satya Srikanth Karaturi, who was appointed as an Additional Independent Director by the Board of Directors of the company is proposed as an Independent Director of the Company for a period of 5 years. The Board of Directors recommends his appointment at the ensuing Annual General Meeting.

Mrs. Chukka Lakshmi has been appointed as Additional Non Executive Woman Director of the Company effect from November 14th, 2018 is proposed as a Non Executive Woman Director of the Company. The Board of Directors recommends her appointment at the ensuing Annual General Meeting.

During the year Mrs. Padmavathi Renduchintala, Non-Executive Woman Director, Mr. Yarlagadda Ramesh, Mr. Seetharama Rao Atluri, an Independent Directors and Mr. Tammineedi Venkateswara Rao, an Executive Director cum CFO, have resigned and the Board kept on record the valuable services rendered by them during their tenure.

AUDITORS:**Statutory Auditors:**

Pursuant to the provision of section 139 and other applicable provision, if any, of the Company Act, 2013 read with Rule made there under, The statutory Auditors, M/s Navitha and associates, chartered Accountants, Appointed as the statutory Auditors at the last Annual General Meeting held on 29.09.2017 for a period of Five (5) years till the conclusion of 30th Annual general Meeting in the calendar year of 2022.

As per the companies Amendment Act 2017, Ratification by members is not required and hence only the information with regard to continuity of auditor is mentioned.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Kota & Associates, Company Secretaries to undertake the secretarial audit of the company. The Secretarial Audit Report is annexed herewith as 'Annexure 1'.

Internal Auditors

M/s. Gorantla & Co, Chartered Accountants perform the duties of internal auditors of the company and their report is reviewed by the audit committee from time to time.

PUBLIC DEPOSITS:

The Company has not accepted any deposits within the meaning of Companies Act, 2013 and the rules framed there under.

VIGIL MECHANISM:

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at www.proseedindia.in

RELATED PARTY TRANSACTIONS:

There were no contracts or arrangements entered into by the company in accordance with provisions of section 188 of the Companies Act, 2013. However, there were material related party transactions in terms of 34(3) and 53(f) of the SEBI (LODR) Regulations 2015. All material related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business.

There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. All Related Party Transactions are placed before the Audit Committee as also the Board for approval. The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website. None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT 2013 READ WITH RULES

Your Company has always believed in providing a safe and harassment free workplace for every women employee working with your Company. Your Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

Your Company has a zero tolerance for sexual harassment at workplace and, therefore. Has in place a policy on prevention of sexual harassment at workplace. The said policy is in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder.

The policy aims at prevention of harassment of women at workplace and lays down the guidelines for identification reporting and prevention of sexual harassment. There is an internal Complaints Committee (ICC) which is responsible for redressal of complaints related to sexual harassment and follows the guidelines provided in the policy.

The Company has not received any complaint of sexual harassment at workplace during the year under review.

PREVENTION OF INSIDER TRADING:

The company has adopted a code of conduct for prevention of Insider Trading with a view to regulate trading in securities by the directors, KMPs and designated employees of the company. The code requires pre-clearance for dealing in the company's securities and prohibits the dealing in securities of the company while in possession of unpublished price sensitive information in relation to the company. The Board and the designated employees have confirmed compliance with the code.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

It is to inform you that the petition filed by the creditors M/s. Barrat Commodity Traders pvt Ltd., under Section 9 of IBC, 2015 has been admitted by the NCLT and IRP has been appointed to this effect.

PARTICULARS OF EMPLOYEES:

None of the employees are in receipt of the remuneration as set out under the Companies Act, 2013 and read with Rules made there-under and as such the statement as required under the Companies Act, 2013 is not applicable.

LISTING OF SHARES

The shares of the company are listed on National Stock Exchange and on the Bombay Stock Exchange Limited (BSE) under INDONEXT model. The listing fee for the year 2019-20 has already been paid to the NSE.

CORPORATE GOVERNANCE:

In accordance with SEBI (Listing obligation and Disclosure Requirements) 2015 a report on Corporate Governance along with the Practicing Chartered Accountant Certificate on compliance of conditions of Corporate Governance is annexed herewith and forms part of this report.

CORPORATE SOCIAL RESPONSIBILITY

The provisions of Companies Act, 2013 regarding Corporate Social Responsibility are not attracted to the company.

DIRECTORS' RESPONSIBILITY STATEMENT

In compliance to the provisions of Section 134(3)(c) of the Companies Act, 2013, your Directors confirm that:

- a. in the preparation of the Annual Accounts, the applicable accounting standards have been followed and no material departures have been made from the same;
- b. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period;
- c. the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. the directors have prepared the annual accounts on a going concern basis;
- e. the directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f. the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The company has no activities relating to Conservation of Energy, Technology Absorption. The company has no Foreign Exchange earnings and Outgo during the year under review.

EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as "Annexure 2".

ACKNOWLEDGMENTS:

Your Directors thank all the members, banks and regulatory and governmental authorities for their continued support. We take this opportunity to place on record our sincere thanks to our Bankers, State and Central Government agencies for their timely support, co-operation and valuable guidance.

For and on behalf of the Board

Place : Hyderabad
Date : 28th August, 2019

D V S Prakash Rao
Whole Time Director & CEO
(DIN No. 03013165)

Secretarial Audit Report

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014] and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended]
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2019

To
The Members of
M/s. **PROSEED INDIA LIMITED**,
CIN: L01403TG2002PLC039113
Hyderabad.

Dear Sirs,

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. PROSEED INDIA LIMITED (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019, complied to the extent with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 as per the Annexure-II to this secretarial audit report, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act) viz.,
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue Companies Act and Share Transfer Agents) Regulations, 1993 regarding the companies Act, and dealing with client;

We have also examined the compliances with the applicable clauses of the following :

- i. Secretarial Standards issued by the Institute of company Secretaries of India.
- ii. The Listing Agreements entered into by the Company with the Bombay Stock Exchange Limited and National Stock Exchange of India Limited/The SEBI(Listing Obligations and Disclosure Requirements)Regulations, 2015.

During the financial year under review the Company has complied with the provisions of the Acts, to the extent applicable and the Rules, Regulations, Guidelines, etc., mentioned above subject to our observations as annexure herewith:

We further report, subject to our observations in annexure-II, that

- i. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. However the company did not appoint CFO.
- ii. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- iii. Majority decision is carried through while the dissenting members' views if any, are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. However, need more focus for good governance. We further report that during the year under review :-

- The Company requested to remove the shell status vide its letter dtd 13.9. 2017 and subsequent letters. The list of securities moving to Stage III of GSM.
- Further Forensic Audit was ordered and we were informed that it was concluded and the same was submitted to the authorities as it is a confidential report.
- The company has received an observation letter from SEBI on 01.02.2019 on name change of the Company and the company has suitably replied on 13.02.2019.
- There was a Related party transaction for sale of property but we were informed that the same proposal was withdrawn.

- By the time of preparation of this report, there was a creditor petition filed against company with NCLT under Section 9 of IBC, 2016 which was duly admitted by the Hon'ble NCLT.
- By the time of preparation of this report, the company has to appoint a Company Secretary and the Chief Financial Officer.
- Company has entered an agreement with Mr. M. SubbaRaju, Khamam, to grow the crop that produce seeds of Lemon gross in his/or leased agricultural land admeasuring 100 acres at the rate of four crop cycle in a year from second year onwards or such other crops as may be specified by the company.

We further report that, the compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts have not been reviewed in this audit since the same have been subject to review by the statutory financial auditors, tax auditors, and other designated professionals.

We have relied on the information supplied and representation made by the Company and its officers for systems and mechanism followed by the Company for compliance under the applicable Acts, Laws and Regulations to the Company.

For KOTA & ASSOCIATES,
Company Secretaries,

KOTA SRINIVAS
ACS:34206
CP : 14300

Place: Hyderabad
Date : 28th August, 2019

This Report is to be read with our letter of even date which is annexed as Annexure –I and forms an integral part of this Report.

ANNEXURE-I
(to the Secretarial Report of M/s. PROSEED INDIA Limited
for the FY 2018-19)

To
The Members of the
M/s. PROSEED INDIA LIMITED
CIN: L01403TG2002PLC039113
Hyderabad.

Dear Sirs,
Sub: Annexure – I to the Secretarial Audit Report to your Company for the FY 2018-19.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For KOTA & ASSOCIATES,
Company Secretaries,

Kota Srinivas
ACS:34206
CP :14300

Place: Hyderabad
Dated: 28th August, 2019

**FORM NO. MGT -9
EXTRACT OF ANNUAL RETURN**

As on the financial year ended on 31.03.2019

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

CIN	L01403TG2002PLC039113
Registration Date	12/06/2002
Name of the Company	PROSEED INDIA LIMITED
Category / Sub-Category of the Company	Agri Seeds
Address of the Registered Office and contact details	Flat No. 302, Lotus Block, Block - B, Sandy Springs, Manikonda, Hyderabad TG 500089 IN
Whether listed company	Listed on NSE and BSE (Indo Next)
Name, address and contact details of Registrar and Transfer Agent, if any	CIL Securities Ltd. 214, Raghava Ratna Towers, Chirag Ali Lane, Hyderabad - 500 001. Andhra Pradesh, India.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

Sl.No.	Name and Description of main products/services	NIC Code of the Product/service	% tototal turnover of the company
1.	Commodity Trading	6612	38.87%
2.	Seed	4773	61.13%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-

Sl.No.	Name and Address of the Company	CIN/GLN	Holding /Subsidiary /Associate	% of shares held	Applicable Section
1	Nil	Nil	Nil	Nil	Nil

IV. SHAREHOLDING PATTERN (Equity Share Capital Break up as percentage of Total Equity

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year 31st March 2018				No. of Shares held at the end of the year 31st March 2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1) Indian									
a) Individual/ HUF	6636198	-	6636198	6.90	6636198	-	6636198	6.90	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp	27645509	-	27645509	28.76	27645509	-	27645509	28.76	-
e) -	-	-	-	-	-	-	-	-	-
f) -	-	-	-	-	-	-	-	-	-
Sub-total(A)(1):-	34281707		34281707	35.66	34281707		34281707	35.66	
2) Foreign									
g) NRIs-Individuals	-	-	-	-	-	-	-	-	-
h) Other-Individuals	-	-	-	-	-	-	-	-	-
i) -	-	-	-	-	-	-	-	-	-
j) -	-	-	-	-	-	-	-	-	-
k) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total(A)(2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)=(A)(1)+A(2)	34281707	-	34281707	35.66	34281707	-	34281707	35.66	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) Marshal Golbal Capital Fund Ltd (FIIs)	1500213	-	1500213	1.56	-	-	-	-	-1.56
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
I) Others (Specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	1500213	-	1500213	1.56	-	-	-	-	-1.56
2. Non Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
(i) Indian	-	-	-	-	-	-	-	-	-
(ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
(i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	36918478	23101	36941579	38.45	43091027	22111	43113138	44.86	6.41

Category of Shareholders	No. of Shares held at the beginning of the year 31st March 2018				No. of Shares held at the end of the year 31st March 2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	18657335	-	18657335	19.42	13583074	-	13583074	14.13	-5.29
c) Others(Specify)	-	-	-	-	-	-	-	-	-
NRI	951269	-	951269	0.99	885130	-	885130	0.92	-0.07
Trusts	-	-	-	-	1000	-	1000	0.00	0.00
Custodians/Clearing members	13989	-	13989	0.01	326499	-	326499	0.34	0.33
Body Corporate	3762344	-	3762344	3.91	3917888	-	3917888	4.08	0.17
Sub-total (B)(2)	60303415	23101	60326516	62.78	61804618	22111	61826729	64.33	1.55
Total Public Shareholding (B)=(B)(1)+ (B)(2)	61803628	23101	61826729	64.34	61804618	22111	61826729	64.33	1.55
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	96085335	23101	96108436	100	96086325	22111	96108436	100	-

ii. Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year(01-04-2018)			Shareholding at the end of the year(31-03-19)			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged/ encumbered to total shares	
1.	KLING ENTERPRISES INDIA LIMITED	27645509	28.76	-	27645509	28.76	-	0
2.	MEENAVALLI VENKATA SRINIVAS	3254586	3.39	-	3254586	3.39	-	0
3.	MEENAVALLI USHA RANI	3226360	3.36	-	3226360	3.36	-	0
4.	MEENAVLLI KRISHNA MOHAN	80786	0.08	-	80786	0.08	-	0
5.	M.V. LAXMI	74466	0.08	-	74466	0.08	-	0

iii. Change in Promoters' Shareholding :

There is no change in Promoters Shareholding during the year.

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Name of the Share Holder	Share holding at the beginning of the year 01-04-2018		Share holding at the end of the year 31-03-2019	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	UMA KUNAREDDY	2133340	2.17	2133340	2.17
2.	ANDELA SRINIVAS RAO	916300	0.95	916300	0.95
3.	RENUKA DEVI NADIMPALLI	750000	0.78	750000	0.78
4.	KUNAREDDY SIMI	750000	0.78	750000	0.78
5.	CHERLO MADHAVI	527624	0.55	531124	0.55
6.	CHERLO PENCHALA REDDY	409247	0.43	516581	0.54
7.	KARVY STOCK BROKING LTD	250881	0.26	513506	0.53
8.	MAHINDER RAM GIDWANI	500000	0.52	500000	0.52
9.	SATYAVENKATA SURYA RAMAKRISHNAMRAJU NAMBURI	0	0	488209	0.51
10.	G ASHWIN	477189	0.50	477189	0.50

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Dasigi Venkata Surya Prakash Rao	42754	0.04	42754	0.04
2	SatyaSrikanthKaraturi	-	-	-	-
3	NekkantiVenkataKrishnayya	-	-	-	-
4	Chukka Lakshmi	-	-	-	-

V. INDEBTEDNESS
Indebtedness of the Company including interest outstanding/accrued but not due for payment

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
I. Principal Amount	139,674,914	63,508,977	-	203,183,891
ii. Interest due but not paid	427,428	-	-	427,428
iii. Interest accrued but not due	5,480,403	-	-	5,480,403
Total (i+ii+iii)	145,582,745	63,508,977	-	209,091,722
Change in Indebtedness during the financial year				
• Addition	5,437,790	3,600,000	-	9,037,790
• Reduction	4,250,000	3,537,000	-	7,787,000
Net Change	1,187,790	63,000	-	1,250,790
Indebtedness at the end of the financial year				
i. Principal Amount	145,582,745	63,571,977	-	209,154,722
ii. Interest due but not paid	1,187,790	-	-	1,187,790
iii. Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	146,770,535	63,571,977	-	210,342,512

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	1. D.V.S. Prakash Rao	5,47,200
2.	Stock Option	NIL	NIL
3.	Sweat Equity	NIL	NIL
4.	Commission - as % of profit - others, specify...	NIL	NIL
5.	Others, please specify Total(A) Ceiling as per the Act	NIL 30 Lakhs	NIL NIL

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors	Total Amount
1.	Independent Directors •Fee for attending board committee meetings •Commission •Others, please specify Total(1)		NIL NIL
2.	Other Non-Executive Directors •Fee for attending board committee meetings •Commission •Others, please specify Total(2) Total(B)=(1+2) Total Managerial Remuneration Over all Ceiling as per the Act		NIL NIL NIL NIL
		Not Applicable	

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/ MANAGER/WTD

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		NIL NIL NIL
2.	Stock Option		NIL
3.	Sweat Equity		NIL
4.	Commission - as % of profit - others, specify...		NIL
5.	Others, please specify Total(A) Ceiling as per the Act	Not Applicable	NIL NIL

VII. PENALTIES/PUNISHMENT/COMPOUNDING OFFENCES: NIL

Type	Section of the Companies Act	Brief Description	Details of Penalty /Punishment/ Compounding fee imposed	Authority RD/NCLT /Court	Appeal made if any
A. Company B. Directors C. Others Officers In default	NIL	NIL	NIL	NIL	NIL

REPORT ON CORPORATE GOVERNANCE
1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The concept of Corporate Governance hinges on total transparency, integrity and accountability of the management team. Your Company has been following the Corporate Governance practices like striking out reasonable balance in the composition of Board of Directors, setting up Audit Committee and other business committees, adequate disclosures and business to be deliberated by the Board etc. Your Company is committed to follow good Corporate Governance practices and improve upon them year after year.

2. BOARD OF DIRECTORS

The Board of Directors of the Company has an optimum combination of Executive and Non Executive Directors with not less than Fifty percent of the Board of Directors comprising of Non Executive Directors. The Company has whole time director and Executive Director and more than 60% of the Board consisting of Independent and Non-Executive Directors.

a) Composition and Category of Board of Directors

Category	No. of Directors	% of the Board
Promoter, Executive and Non-Independent Director	NIL	0%
Executive Director(s)	1	25.00%
Non-Executive Director	1	25.00%
Non-Executive and Independent Director	2	50%
Total	4	100%

b) Attendance of each Director at the Board Meetings held during the year 2018-19 and at the Last Annual General Meeting;

Sl. No.	Name and Designation of the Director	Board Meetings held during the year	Board Meetings Attended during the year	Attendance at Last AGM (Yes/No)
1	Mr. D.V.S Prakash Rao	6	6	YES
2	Mr. Satya Srikanth Karaturi	6	1	NO
3	Mr. Nekkanti Venkata Krishnayya	6	6	YES
4	Mrs. Chukka Lakshmi	6	2	NO

c) Number of other Boards or Board Committees in which Directors are Member or Chairperson.

Name of the Director	Board@		Committee	
	Chairman	Member	Chairman	Member
Mr. D VS Prakash Rao	NIL	1	NIL	NIL
Mr. Nekkantivenkatakrishnayya	NIL	1	NIL	3
Mr. SatyaSrikanthKaraturi	NIL	2	NIL	3
Mrs. Chukka Lakshmi	NIL	2	NIL	6

@ Directorships in Foreign Companies are excluded

d) Number of Board meetings held, dates on which held

The Board of Directors met 6 times during the year 2018-19 on 30th May 2018; 13th August 2018; 28th August 2018; 14th November 2018; 13th February 2019 and 14th March, 2019.

3. AUDIT COMMITTEE

The Audit Committee of the company is constituted in line with the provisions of section 177 of the companies Act 2013 read with the Regulation 18 of SEBI (LODR) Regulation, 2015 entered into with the Stock Exchanges.

Apart from all the matters provided in Regulation 18 of the SEBI (LODR) Regulation, 2015 and section 177(4) of the companies Act 2013, the Audit committee reviews reports of the internal auditor, meets statutory auditors as and when required and discusses their findings, suggestions, observations and other related matters. It also re-views major accounting policies followed by the company. It also investigates into any of the matter of section 177(4), as and when required.

The composition of Audit Committee and details of meetings attended by its members are given below

Sl. No.	Name of Director	Designation in the Audit Committee	Number of Meetings during the financial year 2017-18	
			Held	Attended
1	Mr. Nekkanti Venkata Krishnayya	Chairman	4	4
2	Mr. Satya Srikanth Karaturi	Member	4	-
3	Mrs. Chukka Lakshmi	Member	4	1

iii. Meetings and Attendance during the year

During the Financial Year 2018-19, the Audit Committee met 4 times on the following dates: 30th May 2018; 13th August 2018; 14th November 2018; and 13th February 2019.

4. NOMINATION AND REMUNERATION COMMITTEE

The composition of Compensation / Remuneration Committee is as follows:

Sl. No	Name of Director	Designation in the Committee
1	Mr. Nekkanti Venkata Krishnayya	Chairman
2	Mr. Satya Srikanth Karaturi	Member
3	Mrs. Chukka Lakshmi	Member

(a) Brief description of terms of reference

The terms of reference of the Compensation Committee, inter-alia includes determination of compensation package of Executive Directors and Senior Management of the Company and to frame policies and procedures for Employee Stock Option plans approved by the members of the company.

(b) Remuneration policy

The Company has a credible and transparent policy in determining and accounting for the remuneration of the Executive/ Non executive Directors. Their remuneration is determined in accordance with the experience and nature of responsibilities as well as industry standards. The same is subject to the approval of the Remuneration Committee of the Board of Directors and the members.

5. STAKEHOLDERS RELATIONSHIP COMMITTEE

The composition of Shareholders/Investors' Grievance Committee is as follows

S No	Name of Director	Designation in the Committee
1	Mr. Nekkanti Venkata Krishnayya	Chairman
2	Mr. Satya Srikanth Karaturi	Member
3	Mrs. Chukka Lakshmi	Member
4.	Mr. D.V.S Prakash Rao	Member

The Investors' Grievance Committee focuses on shareholders' grievances and strengthening of investor relations. The functions of the committee include the redressal of shareholders / investor complaints / grievances pertaining to transfers / transmissions of shares, dividend, and dematerialization of shares, replacement of lost / stolen / mutilated share certificates and other related issues. There are no complaints pending as on the date of this report.

The details of investor's complaints received and resolved during the financial year 2014-15 is as under.

No. of Investor's Complaints received during the financial year 2018-19	No. of Investor's Complaints resolved during the financial year 2018-19	Investor Complaints pending at the end of financial year 2018-19
NIL	NIL	NIL

6. GENERAL BODY MEETING

Details Date, Time and Venue of the Last Three Annual General Meetings of the Company

Financial year ended	Date	Venue	Time
March 31, 2018	28.09.2018	Senior Citizen Hall, 2nd Floor, Beside S.R.K Raju Community Hall, Madhura Nagar, Hyderabad – 500 018 Telangana	02.00 P.M
March 31, 2017	29.09.2017	Moti Nagar Community Hall, Mothinagar X Roads, Borabanda, Hyderabad – 500 018 Telangana	02.00 P.M
March 31, 2016	30.09.2016	Kalinga Cultural Trust, Plot No.1269, Road No.12, Banjara Hills, Hyderabad-500034	03.30 P.M

No special resolution has been passed by the Company in the last year through postal ballot.

7. DISCLOSURES

- I. The summary of the materially significant related party transactions is given in the Notes to the Accounts appearing in this Annual Report. However, none of the related party transactions have potential conflict with the interests of the Company at large, as all the transactions were entered into on an arms-length basis.
- II. The Company has complied with all the requirements of the Listing Agreement of the Stock exchanges as well as regulations and guidelines of SEBI. No penalties have been levied or strictures have been passed by SEBI, Stock Exchanges or any other Statutory Authority on matters relating to capital markets, in the last three years. There were no non-compliances by the company, penalties, strictures imposed on the company by Stock Exchanges or SEBI or any statutory authority, on any matter related to Capital Market during the last three financial years.
- III. The Company has complied with the requirements relating to Corporate Governance as mandated by Listing Agreements with the Stock Exchanges and also with the non-mandatory requirements as Remuneration Committee, Disclosures, Communication and General Information to the shareholders.

8. MEANS OF COMMUNICATION

The Quarterly, half yearly and yearly financial results are sent to the Stock Exchanges immediately after the Board approves the same and are also published in The Financial Express, English newspaper and in Nava Telangana, vernacular newspaper. Then same is also uploaded in the company's Website: www.proseedindia.in

9. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As required by clause 2 sub clause (e) of Regulation 34 SEBI (LODR) Regulation 2015, Management Discussion and Analysis Report is annexed to the Directors' Report.

10. GENERAL SHAREHOLDERS INFORMATION:

i. Annual General Meeting:

Date : September 28, 2019
 Time : 12.00 p.m.
 Venue : Senior Citizen Hall 2nd Floor, Beside S.R.K Raju community hall, Madhuranagar, Hyderabad 500038 Telangana

ii. Financial Year : 1st April 2018 to 31st March 2019

iii. Date of Book Closure : 25th September, 2019 to 28th September, 2019
 (Both days inclusive)

iv. Listing on Stock Exchange : 1. National Stock Exchange
 2. Bombay Stock Exchange (Indo Next)

v. Stock Symbol & Code : PROSEED (NSE) & 590057 (BSE)

vi. Market price data : High / Low during the each month in the financial year 2018-19 and performance in comparison to broad based indices, NSE's Nifty and BSE's Sensex etc.,

Month & year	BSE				NSE			
	Stock (Rs)		SENSEX		Stock (Rs)		NIFTY	
	High	Low	High	Low	High	Low	High	Low
Apr-18	0.61	0.61	35213.30	32972.56	0.05	0.05	10759	10111.30
May-18	0.66	0.56	35993.53	34302.89	0.55	0.05	10929.20	10417.80
June-18	0.66	0.60	35877.41	34784.68	0.80	0.60	10893.25	10550.90
July-18	No Records	No Records	37644.59	35106.57	0.55	0.50	11366	10604.65
Aug-18	0.60	0.54	38989.65	37128.99	0.50	0.40	11706.20	11234.95
Sept-18	0.58	0.52	38934.35	35985.63	0.50	0.40	11751.80	10850.30
Oct-18	0.57	0.47	36616.64	33291.58	0.65	0.45	11035.65	10004.55
Nov-18	0.52	0.48	36389.22	34303.38	0.60	0.40	10922.45	10341.90
Dec-18	0.90	0.46	36554.99	34426.29	1.30	0.40	10963.65	10333.85
Jan-19	1.07	0.55	36701.03	35375.51	1.40	0.50	10987.45	10583.65
Feb-19	0.59	0.44	37172.18	35287.16	0.60	0.45	11118.10	10585.65
Mar-19	0.52	0.42	38748.54	35926.94	0.50	0.35	11630.35	10817

vii. Registrar and Transfer Agent:

CIL Securities Limited

214, Raghava Ratna Towers, Chirag Ali Lane,

Hyderabad-500001

Phone: +91 040-23203155

Email ID: rta@cilsecurities.com

viii. Share Transfer System:

Share transfers are registered and returned within a period of fifteen days from the date of receipt, if the documents are in order in all respects.

ix. Distribution of shareholding:

No. of Shares From	Upto	No. of Holders	% Held	No. of Shares	Held%
0	500	12196	60.92	2257219	2.35
501	1000	2740	13.69	2409640	2.51
1001	2000	1932	9.65	3195693	3.33
2001	3000	757	3.78	1978423	2.06
3001	4000	394	1.97	1448263	1.51
4001	5000	474	2.37	2300489	2.39
5001	10000	719	3.59	5665849	5.90
10001	96108436	808	4.04	76852860	79.96
		20020	100	96108436	100

x. Dematerialization of shares and Liquidity:

As on 31 March 2019, 99.97% of the paid up equity capital of the Company has been dematerialized and the trading of Equity shares in the Stock Exchanges is under compulsory dematerialization.

ISIN: INE217G01027

xi. Address for correspondence:

Company Secretary
Proseed India Limited (Formerly Green Fire Agri Commodities Limited)
Flat No. 302, Lotus Block, Block-B,
Sandy Springs, Manikonda,
Ranga Reddy Dist., Telangana, Hyderabad - 500 089.
Tel: 08413485046
Fax: +91-40-23548537
URL: www.proseedindia.India

11. WHISTLE BLOWER POLICY:

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism of reporting illegal or unethical behaviour. The company has a whistle blower policy wherein the employees are free to report violations of laws, rules, regulations or unethical conduct of their immediate supervisor or such other person as may be notified by the management to the workgroups. The confidentiality of those reporting violations is maintained and they are not subjected to any discriminatory practice.

CERTIFICATE ON CORPORATE GOVERNANCE

(As per Regulation 34 read with Schedule V of the SEBI (LODR) Regulation, 2015)

To
The Members of
Proseed India Limited

We have examined the compliance of conditions of Corporate Governance by Proseed India Limited for the year ended March 31, 2019, as stipulated in Regulation 34 read with Schedule V of the SEBI (LODR) Regulation, 2015 of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Regulation 34 read with Schedule V of the SEBI (LODR) Regulation, 2015.

We state that in respect of Investor Grievances no such Grievances are pending for a period exceeding one month against the Company as per the record maintained by the Shareholders / Investors Grievance Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For NAVITHA & ASSOCIATES
Chartered Accountants

Date : 28th August, 2019
Place: Hyderabad

CA Navitha. K
Firm Registration No. 012026S
M. No. 221085

DECLARATION ON CODE OF CONDUCT BY
THE EXECUTIVE DIRECTOR OF THE COMPANY

I hereby declare that all the members of the Board and senior Management of the Company have complied with all the provisions of the Code of Conduct.

Place: Hyderabad
Date: 28th August, 2019

For and on behalf of the Board
For Proseed India Limited

D.V.S. Prakash Rao
Whole Time Director & CEO

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Indian Economy

During the fiscal 2018-19, the Indian economy continued to consolidate on volatile macroeconomic scenarios. Despite the recent sluggishness and increase in petroleum prices, economic growth continued to be robust and inflation remained more or less stable as the fiscal and current account deficits as percentages of the GDP hovered at acceptable levels. The Indian economy, retaining its tag of fastest growing major economy in the world for the second time in a row, registered a growth rate of 6.8% during the 2018-19. The stress laid on fiscal consolidation through expenditure rationalisation, revenue raising efforts, tactical administrative measures for cooperative financial governance and containing inflation have contributed significantly to macroeconomic stability.

India's GDP growth While highlighting the fact that India has the fastest growth amongst G20 economies, with export growth holding up well, it is to be further mentioned that the Indian economy is expected to grow at around 7.20% in 2019, accelerating to somewhere in-between 7.3% - 7.5% by 2020 buoyed by rural consumption and subdued inflation. The Index of Industrial Production (IIP) with base 2011- 12 for the April-January period for 2018-19 registered a 4.4% increase over the corresponding period for the previous year. Growth in the agriculture sector is expected to be moderate as the Gross Value Added (GVA) at basic prices for the sector is estimated at 2.7% for 2018-19 on a high base of 5% in 2017-18. The manufacturing sector is expected to post robust growth with the sector's GVA growth estimated at 8.1% in 2018-19 as compared to 5.9% during 2017-18 Strengthened by the benefits derived from structural reforms such as the Goods and Services Tax (GST) harmonization and bank recapitalization, up tick in domestic demand gained momentum in 2018.

Major issues faced by the Indian agricultural industry Population pressure and demographic transition Resource base degradation, water scarcity and lack of irrigation facilities Restricted usage of modern science and technology and reduced support of research and technology development; and Inadequate storage facilities Quality seed through SRR needs acceleration Rapid urbanization Export scenario India is the ninth largest exporter of agricultural products in the world. Total agricultural exports from India grew at a CAGR of 16.45% over FY10-18 to reach USD 38.21 billion in FY18 and the total agriculture exports from India stood at US\$ 34.36 billion.

Despite the best efforts being made by your company to come out of the bad debts, could not able to stop the liquidation stage and finally got IRP (Interim Resolution Professional) being appointed by NCLT (National Company Law Tribunal).

It is very painful and hard fact that your company being declared for settlement of the dues to the operational/ Financial creditors. We have to wait and see for a possible results of the outcome.

CEO/CFO Certificate

To,

The Shareholders and the Board of Directors,
Proseed India Limited

I, Dasigi Venkata Surya Prakash Rao, Whole Time Director & CEO of PROSEED INDIA LIMITED certify that:

- 1) We have reviewed the financial statements and the cash flow statement for the year ended 31 March, 2019 (hereinafter referred to as 'the year') and that to the best of our knowledge and belief:
 - a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) these statements together present a true and fair view of the state of affairs of the Company and of the results of the operations and cash flows. The financial statements have been prepared in conformity, in all material respects, with the existing generally accepted accounting principles including accounting standards, applicable laws and regulations.
- 2) There are, to the best our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate of Company's code of conduct.
- 3) We accept overall responsibility for establishing and maintaining the Company's internal control system for financial reporting and evaluating its effectiveness. Internal Audit function monitors the internal control system for financial reporting, which encompasses the examination and evaluation of the adequacy and effectiveness. Internal Audit works with all levels of management and statutory Auditors, and reports significant issues to the Audit Committee of the Board. The Auditors and Audit Committee are apprised of any corrective action taken with regard to significant deficiencies and material weakness.
- 4) We have indicated to the auditors and to the audit Committee:
 - a) Significant changes in internal controls over financial reporting during the year;
 - b) Significant changes in the accounting policies during the year;
 - c) There have been no instances of significant fraud of which we have become aware of and which involve the management or other employees who have significant role in the Company's internal control system over financial reporting.

However, during the year there were no such changes and instances.

Place : Hyderabad
Date : 28th August, 2019

D V S Prakash Rao
Whole time Director & CEO
(DIN No. 03013165)

INDEPENDENT AUDITORS' REPORT

To the Members of Proseed India Limited Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of Proseed India Limited (“the Company”), which comprise the Balance Sheet as at 31st March, 2019, and the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (‘the Act’) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the state of affairs (financial position) of the Company as at 31st March, 2019, and its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (Sas), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the ‘Auditor’s Responsibilities for the Audit of the Standalone Ind AS Financial Statements’ section of our report. We are independent of the Company in accordance with the ‘Code of Ethics’ issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Except for the matter described in the Material Uncertainty Related to Going Concern section, no other KAM needs to be addressed in our report.

Other Information

The Company’s Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company’s annual report, but does not include the financial statements and our auditors’ report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management’s Responsibility for the Standalone Financial Statements

Proceed India Limited is under Corporate Insolvency Resolution Process under Insolvency and Bankruptcy Code (“the code”). An application being filed by an operational creditor and the process of the code is under the initial stage of hearings.

The Company’s Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, Management and Board of Directors are responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(I) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Ind AS financial statements, including the disclosures, and whether the Standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Ind AS financial statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards Specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements;
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company.

For Navitha And Associates**Chartered Accountants**

ICAI Firm Registration Number: 012026S

Navitha.K*Proprietor*

Membership Number: 221085

Place :Hyderabad

Date :23.05.2019

ANNEXURE “A” TO THE AUDITOR’S REPORT

Referred to in paragraph 1 under the head “Report on other legal & regulatory requirements” of our report of even date.

- i) a. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- b. All the property, plant and equipment have been physically verified by the management during the year according to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c. As per the documents verified by us and explanation given to us, the Title Deeds of immovable properties are held in the name of the company.
- ii). The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. No material discrepancies have been noticed on physical verification of stocks as compared to book records.
- iii). According to the information and explanations given to us, the company has not granted any loans secured or unsecured, to companies, firms, Limited Liability Partnership or other parties who are covered in the register maintained under section 189 of Companies Act, 2013, accordingly paragraph 3 (iii) (a), (b) and (c) of the order are not applicable to the company.
- iv) According to the information and explanations given to us, the Company has not granted any loans, guarantees and security and made investments, as per section 185 & 186 of the Companies Act, 2013.
- v) According to the information and explanations given to us, the Company has not accepted any deposits from the public as per the directives issued by the Reserve Bank of India and as per the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.
- vi) The Company has maintained cost records as specified by the Central Government under section 148(1) of the Companies Act, 2013.
- vii) a. According to the information & explanations given to us, none of the undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Goods & Service Tax, Cess and any other Statutory Dues were outstanding as at last day of the financial year concerned for a period of more than six months.
- b. According to the information & explanations given to us, there is no dues in respect of disputed amount to be deposited in respect of Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax as on 31st March, 2019 except as stated below:

Name of the Statute	Nature of dues	Period to which the amount relates	Amount (₹)	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	AY 2010-11	14,753,800	Income Tax Appellate Tribunal

- viii) According to the information and explanations given to us, the company has defaulted in repayment of loans or borrowing to the financial institutions, banks, or dues to directors.
- ix) In our opinion, and according to the information and explanations given to us, the company has raised money by way of term loans and has applied for the purpose for which it was raised, company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year.
- x) According to the information and explanations given to us, no fraud by the Company or any fraud on the company by its officers/employees has been noticed or reported during the course of our audit.
- xi) According to the information and explanations given to us, the Company has paid and provided managerial remuneration during the year as per the provisions of Section 197 read with Schedule V to the Companies Act.
- xii) In our opinion, the Company is not a Nidhi Company. Accordingly, Clause (xii) of Paragraph 3 of the Order is not applicable.
- xiii) According to the information and explanations given to us, all transactions with the related party are in compliance with section 177 & 188 of Companies Act, 2013 and the same has been disclosed in financial statements as required by the Accounting Standards.
- xiv) According to the information and explanations given to us, the company has not made preferential allotment of shares and convertible share warrants on private placement basis during the year. Accordingly, paragraph 3 (xiv) of the Order is not applicable to the company.
- xv) According to the information and explanations given to us, the company has not entered into Non Cash Transactions with directors or persons connected with them. Accordingly, paragraph 3 (xv) of the Order is not applicable to the company.
- xvi) According to the information and explanations given to us, company is not required to be registered under section 45-IA of Reserve Bank of India Act, 1934.

For Navitha And Associates
Chartered Accountants

ICAI Firm Registration Number: 012026S

Navitha.K
Proprietor

Membership Number: 221085

Place :Hyderabad

Date :23.05.2019

Annexure “B” to the Independent Auditor’s Report of even date on the Financial Statements of Proseed India Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Proseed India Limited (“the Company”) as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal financial controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For Navitha And Associates

Chartered Accountants

ICAI Firm Registration Number: 012026S

Navitha.K

Proprietor

Membership Number: 221085

Place :Hyderabad

Date :23.05.2019

Balance sheet as at 31 March 2019
(All amounts in Indian rupees, except share data and where otherwise stated)

Particulars	Note No.	As at 31 March 2019	As at 31 March 2018
ASSETS			
Non-current Assets			
(a) Property, plant and equipment	2.1	19,11,068	1,41,55,886
(b) Financial assets			
(i) Other financial assets	2.2	5,500	20,500
(c) Other Non-current Assets	2.3	1,07,27,010	1,23,37,198
Total Non-current Assets		1,26,43,578	2,65,13,584
Current Assets			
(a) Financial assets			
(i) Trade receivables	2.4	1,32,88,964	65,69,271
(ii) Cash and cash equivalents	2.5	7,92,466	6,60,073
(iii) Other financial assets	2.6	34,79,862	27,02,085
Total Current Assets		1,75,61,292	99,31,429
TOTAL ASSETS		3,02,04,870	3,64,45,013
EQUITY AND LIABILITIES			
Shareholder's funds			
(a) Equity Share capital	2.7	9,61,08,436	9,61,08,436
(b) Other Equity	2.8	(33,65,58,740)	(32,97,25,267)
TOTAL EQUITY		(24,04,50,304)	(23,36,16,831)
LIABILITIES			
Non-current Liabilities			
(a) Financial Liabilities			
Borrowings	2.9	6,35,71,977	6,35,08,977
(b) Other non-current liabilities	2.10	4,15,50,000	4,47,08,717
Total Non-current Liabilities		10,51,21,977	10,82,17,694
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	2.9	14,67,70,535	14,55,82,745
(ii) Trade payables	2.11	73,70,825	23,32,269
(b) Provisions	2.12	78,341	91,172
(c) Other current liabilities	2.10	1,13,13,496	1,38,37,964
Total Current Liabilities		16,55,33,197	16,18,44,150
TOTAL EQUITY AND LIABILITIES		3,02,04,870	3,64,45,013
Notes on Financial Statements	1&2		

The notes referred to above form an integral part of financial statements

As per our report of even date
for **Navitha and Associates**
Chartered Accountants
Firm's registration No.: 012026S

For and on behalf of the Board of Directors of
for Proseed India Limited
Navitha K
Proprietor
Membership No.: 221085

D.V.S. Prakash Rao
Wholetime Director
DIN: 03013165

Satya Srikanth Karaturi
Director
DIN: 07733024

Place: Hyderabad
Date : 23 May 2019

Statement of Profit and Loss Account for the year ended 31 March 2019

(Amount in ₹)

Particulars	Note	For the year ended 31 March 2019	For the year ended 31 March 2018
Revenue from operations			
Income from operations	2.13	2,03,18,079	70,28,565
Other income	2.14	2,39,194	48,83,138
Total revenue		2,05,57,273	1,19,11,703
Expenses			
Purchase of stock-in-trade	2.15	1,98,75,222	65,96,830
Employee benefits expense	2.16	15,99,279	31,23,841
Finance costs	2.17	53,60,168	51,31,292
Depreciation and amortisation expense	2.1	67,867	88,330
Other expenses	2.18	48,21,927	15,81,202
Total expenses		3,17,24,463	1,65,21,495
Profit/ (Loss) before extraordinary items and tax		(1,11,67,190)	(46,09,792)
Extraordinary items		-	-
Profit/ (Loss) before tax after extraordinary items		(1,11,67,190)	(46,09,792)
Tax expense			
- Current tax		(43,33,717)	(36,28,340)
- Current tax for earlier years		-	-
- Deferred tax charge		-	-
Net Profit /(Loss) after tax		(68,33,473)	(9,81,452)
Other Comprehensive Income/(Loss) (OCI)			
Items that will not be reclassified to profit or loss in subsequent periods:			
Other Comprehensive Income/(Loss) for the period net of tax		-	-
Total Comprehensive Income for the period, net tax		(68,33,473)	(9,81,452)
Paid up equity share capital (face value of ₹1/-each)		-	-
Earning per share (face value of share ₹ 1 each)		-	-
[previous year: ₹ 1 each]			
- Basic/ Diluted		(0.07)	(0.01)
Earning per share (Excluding Extraordinary Items)			
- Basic/ Diluted		(0.07)	(0.01)
Notes on Financial Statements	1&2		

The notes referred to above form an integral part of the financial statements
As per our report of even date

for **Navitha and Associates**
Chartered Accountants
Firm's registration No.: 012026S

For and on behalf of the Board of Directors of
for Proseed India Limited

Navitha K
Proprietor
Membership No.: 221085

D.V.S. Prakash Rao
Wholtime Director
DIN: 03013165

Satya Srikanth Karaturi
Director
DIN: 07733024

Place: Hyderabad
Date : 23 May 2019

Cash flow statement for the year ended 31 March 2019

(Amount in ₹)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
I. Cash flows from operating activities:		
Net profit/(loss) before taxation:	(1,11,67,190)	(46,09,792)
Adjustments for operating activities:		
Depreciation and amortisation	67,867	88,330
Interest expense	53,60,168	51,31,292
Profit/(Loss) on sale of property (net)	14,06,951	-
Operating profit before working capital changes	(43,32,204)	6,09,830
Movement in working capital:		
Increase/(decrease) in trade receivables	(67,19,693)	21,14,045
Increase/(decrease) in inventories	-	-
Increase/ (decrease) in trade payables	50,38,556	(1,55,53,873)
Increase/ (decrease) non current assets	16,25,188	3,36,418
Increase/ (decrease) in Financial current assets	(7,77,777)	3,51,621
Increase/ (decrease) in non current liabilities and provisions	11,74,999	2,90,09,135
Increase/ (decrease) in current liabilities and provisions	(25,37,298)	1,07,24,580
Cash generated from operations	(65,28,229)	2,75,91,756
Income taxes paid/(received)	-	-
Net cash flow from operating activities (A)	(65,28,229)	2,75,91,756
II. Cash flows from investing activities		
Proceeds from sale of fixed assets	1,07,70,000	-
Net cash flow used in investing activities (B)	1,07,70,000	-
III. Cash flows from financing activities		
Unsecured Loan received	63,000	81,56,000
Repayment / (Proceeds) of short-term borrowings	11,87,790	(3,03,56,717)
Finance costs	(53,60,168)	(51,31,292)
Net cash from financing activities (C)	(41,09,378)	(2,73,32,009)
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	1,32,393	2,59,747
Cash and cash equivalents at the beginning of the year	6,60,073	4,00,326
Cash and cash equivalents at the end of the year (refer note 2.5)	7,92,466	6,60,073

As per our report of even date

 for **Navitha and Associates**
Chartered Accountants
Firm's registration No.: 012026S

 For and on behalf of the Board of Directors of
for Proseed India Limited
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Wholetime Director
DIN: 03013165

Satya Srikanth Karaturi
Director
DIN: 07733024

 Place: Hyderabad
Date : 23 May 2019

Statement of changes in equity for the year ended March 31, 2019

Particulars	No. of Shares	Amount (₹)
a. Equity Share Capital		
Equity Shares of ₹1 Each, Fully paid up		
As at April 01, 2017	9,61,08,436	9,61,08,436
Issued during the year	-	-
Balance As at March 31, 2018	9,61,08,436	9,61,08,436
Issued during the year	-	-
Balance As at March 31, 2019	9,61,08,436	9,61,08,436

b. Other Equity

Particulars	Reserves and surplus				Total
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	
As at April 01, 2017	16,71,142	-	-	(33,17,00,065)	(33,00,28,923)
Profit/(loss) for the year	-	-	-	(9,81,452)	(9,81,452)
Forfeited share capital	12,85,108	-	-	-	12,85,108
Balance As at March 31, 2018	29,56,250	-	-	(33,26,81,517)	(32,97,25,267)
Profit/(loss) for the year	-	-	-	(68,33,473)	(68,33,473)
As at March 31, 2019	29,56,250	-	-	(33,95,14,990)	(33,65,58,740)

The notes referred to above form an integral part of financial statements

As per our report of even date
for **Navitha and Associates**
Chartered Accountants
Firm's registration No.: 012026S

For and on behalf of the Board of Directors of
for Proseed India Limited

Navitha K
Proprietor
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Satya Srikanth Karaturi
Director
DIN: 07733024

Place: Hyderabad
Date : 23 May 2019

Note 1: Significant accounting policies**Overview**

Proseed India Limited (“the Company”) was incorporated as Garden Style Private Limited on 11 June 1991. The name of the Company was subsequently changed from Green Fire Agri Commodities Limited to Proseed India Limited on 20 January 2016. The company mainly engaged in Agri Commodities Trading and production, processing, trading of Seeds.

(a) Basis of preparation & compliance with IND AS

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (“the Act”) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. The financial statements have been prepared on the historical cost basis except for certain financial liabilities, which are measured at fair value.

The financial Statements of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by Ministry of corporate affairs pursuant to Section 133 of the Companies Act 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments through Companies (Indian Accounting Standards) Amendment Rules there under.

The Financial statements have been prepared on accrual and going concern basis .the accounting policies are applied consistently to all the periods presented in the financial statements.

(b) Use of estimates

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and judgments that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key sources of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment of investments, useful lives of property, plant and equipment, valuation of deferred tax assets, provisions and contingent liabilities and fair value measurement of financial instruments have been discussed below. Key source of estimation of uncertainty in respect of revenue recognition and employee benefits have been discussed in their respective policies.

(c) Depreciation and amortization

Depreciation is provided on all property, plant and equipment on straight-line method in the manner and useful life prescribed in Schedule II of the Companies Act, 2013. Depreciation on additions / deletion is provided on pro-rata basis with reference to the date of addition/deletion as the case may be.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at 01 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Company has adopted cost model for all class of items of fixed assets.

(d) Property, Plant and Equipment

Items of property, plant and equipment other than Land and Building are measured at cost less accumulated depreciation and impairment, if any. Land and Building are carried at book value. The cost of property, plant and equipment includes purchase price, including freight, duties, taxes and expenses incidental to acquisition and installation. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Property, plant and equipment are de recognized from financial statements, either on disposal or when no economic benefits are expected from its use or disposal. The gain or losses arising from disposal of property, plant and equipment are recognized in the Statement of Profit and Loss in the year of occurrence..

Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognised as separate assets, as appropriate, only when it is probable that the future economic benefits associated with expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to Statement of Profit and Loss at the time of incurrence.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016 measured as per the Previous Indian GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

(e) Intangible assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective estimated useful lives on a straight-line basis, from the date that they are available for use.

Amortisation

The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Computer software is amortised on straight line basis over a period of Five years.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016 measured as per the Previous Indian GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

(f) Current–non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- i. it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
- ii. it is held primarily for the purpose of being traded;
- iii. it is expected to be realised within 12 months after the reporting date; or
- iv. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- i. it is expected to be settled in the company's normal operating cycle;
- ii. it is held primarily for the purpose of being traded;
- iii. it is due to be settled within 12 months after the reporting date; or
- iv. the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counter party, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

(g) Inventories

Inventories of traded products are valued at the lower of cost and net realisable value. Cost comprises purchase price and all incidental expenses incurred in bringing the inventory to its present location and condition. The Company follows the first in first out (FIFO) method for determining the cost of such inventories.

(h) Minimum Alternative Tax (MAT) Credit entitlement:

MAT Credit entitlement represents amounts paid in a year under Section 115 JAA of the Income Tax Act, 1961 (IT Act), in excess of the tax payable, computed on the basis of normal provisions of the IT Act.

Such excess amount can be carried forward for set off against future tax payments for fifteen succeeding assessment years in accordance with the relevant provisions of the IT Act.-

-Since such credit represents a resource controlled by the Company as a result of past events and there is evidence as at the reporting date the Company will pay normal income tax during the specified period, when such credit would be adjusted, the same has been disclosed as “MAT Credit entitlement, under “Short Term Loans and Advances” in balance sheet with a corresponding credit to the profit and loss account, as a separate line item.

Such assets are reviewed as at each balance sheet date and written down to reflect the amount that will not be available as a credit to be set off in future, based on the applicable taxation law then in force

(i) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

The revenue from sale of commodities is recognised when all significant risks and rewards of ownership of goods are passed to the buyer (ie. On Physical Delivery), in accordance with the terms and conditions of the contracts entered into by the Company with customers.

Income from interest on deposits and interest bearing securities is recognised on the time proportionate method using the underlying interest rates.

(j) Foreign currency transactions

The functional currency of the Company is Indian Rupees (INR).

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Gains and losses arising on settlement are included in the profit or loss.

(k) Earnings per share

The basic earnings per share (“EPS”) is computed by dividing the net profit after tax (including post tax effect of any extraordinary items) for the year by the weighted average number of equity shares outstanding during the year. The Company does not have any potentially dilutive equity shares as at the year-end.

(l) Taxes on income

Income tax expenses comprise of current tax and deferred tax.

Current tax

The current charge for the income taxes is calculated in accordance with the relevant tax laws applicable to the Company.

Deferred tax

Deferred tax charge or benefit reflects the tax effects of timing differences between accounting income and taxable income, which originate during the year but reverse after the tax holiday period.

The deferred tax charge or benefit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantially enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each balance sheet date and written-down or written-up to reflect the amount that is reasonably / virtually certain to be realised. The break-up of the major components of the deferred tax assets and liabilities as at balance sheet date has been arrived at after setting off deferred tax assets and liabilities where the Company has a legally enforceable right to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws.

(m) Leases

Assets acquired under lease, where the Company has assumed substantially all the risks and rewards of ownership are classified as finance lease. Such leases are capitalised at the inception of the lease, at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower.

Assets acquired under lease, where a significant portion of the risks and rewards of ownership are retained by the lessor, are classified as operating lease. Lease payments under operating leases are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

(n) Provisions and contingent liabilities

The Company recognizes a provision when there is a present obligation as a result of an obligating event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions for onerous contracts are recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at lower of the expected cost of terminating the contract and the expected net cost of fulfilling the contract.

(o) Retirement benefits

Provision for gratuity, which is a defined benefit scheme, is accrued based on actuarial valuation at the balance sheet date, carried out by an independent actuary. The Company recognises the net obligation of the gratuity plan in the balance sheet as an asset or liability respectively in accordance with AS-15 "Employee Benefits".

Long term compensated absences is accrued based on actuarial valuation at the balance sheet date, carried out by an independent actuary.

Contributions to the employees' provident fund are charged to the statement of profit and loss. Such contributions are made to the authorities administering the fund.

(p) Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that any assets may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs to is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the reassessed recoverable amount subject to a maximum of depreciated historical cost.

(q) Cash flow statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals, or accruals of past or future operating cash receipts or payments and item of expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

(r) Fair Value Measurement:

The Company measures financial instruments, such as derivatives at fair value at each Balance Sheet date. Fair value is the price that would be received to sell an asset or settle a liability in an ordinary transaction between market participants at the measurement date. The fair value measurement is based on presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability or
- in absence of principal market, in the most advantageous market for asset or liability. The principal or the most advantageous market should be accessible to the Company.

The fair value of an asset or a liability is measured using the assumption that market participants would use when pricing an asset or liability acting in their best economic interest. The Company uses valuation techniques, that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statement are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:-

- Level 1 – Quoted market prices in active market for identical assets or liabilities.
- Level 2 – valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statement on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as whole) at the end of each reporting period.

(s) Financial instruments

a. Recognition and Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issues of financial assets and financial liabilities that are not at fair value through profit or loss, are added to the fair value on initial recognition.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

b. Classification and Subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets. A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows;
- and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL.

On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management’s strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company’s management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for de recognition are not considered sales for this purpose, consistent with the Company’s continuing recognition of the assets. Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest For the purposes of this assessment, ‘principal’ is defined as the fair value of the financial asset on initial recognition. ‘Interest’ is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company’s claim to cash flows from specified assets (e.g. non recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract.

Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost: These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities: Classification, Subsequent measurement and gains and losses Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

c. Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit

d. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

e. Impairment

The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at fair value through other comprehensive income (FVOCI) are credit impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition. Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information.

Measurement of expected credit losses

Expected credit losses are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the trade receivable does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

2. Notes on accounts
2.1 : Property, Plant and Equipment
(Amount in ₹)

I. Cost	Land	Buildings	Office Equipment	Total
As at April, 2017	1,21,76,951	52,76,579	8,000	1,74,61,530
Additions	-	-	-	-
Disposals	-	-	-	-
As at 31 March, 2018	1,21,76,951	52,76,579	8,000	1,74,61,530
Additions	-	-	-	-
Disposals	1,21,76,951	-	-	1,21,76,951
As at 31 March, 2019	-	52,76,579	8,000	52,84,579
II. Accumulated depreciation				
As at April, 2017	-	32,16,726	588	32,17,314
Depreciation expense	-	86,736	1,594	88,330
Disposals	-	-	-	-
As at 31 March, 2018	-	33,03,462	2,182	33,05,644
Depreciation expense	-	66,259	1,608	67,867
Disposals	-	-	-	-
As at 31 March, 2019	-	33,69,721	3,790	33,73,511
Net carrying value as at March 31, 2019	-	19,06,858	4,210	19,11,068
Net carrying value as at March 31, 2018	1,21,76,951	19,73,117	5,818	1,41,55,886

(Amount in ₹)

Particulars	As at 31 March 2019	As at 31 March 2018
2.2 Other Financial Assets		
Considered Good		
Security deposits	5,500	20,500
	5,500	20,500
2.3 Non-Current Asset		
Advance tax & tax deducted at source	1,07,27,010	1,23,37,198
	1,07,27,010	1,23,37,198
2.4 Trade receivables		
Secured		
Considered Good	1,32,32,846	65,13,153
Considered bad and doubtful	56,118	56,118
	1,32,88,964	65,69,271
2.5 Cash and cash equivalents		
Cash on hand	11,900	14,764
Balance with banks		
-On current accounts	7,80,566	6,45,309
	7,92,466	6,60,073
2.6 Other Financial Assets		
Security deposit	6,00,000	6,00,000
Other advances	26,30,000	20,00,000
Balance with Statutory/Government Authorities	2,49,862	1,02,085
	34,79,862	27,02,085

2. Notes on accounts
2.7 (a) Equity Share Capital
(Amount in ₹)

Particulars	As at 31 March 2019	As at 31 March 2018
Authorised		
560,000,000 Equity Shares of ₹ 1 each	56,00,00,000	56,00,00,000
	56,00,00,000	56,00,00,000
Issued, Subscribed and Paid-up		
96,108,436 equity shares of ₹ 1 each fully paid up	9,61,08,436	9,61,08,436
	9,61,08,436	9,61,08,436

2.7 (b) The details of shareholder holding more than 5% equity shares is set below:

Name of Shareholder	As at 31 March 2019		As at 31 March 2018	
	No. of Shares held	% of holding	No. of Shares held	% of holding
Kling Holdings Private Limited	2,76,45,509	28.77	2,76,45,509	28.77

2.7 (c) The reconciliation of the number of equity shares:

Particulars	As at 31 March 2019		As at 31 March 2018	
	Number	Amount in ₹	Number	Amount in ₹
Shares outstanding at the beginning of the year	9,61,08,436	9,61,08,436	9,61,08,436	9,61,08,436
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	9,61,08,436	9,61,08,436	9,61,08,436	9,61,08,436

1. The Company has issued 16,514,295 equity shares by way of fully paid bonus shares on 03 September 2007.
2. The Company has issued 47,089,846 equity shares of ₹ 1 each during the year 2012 pursuant to the Approved Scheme for consideration other than cash.

Rights, preferences and restrictions of equity shares

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. The Company has only one class of equity shares having a par value of ₹ 1 each. Each share holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend.

2. Notes on accounts
(Amount in ₹)

Particulars	As at 31 March 2019	As at 31 March 2018
2.8 Other Equity		
Other equity consist of the following		
a. Capital reserve account	29,56,250	29,56,250
b. Retained Earnings		
-Opening balance	(33,26,81,517)	(33,17,00,065)
-Profit/(loss) for the year	(68,33,473)	(9,81,452)
	(33,95,14,990)	(33,26,81,517)
Total (a+b)	(33,65,58,740)	(32,97,25,267)
2.9 Borrowings		
Non-Current		
Loans from Promoters and Directors	6,35,71,977	6,35,08,977
	6,35,71,977	6,35,08,977
Current		
Working Capital Demand Loans from Banks-Secured		
Working facilities from ARC Pvt. Ltd.	10,93,21,962	10,93,21,962
Working facilities from Corporation Bank*	3,74,48,573	3,62,60,783
	14,67,70,535	14,55,82,745

Note:
I. *Working capital demand loan from Corporation Bank

- i) Loan from Corporation Bank to meet Business Expenses at present and repayable on demand, subject to annual review/ renewal. This loan also became NPA as on 31-03-2019.

(Amount in ₹)

Particulars	As at 31 March 2019	As at 31 March 2018
2.10 Other Current Non-current liabilities		
Non-Current		
Provision for taxation	-	43,33,717
Others	4,15,50,000	4,03,75,000
	4,15,50,000	4,47,08,717
Current		
Advance from customers	97,31,950	94,16,623
Statutory dues	7,15,063	7,47,319
Creditors for expenses	6,90,541	35,41,305
Others	1,75,942	1,32,717
	1,13,13,496	1,38,37,964
2.11 Trade payables		
Trade payables	73,70,825	23,32,269
Due to Micro, Small and Medium Enterprises (Refer Note: 2.21)	-	-
	73,70,825	23,32,269
2.12 Provisions		
Other Payables- Expenses	78,341	91,172
	78,341	91,172

2. Notes on accounts
(Amount in ₹)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
2.13 Income from operations		
<i>Sale of Goods</i>		
- Commodity	1,10,15,071	29,55,030
- Seed	93,03,008	40,73,535
	2,03,18,079	70,28,565
2.14 Other income		
Provisions no longer required, written back	25,198	39,73,448
Miscellaneous Income	2,13,996	9,09,690
	2,39,194	48,83,138
2.15 Purchase of stock-in-trade		
- Commodity	1,10,51,722	27,16,180
- Seed	88,23,500	38,80,650
	1,98,75,222	65,96,830
2.16 Employee benefits expense		
Salaries	15,00,635	28,00,672
Contribution to provident fund and other funds	81,206	1,92,430
Staff welfare expenses	17,438	1,30,739
	15,99,279	31,23,841
2.17 Finance cost		
Interest on working capital loans	53,60,168	51,31,292
	53,60,168	51,31,292
2.18 Other expenses		
Power and fuel	27,092	33,779
Rent	60,000	60,000
Repairs and maintenance	1,73,726	1,97,034
Rates and taxes	25,33,435	4,48,682
Travelling and conveyance	1,23,812	1,25,872
Legal and professional fees	3,43,445	5,76,374
Communication charges	31,519	41,652
Sales promotion and advertisement	48,956	25,843
Advance written off	15,000	-
Loss on sale of assets	14,06,951	-
Bank charges	10,994	7,286
Printing and stationery	1,180	22,380
Miscellaneous expenses	45,817	42,300
	48,21,927	15,81,202

2. Notes on accounts
2.19 Earning per share (EPS)
(Amount in ₹ except share data)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
a. Profit /(loss) Before Extraordinary items and tax	(1,11,67,190)	(46,09,792)
Less: Extraordinary Items	-	-
b. Profit /(loss) after tax	(68,33,473)	(9,81,452)
c. Number of shares at the beginning of the year	9,61,08,436	9,61,08,436
Add: No. of equity shares issued during the year	-	-
Total number of equity shares outstanding at the end of the year	9,61,08,436	9,61,08,436
Add: Equity shares pending allotment (potential equity shares)	-	-
Total number of equity shares including potential equity shares	9,61,08,436	9,61,08,436
d. Weighted average number of equity shares outstanding during the year. (Nominal value ₹ 1)[previous year: ₹ 1]	9,61,08,436	9,61,08,436
e. Weighted average number of equity shares outstanding during the year. (Nominal value ₹ 1)[previous year: ₹ 1]	9,61,08,436	9,61,08,436
f. Earnings per share (₹)		
- Basic	(0.07)	(0.01)
- Diluted	(0.07)	(0.01)
g. Earnings per share (₹)(Excluding Extraordinary items)		
- Basic	(0.07)	(0.01)
- Diluted	(0.07)	(0.01)

2.20 Related party disclosures
i. Entities where control exists

None

ii. Key Management Personnel

D.V.S Prakash Rao – Wholetime Director

T. Venkateswara Rao – Executive Director (Resigned on 14.03.2019)

iii. Enterprises with whom transactions have taken place
Entities where principal shareholders/management personnel have control or significant influence (either directly or indirectly)

Kling Enterprises India Limited

Stampede Capital Limited, India

Spacenet Enterprises India Limited

iv. Enterprises in which directors are interested

Kling Enterprises India Limited

Stampede Capital Limited, India

Spacenet Enterprises India Limited

v. Persons having Substantial Interest in Voting Power

Kling Enterprises India Limited

Usha Rani Meenavalli

vi. Directors on the Board of the Company

D.V.S Prakash Rao – Wholetime Director

T. Venkateswara Rao – Executive Director (Resigned on 14.03.2019)

Satya Srikanth Karaturi - Independent Director

Venkata Krishnayya Nekkanti - Independent Director

Chukka Lakshmi - Women Director

2. Notes on accounts

I. Particulars of related party transactions

Following is the summary of significant related party transactions:

(Amount in ₹)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Unsecured loan taken		
- Venkata Srinivas Meenavalli (Promoter)	63,000	81,56,000
Remuneration paid		
-D.V.S. Prakash Rao-Wholetime Director	5,47,200	5,53,500
-T. Venkateswara Rao -Executive Director (resigned on 14.03.2019)	2,43,000	4,31,000
Loan/Advance Received		
-Kling Enterprises India Limited (Common Director)	21,22,500	3,81,04,450
Trade payable (Creditor)-Paid to		
-Venkata S Meenavalli (Promoter)	2,76,610	-

II. The Company has the following amounts due from/to the related parties

(Amount in ₹)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Unsecured loan payable		
-Venkata S Meenavalli (Promoter)	5,92,01,977	5,91,38,977
-D.V.S. Prakash Rao (Wholetime Director)	43,70,000	43,70,000
Loan/Advance payable		
-Kling Enterprises India Limited (Common Director)	4,02,26,950	3,81,04,450
Remuneration payable		
-D.V.S. Prakash Rao (Wholetime Director)	41,100	41,460
Trade payable (Creditor)		
-Venkata S Meenavalli (Promoter)	-	2,76,610

2.21 Details of dues to micro and small enterprises as defined under MSMED Act, 2006

The information as required to be disclosed under Schedule III of the Act, w.r.t. Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006(Act) is as given below and the information mentioned at Note No. 2.5- Trade Payables w.r.t. dues of Micro and Small Enterprises, has been determined to the extent such parties have been identified on the basis of information available with the Company and relied on by the auditors :

Particulars	2018-19	2017-18
a. Principal amount remaining unpaid as on 31st March	NIL	NIL
b. Interest due thereon as on 31st March	NIL	NIL
c. Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to the supplier beyond the appointed day during the year	NIL	NIL
d. Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	NIL	NIL
e. Interest accrued and remaining unpaid as at 31st March	NIL	NIL
f. Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Act	NIL	NIL

2. Notes on accounts

2.22 Payments to auditors (included in Legal and professional charges) (excluding GST)

(Amount in ₹)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Audit fee	75,000	1,00,000
Other services	-	-
for reimbursement of expenses	-	-
	75,000	1,00,000

2.23 Commitments and Contingent liabilities

(Amount in ₹)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Contingent Liabilities		
Demand for direct taxes under appeal***	1,47,53,800	2,22,87,540
Sales Tax Matters	6,72,066	6,72,066
Company accepted the OTS offer given by the Phoneix Trust FY 14-18	2,00,00,000	2,00,00,000

*** Pertains to income tax demand/matters on account of deductions/disallowances for the earlier years, pending appeals filed consequent orders passed against the Company/demands raised by the Department under Income Tax Act, 1961.

2.24 Deffered tax asset/liability :

In view of carry forward of losses under tax laws in the current year, the Company is unable to demonstrate virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax asset can be realised, which is as required under AS 22 'Accounting for taxes on income'. Accordingly, no deferred tax asset has been recognised as at the year-end.

2.25 Segment reporting

Operating Segments:

- a) Commodity :
- b) Seed :

Identification of Segments:

The chief operating decision maker monitors the operating results of its business segments for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on the profit or loss and is measured consistently with profit or loss in the financial statements. Operating segments have been identified on the basis of nature or products/services.

2. Notes on accounts

Segment Revenue and Results:

The expenses and incomes which are not attributable to any business segment are shown as unallocated expenditure

Segment Assets and Liabilities:

Segment assets include all operating assets used by the operating segment

(Amount in ₹)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Segment Revenue		
a. Seed	93,03,008	40,73,535
b. Commodity	1,10,15,071	29,55,030
Total	2,03,18,079	70,28,565
Less: Inter Segment Revenues	-	-
Net Income from Operations	2,03,18,079	70,28,565
Segment Results		
(Profit)/(Loss) before tax and interest from each segment		
a. Seed	4,79,508	1,92,885
b. Commodity	(36,651)	2,38,850
Total	4,42,857	4,31,735
Less:		
i. Interest	53,60,168	51,31,292
ii. Other un-allocable expenditure net off un-allocable income	62,49,879	(89,765)
Operating Profit before Tax	(1,11,67,190)	(46,09,792)
Segment assets:		
a. Seed	59,87,845	46,55,596
b. Commodity	73,01,119	19,13,675
c. Un allocated	1,69,15,905	2,98,75,742
	3,02,04,869	3,64,45,013
Segment Liabilities:		
a. Seed	-	13,89,486
b. Commodity	15,41,41,360	15,59,42,151
c. Un allocated	11,65,13,814	11,27,30,207
	27,06,55,174	27,00,61,844

2.26 Previous year figures have been regrouped / reclassified wherever necessary, to confirm to current year classification.

as per our report of even date

As per our report of even date
for **Navitha and Associates**
Chartered Accountants
Firm's registration No.: 012026S

For and on behalf of the Board of Directors of
for Proseed India Limited

Navitha K
Proprietor
Membership No.: 221085

D.V.S. Prakash Rao
Wholesale Director
DIN: 03013165

Satya Srikanth Karaturi
Director
DIN: 07733024

Place: Hyderabad
Date : 23 May 2019

Proseed India Limited

Flat No. 302, Lotus Block, Block-B,
Sandy Springs, Manikonda, Ranga Reddy Dist., Telangana, Hyderabad - 500 089.

CIN: L01403TG2002PLC039113, www.proseedindia.in

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies
(Management and Administration) Rules, 2014)

Name of the Member (s) :
 Registered Address :
 E-mail id :
 Folio No. / Client Id :
 DP ID :

I / We, being the member(s) ofEquity Shares of Proseed India Limited, hereby
 appoint

1. Name :
 Address :
 E-mail Id :
 Signature..... or failing him / her

2. Name :
 Address :
 E-mail Id :
 Signature..... or failing him / her

3. Name :
 Address :
 E-mail Id :
 Signature..... or failing him / her

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 27th Annual General Meeting of the Company, to be held on Saturday 28th day of September, 2019 at 12.00 p.m. at Senior Citizen hall 2nd Floor S.R.K Raju Community Hall maduranagar, Hyderabad 500038, Telengana and at any adjournment thereof, in respect of such resolutions set out in the AGM Notice convening the meeting, as are indicated below:

Resolution No.

S.No.	Resolution(s)	Vote	
		For	Against
1	Adoption of Financial Statements and Reports thereon for the Financial Year ended 31st March, 2019		
2	Appointment of Director in place of Mr. Dasigi Venkata Surya Prakash Rao, Who retires by Rotation and being eligible, seeks Re-appointment		
3	Appointment of Mrs. Chukka Lakshmi as a Woman Director		
4	Appointment of Mr. Satya Srikanth Karaturi as an Independent Director		

Signed this.....day of..... 2019

Signature of Shareholder

Signature of Proxy Holder(s)

Revenue Stamp

Note: The form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the Commencement of the meeting.

Proseed India Limited

Flat No. 302, Lotus Block, Block-B,
Sandy Springs, Manikonda, Ranga Reddy Dist., Telangana, Hyderabad - 500 089.
CIN: L01403TG2002PLC039113, www.proseedindia.in

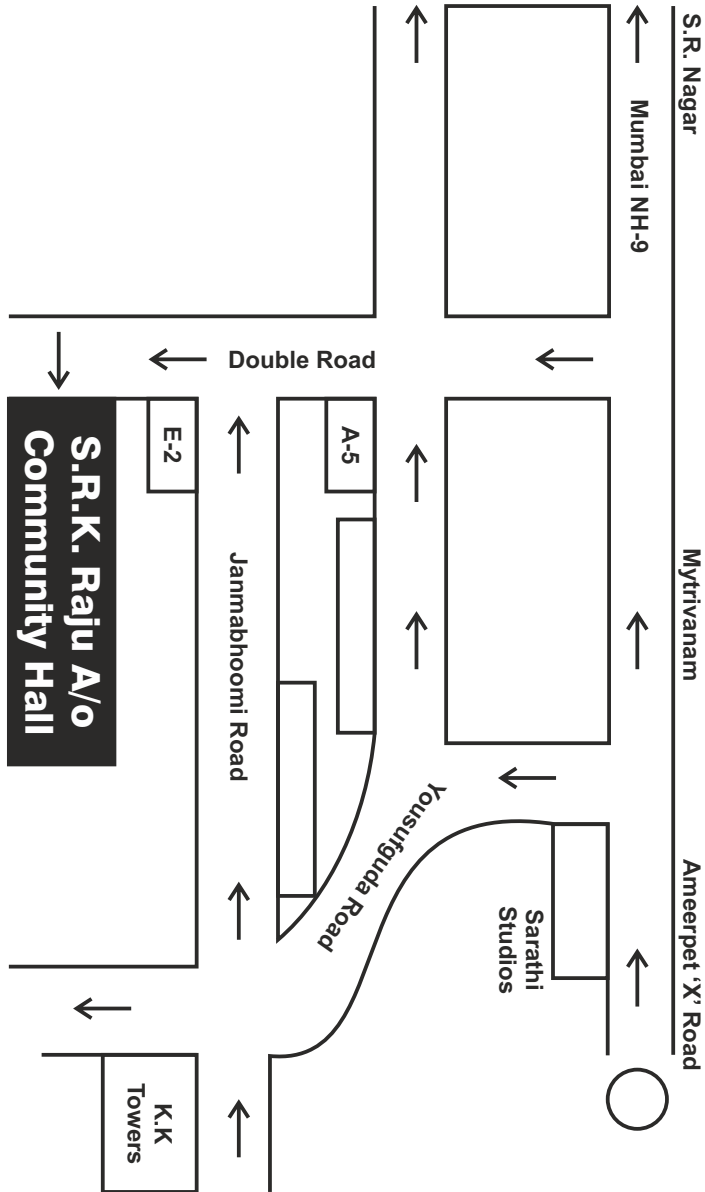
ATTENDANCE SLIP

(to be handed over at the Registration Counter Joint holder may obtain additional slip at the venue)

DP ID		Folio No
Client ID		No. of Shares

I/We hereby record my/our presence at the 27th Annual General Meeting of the Company being held on Saturday 28th day of September, 2019 at 12.00 p.m. at Senior Citizen hall 2nd Floor S.R.K Raju Community Hall Madura nagar, Hyderabad 500038, Telengana.

Signature of the Member/Proxy



PROSEED INDIA LIMITED

Flat No: 302, Lotus Block, Block-B,
Sandy Springs, Manikonda, Ranga reddy Dist.,
Telangana, Hyderabad - 500 089
CIN : L01403TG2002PLC039113, www.proseedindia.in

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