



(Formerly Green Fire Agri Commodities Limited)

An Agri Biotech Company

**24th Annual Report
2015-16**



BOARD OF DIRECTORS

Name	Designation
Mr. D V S Prakash Rao	- Whole Time Director & CEO
Mr. Venkateswara Rao Tammineedi	- Executive Director & CFO
Mr. P Parthasarathi	- Independent Director
Dr. Vinod Goud Vemula	- Additional Independent Director (form 13.11.2015)
Mr. Seetharama Rao Atluri	- Additional Independent Director (form 13.11.2015)
Mr. Y Ramesh	- Independent Director
Ms. P. Naazneen	- Woman Non Executive Director
Mrs. Monal Kapadia	- Company Secretary and Compliance Officer

REGISTERED OFFICE

Flat No. 302, Lotus Block, Block-B,
Sandy Springs, Manikonda,
Ranga Reddy Dist., Telangana, Hyderabad - 500 089.
Tel: +91-40-23548353
Fax: +91-40-23548537
URL: www.proseedindia.in

CIN: L72200TG2002PLC039113**STATUTORY AUDITORS**

M/s Sarath and Associates
Chartered Accountants
4th Floor, Maas Heights, 8-2-577/B,
Road No.8, Banjara Hills, Hyderabad – 500 034

INTERNAL AUDITORS

M/S A S NAIDU & Co.,
Chartered Accountants
Off: SRT 453, Sanath Nagar
Hyderabad – 500 018

SECRETARIAL AUDITORS

M/s Kota Srinivas & Associates
Company Secretaries
Flat No. 101, 1st Floor,
Upstairs State Bank of Mysore,
Chaitanya Chamber, Chaitanyapuri,
Hyderabad - 500036

SHARE TRANSFER AGENT

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

BANKERS

CORPORATION BANK
BANK OF BARODA
HDFC BANK

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NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 24th Annual General Meeting of the Members of Proseed India Limited (formerly Green Fire Agri Commodities Limited) will be held on Friday, the 30th day of September, 2016 at 3.30 P.M. at Kalinga Cultural Trust, Plot No. 1269, Road No.12, Banjara Hills, Hyderabad – 500 034 Telangana to transact the following business:

ORDINARY BUSINESS

1. Adoption of Financial Statements

To receive, consider and adopt the audited Balance Sheet as at March 31, 2016 and the Audited Profit and Loss Account for the year ended as on that date together with the Reports of the Auditors and the Board of Directors thereon.

2. Re-Appointment of Director

To appoint a Director in place of Mr. Venkateswara Rao Tammineedi (DIN No: 06806293), who retires by rotation and being eligible, offers himself for re-appointment.

3. Re-appointment of Auditors

To consider and if thought fit to pass, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139 (2) and 142(1) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications or amendments or re-enactments thereof for the time being in force), the reappointment of the statutory auditors of company M/s. Sarath & Associates, Chartered Accountants (Regn No. 005120S) Hyderabad be and are hereby ratified by the members of the company for the financial year 2016-17 at such remuneration as may be determined by the Board of Directors of the Company."

SPECIAL BUSINESS

4. Appointment of Dr. Vinod Goud Vemula (DIN 03104042) 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 thereof for the time being in force), Dr. Vinod Goud Vemula (DIN 03104042), who was appointed as an Additional (Independent) Director of the Company by the Board of Directors at its meeting held on November 13, 2015 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 provided 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 commencing from November 13, 2015."

5. Appointment of Mr. Seetharama Rao Atluri (DIN 07333633) 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 thereof for the time being in force), Mr. Seetharama Rao Atluri (DIN 07333633), who was appointed as an Additional (Independent) Director of the Company by the Board of Directors at its meeting held on November 13, 2015 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 provided 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 commencing from November 13, 2015.”

6. Re-classification of Promoter group to public pursuant to Regulation 31A(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in this regard to consider and, if thought fit, to pass, the following Resolution as a Special Resolution

“RESOLVED THAT pursuant to Regulation 31A(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions if any, the unanimous consent of the members of the Company be and is hereby accorded to reclassify the following individuals from “Promoter Category” to “Public Category” since the persons are neither involved in the management nor holds any controlling stake in the Company and also none of the individuals has entered into any Shareholders Agreement with the Company nor have they got any Veto Rights or Special Information Rights or Special Rights as to voting power or control of the Company:

Name of the Individual	No.of shares held	% of the total equity held
K. Bhaskara Reddy	Nil	N.A.
Uma Kunareddy	21,33,340	2.22
Simi Kunareddy	7,50,000	0.78
Naimi K	4,56,266	0.47
Total	33,39,606	3.47

RESLOVED FURTHER THAT it is hereby confirmed that

1. The aforesaid persons do not hold more than 5% of paid-up equity share Capital of the Company. In fact, the aggregate shareholding of all of the above four individuals' is only 3.47% of the share capital of the Company and the individual shareholding is even lower.
2. That the aforesaid persons have not and will continue to not exercise direct or indirect control over the Company.

3. That none of the aforesaid persons have been or would be appointed as key managerial personnel of the Company.
4. That no special right were even held and would not be ever held by the above reclassified promoters.

RESOLVED FURTHER THAT AND APPLICATION BE MADE TO National Stock Exchange of India Ltd (NSE), BSE Limited (Indonext) seeking their consent from reclassifying above persons from Promoter shareholder to Public shareholder.

RESOLVED FURTHER THAT Mr. D.V.S. Prakash Rao, CEO and Whole Time Director and/or Mr. T. Venkateswara Rao, Executive Director and/or Ms. Monal Kapadia, Company Secretary and Compliance officer of the Company be and are hereby severally authorizes to take all further necessary steps as may be required to implement the aforesaid resolution and are authorized to do all such acts, deeds and things as may be necessary in connection therewith.

7. To Raise Further Capital and in this regard to consider and if thought fit, to pass, the following resolution as Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 62 and Section 42 and all other applicable provisions of the Companies Act, 2013 and 'The Companies (Share Capital and Debentures) Rules, 2014 and any statutory modification(s) or re-enactment thereof, to the extent notified for the time being in force (**“Companies Act, 2013”**), and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (**“SEBI ICDR Regulations”**), and all other applicable Rules, Regulations, Circulars and Guidelines of the Securities and Exchange Board of India (**“SEBI”**), the Foreign Exchange Management Act, 1999, and Rules and Regulations made thereunder, including but not limited to the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, the Issue of Foreign Currency Convertible Bonds and Ordinary shares (Through Depository Receipt Mechanism) Scheme, 1993 and subject to any other applicable Law, Rules, Regulations, Guidelines, Notifications and Circulars, if any (including any amendment or re-enactment thereto from time to time) issued by the Government of India, the Reserve Bank of India (**“RBI”**), SEBI or any other Competent Authority whether in India or Abroad, and enabling provisions of the Memorandum and Articles of Association of the Company and the Listing Agreements entered into by the Company with Stock Exchanges where the Equity Shares of the Company (**“Equity Shares”**) are listed (**“Stock Exchanges”**), and subject to requisite approvals, consents, permissions and/or sanctions of the lenders of the Company, the Government of India, SEBI, the Stock Exchanges, RBI, Department of Industrial Policy and Promotion (DIPP), Ministry of Commerce, the Foreign Investment Promotion Board (FIPB), and all other competent authorities, institutions or bodies, within or outside India, as may be required, and subject to such conditions as may be prescribed by any of them while granting any such approval, consent, permission, and/or sanction, which may be agreed to by the Board of Directors of the Company (the **“Board”**, which term shall be deemed, to include any committee thereof which the Board may have duly constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution), the consent, authority and approval of the shareholders of the Company be and is hereby accorded to the Board to create, offer, issue and allot in one or more

tranche(s), either in India or in the course of international offering(s) in one or more foreign / Domestic markets, to all eligible domestic/foreign investors (including institutional investors), Non-Resident Indians, Companies, Corporate Bodies (whether incorporated in India or abroad), Mutual Funds, Banks, Insurance Companies, Pension Funds, Alternative Investment Funds, Foreign Venture Capital Investors, Financial Institutions, Trusts, Individuals, Qualified Institutional Buyers (QIB) within the meaning of the SEBI (ICDR) Regulations or other persons or entities, whether members of the Company or not (collectively called the “**Investors**”), through a Public Issue, Rights issue, Private Placement / Preferential Issue and/or any other issue or a combination thereof as may be permitted under applicable law from time to time (including without limitation through a Qualified Institutions Placement (QIP), since the Company will be eligible to undertake such an offering pursuant to Chapter VIII of the SEBI (ICDR) Regulations and the Companies Act, 2013) (the “**Issue**”), such number of Equity Shares, American Depository Receipts (ADR), Global Depository Receipts (GDR), Foreign Currency Convertible Bonds (FCCB), fully/partly convertible debentures and/or any other financial instruments convertible into Equity Shares (including but not limited to preference shares convertible into Equity Shares, warrants, or otherwise, in registered or bearer form) and/or any security convertible into Equity Shares with or without voting/special rights and/or securities linked to Equity Shares and/or securities with or without detachable warrants with right exercisable by the warrant holders to convert or subscribe to Equity Shares (all of which are hereinafter collectively referred to as “**Securities**”), up to an aggregate amount of up to Rs.50 crores (inclusive of premium) or any combination of Securities, whether Rupee denominated or denominated in foreign currency, through one or more prospectus and/ or letter of offer or circular and/or placement document/ or other permissible/requisite offer document, whether to be listed on any stock exchange inside India or any international stock exchange outside India, and in such manner and on such price, terms and conditions considering prevailing market conditions and other relevant matters, including the discretion to determine the categories of Investors to whom the offer and allotment of the Securities shall be made to the exclusion of others, allotment to a stabilising agent in accordance with a green-shoe option, if any, exercised by the Company, issuance of the Securities as fully or partly paid up, making of calls on the Securities and manner of appropriation of the application monies or call monies in respect of different classes of Securities, as may be determined by the Board, in accordance with the provisions of the SEBI (ICDR) Regulations or other provisions of law including the Companies Act, 2013 as may be prevailing at the time.

“**RESOLVED FURTHER THAT** in case of an issuance of Securities to Qualified Institutional Buyers (QIB), whether or not such investors are existing members of the Company, through a Qualified Institutions Placement (QIP) under Chapter VIII of the SEBI (ICDR) Regulations, the Securities shall be allotted as fully paid up within 12 months of the date of this resolution and the price inclusive of premium of the equity shares so issued shall not be less than the price determined in accordance with the provisions of Chapter VIII of the SEBI (ICDR) Regulations and approved by the Board, in consultation with the lead manager(s) and/or merchant banker(s) and/or advisor(s) to the Issue and/or such other person(s) in accordance with applicable laws, rules, regulations and guidelines prevailing in this regard.”

“**RESOLVED FURTHER THAT** in addition to all applicable Indian laws, the Securities shall also be governed by all applicable laws and regulations of any jurisdiction outside India where they are listed or that may in any other manner apply to such Securities or provided in the terms of their issue.”

“RESOLVED FURTHER THAT such of Securities as are not subscribed may be disposed of by the Board in its absolute discretion in a manner, that the Board may deem fit and as permissible by applicable law, including the Act.”

“RESOLVED FURTHER THAT in case of an issuance of Securities to Qualified Institutional Buyers (QIB), whether or not such investors are existing members of the Company, through a Qualified Institutions Placement (QIP) under Chapter VIII of the SEBI (ICDR) Regulations, the relevant date for the determination of the issue price of the Securities offered shall be the date of the meeting in which the Board decides to open the proposed Issue, and the price of the Securities shall be determined in accordance with the relevant provisions of Chapter VIII of the SEBI (ICDR) Regulations and applicable provisions, if any, of the Companies Act, 2013 and any other applicable laws, rules, regulations and guidelines.”

“RESOLVED FURTHER THAT in case of an issuance of Foreign Currency Convertible Bonds/American Depository Receipts/Global Depository Receipts pursuant to the provisions of the Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme 1993 and other applicable pricing provisions issued by the Ministry of Finance, Government of India, the relevant date for the determination of the issue price of the Securities offered, shall be the date of the meeting in which the Board decides to open the Issue after the date of this resolution.”

“RESOLVED FURTHER THAT in case of a preferential issuance of Securities, the relevant date for the determination of the issue price of the Securities offered shall be determined in accordance with the provisions of Chapter VII of the SEBI (ICDR) Regulations and applicable provisions if any of the Companies Act, 2013 and any other applicable laws, rules, regulations and guidelines.”

“RESOLVED FURTHER THAT without prejudice to the generality of the above, the aforesaid Securities may have such features and attributes or any terms or combination of terms in accordance with international practices to provide for the tradability and free transferability thereof as per the prevailing practices and regulations in the capital markets including but not limited to the terms and conditions in relation to payment of dividend, issue of additional Equity Shares, variation of the conversion price of the Securities or period of conversion of Securities into Equity Shares during the duration of the Securities.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to create, issue, offer and allot such number of Equity Shares as may be required to be issued and allotted, including issue and allotment of Equity Shares upon conversion of any depository receipts or other Securities referred to above or as may be necessary in accordance with the terms of their issue, all such Equity Shares shall rank pari-passu inter se and with the existing Equity Shares of the Company in all respects.”

“RESOLVED FURTHER THAT the common seal of the Company, if required to be affixed in India on any agreement, undertaking, deed or other document, the same be affixed in the presence of any two directors of the Company or any one director and secretary or any other person as maybe authorized by the Board or any committee thereof in accordance with the Articles of Association of the Company.”

“RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue or allotment of Securities as described above, the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem necessary or desirable for such purpose, including without limitation, the determination of terms and conditions for issuance of Securities including the number of Securities that may be offered in domestic and international markets and proportion thereof, timing for issuance of such Securities and shall be entitled to vary, modify or alter any of the terms and conditions as it may deem expedient, entering into and executing arrangements for managing, underwriting, marketing, listing, trading and providing legal advice as well as acting as depository, custodian, registrar, stabilizing agent, paying and conversion agent, trustee, escrow agent and executing other agreements, including any amendments or supplements thereto, as necessary or appropriate, finalize and approve the offering circular or registration statement or placement document or offer document or private placement offer letter or term sheets or agreements or deeds or otherwise in respect of the proposed issue of the Securities and to authorize any director or directors of the Company or any other officer or officers of the Company to sign the above documents for and behalf of the Company together with the authority to amend, vary or modify the same as such authorized persons may consider necessary, desirable or expedient and for the purpose aforesaid to give such declarations, affidavits, certificates, consents and/or authorities as may, in the opinion of such authorized person, be required from time to time, and to arrange for the submission of the offering circular or registration statement or placement document or private placement offer letter or term sheets or agreements or deeds or otherwise (in draft or final form), and any amendments and supplements thereto, with any applicable Stock Exchanges, Government and Regulatory Authorities, institutions or bodies, as may be required, and sign all deeds, documents and writings and to pay any fees, commissions, remuneration, expenses relating thereto and with power on behalf of the Company, settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Securities and take all steps which are incidental and ancillary in this connection, including in relation to utilization of the Issue proceeds, as it may in its absolute discretion deem fit without being required to seek further consent or approval of the members of the Company or otherwise to the end and intent that the members of the Company shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

“RESOLVED FURTHER THAT for the purpose of giving effect to the above, Mr D.V.S.Prakash Rao, Whole time Director & CEO or any other director of the Company or any duly constituted committee of the Board be and is hereby authorized to take all actions and do all such acts, deeds, matters and things as may be, jointly or severally deemed necessary, desirable, incidental or expedient to the issue or allotment of the aforesaid Securities and to resolve and settle all questions and difficulties that may arise in relation to the proposed issue, offer and allotment of any of the Securities, the utilization of the issue proceeds and to do all acts, deeds and things in connection therewith and incidental thereto.”

“RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue or allotment of Equity Shares or Securities or instruments representing the same, as described above, the Board be and is hereby authorized on behalf of the Company to seek listing of any or all of such Securities on one or more Stock Exchanges in India or abroad and the listing of Equity Shares underlying the depository receipts on Stock Exchanges in India.”

“RESOLVED FURTHER THAT Board be and is hereby authorized to delegate all or any of the powers conferred by this resolution on it, to any committee of Directors, any other Director(s) or officer(s) of the Company to negotiate, approve, sign, execute, modify and amend necessary documents and other agreements that may be required and to take any action and execute any instrument that may be deemed necessary or advisable and do all such acts, deeds, matters and things for and on behalf of the Company including executing such other agreements, deeds, contracts, undertakings, letters, documents, forms, authority letters, power of attorneys, disclosure letters, regulatory filings and intimations with any regulator whether in India or abroad and such other documents which may be required to be entered into by the Company in connection with the proposed issuance of Securities.”

Regd Office:

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

Date: 02th September, 2016

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

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

NOTES

1. The Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of the Special Business is annexed hereto.

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 a 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/her share 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 3rd September, 2016.
- 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.

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- 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 24-9-2016 to 30-9-2016 (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 30th September 2016.
- n. The voting through an electronic means will commence on 26th September, 2016 at 09.00 a.m. and will end on 29th September, 2016 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. A.S.Naidu & Co, Chartered Accountants (FRN:008549S) to act as Scrutinizer for conducting the electronic voting process in a fair and transparent manner.
- p. **The instructions for shareholders voting electronically are as under:**
- (i) The voting period begins on 26th September, 2016 at 09.00 a.m. and ends on 29th September, 2016 at 05.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23rd September, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
 - (iii) The shareholders should log on to the e-voting website www.evotingindia.com
 - (iv) Click on Shareholders.
 - (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
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- (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 voted on an 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> <ul style="list-style-type: none"> 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. 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. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
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> <ul style="list-style-type: none"> 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).

- (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 e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant Company Name on which you choose to vote.

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- (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.

(xx) 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. In case Members receiving the physical copy of Notice of AGM [for members whose e-mail IDs are not registered with the company/depository participant(s) or requesting physical copy] :
- i. Please follow all steps from Sl.No. (ii) to Sl.No. (Xiii) above, to cast vote.
 - ii. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.,) are required to log on to <https://evotingindia.co.in> and register themselves as Corporates. After receiving the login details, they have to link their account which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution in PDF format in the system for the scrutinizer to verify the vote.
 - iii. The voting period begins on 26th September, 2016 at 9:00 a.m. and will end on 29th September, 2016 at 5:00 p.m. During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 23rd, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change in subsequently.
 - iv. 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, info@northgatetech.com or rta@cilsecurities.com.
- r. 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 the shareholder by e-voting, he shall not be allowed to change it subsequently at the physical meeting.
- s. 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 30th September, 2016. 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 30th September, 2016.

**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: 2nd September, 2016

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

**EXPLANATORY STATEMENT PURSUANT TO
SECTION 102 (1) OF THE COMPANIES ACT, 2013:****Item No.4**

Dr. Vinod Goud Vemula (DIN03104042) was appointed as an Additional (Independent) Director of the Company with effect from November 13, 2015 by the Board of Directors. In terms of Section 161(1) of the Companies Act, 2013, Dr. Vinod Goud Vemula 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.

Dr. Vinod Goud Vemula has given a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act.

Dr. Vinod Goud Vemula, aged 54 years holds a Bachelors Degree in Science and a Masters Degree in Science from Osmania University. He also holds Doctorate of Philosophy from Dr. B.R. Ambedkar Open University. He has over 30 years of experience in agricultural sector. Accordingly, the Board recommends the passing of the Ordinary Resolution as set out in the Item no. 4 of the Notice for appointment of Dr. Vinod Goud Vemula as an Independent Director, not liable to retire by rotation.

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

Except Dr. Vinod Goud Vemula, 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

Item No.5

Mr. Seetharama Rao Atluri (DIN07333633) was appointed as an Additional (Independent) Director of the Company with effect from November 13, 2015 by the Board of Directors. In terms of Section 161(1) of the Companies Act, 2013, Mr. Seetharama Rao 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. Seetharama Rao has given a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act.

Mr. Seetharama Rao, aged 60 years and he has over 35 years of experience in media and film production industry and he was also associated earlier with ESL Infoway and Media Limited. Accordingly, the Board recommends the passing of the Ordinary Resolution as set out in the Item no. 5 of the Notice for appointment of Mr. Seetharama Rao as an Independent Director, not liable to retire by rotation.

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

Except Mr. Seetharama Rao, 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.5

Item No.6: Re-classification of Promoter group to Public Group

Mr. K. Bhaskara Reddy and his family members name is appearing in the promoter category of the shareholding pattern of the Company, since they are neither involved in the management nor holds any controlling stake in the Company and also none of them has entered into any Shareholders Agreement with the Company nor have they got any Veto Rights or Special Information Rights or Special Rights as to voting power or control of the Company:

Pursuant to Regulation 31A(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions if any, the Company proposed to reclassify them from “Promoter Category” to “Public Category”

Pursuant Regulation 31A(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the reclassification of promoter category to public category requires members approval and hence this resolution.

The Board of Directors believe that the re-classification of Mr. Bhaskara Reddy and his family members from promoter category to public category is in the interest of the Company and therefore recommends the resolution for your approval.

None of the directors and key managerial personnel and their relatives is in any way concerned or interested in the above referred Resolutions.

Item No.7: Raising Of Further Capital

The resolution contained in the Notice relates to a proposal by the Company to create, offer, issue and allot Securities through further public offerings, Rights basis, preferential allotments, qualified institutions placements, issuance of global depository receipts, American Depository Receipts and such other Securities in such manner as stated in the resolution. The Company intends to issue Securities for a value of up to Rs.50 Crores [including premium].

Subject to applicable laws and regulations, the Company intends to use the net proceeds of the Issue primarily for repayment of existing debt, working capital requirements and general corporate purpose.

The Special Resolution also seeks to empower the board of directors to undertake further issue of securities either by way of Private Placement, Preferential Issue, Rights Issue or Public Issue to all eligible domestic/ foreign investors, NRIs, Companies, Corporate Bodies, Insurance Companies, pension funds, AIFs, Financial Institutions, QIBs, whether existing members or not subject to compliance with SEBI (ICDR) Regulations. In case of an issuance of Securities to qualified institutional buyers, whether or not such investors are existing members of the Company, through a qualified institutions placement under Chapter VIII of the SEBI (ICDR) Regulations, the final price at which the Securities will be offered will be subject to investor response and prevailing market conditions, and computed in accordance with the relevant provisions of Chapter VIII of the SEBI (ICDR) Regulations..

The detailed terms and conditions of the issue as and when made will be determined by the Board of Directors in consultation with the merchant bankers, lead managers, advisors and other experts in accordance with the applicable provisions of law.

The Special Resolution seeks to give the Board powers to issue Securities in one or more tranche or tranches, at such time or times, at such price or prices and to such person(s) including institutions, incorporated bodies or otherwise as the Board in its absolute discretion deem fit.

The consent of the Shareholders is being sought pursuant to the provisions of Section 62 and Section 42 of the Companies Act, 2013 and 'The Companies (Share Capital and Debentures) Rules, 2014', and in terms of the provisions of the listing agreements executed by the Company with the Stock Exchanges where the Equity Shares of the Company are listed i.e. Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

Section 62 of the Companies Act, 2013 provides, inter-alia, that when it is proposed to increase the issued capital of the Company by allotment of further shares, such further shares shall be offered to the existing shareholders of the Company in accordance with the provisions of the Act unless the shareholders in the general meeting decide otherwise. The special resolution seeks the consent and authorization of the members to the Board to make the proposed issue of Securities and in the event it is decided to issue Securities convertible into Equity Shares, to issue to the holders of such convertible Securities in such manner and such number of Equity Shares on conversion as may be required to be issued in accordance with the terms of the issue.

The Board of Directors believe that the issue of Securities to investors who are/ are not Shareholders of the Company is in the interest of the Company and therefore recommends the resolution for your approval.

None of the directors and key managerial personnel and their relatives is in any way concerned or interested in the above referred Resolutions.

Regd Office:

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

Date : 2nd September, 2016

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

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

EXPLANATORY STATEMENT AS PER THE CLAUSE 49 OF THE LISTING AGREEMENT

Name of the Director	Dr. Vinod Goud Vemula
DIN	03104042
Date of Birth	27.01.1962
Type of appointment	Independent Director
Date of Appointment/ Re-appointment	13.11.2015
Areas of Specialization	He has over 20 years of experience in agricultural and agro industries
Qualifications	Master's Degree in Science from Osmania University
No. of Shares Held in the Company	Nil
List of Directorship held in outside Public Limited Companies	Nil
Chairman/member of the Committee of the Board of Directors of this Company	2
Chairman/member of the Committee of the Board of Directors of other Companies	Nil
Relation with Key Managerial Personnel and Directors	Nil
Justification for appointment	He has over 20 years of experience in agricultural and agro industries which will be useful for the Company as the main activity of the Company is seed and agri related.

Name of the Director	Mr. Seetharama Rao Atluri
DIN	07333633
Date of Birth	10.05.1956
Type of appointment	Independent Director
Date of Appointment/ Re-appointment	13 November 2015
Areas of Specialization	He has over 35 years of experience in media and film production industry
Qualifications	No qualification
No. of Shares Held in the Company	Nil
List of Directorship held in outside Public Limited Companies	Spacenet Enterprises India Limited
Chairman/member of the Committee of the Board of Directors of this Company	2
Chairman/member of the Committee of the Board of Directors of other Companies	1
Relation with Key Managerial Personnel and Directors	Nil
Justification for appointment	Had more than 35 years of business experience which will be helpful for the Company.

FOR THE ATTENTION OF THE MEMBERS:

Members are requested to send intimation of any changes in their addresses, applications for demat shares, application for transfer of shares and any related correspondence to the Company's Share Transfer Agent, M/s. CIL Securities Limited, 214, Raghava Ratna Towers, Chirag Ali Lane, Hyderabad-500 001, Telangana, Ph.No.040-23203155, Email: rta@cilsecurities.com.

Sending notices and documents to shareholders through email:

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 valid email address and any changes therein from time to time with the Share Transfer Agents of the Company M/s. CIL Securities Limited at their postal address/ 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 Fourth Annual Report together with the Audited Accounts for the year ended 31st March, 2016.

Financial Highlights:

(₹ lakhs)

Particulars	Years ended 2016	Years ended 2015
Revenue:		
Revenue from Operations	66.20	90.05
Other income	1.30	7.03
Total Revenue	67.50	97.08
EXPENDITURE:		
Purchase of stock in trade	61.49	83.06
Employee benefits expense	30.94	23.25
Finance costs	204.10	316.85
Depreciation expense	0.88	0.79
Other expenses	28.67	13.22
Total	326.08	437.17
Profit/(Loss) Before Extraordinary items and Tax	(258.58)	(340.09)
Extraordinary items	261.58	-
Profit/(Loss) After Extraordinary items	(520.16)	(340.09)
Less: Tax Expense	-	-
Profit/(Loss) After Tax	(520.16)	(340.09)
Earnings per share		
– Basic/Diluted	(0.54)	(0.35)
Earnings/ (Loss) per share (Extraordinary Items)		
– Basic/Diluted	(0.27)	(0.35)

REVIEW OF OPERATIONS:

For the financial year ended March 31, 2016, your Company had reported total income of ₹ 67.50 lakhs as against ₹ 97.08 lakhs during the previous financial year. The Company recorded a Net Loss of ₹ 520.16 lakhs as against net loss of ₹ 340.09 lakhs during the previous financial year.

DIVIDEND:

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

BORROWINGS:

Please refer Note No. 2.4 of the notes on accounts (Financial Statements) Indebtedness in this report.

DIRECTORS:

In accordance with Sections 149, 150, 152 & other applicable provisions if any, of the Companies Act, 2013 Shri Venkateswara Rao Tammineedi (DIN :06806293) Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. Mr. Vinod Vemula and Atluri Seetarama Rao appointed as Independent Directors of the Company for a period of 5 years.

AUDITORS:

Statutory Auditors:

The Statutory Auditors, M/s Sarath and Associates, Chartered Accountants, have been appointed as statutory auditors of the company at the last Annual General Meeting held on 30.09.2014 for a period of Three (3) years subject to ratification by members at every consequent Annual General Meeting. Therefore, ratification of appointment of Statutory Auditors is being sought from the members of the Company at the ensuing Annual General Meeting.

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 Srinivas & 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.A.S.Naidu & 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.

VIGILMECHANISM:

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 clause 49 of the listing agreement. 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.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

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 2016-17 has already been paid to the NSE.

CORPORATE GOVERNANCE:

In accordance with SEBI (LODR) a report on Corporate Governance along with the Practicing Company Secretary 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:

- (i) in the preparation of the Annual Accounts, the applicable accounting standards have been followed and no material departures have been made from the same;
- (ii) 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;
- (iii) 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;
- (iv) the directors have prepared the annual accounts on a going concern basis;

- (v) 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
- (vi) 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”.

ACKNOWLEDGEMENTS:

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.

Place : Hyderabad
Date : 2nd September, 2016

For and on behalf of the Board
D V S Prakash Rao
Whole Time Director & CEO
(DIN No. 03013165)

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Proseed India Limited
No. G2, Lotus Block, Block-B,
Sandy Springs, Manikonda Village,
Ranga Reddy Dist., Telangana, Hyderabad - 500 089.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Proseed India Limited** (formerly Green Fire Agri Commodities 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 our opinion thereon.

Based on our verification of the **Proseed India Limited** 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, 2016** complied 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 Proseed India Limited (“the Company”) for the financial year ended on 31st March, 2016 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - 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 and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- We have also examined compliance with the applicable clauses of the following:
- a) Secretarial Standards issued by The Institute of Company Secretaries of India under the provisions of Companies Act, 2013 and
 - b) The Listing Agreements entered into by the Company with the National Stock Exchange and Bombay Stock Exchange Limited;

During the financial year under report, the Company has complied with the provisions of the New Companies Act, 2013, and to the extent applicable and the Rules, Regulations, Guidelines, Standards, etc., mentioned above subject to the following observations;

Observations:

- (a) We have relied on the information and representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws, and Regulations to the Company.

We further report that

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.**

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.

Majority decision is carried through while the dissenting members' views 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.

We further report that during the audit period the company has Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013, having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

Date : 2nd September, 2016
Place : Hyderabad

For KOTA SRINIVAS & ASSOCIATES
Company Secretaries

CS. K. Srinivas
CP No. 14300
ACS No. 34206

This report is to be read with our letter of even date which is annexed as Annexure 1A & 1B and forms an integral part of this report.

To,
The Members,
Proseed India Limited
Flat No. 302, Lotus Block, Block-B,
Sandy Springs, Manikonda,
Ranga Reddy Dist., Telangana, Hyderabad - 500 089.

Our report of even date is to be read along with this letter.

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 future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Date : 2nd September, 2016
Place: Hyderabad

For KOTA SRINIVAS & ASSOCIATES
Company Secretaries

CS. K. Srinivas
CP No. 14300
ACS No. 34206

**EXTRACT OF ANNUAL RETURN
FORM MGT 9**

(Pursuant to Section 92 (3) of the Companies Act, 2013 and
Rule 12(1) of the Company (Management & Administration) Rules, 2014)
Financial Year ended on 31.03.2016

I.REGISTRATION & OTHER DETAILS :

i	CIN	L72200TG2002PLC039113
ii	Name of the Company	Proseed India Limited
iv	Category/Sub-category of the Company	Agri Seeds
v	Address of the Registered office & contact details	Flat No. 302, Lotus Block, Block-B, Sandy Springs, Manikonda, Ranga Reddy Dist., Telangana, Hyderabad - 500 089.
vi	Whether listed company	Listed on NSE and BSE (Indo Next)
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	CIL Securities Limited, 214, Raghava Ratna Towers, Chirag Ali Lane, Hyderabad - 500001

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

S.No.	Name & Description of main Products/Services	NIC Code of the Product/Service	% to total turnover of the company
1	Commoditiy Trading	6612	100

III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES: NOT APPLICABLE

S.No.	Name and Address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	NIL	NIL	NIL	NIL	NIL

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(I) Category-wise Share Holding

Category of Shareholders	No. of shares held at the beginning of the year 2015				No. of shares held at the end of the year 2016				% change during
	Demat	Physical	Total	% of Total	Demat	Physical	Total	% of Total	
A.Promoters									
1)Indian									
a)Individual/HUF	10247116	-	10247116	10.66	9975804	-	9975804	10.38	0.28
b)Central Govt.	-	-	-	-	-	-	-	-	-
c)state Govt.	-	-	-	-	-	-	-	-	-
d)Bodies Corp.	36795809	-	36795809	38.29	36360354	-	36360354	37.83	0.46
e)Banks/FI	-	-	-	-	-	-	-	-	-
f)any others	-	-	-	-	-	-	-	-	-
Sub-total (A) (1)	47042925	-	47042925	48.95	46336158	-	46336158	48.21	0.74
2)Foreign									
a)NRIs-Individuals	-	-	-	-	-	-	-	-	-
b)Other Individuals	-	-	-	-	-	-	-	-	-
c)Bodies Corp	-	-	-	-	-	-	-	-	-
d)Banks/FI	-	-	-	-	-	-	-	-	-
e)Any other...	-	-	-	-	-	-	-	-	-
Sub-total (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A)= (A)(1) +(A) (2)	47042925	-	47042925	48.95	46336158	-	46336158	48.21	0.74
B.Public Shareholding									
1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	1913770	-	1913770	1.99	1913770	-	1913770	1.99	-
h) Foreign Venture Capital Funds									
i) Others(Specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B) (1)	1913770	-	1913770	1.99	1913770	-	1913770	1.99	-
2) Non-Institutions									
a) Bodies Corp.									
i) Indian	4653949	-	4653949	4.84	3776602	-	3776602	3.93	- 0.91
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakhs	27512335	32126	27544461	28.66	27614797	32126	27646923	28.76	0.10

ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	14100536	-	14100536	14.67	15501827		15501827	16.13	1.46
c) Others (Specify)									
NRIs	839609	-	839609	0.88					
Trusts Custodians/Clearing members	13186	-	13186	0.01	55517	-	55517	0.06	0.05
Sub-total(B)(2)	47119615	32126	47151741	49.06					
Total Public Shareholding (B)=(B)(1)+(B)(2)	49033385	32126	49065511	51.05	4903385	32126	49065511	51.05	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-						-
Grand Total (A+B+C)	96076310	32126	96108436	100	96076310	32126	96108436	100	-

(ii) Shareholding of Promoters

S.No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% 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 HOLDINGS LIMITED	36795809	38.29	-	36360354	37.83	-	0.46
2	MEENAVALLI VENKATA SRINIVAS	3254586	3.39	-	3254586	3.39	-	-
3	MEENAVALLI USHA RANI	3226360	3.36	-	3226360	3.36	-	-
4	UMA KUNAREDDY	2404652	2.50	-	2133340	2.22	-	0.28
6	KUNAREDDY SIMI	750000	0.78	-	750000	0.78	-	-
7	NAIMI KUNAREDDY	456266	0.47	-	456266	0.47	-	-
8	MEENAVALLI KRISHNA MOHAN	80786	0.08	-	80786	0.08	-	-
9	M V LAXMI	74466	0.08	-	74466	0.08	-	-

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

S.No.	Particulars	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
STAMPEDE HOLDINGS LIMITED					
	At the beginning of the year	36789846	38.28	-	-
1	Purchases on 17-4-2015	5963	0.01	36795809	38.29
2	Sale on 21-08-2015	1000000	1.04	35795809	37.25
3	Purchases on 30-09-2015	845000	0.88	36640809	38.12
4	Sale on 15-01-2016	300000	0.31	36340809	37.81
5	Purchases on 31-03-2016	19545	0.02	36360354	37.83
	At the end of the year			36360354	37.83
UMA KUNA REDDY					
	At the beginning of the year	2404652	2.50	-	-
1	Sale on 08-01-2016	223951	0.23	2180701	2.27
2	Sale on 22-01-2016	28481	0.03	2152220	2.24
3	Sale on 29-01-2016	2000	0.00	2150220	2.24
4	Sale on 12-02-2016	15000	0.02	2135220	2.22
5	Sale on 18-03-2016	1880	0.00	2133340	2.22
	At the end of the year			2133340	2.22

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

S.No.	For each of the Top 10 shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of the total shares of the company
1	MARSHAL GLOBAL CAPITAL FUND LIMITED	1913770	1.99	1913770	1.99
2	KOMMAREDDY NARASIMHA KRISHNAMURTHY	16006	0.02	1101272	1.15
3	KRISHNAM RAJU MANTHENA	1100001	1.14	1000002	1.04
4	NIKESH K SHAH	942459	0.98	942459	0.98
5	ANDELA SRINIVAS RAO	916300	0.95	916300	0.95
6	MUKESH BROKERAGE AND FINANCIAL (I) LTD	845000	0.88	845000	0.88
7	RAGHAV TIRUMALASETTY	457053	0.48	731505	0.76
8	N RENUKA DEVI	555000	0.58	555000	0.58
9	CHERLO MADHAVI	663741	0.69	486655	0.51
10	NEELIMA KARLAPUDI	420963	0.44	420963	0.44

(v) Shareholding of Directors and Key Managerial Personnel:

S.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	D.V.S.Prakash Rao	0	0.00	42,754	0.04
2	P.Parthasarathi	0	0.00	0	0.00
4	Y.Ramesh	0	0.00	0	0.00
5	Monal Kapadia	0	0.00	0	0.00

V. INDEBTEDNESS

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

Particulars	Secured loans excluding deposits	Unsecured Loans	Deposits	Total Indebtdness
Indebtdness at the beginning of the financial year				
i) Principal Amount	151,391,766	21,966,173	-	173,357,939
ii) Interest due but not paid	43,914,035	-	-	43,914,035
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	195,305,801	21,966,173	-	217,271,974
Change in Indebtdness during the financial year				
* Additions	21,144,971	28,859,559	-	50,004,530
* Reduction	40,419,559	9,282,173	-	49,701,732
Net Change	(19,274,588)	19,577,386	-	302,798
Indebtdness at the end of the financial year				
i) Principal Amount	160,929,826	41,543,559	-	202,473,385
ii) Interest due but not paid	420,619	-	-	420,619
iii) Interest accrued but not due	14,680,768	-	-	14,680,768
Total (i+ii+iii)	176,031,213	41,543,559	-	217,574,772

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

(₹ In Lakhs)

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

S.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	1. D.V.S. Prakash Rao	845,000
	b) Value of perquisites u/s 17(2) Income Tax Act, 1961	2. T. Venakateswara Rao	502,774
	c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961		
2	Stock Option	NA	NA
3	Sweat Equity	NA	NA

4	Commission -as % of profit -others, specify....	NA	NA
5	Others, Please specify	NA	NA
	Total (A)		
	Ceiling as per the Act	30 Lakhs	30 Lakhs

B. Remuneration to other Directors:

(₹ In Lakhs)

S.No.	Particulars of Remuneration	Name of the Director			Total Amount (₹)
		P.Parthasarathi	T.Naresh Kumar	Y.Ramesh	
1	Independent Directors:	Nil	Nil	Nil	Nil
	• Fee for attending board committee meetings	Nil	Nil	Nil	Nil
	• Commission	Nil	Nil	Nil	Nil
	• Others, Pls specify	Nil	Nil	Nil	Nil
	TOTAL (1)	Nil	Nil	Nil	Nil
2	Other Non- Executive Directors	Nil	Nil	Nil	Nil
	• Fee of attending board committee meetings	Nil	Nil	Nil	Nil
	• Commission	Nil	Nil	Nil	Nil
	• Others, Pls specify	Nil	Nil	Nil	Nil
	TOTAL (2)	Nil	Nil	Nil	Nil
	TOTAL=(1+2)	Nil	Nil	Nil	Nil

C) Remuneration To Key Managerial Personnel Other Than MD/Manager/WTD

S.No.	Particulars of Remuneration	Name of Key Managerial Personnel	Total Amount (₹)
		Monal Kapadia	
1	Gross Salary		
	a)Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	300000	300000
	b)Value of perquisites u/s 17(2) Income Tax Act, 1961	NA	NA
	c)Profits in lieu of salary under section 17(3) Income Tax Act, 1961		
2	Sweat Equity	NA	NA
3	Stock Option	NA	NA
4	Commission -as % of profit -others, specify....	NA	NA
5	Others, Please specify	NA	NA
	Total (A)	300000	300000

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES: NIL

TYPE	Section of the Companies Act	Brief Description	Details of Penalty/Punishment Compounding Fees imposed	Authority RD/NCLT/ Court	Appeals made if any (give details)
A. Company					
Penalty Punishment Compounding					
B. Directors					
Penalty Punishment Compounding					
C. Other Officers in Default					
Penalty Punishment Compounding					

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 Executive Chairman and 57% of the Board consisting of Independent and Non-Executive Directors.

a) Composition and Category of Board of Directors

Category	No. of Directors	% of Total Board
Promoter, Executive and Non-Independent Director	NIL	0%
Executive Director(s)	02	28.57%
Non-Executive Director	01	14.28%
Non-Executive and Independent Director	04	57.15%
Total	07	100%

b) Attendance of each Director at the Board Meetings held during the year 2015-16 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 P Parthasarathi	7	7	Yes
2.	Mr D V S Prakash Rao	7	7	Yes
3.	Mr. T. Venkateswara Rao	7	5	Yes
4.	Mr Y Ramesh	7	7	Yes
5.	Dr. Vinod Goud Vemula	7	2	No
6.	Mr. Seetharama Rao Atluri	7	2	No
7.	Mrs. P. Naazneen	7	6	No

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

Name of the Director	Board@		Committee	
	Chairman	Director	Chairman	Member
Mr P Parthasarthi	1	5	2	3
Mr D V S Prakash Rao	1	1	Nil	1
Mr. T. Venkateswara Rao	Nil	Nil	Nil	Nil
Mr Y Ramesh	Nil	1	Nil	3
Dr. Vinod Goud Vemula	Nil	1	Nil	2
Mr. Seetharama Rao Atluri	Nil	1	Nil	2
Mrs. P. Naznin	Nil	1	Nil	Nil

@Directorships in Foreign Companies are excluded

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

The Board of Directors met 7 times during the year 2015-16 on April 27, 2016, May 29, 2015, August 13, 2015, September 05, 2016, October 16, 2015, November 13, 2015, and February 11, 2016.

3. AUDIT COMMITTEE

The Audit Committee was constituted in terms of Section 177 of the Companies Act, 2013 and as per the provisions of Regulation 18 of SEBI Listing Regulations. The Audit Committee consists of Independent Directors and provides assistance to the Board of Directors in fulfilling its overall responsibilities. The Company Secretary of the Company act as Secretary of the Committee

i. Brief description of terms of reference;

The terms of reference of the Audit Committee are in conformity with the provisions of Clause 49 of the Listing Agreement which inter alia, including the following:

- Overseeing of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company
- Reviewing the adequacy of internal audit functions.
- Reviewing the quarterly and annual financial statements before submission to the Board.
- Reviewing the adequacy of internal control and their compliance thereof.
- Reviewing the company's financial and risk management policies.

ii. Composition, name of members and Chairperson

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

S.No	Name of Director	Designation in the Audit Committee	Number of Meetings during the financial year 2015-16	
			Held	Attended
1	Mr Y Ramesh	Chairman	4	4
2	Dr. Vinod Goud Vemula	Member	2	2
3	Mr. Seetharama Rao	Member	2	2

iii. Meetings and Attendance during the year

During the Financial Year 2015-16, the Audit Committee met 4 times on the following dates: 29 May 2015, 13 August 2015, 13 November 2015 and 11 February 2016.

4. COMPENSATION / REMUNERATION COMMITTEE

The composition of Compensation / Remuneration Committee is as follows:

S No	Name of Director	Designation in the Committee
1	Mr Y Ramesh	Chairman
2	Dr. Vinod Goud Vemula	Member
3	Mr. Seetharama Rao	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. SHAREHOLDERS / INVESTOR GRIEVANCE COMMITTEE:

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

S No	Name of Director	Designation in the Committee
1	Mr D V S Prakash Rao	Chairman
2	Mr. Seetharama Rao A	Member
3	Mr Y Ramesh	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 2015-16	No. of Investor's Complaints resolved during the financial year 2015-16	Investor Complaints pending at the end of financial year 2015-16
0	0	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, 2015	30.09.2015	Kalinga Cultural Trust, Plot No.1269, Road No.12, Banjara Hills, Hyderabad-500034	04.30 P.M
March 31, 2014	30.09.2014	Kalinga Cultural Trust, Plot No.1269, Road No.12, Banjara Hills, Hyderabad-500034	03.00 P.M
March 31, 2013	30.09.2013	Kalinga Cultural Trust, Plot No.1269, Road No.12, Banjara Hills, Hyderabad-500034	10.30 A.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 relating 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 main source of information to the shareholders is the annual report of the Company, which includes, inter alia, Directors' Report and the Report of Board of Directors on Corporate Governance, Management Discussion and Analysis Report and the audited financial results together with the auditor's report. Pursuant to Clause 51 of the Listing Agreement, all data related to quarterly financial results, shareholding pattern etc., are hosted on the Electronic Data Information Filing and Retrieval (EDIFAR) website maintained by SEBI in association with the National Informatics Centre, within the time frame prescribed in this regard. The quarterly / audited results are also published for the information of the shareholders in "The Financial Express" (English Language) and "Andhra Prabha" (Telugu Language) daily newspapers, intimation to Stock Exchanges as required under the Listing Agreements and through press releases.

9. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As required by sub-clause V of Clause 49 of the Listing Agreement, Management Discussion and Analysis Report is annexed to the Directors' Report.

10. GENERAL SHAREHOLDERS INFORMATION:

i. Annual General Meeting	:	
Date	:	September 30 th , 2016
Time	:	3.30 P.M.
Venue	:	Kalinga Cultural Trust, Banjara Hills, Hyderabad
ii. Financial Year	:	1st April to 31st March, 2016
iii. Date of Book Closure	:	24 th September, 2016 to 30 th September, 2016 (Both days inclusive)
iv. Listing on Stock Exchange	:	1. National Stock Exchange 2. Bombay Stock Exchange (Indo Next)
v. Stock Symbol & Code	:	GREENFIRE (NSE) & 590057 (BSE)
vi. Market price data	:	High / Low during the each month in the financial year 2015-16 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
April 2015	0.54	0.43	29,094.61	26,897.54	0.60	0.40	8,841.65	8,144.75
May 2015	0.70	0.54	28,071.16	26,423.99	0.75	0.50	8,489.55	7,997.15
June 2015	0.86	0.65	27,968.75	26,307.07	0.90	0.55	8,467.15	7,940.30
July 2015	2.39	0.89	28,578.33	27,416.39	2.10	0.95	8,654.75	8,315.40
August 2015	4.22	2.44	28,417.59	25,298.42	3.60	2.20	8,621.55	7,667.25
September 2015	3.29	1.86	26,471.82	24,833.54	2.95	1.85	8,055.00	7,539.50
October 2015	3.45	2.36	27,618.14	26,168.71	3.15	2.40	8,336.30	7,930.65
November 2015	2.90	1.88	26,824.30	25,451.42	2.85	1.85	8,116.10	7,714.15
December 2015	2.85	2.20	26,256.42	24,867.73	2.85	2.20	7,979.30	7,551.05
January 2016	3.00	1.96	26,197.27	23,839.76	3.05	1.75	7,937.55	7,241.50
February 2016	2.54	1.30	25,002.32	22,494.61	2.25	1.35	7,600.45	6,825.80
March 2016	1.99	1.38	25,479.62	23,133.18	1.90	1.30	7,777.60	7,035.10

- iv. **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

vii. **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.

viii. **Distribution of shareholding:**

Category	Number of Members	(%) of Total Members	Number of Equity Shares	(%) of Total Shareholding
0-500	12011	65.79	2227756	2.32
501-1000	2409	13.19	2095434	2.18
1001-2000	1457	7.98	2353018	2.45
2001-3000	590	3.23	1544466	1.61
3001-4000	308	1.69	1129724	1.18
4001-5000	355	1.94	1721023	1.79
5001-10000	507	2.78	3961600	4.12
10001-above	620	3.40	81075415	84.36
Total	18257	100.00	96108436	100.00

ix. **Dematerialization of shares and Liquidity:**

As on 31st March 2016, 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

x. **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: +91-40-23548353
 Fax: +91-40-23548537
 URL: www.proseedindia.in

CERTIFICATE ON CORPORATE GOVERNANCE
(As required by clause 49 of the listing Agreement entered into with Stock Exchange)

To The Members of Proseed India Limited

We have examined the compliance of conditions of Corporate Governance by Proseed India Limited (formerly Green Fire Agri Commodities Limited) , for the year ended March 31, 2016, as stipulated in Clause 49 of the Listing Agreement 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 Listing Agreement.

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.

Date : 2nd September, 2016
Place: Hyderabad

For KOTA SRINIVAS & ASSOCIATES
Company Secretaries

CS. K. Srinivas
CP No. 14300
ACS No. 34206

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Current Agriculture Scenario

India's economic security continues to be predicated upon the agriculture sector, and the situation is not likely to change in the foreseeable future. Even now, agriculture supports 58% of the population, as against about 75% at the time of independence. In the same period, the contribution of agriculture and allied sector to the Gross Domestic Product (GDP) has fallen from 61 to 19%. As of today, India supports 16.8% of world's population on 4.2% of world's water resources and 2.3% of global land. And per caput availability of resources is about 4 to 6 times less as compared to world average. This will decrease further due to increasing demographic pressure and consequent diversion of the land for non-agricultural uses.

Around 51% of India's geographical area is already under cultivation as compared to 11% of the world average. The present cropping intensity of 136% has registered an increase of only 25% since independence. Further, rained dry lands constitute 65% of the total net sown area. There is also an unprecedented degradation of land (107 million ha) and groundwater resource, and also fall in the rate of growth of total factor productivity. This deceleration needs to be arrested and agricultural productivity has to be doubled to meet growing demands of the population by 2050. Efficiency-mediated improvement in productivity is the most viable option to raise production.

Economic Scenario

The Indian economy estimated to report a growth of 7.6% in FY 2016, which was higher than the previous year's. The country faced weak monsoons resulted in reduction in farm production and decreased the purchasing power of rural economy and consumption. The reforms and government decisions and actions like Make in India across India and Globally resulted in inflow of investments in Indian manufacturing sectors started recently and would like continue in future.

An Outlook

The country recorded impressive achievements in agriculture during three decades since the onset of green revolution in late sixties. This enabled the country to overcome widespread hunger and starvation; achieve self-sufficiency in food; reduce poverty and bring economic transformation in millions of rural families. The situation, however, started turning adverse for the sector around mid-nineties, with slowdown in growth rate of output, which then resulted in stagnation or even decline in farmer's income leading to agrarian distress, which is spreading and turning more and more serious.

Natural resource base of agriculture, which provides for sustainable production, is shrinking and degrading, and is adversely affecting production capacity of the ecosystem. However, demand for agriculture is rising rapidly with increase in population and per caput income and growing demand from industry sector. There is, thus, an urgent need to identify severity of problem confronting agriculture sector to restore its vitality and put it back on higher growth trajectory. The problems, however, are surmountable, particularly when new tools of science and technology have started offering tremendous opportunities for application in agriculture.

OPPORTUNITIES, THREATS & CONCERNS

Over the last few years in spite of a general economic slowdown, the agricultural sector continues to be an important pillar for the Indian economy.

The ever growing population of India creates new markets for agricultural produce while the improving affluence of Indian population has started preferring better quality agricultural products. The advent of organized retail and distribution network are helping the agricultural community get better value for their

quality products. The government's focus on the food processing industry and opportunities for agricultural exports has been opening up new markets for these products. Increasing Minimum Support Price (MSP) has been aiding farmers earn better returns. In spite of some of these positive cues, the agricultural sector has a whole set of complex challenges. The sector continues to be significantly dependent on the monsoons, as majority of the area is rain-fed and is dependent on timely and adequate rain fall. The effects of global warming and unseasonal rains have a negative impact on the crops and the farmers' ability to take risks. Changing food consumption patterns as well as volatility in agricultural price has an important impact on the sowing patterns of the crops across various states of India.

Harvesting and post harvesting practices need significant improvement to avoid huge losses. The pressure on land usage for alternate purposes of real estate and industry are shrinking the availability of cultivable land in the country. While these are challenging tasks, the opportunities in the agricultural sector are still underexploited. There are immense opportunities for improving all-round technologies in the entire supply chain right from the field to plate. High quality seeds with improved productivity as well as pest resistance capabilities continue to offer good potential. In fact seeds with the ability to perform under various biotic stresses are the need of the hour to improve the health of the agricultural sector in India. Mechanisation and improved farming techniques including crop protection technologies would help this sector grow. The government's increasing allocation of budget for the agricultural sector augurs well for the industry. There are new growth opportunities for Indian seed companies to explore newer markets in the Africa's and Asia's that have agro-climatic conditions akin to India. The growing Indian population and increasing per capita income will need doubling of our food production over the next decade. Hence the industry is at an interesting cross road, which has its own set of challenges but also great opportunities ahead.

Road Ahead

The agriculture sector in India is expected to generate better momentum in the next few years due to increased investments in agricultural infrastructure such as irrigation facilities, warehousing and cold storage. Factors such as reduced transaction costs and time, improved port gate management and better fiscal incentives would contribute to the sector's growth. Furthermore, the growing use of genetically modified crops will likely improve the yield for Indian farmers.

According to the National Institution for Transforming India Aayog (NITI Aayog), India's agriculture sector is expected to grow 6 per cent in FY 2016-17 in case of normal monsoon during the June-September period. The 12th Five-Year Plan estimates the foodgrains storage capacity to expand to 35 MT. Also, a 4 per cent growth would help restructure the agriculture sector in India in the next few years.

Financial Highlights:
(₹ lakhs)

Particulars	Years ended 2016	Years ended 2015
Revenue:		
Revenue from Operations	66.20	90.05
Other income	1.30	7.03
Total Revenue	67.50	97.08
EXPENDITURE:		
Purchase of stock in trade	61.49	83.06
Employee benefits expense	30.94	23.25
Finance costs	204.10	316.85
Depreciation expense	0.88	0.79
Other expenses	28.67	13.22
Total	326.08	437.17
Profit/(Loss) Before Extraordinary items and Tax	(258.58)	(340.09)
Extraordinary items	261.58	-
Profit/(Loss) After Extraordinary items	(520.16)	(340.09)
Less: Tax Expense	-	-
Profit/(Loss) After Tax	(520.16)	(340.09)
Earnings per share		
– Basic/Diluted	(0.54)	(0.35)
Earnings / (Loss) per share (Extraordinary Items)		
– Basic/Diluted	(0.27)	(0.35)

Income from operations

The revenues decreased to ₹ 66.20 lakhs in FY'16 from ₹ 90.05 lakhs in FY'15.

Gross Profit/Loss

During the FY'16 the company recorded loss of ₹ 258.58 lakhs against Loss of ₹ 340.09 lakhs in FY'15

Net Profit/Loss

In FY'16 net loss of ₹ 520.16 lakhs were recorded against net loss of ₹ 340.09 lakhs in FY'15.

Risk Management

Risk is attached to everything including business. The factors affecting the risk differ from business to business. The Company however, foresees various risks from competitors, unorganized sectors operating in the Industry, fluctuations in foreign exchanges rates, commodities rates, interest rate, commercial risk, change in Government policies and regulations and decision of the Management about the business which may effect overall profitability of the Company. However the Company has framed the policies so as to have minimum effect and to overcome the risks of the Business.

Internal Control systems and their adequacy

The Company has adequate internal control systems supplemented by internal audits by professional firms commensurate with its size and nature of business to ensure to safeguard and protect the interests and assets of the Company.

Cautionary Note

Statements in the Management Discussion and Analysis outlining the Company's estimates, perceptions and expectations may be forward looking statements within the meaning of applicable laws and regulations. The actual results may differ materially from those expressed herein above due to certain factors which may be beyond the control of the Company.

CEO/CFO Certificate

To,
The Shareholders and the Board of Directors.
Proseed India Limited
(Formerly Green Fire Agri Commodities Limited)

I, D V S Prakash Rao, Whole Time Director & CEO of Green Fire Agri Commodities Limited certify that:

1. We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2015 (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 violative 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 : 2nd September, 2016

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

Independent Auditor's Report

To the Members of
M/S PROSEED INDIA LIMITED (*formerly Greenfire Agri Commodities Limited*)
HYDERABAD

Report on the Financial Statements

We have audited the accompanying (Standalone) financial statements of M/s PROSEED INDIA LIMITED (*formerly Greenfire Agri Commodities Limited*) (“the Company”) which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is 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 financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these (Standalone) financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its Loss and its Cash Flow for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "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 purpose 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 and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
 - d. in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 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 Audit Report “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 does not have any pending litigations which would impact its financial position.

for **Sarath & Associates**
Chartered Accountants
Firm Reg. No 005120S

CA S Srinivas
Partner
M.No.202471

Place : Hyderabad
Date : 13.05.2016

“Annexure A” to the Independent Auditors' Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2016:

- i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books of records and the physical fixed assets have been noticed.
- (c) The Title deeds of presently available immovable properties are held in the name of the company.
- ii) As per the information and explained given to us, as the company's business does not involve maintenance of inventories Viz. Finished, Stores, Spare Parts, Goods in Process and Raw materials, the provisions of Clause 3(ii) of the Order are not applicable to the Company for the Current Year.
- iii) According to the information and explanation given to us, the company has not granted any unsecured loans covered under the register maintained under section 189 of the Companies Act 2013, the provisions of Clause 3(iii)(a) to Clause 3(iii)(c) of the Order are not applicable to the Company for the Current Year.
- iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- v) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) amendment Rules, 2015 with regard to the deposits accepted from the public are not applicable for the company for the current year.
- vi) According to information and explanation given to us, the maintenance of Cost Records has not been prescribed by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- vii) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, Cess with the appropriate authorities

during the year and any other statutory dues applicable to the company. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2016 for a period of more than six months from the date on which they become payable.

- b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute, except as stated hereunder:-

Sl. No	Name of the Statute	Nature of dues	Amount ₹	Period to which the amount Relates	Forum where dispute is pending
1.	Sales Tax, Mumbai	VAT-Mumbai	1,245,280	2012-13	Sales Tax, Maharashtra
2.	Sales Tax, AP	VAT	8,925	2012-13	Sales Tax, AP
3.	Income Tax	Self assessment tax	9,773,793	AY 2012-13	DCIT
4.	Income Tax	Tax Demand	6,416,141	AY 2007-08	CIT Appeals
5.	Income Tax	Tax Demand	15,607,170	AY 2010-11	ITAT
6.	Income Tax	Tax Demand	6,680,370	AY 2011-12	ITAT

- viii) In our opinion and according to the information and explanations given to us, the Company did not avail any fresh loan either from banks/financial institutions or issued any debentures during the current year.

However loans taken from M/s Dhanalakshmi Bank earlier was defaulted and become NPA which was disclosed under Note No 2.4 of the Financial statements. Further, the Company entered into OTS arrangement, which was also disclosed in Note 2.4.

- ix) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly the provisions of Clause 3(ix) of the Order are not applicable to the Company for the Current Year under review.
- x) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- xi) Based upon the audit procedures performed and the information and explanations given by the management, managerial remuneration has been paid or provided during the current year, which is in accordance with requisite approvals mandated.
- xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- xiii) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013, where applicable and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

- xiv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- xvi) In our opinion, the company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934.

for **Sarath & Associates**
Chartered Accountants
Firm Reg. No 005120S

CA S Srinivas
Partner
M.No.202471

Place : Hyderabad
Date : 13.05.2016

“Annexure B” to the Independent Auditor's Report of even date on the Financial Statements of M/s PROSEED INDIA LIMITED (formerly M/s Greenfire Agri Commodities 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 **M/S PROSEED INDIA LIMITED (formerly M/s Greenfire Agri Commodities Limited)** (“the Company”) as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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 judgement, 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.

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, 2016, 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.

for **Sarath & Associates**
Chartered Accountants
Firm Reg. No 005120S

CA S Srinivas
Partner
No.202471

Place : Hyderabad
Date : 13.05.2016

Balance sheet As at 31 March 2016*(All amounts in Indian rupees, except share data and where otherwise stated)*

Particulars	Note	As at 31 March 2016	As at 31 March 2015
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2.1	97,393,544	97,393,544
Reserves and surplus	2.2	(319,944,749)	(267,928,845)
		(222,551,205)	(170,535,301)
Non-current liabilities			
Long term provisions	2.3	186,480	87,118
		186,480	87,118
Current liabilities			
Short-term borrowing	2.4	217,574,772	217,271,974
Trade payables	2.5	13,371,941	11,061,939
Other current liabilities	2.6	13,029,748	16,903,523
Short term provisions	2.7	9,716,051	9,710,475
		253,692,512	254,947,911
Total		31,327,787	84,499,728
ASSETS			
Non current assets			
Fixed assets	2.8		
- Tangible assets		14,324,505	45,375,059
- Intangible assets		-	-
Long term loans and advances	2.9	20,000	22,641,360
		14,344,505	68,016,419
Current assets			
Trade receivables	2.10	382,031	1,787,621
Cash and bank balances	2.11	427,198	521,635
Short term loan and advances	2.12	16,174,053	14,174,053
		16,983,282	16,483,309
Total		31,327,787	84,499,728
Summary of significant accounting policies	1		

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

As per our report of even date.

*for Sarath & Associates**for Proseed India Limited**Chartered Accountants*

Firm's registration No: 005120S

S. Srinivas*Partner*

Membership No.: 202471

D.V.S. Prakash Rao*Wholtime Director*

DIN : 03013165

T. Venkateswara Rao*Executive Director*

DIN: 06806293

Monal Kapadia*Company Secretary*

ACS: 45004

Place : Hyderabad

Date : 13 May 2016

Statement of Profit and Loss Account for the year ended 31 March 2016

(All amounts in Indian rupees, except share data and where otherwise stated)

Particulars	Note	For the year ended 31 March 2016	For the year ended 31 March 2015
Revenue from operations			
Income from operations	2.13	6,619,715	9,005,020
Other income	2.14	130,365	703,471
Total revenue		6,750,080	9,708,491
Expenses			
Purchase of stock-in-trade	2.15	6,149,062	8,305,830
Employee benefits expense	2.16	3,094,495	2,325,126
Finance costs	2.17	20,410,291	31,684,588
Depreciation and amortisation expense	2.8	87,943	79,751
Other expenses	2.18	2,866,582	1,322,124
Total expenses		32,608,373	43,717,419
Profit/ (Loss) before extraordinary items and tax		(25,858,293)	(34,008,928)
Extraordinary items			
- Loss on Sale of Land		26,157,611	-
Profit/ (Loss) before tax after extraordinary items		(52,015,904)	(34,008,928)
Tax expense			
- Current tax		-	-
- Current tax for earlier years		-	-
- Deferred tax charge		-	-
Profit / (Loss) after tax		(52,015,904)	(34,008,928)
Earning per share (face value of share ₹ 1 each) [previous year: ₹ 1 each]	2.20		
- Basic/ Diluted		(0.54)	(0.35)
Earning per share (Excluding Extraordinary Items)			
- Basic/ Diluted		(0.27)	(0.35)
Summary of significant accounting policies	1		

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

As per our report of even date.

for **Sarath & Associates**

Chartered Accountants

Firm's registration No: 005120S

for **Proseed India Limited**

S. Srinivas

Partner

Membership No.: 202471

D.V.S. Prakash Rao

Wholtime Director

DIN : 03013165

T. Venkateswara Rao

Executive Director

DIN: 06806293

Monal Kapadia

Company Secretary

ACS: 45004

Place : Hyderabad

Date : 13 May 2016

Cash flow statement for the year ended 31 March 2016*(All amounts in Indian rupees, except share data and where otherwise stated)*

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
I. Cash flows from operating activities:		
Net profit/(loss) before taxation:	(52,015,904)	(34,008,928)
Adjustments for operating activities:		
Depreciation and amortisation	87,943	79,751
Provision Written off	(130,365)	(7,765)
Loss on sale of assets	26,157,611	-
Interest expense	20,410,291	31,684,588
Operating profit/(loss) before working capital changes	(5,490,424)	(2,252,354)
Adjustments for		
Decrease/(increase) in trade receivables	1,405,590	3,129,490
Decrease in inventories	-	-
Increase/ (decrease) in trade payables	2,310,002	5,664,872
Increase / (decrease) in loans and advances	20,621,360	190,540
Increase/(decrease) in liabilities and provisions	(3,638,472)	(1,507,994)
Cash generated from operations	15,208,056	5,224,554
Income taxes paid/(received)	-	-
Net cash flow from operating activities (A)	15,208,056	5,224,554
II. Cash flows from investing activities		
Proceeds from sale of fixed assets	4,805,000	-
Net cash flow used in investing activities (B)	4,805,000	-
III. Cash flows from financing activities		
Unsecured Loan received	19,577,386	4,722,531
Repayment / (Proceeds) of short-term borrowings	(19,274,588)	18,995,210
Finance costs	(20,410,291)	(31,684,587)
Net cash from financing activities (C)	(20,107,493)	(7,966,846)
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	(94,437)	(2,742,292)
Net cash received	-	-
Cash and cash equivalents at the beginning of the year	521,635	3,263,927
Cash and cash equivalents at the end of the year (refer note 2.11)	427,198	521,635

As per our report of even date.
for **Sarath & Associates**
Chartered Accountants
Firm's registration No: 005120S

for **Proseed India Limited**

S. Srinivas
Partner
Membership No.: 202471

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

T. Venkateswara Rao
Executive Director
DIN: 06806293

Monal Kapadia
Company Secretary
ACS: 45004

Place : Hyderabad
Date : 13 May 2016

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 Commodities trading business.

(a) Basis of preparation of financial statements

The financial statements are prepared in accordance with the Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory Accounting Standards specified under Section 133 of the Companies Act, 2013 (“the 2013 Act”) read with Rule 7 of the Companies (Accounts) Rules, 2014 the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to the existing accounting standard requires a change in the accounting policy hitherto in use.

(b) Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and reported amounts of revenues and expenses for the year. Actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods.

(c) Depreciation and amortization

Depreciation on tangible and intangible assets is provided on the straight-line method over the useful lives of assets estimated by the Management. Depreciation for assets purchased / sold during a period is proportionately charged. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, commencing from the date the asset is available to the Company for its use. The Management estimates the useful lives for the other fixed assets as follows:

Particulars	Years
Furniture, fixtures and office equipment	10
Computer equipment	3
Office equipment	5
Vehicles	10

(d) Tangible fixed assets

Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Exchange differences arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets. Subsequent expenditure relating to fixed assets is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

1. Significant accounting policies (continued)

Fixed assets retired from active use and held for sale are stated at the lower of their net book value and net realizable value and are disclosed separately in the balance sheet. Advances paid towards the acquisition of fixed assets outstanding at each balance sheet date and the cost of fixed assets not ready for their intended use before such date, are disclosed as capital advances.

(e) Intangible assets

Intangible assets are carried at cost less accumulated amortization and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible asset after its purchase / completion is recognized as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

(f) 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.

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

Minimum Alternate Tax (MAT) credit is recognized, as an Asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified year. In the year in which the Minimum Alternate tax (MAT) credit becomes eligible to be recognised as an asset in accordance with the recommendation contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of profit and loss and shown as MAT Credit Entitlement. Such Assets are reviewed as at each Balance Sheet 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

(h) 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.

Brokerage income is recognised when customer orders are executed on the commodity exchanges. Income from interest on deposits and interest bearing securities is recognised on the time proportionate method using the underlying interest rates.

(i) 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.

1. Significant accounting policies (continued)

(j) 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.

(k) 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.

(l) 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.

1. Significant accounting policies (continued)

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.

(m) 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.

(n) 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.

(o) 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.

2. Notes on accounts

(All amounts in Indian rupees, except share data and where otherwise stated)

2.1 Share capital

Particulars	As at 31 March 2016	As at 31 March 2015
Authorised		
Equity shares		
560,000,000 (previous year : 560,000,000) equity of ₹ 1 each (previous year: ₹ 1 each)	560,000,000	560,000,000
	560,000,000	560,000,000
Issued		
96,108,436 (previous year : 96,108,436) equity shares of ₹ 1 each fully paid up (previous year: ₹ 1 each)	96,108,436	96,108,436
Subscribed and fully paid up		
96,108,436 (previous year : 96,108,436) equity shares of ₹ 1 each fully paid up (previous year: ₹ 1 each)	96,108,436	96,108,436
Add: Forfeited share capital	1,285,108	1,285,108
	97,393,544	97,393,544

The details of shareholder holding more than 5% equity shares is set below:

Name of Shareholder	As at 31 March 2016		As at 31 March 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Kling Holdings Limited, (formerly known as Stampede Holdings Ltd.)	36,795,809	38.29	36,795,809	38.29

The reconciliation of the number of equity shares outstanding is set out below:

Particulars	As at 31 March 2016		As at 31 March 2015	
	Number	Amount in ₹	Number	Amount in ₹
Shares outstanding at the beginning of the year	96,108,436	96,108,436	96,108,436	96,108,436
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	96,108,436	96,108,436	96,108,436	96,108,436

- The Company has issued 16,514,295 equity shares by way of fully paid bonus shares on 03 September 2007.
- 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.
- 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

2. Notes on accounts (continued)*(All amounts in Indian rupees, except share data and where otherwise stated)***2.2 Reserves and surplus**

Particulars	As at 31 March 2016	As at 31 March 2015
Capital reserve account	1,671,142	1,671,142
Balance in statement of profit and loss		
Opening balance	(269,599,987)	(235,591,059)
Add: Profit/ (loss) after tax	(52,015,904)	(34,008,928)
Closing balance	(321,615,891)	(269,599,987)
Total	(319,944,749)	(267,928,845)

2.3 Long term provisions

Particulars	As at 31 March 2016	As at 31 March 2015
Provision for employee benefits		
Gratuity (Refer note.2.23)	164,264	73,647
Leave encashment	22,216	13,471
	186,480	87,118

2.4 Short term borrowing

Particulars	As at 31 March 2016	As at 31 March 2015
Secured loans		
Working capital demand loan from Dhanalakshmi Bank	139,816,962	139,735,615
Working capital demand loan from Corporation Bank	36,214,251	55,570,186
Unsecured loans		
Loans and advances from related party	41,543,559	21,966,173
	217,574,772	217,271,974

Note:

I. Working capital demand loan from Dhanalakshmi Bank

- i) Working Capital Demand loan from Dhanalakshmi bank is secured by first pari-passu charge on the entire current assets of the company including Stock and Books debts, entire movable fixed assets of the company along with the Corporation bank and mortgage of lands located at

2. Notes on accounts (continued)

(All amounts in Indian rupees, except share data and where otherwise stated)

Survey No. 220, admeasuring Ac 8.00 guntas situated at Urella Village, Chevella Mandal, RR District, Survey No. 219/P, admeasuring Ac 0.10 guntas situated at Urella Village, Chevella Mandal, RR District and all that residential building with build up area of 8842 square feet in Plot No 1, admeasuring 4000 sq yards in survey no 248, 251, 253 and 258 of Malkapur Village, Chevella Mandal, RR District standing in the name of the Company along with the personal guarantees of directors and these loans carry Interest at 18% p.a repayable in 26 equal monthly installments starting from 20.01.2013.

- ii) Due to non payment of dues and on committing default in repayment, the bank has categorized the loan account as Non performing Asset on 26.02.2013. Later, the Bank has sold the entire loan amount along with Mortgage deeds, Hypothecated assets to an Asset Reconstruction Company, M/s Phoenix Trust FY 14-18 ARC. Subsequently, the ARC issued the letter for payment of dues.
- iii) After repeated correspondence, the company failed to pay the dues to bank, and then the ARC sold the Mortgaged land standing on the name company situated at Survey No. 220, Admeasuring Ac 8.00 guntas located at Urella Village, Chevella Mandal, RR District, Survey No. 219/P, Admeasuring Ac 0.10 guntas situated at Urella Village, Chevella Mandal, RR District for a total consideration of ₹ 48,05,000/-
- iv) Subsequently, ARC has given to option for OTS offer vide letter No. Phoenix/RESL/3949/2015-16 dated 21st March 2016 for ₹ 2,00,00,000 and same was accepted by the company and had paid an amount of ₹ 20,00,000/- as upfront acceptance offer towards balance is to be paid within 3 months as per intimation
- v) During the year under review, the Bank/ ARC Pvt Ltd disposed off certain collateral securities provided by a Director given on personal guarantee for ₹. 98.80 lakhs and appropriated the proceeds towards in loan dues. Correspondingly, a liability arose in the hands of company to indemnify the same and is shown under current liabilities

II. Working capital demand loan from Corporation Bank

- i) Loan from Corporation Bank to meet Business Expenses carries interest at 14.60% p.a at present, subject to change from time to time and repayable on demand, subject to annual review/renewal.

2. Notes on accounts (continued)*(All amounts in Indian rupees, except share data and where otherwise stated)***2.5 Trade payables**

Particulars	As at 31 March 2016	As at 31 March 2015
Trade Payables		
- Amounts due to Micro, Small & Medium Enterprises (Refer Note: 2.22)	-	-
- Others	13,371,941	11,061,939
	13,371,941	11,061,939

2.6 Other current liabilities

Particulars	As at 31 March 2016	As at 31 March 2015
Advance from customers	1,307,173	14,525,000
Accrued expenses	19,575	164,837
Employee payables	420,189	359,936
Unclaimed dividend	81,934	394,258
Statutory dues	1,320,877	1,459,492
Others	9,880,000	-
	13,029,748	16,903,523

2.7 Short term provisions

Particulars	As at 31 March 2016	As at 31 March 2015
Provision for taxation		
- Provision for taxation	9,708,165	9,708,165
Provision for employee benefits		
- Gratuity	5,073	-
- Leave Encashment	2,813	2,310
	9,716,051	9,710,475

2. Notes on accounts (continued)
(all amounts in Indian Rupees, except share data and otherwise stated)

2.8 : Fixed assets

Particulars	Gross block						Depreciation/ Amortisation			Net block	
	As at 1 April 2015	Additions during the year	Deletions during the year	As at 31 March 2016	As at 1st April 2015	Charges for the year	On Deletions	As at 31 March 2016	As at 31 March 2015	As at 31 March 2016	
Land	43,139,562	-	30,962,611	12,176,951	-	-	-	-	43,139,562	12,176,951	
Building	5,276,579	-	-	5,276,579	3,041,082	87,943	-	3,129,025	2,235,497	2,147,554	
Total	48,416,141	-	30,962,611	17,453,530	3,041,082	87,943	-	3,129,025	45,375,059	14,324,505	
Previous year	48,416,141	-	-	48,416,141	2,961,331	79,751	-	3,041,082	45,375,059	-	
Intangible Assets											
Goodwill	-	-	-	-	-	-	-	-	-	-	
Software	-	-	-	-	-	-	-	-	-	-	
Total	-	-	-	-	-	-	-	-	-	-	
Previous year	39,661,323	-	39,661,323	-	39,661,323	-	-	39,661,323	-	-	
Grand Total											
Current year	48,416,141	-	30,962,611	17,453,530	3,041,082	87,943	-	3,129,025	45,375,059	14,324,505	
Previous year	88,077,464	-	39,661,323	48,416,141	42,622,654	79,751	39,661,323	3,041,082	45,375,059	-	

During the year under review, certain portion of the land admeasuring totally Ac 8.10 Guntas charged in favour of M/s Dhanalaxmi Bank Limited was disposed off by the Bank/ARC towards adjustment of their loan amounts. The corresponding cost of the land is shown under deletions in the above table. The difference between the cost of land and the sale proceeds is booked as loss

2. Notes on accounts (continued)*(All amounts in Indian rupees, except share data and where otherwise stated)***2.9 Long term loans and advances**

Particulars	As at 31 March 2016	As at 31 March 2015
Other loans and advances		
Unsecured, considered good		
Capital advances	-	22,500,000
Security deposit	20,000	120,000
Prepaid expenses	-	21,360
	20,000	22,641,360

2.10: Trade receivables

Particulars	As at 31 March 2016	As at 31 March 2015
Unsecured, considered good		
Debts outstanding for period exceeding six months from the date they become due	-	-
Others	382,031	1,787,621
	382,031	1,787,621

2.11: Cash and bank balances

Particulars	As at 31 March 2016	As at 31 March 2015
Cash and cash equivalents		
Cash on hand	11,332	10,848
Balance with banks		
- current accounts	333,932	116,529
- unclaimed dividend accounts	81,934	394,258
	427,198	521,635

2.12: Short term loan and advances

Particulars	As at 31 March 2016	As at 31 March 2015
Unsecured, considered good	-	-
Others		
Security deposit	1,398,352	1,398,352
Advance tax & tax deducted at source	12,673,616	12,673,616
Other advances**	2,000,000	-
VAT receivable	102,085	102,085
	16,174,053	14,174,053

** Paid towards upfront OTS offer payment, as per details given in Note No.2.4

2. Notes on accounts (continued)

(All amounts in Indian rupees, except share data and where otherwise stated)

2.13 Income from operations

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
<i>Income from commodities trading</i>		
- Food grains and maize	6,619,715	9,005,020

2.14 Other income

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Provisions no longer required, written back	130,365	7,765
Gain/loss on exchange fluctuation	-	34,499
Bad Debtors recovered	-	661,207
	130,365	703,471

2.15 Purchase of stock-in-trade

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Purchase of food grains and maize	6,149,062	8,305,830

2.16 Employee benefits expense

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Salaries	2,877,774	2,161,765
Contribution to provident fund and other funds	195,361	131,846
Staff welfare expenses	21,360	31,515
	3,094,495	2,325,126

2.17 Finance cost

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Interest on Bank loans	20,410,291	31,684,588

2. Notes on accounts (continued)*(All amounts in Indian rupees, except share data and where otherwise stated)***2.18 Other expenses**

Particulars	For the year Ended 31 March 2016	For the year Ended 31 March 2015
Power and fuel	55,743	54,412
Rent	120,000	120,000
Repairs and maintenance	13,710	33,320
Rates and taxes	502,060	304,338
Traveling and conveyance	39,161	1,805
Legal and professional fees	1,512,680	453,060
Communication charges	129,491	7,267
Sales promotion and advertisement	62,746	43,560
Bank charges	7,055	90,383
Advances written off	100,000	-
Printing and stationery	21,265	25,645
Miscellaneous expenses	302,671	188,334
	2,866,582	1,322,124

2. Notes on accounts (continued)

(All amounts in Indian rupees, except share data and where otherwise stated)

2.19 : Unclaimed Dividend an amount of ₹ 81,934/- lying in HDFC Bank for the financial years 2007-08, which is due for transfer to Investor and Education Protection Fund.

2.20 Earning per share (EPS)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
a. Profit / (loss) Before Extraordinary items and tax	(25,858,293)	(34,008,928)
Less: Extraordinary Items	26,157,611	-
b. Profit / (loss) after tax	(52,015,904)	(34,008,928)
c. Number of shares at the beginning of the year	96,108,436	96,108,436
Add: No. of equity shares issued during the year	-	-
Total number of equity shares outstanding at the end of the year	96,108,436	96,108,436
Add: Equity shares pending allotment (potential equity shares)	-	-
Total number of equity shares including potential equity shares	96,108,436	96,108,436
d. Weighted average number of equity shares outstanding during the year. [Nominal value ₹ 1] [previous year: ₹ 1]	96,108,436	96,108,436
e. Weighted average number of equity shares outstanding during the year. [Nominal value ₹ 1] [previous year: ₹ 1]	96,108,436	96,108,436
f. Earnings per share (₹)		
- Basic	(0.54)	(0.35)
- Diluted	(0.54)	(0.35)
g. Earnings per share (₹) (Excluding Extraordinary items)		
- Basic	(0.27)	(0.35)
- Diluted	(0.27)	(0.35)

2.21 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

iii. Enterprises with whom transactions have taken place

Entities where principal shareholders/management personnel have control or significant influence (either directly or indirectly)

Kling Holdings Limited, India (formerly Stampede Holdings Ltd)

Stampede Capital Limited, India

Social Media India Limited, India

2. Notes on accounts (Continued)*(All amounts in Indian rupees, except share data and where otherwise stated)***I. Particulars of related party transactions**

Following is the summary of significant related party transactions:

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Stampede Capital Limited - Intercorporate deposit/Margin money returned	191,899	191,899
Social Media India Limited - Intercorporate deposit repaid	9,282,173	-
Venkata Srinivas Meenavalli - Unsecured loan taken	27,784,559	12,684,000
D.V.S. Prakash Rao - Unsecured loan taken	1,075,000	-
- Salary paid	845,000	756,000
T. Venkateswara Rao - Salary paid	502,774	-

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

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Venkata S Meenavalli - Trade payable (Creditor)	276,610	276,610
- Unsecured loan payable	40,468,559	12,684,000
Social Media India Limited - Short-term borrowings (Intercorporate deposit)	-	9,282,173
D.V.S. Prakash Rao - Unsecured loan payable	1,075,000	-
- Salary payable	63,200	61,438
T. Venkateswara Rao - Salary payable	58,000	-

2. Notes on accounts (Continued)

(All amounts in Indian rupees, except share data and where otherwise stated)

2.22 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	2015-16	2014-15
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 (continued)*(All amounts in Indian rupees, except share data and where otherwise stated)***2.23 Provision for employee benefits**

- a. Pursuant to the adoption of the Accounting Standard 15 (Revised) – Employee Benefits effective 1st April 2007, the following table sets out the status of the gratuity plan :

Particulars	As at 31 March 2016	As at 31 March 2015
Reconciliation of opening and closing balance of the present value of defined benefit obligations		
Opening defined benefit obligation	73,647	74,544
Current service cost	35,238	18,286
Interest cost	5,892	5,964
Actuarial (gain)/loss	54,560	(25,147)
Closing defined benefit obligation	169,337	73,647
Change in the fair value of assets		
Opening fair value of plan assets	-	-
Expected return on plan assets	-	-
Actuarial gains / (losses)	-	-
Contributions by employer	-	-
Benefits paid	-	-
Closing fair value of plan assets	-	-
Amounts recognised in the balance sheet		
Present value of funded obligation	169,337	73,647
Fair value of plan assets at end of the year	-	-
Net liability	169,337	73,647
Expense recognised in statement of profit and loss		
Current service cost	35,238	18,286
Interest on defined benefit obligation	5,892	5,964
Expected return on plan assets	-	-
Net actuarial losses / (gains) recognized in year	54,560	(25,147)
Amount, included in "Employee benefit expense"	95,690	(897)
Summary of actuarial assumptions		
Discount rate (%)	8	8
Rate of return on plan assets (%)	5	5
Salary escalation rate (%)	4	4

2. Notes on accounts (continued)

(All amounts in Indian rupees, except share data and where otherwise stated)

Discount rate : The discount rate is based on the gross redemption yield on medium to long term risk free investments.

Expected rate of return on plan assets : The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

Salary escalation rate : The attrition rate is the expected employee turnover for the future periods, adjusted to the current economic environment.

2.24 Payments to auditors (included in Legal and professional charges includes) (excluding service tax)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Audit fee	100,000	100,000
Other services	-	12,500
Reimbursement of expenses	-	-
	100,000	112,500

2.25 Capital Comitments and Contingent liabilities

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Contingent Liabilities		
Company extended property to Bank of Baroda against the loan sanctioned to Barret Commodity Traders Private Ltd	18,000,000	18,000,000
Income Tax appeal before CIT Appeals II for AY 2007-2008	6,416,141	
Income Tax appeal before ITAT for AY 2010-2011	15,607,170	
Income Tax appeal before ITAT for AY 2011-2012	6,680,370	
Self Assessment Tax for AY 2012-2013	9,773,793	
Sales Tax Matters	1,254,205	-
Company accepted the OTS offer given by the Phoneix Trust FY 14-18	18,000,000	

2.26 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. Notes on accounts (continued)

(All amounts in Indian rupees, except share data and where otherwise stated)

2.27 Segment reporting

The primary business segment of the Company is "commodity trading". As the Company operates in a single business segment, separate segment disclosure is not relevant.

2.28 In the opinion of Board, assets other than Fixed Assets and non-current investments have a value on realization in the ordinary course of business atleast equal to the amount at which they are stated and provision for all known liabilities have been made

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

As per our report even date
for **Sarath & Associates**

for **Proseed India Limited**

Chartered Accountants
Firm's registration No.: 005120S

S. Srinivas
Partner
Membership No.: 202471

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

T. Venkateswara Rao
Executive Director
DIN: 06806293

Monal Kapadia
Company Secretary
ACS : 45004

Place : Hyderabad
Date : 13 May 2016

Proseed India Limited

Flat No. 302, Lotus Block, Block-B,
Sandy Springs, Manikonda, Ranga Reddy Dist., Telangana, Hyderabad - 500 089.
CIN: L72200TG2002PLC039113, www.proseedindia.in

PROXY FORM MGT 11

(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) of _____ Equity 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 24th Annual General Meeting of the Company, to be held on the **30th day of September, 2016 at 03.30 p.m.** at the Kalinga Cultural Trust, Plot No. 1269, Road No. 12, Banjara Hills, Hyderabad - 500 034 Telangana and at any adjournment thereof, in respect of such resolutions set out in the AGM Notice convening the meeting, as are indicated below:

RESOLUTIONS	FOR	AGAINST
1. Adoption of Financial Statements and Reports thereon for the Year Ended 31st March, 2016		
2. Re-appointment of Mr. Venkateswara Rao T (DIN:06806293) who retires by rotation		
3. Re-appointment of M/s. Sarath & Associates, Chartered Accountants, as Statutory Auditors of the company and fix their remuneration		
4. Appointment of Dr. Vinod Goud Vemula (DIN: 03104042) as an Independent Director		
5. Appointment of Mr. Seetharama Rao (DIN: 07333633) as an Independent Director		
6. Re classification of Promoter group to Public group		
7. To raise further capital		

Signed this day of 2016

Signature of Shareholder



Signature of Proxy Holder(s)

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.

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Proseed India Limited

Registered Office : Flat No. 302, Lotus Block, Block-B, Sandy Springs,
Manikonda, Ranga Reddy Dist., Telangana, Hyderabad - 500 089.
CIN: L72200TG2002PLC039113, 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 24th Annual General Meeting of the Company being held on **30th day of September, 2016 at 03.30 p.m** at Kalinga Cultural Trust, Plot No. 1269, Road No. 12, Banjara Hills, Hyderabad - 500 034 Telangana.

Signature of the Member/Proxy

**PRINTED MATTER
BOOK-POST**

If undelivered, please return to :



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

Tel: +91-40-23548353, Fax:+91-40-23548537

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