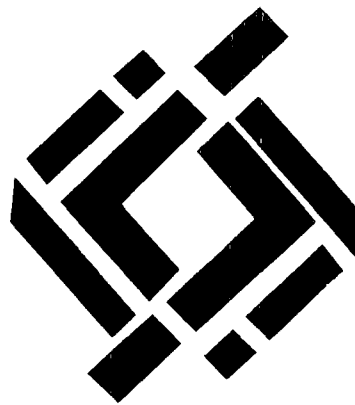






Tyche Industries Limited



**10th Annual Report
2007 - 2008**





BOARD OF DIRECTORS:

MR. G.GANESH KUMAR : **MANAGING DIRECTOR**

MR. SRIDHAR BHUPATHI RAJU : **DIRECTOR**

MR. ASHISH UNIYAL : **DIRECTOR**

MR. MURALI REDDY : **DIRECTOR**

AUDITORS : **M/S P.S.N RAVISHANKER
& ASSOCIATES**
Chartered Accountants
Flat No 205, B-Block,
II Floor, Kushal Towers,
Khairatabad
Hyderabad – 500 004

BANKERS : **UTI Bank**
Jubilee Hills Branch
State Bank of India
Main Road, Kakinada

REGISTERED OFFICE : **C21/A, Road no 9**
Film Nagar, Jubilee Hills,
Hyderabad – 500 033

FACTORY : **Sarpavaram**
Kakinada E.G Dist; A.P

RESEARCH & DEVELOPMENT CENTRE : **4-100, Drs. Colony**
Saroor Nagar, Hyderabad



NOTICE

Notice is hereby given that the 10th Annual General Meeting of the Company will be held on Monday, the 29th day of September, 2008 at 11.30 A.M at Sagi Ramakrishnam Raju Community Hall, Madhura Nagar, Hyderabad 500 038 to transact the following business.

ORDINARY BUSINESS

1. To receive consider and adopt the Audited Profit and Loss Account for the year ended 31st March, 2008 and Balance Sheet as on that date along with the reports of Auditor's and Directors' thereon.
2. To declare dividend on Equity Shares.
3. To appoint a director in place of Mr. M. Murali Reddy who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors and to authorize the Board to fix their remuneration and in this regard to pass the following resolution with or without modification(s) as an Ordinary Resolution.
"RESOLVED THAT M/s. P. S. N. Ravishanker & Associates, Chartered Accountants, Hyderabad the retiring auditors be and are hereby reappointed as Auditors of the Company to hold the office up to the conclusion of next Annual General Meeting at a remuneration to be fixed by the Board of Directors.

SPECIAL BUSINESS:

5: RE-APPOINTMENT OF SRI. G. GANESH KUMAR, AS MANAGING DIRECTOR OF THE COMPANY:

To consider and if thought fit to pass with or without modification(s), the following resolution as a Special Resolution.

RESOLVED THAT pursuant to the provisions of Sections 198,269,309, 310,311,314, Schedule XIII and other applicable provisions if any of the Companies Act, 1956 and subject to such other approvals and consents as may be required, the approval and consent of the Company be and is hereby accorded to the reappointment of Sri. G. Ganesh Kumar, as Managing Director for a period of five years with effect from 1st day of July 2008 on the remuneration, perquisites and other allowances as mentioned below.

A. Salary: Salary in the range of Rs. 2,00,000/- to Rs. 3,00,000/- per month as may be decided by the Board from time to time and Rs. 2,00,000/- per month with effect from 1st day of July 2008.

B. Perquisites: As set out below.

Medical reimbursement /allowance for self and family: Reimbursement of expenses actually incurred for self and family or medical allowance, the total cost of which to the Company shall not exceed one Month's salary in a year or three months salary over a period of three years.



Leave Travel Concession or Allowance: For self and family, once in a year either in India or abroad in accordance with the rules of the Company.

Club Fees : Fees of clubs, subject to the maximum of two clubs.

Personal Accident Insurance : As per the rules of the Company.

Car : Free use of Company's car with driver.

Contribution to provident fund , super annotation fund or Annuity Fund as per the Rules of the Company;

Gratuity payable shall not exceed, half a month's salary for each completed year of service.

Communication facilities : Free communication facilities like Telephones/internet/mobiles/fax at residence.

Leave on full pay and allowances as applicable to other employees of the Company but not exceeding one month for every 11 month's service.

He shall also be entitled to reimbursement of expenses actually and properly incurred for the business of the Company.

RESOLVED FURTHER THAT the remuneration aforesaid including the perquisites and other allowances shall be paid and allowed to Sri. G. Ganesh Kumar, Managing Director as minimum remuneration during the currency of his tenure, in the event of loss or inadequacy of profits in any financial year for a period not exceeding three years.

BY ORDER OF
For TYCHE INDUSTRIES LIMITED

Place : Hyderabad

Date : 31.07.2008

sd/-
(G. Ganesh Kumar)
Managing Director



NOTES

- (1) A Member entitled to attend the meeting and vote on poll is entitled to appoint a proxy to attend and vote instead of himself/herself and such proxy need not be a Member of the Company. The instrument of proxy, in order to be valid should be deposited at the Registered Office of the Company not less than 48 hours before the meeting.
- (2) The relative Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 is given in the Annexure.
- (3) The Register of Members and Share Transfer Books will remain closed 26/09/2008 to 29.09/2008 (both days inclusive).
- (4) Members are requested to notify immediately any change in their address to the Company / Share Transfer Agents, CIL Securities Limited, 214 – Raghavaratna Towers, Chirag Ali Lane, Hyderabad – 500 001, quoting their Folio Number.
- (5) Details of Directors seeking reappointment at the forthcoming Annual General Meeting (pursuant to Clause 49 of the listing agreement)

As required under the listing agreement, the particulars of Managing Director and Director who are proposed to be reappointed as given below.

Name: G. Ganesh Kumar

Brief resume : Aged 37 years has completed his B.com from Osmania University in the year 1992. He passed his MBA from New York Institute of Technology in the year 1995.

He having an industrial experience of 13 years in the areas of Production and domestic & International Market. His responsibilities include corporate management and formulation of business strategies of the company.

Explanatory Statement

(Pursuant to section 173(2) of the Act)

Item No:5, Sri G. Ganesh Kumar was Reappointed as Managing Director in the Board Meeting held on 31.07.2008. He having an industrial experience of 13 years in the areas of Production and domestic & International Market. His responsibilities include corporate management and formulation of business strategies of the company. His vast experiences will immensely help the company and hence board is recommending for his reappointment.

None of the directors were concerned or interested in the above resolution except Sri G. Ganesh Kumar.

**DIRECTORS' REPORT, MANAGEMENT DISCUSSION & ANALYSIS**

Dear Members,

Your Directors are pleased to present the 10th Annual Report for the year ended March 31, 2008. The Financial highlights of the year are as follows.

FINANCIAL RESULTS

(Rs. in Lakhs)

Particulars	2007-2008	2006-2007
Sales	2927.02	2724.88
Other Income	13.30	13.13
Increase/(decrease) in stocks	(31.09)	40.22
Total Income	2909.23	2778.23
Operating Profit (PBD&T)	526.88	614.17
Depreciation	42.09	36.13
Profit Before Tax	484.79	578.04
Provision for Tax		
Current	120.51	110.30
Deferred	16.70	18.00
FBT	4.60	3.10
Profit after Tax	342.98	446.64
Add: Prior Period items	0.31	0.02
Net Profit after tax	343.29	446.62
Transfer to General Reserve	34.30	44.70
Earnings per share (Rs.)	3.35	4.36



FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

REVIEW OF OPERATIONS:

During the year under review, your company has achieved sales turnover 2927.02 Lakhs and net profit of Rs.343.29 lakhs when compared to previous year turnover of Rs. 2724.88 lakhs and Rs. 446.64 lakhs respectively.

SHARE CAPITAL:

The Company has only one class of shares viz. equity share of Rs. 10/- of each. The total issued and subscribed capital of the company is Rs.1025.00 Lakhs. The shares of the company are listed on Bombay Stock exchange. The Scrip of the company is under compulsory demat.

DIVIDEND ON EQUITY SHARE CAPITAL:

Your Directors are pleased to recommend 5% dividend i.e Re.0.50Paise per equity share of Rs.10/- each for each for the financial year 2007-2008. The total amount of dividend provided for the year is Rs.57,85,500 including Rs.840400/ as tax on dividend. The dividend if approved at the ensuing Annual General Meeting will be paid to the share holders whose names appear on the Register of Members of the Company as on 29th September 2008.

LISTING :

The above shares are listed on the Mumbai Stock Exchange. The scrip of the Company is under compulsory Demat segment.

FIXED DEPOSITS:

During the year your company has not invited or accepted any deposits from the public for which the provisions of section 58 A & 58 AA of the Companies Act, 1956 apply

RESERVES & SURPLUS:

During the year under review the reserves and surplus stood at Rs 1089.23 lacs

FIXED ASSETS:

The fixed assets of the company stood at Rs.1188.35 lakhs as at the end of the current year as compared to Rs 1020.03 lacs of previous year.

NET CURRENT ASSETS:

The net current assets of the Company have increased to Rs 1134.40 lakhs as on 31st March 2008 from Rs 852.35 lacs as at 31st March 2007.

HUMAN RESOURCES:

The company believes that the intrinsic strength is its people. The company has always paid special attention to recruitment and development at all categories of employees. Yours directors would like to place on record, their deep appreciation of all employees for rendering impeccable services.



DIRECTORS:

Mr. Murali Reddy, director of the company retire by rotation at the forthcoming Annual General Meeting and being eligible offer himself for reappointment.

AUDITORS:

The Auditors of the Company M/s P.S.N.Ravishanker & Associates, Hyderabad holds office till the conclusion of the forthcoming Annual General Meeting and are eligible for re-appointment. The Company has received letter from the auditors to the effect that their appointment as Auditors, if made, would be within the limits under Section 224 (1-B) of the Companies Act, 1956.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies Act, 1956, Your Directors state:

- i. That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii. That the directors have selected such accounting 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 of the company for the Financial Year.
- iii. That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- iv. That the directors have prepared the annual accounts on a going concern basis.

EMPLOYEE PARTICULARS :

The particulars of the employees as required in accordance with the provisions of section 217 (2A) of the Companies Act, 1956 and the Companies (Particulars of Employees) Rules, 1975 are **NIL**.

CONSERVATION OF ENERGY ETC.,

The particulars as prescribed under Section 217(1)(e) of the Companies Act, 1956 read with Rule 2 of the Companies (Disclosure of Particulars in the Report of Board Of Directors) Rules, 1988, the particulars relating to the conservation of Energy, Technology Absorption, Foreign Exchange Earnings & Outgo have been given in the Annexure which forms part of this Report.



CORPORATE GOVERNANCE:

Pursuant to Clause 49 of the Listing Agreement, your Company has to mandatorily comply with the requirements of Corporate Governance. A separate section on Corporate Governance and a Certificate from the Auditors of the Company regarding compliance of conditions on Corporate Governance, form part of the Annual Report.

INDUSTRIAL RELATIONS:

Industrial relation have been cordial and your directors appreciate the sincere and efficient services rendered by the employees of the Company at all levels towards the successful working of the Company.

ACKNOWLEDGEMENTS:

Your Directors would like to express their grateful appreciation for the assistance and co-operation received from the Financial Institutions, the Company's Bankers, the Government of Andhra Pradesh and shareholders during the year under review.

For and on Behalf of the Board of Directors of
TYCHE INDUSTRIES LTD

Sd/-

(G.Ganesh Kumar)
Managing Director

Sd/-

(M.Murali Reddy)
Director

Place: Hyderabad
Date: 30.06.2008.

**ANNEXURE "A" TO THE DIRECTORS REPORT**

Particulars pursuant to Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988.

<p>A. Conservation of Energy</p> <p>a. Energy conservation measures taken;</p> <p>b. Impact of the measures at (a) and (b) above for reduction of energy;</p> <p>c. Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of productions of goods;</p> <p>d. Total energy consumption and energy consumption per unit of production as per Form A of the Annexure in respect of industries specified in the scheduled thereto.</p>	<p>The Company uses electric energy for its equipment such as computers, air conditioners and lighting. All possible measures have been taken to conserve energy.</p>
<p>A. Technology absorption</p> <p>e. Efforts made in technology absorptions as per Form B of annexure</p>	<p>NIL</p>
<p>B. Foreign Exchange Earning and outgo:</p> <p>i. Activities relating to exports; initiatives taken to increase exports; development of new export markets for products and services; and export plan</p>	<p>Please refer information given in the notes to the annual accounts of the company in Schedule no 14 Notes to the accounts Item No 7.</p>

**REPORT ON CORPORATE GOVERNANCE****1) Company Philosophy**

The Philosophy of the code of Governance of the Company is to conduct the business, while complying with legal and regular frame work, in a fair and transparent manner to enhance the stakeholders value.

2) Board of Directors

Composition and Category of Directors:

Name	Category & Designation	Attendance at Last AGM	No. of meetings held during the last Financial Year 2007-2008	No. of meetings attended	No. of memberships on boards of other Companies	No. of Board committees in which he is a member	No. of Board committees in which he is a Chairman.
Mr. G.Ganesh Kumar	Promoter- Managing Director	Present	6	6	3	NIL	NIL
Mr. M.Murali Reddy	Independent - Director	Present	6	5	Nil	NIL	NIL
Mr.Asish Uniyal	Independent	Present	6	5	Nil	NIL	NIL
Mr. Sridhar Bhupathi Raju (through Alt.Dir. Mr.Vikram Malhothra)	Independent	Present	6	6	Nil	NIL	NIL

Meetings of the Board of Directors:

During the Financial Year 2007-08, the Board of Directors met 6 (Six).times, viz., on 30.06.2007,31.07.2007,31.08.2007,01.10.2007, 31.01.2008 and 31.03.2008

3) Audit Committee

The Audit Committee comprising of the three independent directors met four times during the year and reviewed the financial statements before their submission to the management. The Audit Committee consists of -

1. Mr. M.Murali reddy - Chairman.
2. Mr. Sridhar Bhupathi Raju
3. Mr. Ashish Uniyal



The Audit Committee met 4 (four) times during the year on viz., on 30.06.2007, 31.07.2007, 31.01.2008 and 31.03.2008

4) Remuneration Committee

The Remuneration Committee of the Company recommends to the board of Directors, the compensation of terms to Managing director, senior most management immediately below the Managing director.

The remuneration committee consists of :

- 1). Mr. Ashish Uniyal - Chairman
- 2). Mr.M.Murali Reddy
- 3). Mr.Sridhar Bhupathiraju

Non-Executive Directors: Non-Executive Directors are eligible for sitting fees for attending Board and Committee meetings. However they opted not to claim voluntarily.

5) Investors' Grievance Committee/Share transfer committee :

As a measure of good corporate governance and to focus on the shareholders' grievances and towards strengthening investor relations, an Investors' Grievance Committee / Share Transfer Committee has been constituted as a sub-committee of the Board, consisting of the following directors:

- 1) Mr Asish Uniyal - Chairman,
- 2) Mr.M.Murali Reddy
- 3) Mr.G.Ganesh Kumar, Managing Director to perform the following functions.

a) The functions of the committee(s) include:

To specifically look into redressing investors' grievances pertaining to:

- 1) Transfer of shares
- 2) Dividends
- 3) Dematerialization of shares
- 4) Replacement of lost/stolen/mutilated share certificates
- 5) Non-receipt of rights/bonus/split share certificates.
- 6) Any other related issues

The subcommittee will also focus on strengthening investor relations.

**b) Others:**

Name and designation of compliance officer: Mr. G. Ganesh Kumar, Managing Director. There are no valid requests pending for share transfers as on the date of Directors' Report.

6) Date, Venue and Time of the Annual General Meetings held since last 3 years.

Date	Venue	Time	No. of Special Resolutions
30.09.2007	Sri Sagi Ramkrishnam Raju Community Hall,	11.30 A.M.	NIL
29.09.2006	-do-	11.30 A.M.	NIL
30.09.2005	-do-	11.00 A.M.	NIL

7) Disclosures

There are no materially significant related party transactions, i.e., transactions, material in nature, with its promoters, the directors or the management, their subsidiaries or relatives, etc. that may potentially conflict with the interests of the Company at large.

8) Means of Communication

The Company is presently publishing the quarterly results in newspapers as per listing requirements.

9) General Information for Shareholders

(a) Indicated in the Notice to our shareholders, the Annual General Meeting of the Company will be held on 29th September, 2008 at 11.30 A.M at Sagi Ramakrishnam raju community hall, Madhura Nagar, Hyderabad.

(b) The Financial Year of the Company is 1st April to 31st March.

(c) Date of book closure: From 26th September 2008 to 29th September 2008 (both days inclusive) for the purpose of the Annual General Meeting.

(d) The shares of the Company are listed on the Bombay Stock Exchange, Mumbai.

The listing fees as on date have been paid to the above stock exchange where the Company's shares are listed.

Stock Code:

BSE Code : 532384

: SIRISS # (Fully paid up)

SIRIPP # (Partly Paid up)



(a) Monthly high and low stock quotations during the year under review along with the performance in comparison to broad-based indices:-

MONTHLY HIGH AND LOW QUOTATIONS QUOTED ON BSE DURING THE YEAR :

MONTH	HIGH	LOW
APRIL 07	31.35	23.05
MAY 07	29.70	22.55
JUNE 07	29.45	23.10
JULY 07	27.70	22.60
AUGUST 07	29.75	22.45
SEPTEMBER 07	29.00	22.90
OCTOBER 07	25.40	17.50
NOVEMBER 07	22.50	18.25
DECEMBER 07	33.65	19.45
JANUARY 08	37.40	18.05
FEBRUARY 08	23.00	16.40
MARCH 08	20.45	13.50

(e) As of March 31, 2008, the distribution of our shareholding was as follows:

From	To	No. of Share Holders	%	No. of Shares	%
Up to 5000		2409	94.03	1925417	18.54
5001	10000	76	2.97	581595	5.67
10001	20000	35	1.37	507288	4.95
20001	30000	16	0.62	389964	3.8
30001	40000	4	0.16	139132	1.6
40001	50000	1	0.04	43357	0.43
50001	100000	8	0.31	495478	4.84
100001	Above	13	0.50	6167769	60.17
		2562	100	10250000	100.00



(f) Address for correspondence:

Registered Office: C 21/A, Road No9, Film nagar, Jubilee Hills, Hyderabad

(i) Secretarial Department: C 21/A, Road No 9, Film Nagar Jubilee Hills, Hyderabad

(ii) Registrar and Transfer Agents: CIL Securities Ltd, 205,Raghava Ratna Towers, Chirag ali lane, Abids, Hyderabad

For and on Behalf of the Board of Directors of
TYCHE INDUSTRIES LIMITED.

Sd/-

Sd/-

(G.Ganesh Kumar)

(M.MURALI REDDY)

Managing Director

Director

Place: Hyderabad

Date: 30.06.2008

Declaration on compliance with Code of Conduct.

Compliance of code of conduct for directors and senior management personnel pursuant to the amended provisions of the Clause 49 of the Listing agreement.

The Board laid down a code of conduct for all Board members and Senior Management Personnel of the company at its meeting held on 31.07.2005.

All the Board Members and senior management personnel affirmed that they have complied with the said code of conduct on an annual basis in respect of the financial year ended 31.03.2008.

Date: 31.06.2008

Sd/-

Place: Hyderabad

G.GANESH KUMAR
MANAGING DIRECTOR



AUDITORS' CERTIFICATE

To
The Members of
Tyche Industries Limited
Hyderabad. 500 033.

We have examined the compliance of conditions of corporate governance by Tyche Industries Limited for the year ended 31st March 2008, as stipulated in clause 49 of the listing agreement of the company with stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementations thereof, adopted by the company for ensuring the compliance of the conditions of the 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 generally no investor grievances are pending for a period exceeding one month against the company as per the records maintained by the company.

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

For P.S.N.RAVISHANKER & ASSOCIATES
Chartered Accountants

Place : Hyderabad,
Date : 30-06-2008

Sd/-
(P. RAVI SHANKER)
Partner



AUDITORS REPORT

To,
The Members of
M/s. Tyche Industries Limited,
D.No. C-21/A, Road No.9, Film Nagar,
Hyderabad-500 033.

From:
P.S.N.Ravi Shanker&Associates
Chartered Accountants,
Flat No.205, "Block"
Kushal Towers,
Khairatabad, Hyderabad-500 004.

We have audited the attached Balance Sheet of M/s TYCHE INDUSTRIES LTD as at 31st March, 2008, the Profit and Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted our audit in accordance with audit standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made the by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

- I. As required by the Companies (Auditors Report) Order, 2003, issued by the Central Government of India in terms of sub-Section (4A) of Section 227 of the Companies Act, 1956, we have enclosed a Statement on the matters specified in paragraphs 4 and 5 of the said order.
- II. Further to our statement referred to in paragraph 1 above, we report that:
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of accounts as referred by law have been kept by the Company, so far as it appears from our examination of those books.
 - c) The Balance Sheet and Profit and Loss account dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the Balance Sheet and Profit and Loss Account dealt with by this report comply with the Accounting Standards referred to in Sub-Section (3C) of Section 211 of the Companies Act, 1956



- a) On the basis of written representations received from the directors, as on 31-03-2008, and taken on record by the Board of directors, we report that none of the directors is disqualified as on 31.03.2008 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
- b) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i) In so far as it relates to the Balance Sheet of the state of affairs of the company as at 31st March, 2008; and
 - ii) In so far as it relates to the Profit & Loss Account of the Profit for the year ended on that date.

For P.S.N.Ravishanker & Associates
Chartered Accountants

Sd/-
(P. RAVISHANKER)
Partner

Place: Hyderabad
Date : 30-06-2008

**STATEMENT REFERRED TO IN THE AUDITORS REPORT**

- 1a) The Company has maintained proper records to show full particulars including quantitative details and situation in respect of the assets. However the fixed assets register is to be updated.
- b) The fixed assets of the company have been broadly verified during the year by the management and we are informed that no material discrepancies were noticed on such verification.
- c) The company has not disposed off substantial part of its fixed assets.

- 2a) As explained to us, Physical verification of inventories has been conducted by the management during the year in respect of majority of the high value items at reasonable intervals.
- b) The procedures of physical verification of inventory followed by the management appear to be generally reasonable and adequate in relation to the size of the company and the nature of its business.
- c) *The company is maintaining proper records of inventory and we are informed that no material discrepancies were noticed on such Physical verification.*

3. During the year the company has not granted or taken secured/ unsecured loans to/from the parties covered in the register maintained under Section 301 of the Act.

4. In our opinion and according to the information and explanations given to us, the internal control procedures existing in the company with regard to purchase of Inventory and Fixed Assets and for the sale of goods appear to be commensurate with the size of the company and the nature of its business.

5. During the year, there are no transactions that need to be entered into the register in pursuance of Section.301of the Act.

6. As per the information and explanations furnished to us, the Company has not accepted any deposits from the Public during the year to which the directives issued by the Reserve Bank of India and the provisions of Sec.58A and 58AA of the Act and the Rules framed there under apply.

7. The company does not have any formal internal audit system during the year. However the internal control systems existing in the company cover some of the internal audit aspects also.

8. The company has maintained the records, which broadly meet the requirements of the Cost Records U/s.209 (1)(d) of the Companies Act, 1956. However, we have not examined the contents of these accounts and records.



9. The undisputed dues including Provident fund, Investor education and protection fund, Employees State Insurance, Income-Tax, Sales tax, Wealth tax, Custom duty, Excise duty, Cess and other statutory dues have been deposited by the company during the year with the appropriate authorities.
10. The company has been registered for more than 5 years and there are no accumulated losses in the company as at 31.03.2008. The company has not suffered cash losses during the year and in the preceding financial year.
11. The company has not taken any loans from any financial institutions / banks/ debenture holders.
12. During the year the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The provisions of the special statute applicable to Chit Funds, Nidhi /mutual benefit fund / societies are not applicable to the company.
14. The company is not dealing or trading in shares, securities, debentures and other investments.
15. The company has not given any guarantee for loans taken by others from banks or financial institutions.
16. During the year the company has not obtained any term loans.
17. The funds raised on short-term basis do not prima-facie appear to have been used for long-term investment and vice versa.
18. The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
19. The company has not issued any debentures.
20. The company has not raised money through public issue during the year.
21. According to the information and explanations furnished to us, during the year, there was no fraud on or by the company that has been noticed or reported by the management.

For P.S.N.RAVISHANKER & ASSOCIATES
Chartered Accountants

Sd/-
(P. RAVI SHANKER)
Partner

Place : Hyderabad,
Date : 30 /06/2008

**TYCHE INDUSTRIES LIMITED****BALANCE SHEET AS AT 31.03.2008**

	Schedule Nos.	As at 31.03.2008 Rs.	As at 31.03.2007 Rs.
<u>I. SOURCES OF FUNDS</u>			
SHAREHOLDERS FUNDS:			
i. SHARE CAPITAL	1	100,701,000	98,414,500
ii. RESERVES & SURPLUS	2	108,922,926	80,379,393
iii. DEFERRED TAX		7,898,315	6,228,315
Total		217,522,241	185,022,208
<u>II. APPLICATION OF FUNDS</u>			
a. FIXED ASSETS			
i. GROSS BLOCK	3	118,834,750	102,003,447
ii. Less: DEPRECIATION		15,468,932	11,277,364
iii. NET BLOCK		103,365,819	90,726,083
b. INVESTMENTS	4	512,072	2,424,017
c. CURRENT ASSETS, LOANS & ADVANCES:	5	164,474,642	149,176,476
d. Less : CURRENT LIABILITIES & PROVISIONS	6	51,034,709	57,713,203
e. NET CURRENT ASSETS		113,439,933	91,463,273
f. MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)	7	204,417	408,835
Notes on accounts attached	14		
Total		217,522,241	185,022,208

As per our report of even date
for P.S.N.RAVISHANKER & ASSOCIATES
Chartered Accountants

For and behalf of the Board of Directors of
TYCHE INDUSTRIES LIMITED

Sd/-
(P.RAVI SHANKER)
Partner
Place : Hyderabad.
Date : 30/06/2008

Sd/-
(G.GANESH KUMAR)
Managing Director

Sd/-
(M. MURALI REDDY)
Director



PARTICULARS	Schedule Nos.		As at 31.03.2008 Rs.		As at 31.03.2007 Rs.
INCOME					
Sale of Goods - Export		132,002,846		136,792,148	
- Domestic		85,059,015		89,650,703	
Processing charges			217,061,861		226,442,851
Other Income			75,640,225		46,044,745
Increase/(decrease) in stocks	11		1,329,939		1,312,609
			(3,108,751)		4,022,716
Total			290,923,274		277,822,921
EXPENDITURE					
Raw Material Cost	12		154,552,527		154,944,300
Manufacturing cost	13		48,737,869		35,617,932
Personnel Cost	9		12,004,154		10,682,286
Operating and Administration cost	10		21,924,592		14,567,717
Finance cost			810,893		388,726
Depreciation	3		4,209,431		3,612,779
Miscellaneous expenditure Written off			204,418		204,418
Total			242,443,884		220,018,158
Profit before taxation			48,479,390		57,804,763
<u>Less: Provision for taxation</u>					
— Current Tax			12,051,000		11,030,000
— Deferred Tax			1,670,000		1,800,000
— Fringe Benefit Tax			460,000		310,000
Profit after tax			34,298,390		44,664,763
Add/less: Excess/Short provision for income tax of previous years			30,643		1,837
Profit after tax and adjustments			34,329,033		44,662,926
Add.Profit Broughtforward from Previous Years			66,782,431		43,143,604
Profit available for appropriations			101,111,463		87,806,531
Less: Provision for Proposed Dividend			4,945,100		14,149,400
Less: Provision for Dividend tax			840,400		2,404,700
Less: Profit transferred to General Reserve			3,430,000		4,470,000
Balance carried forward to Balance Sheet			91,895,963		66,782,431
<u>Earnings per Share</u>					
Basic & diluted			3.35		4.36
<u>Number of shares</u>					
Basic & diluted			10,250,000		10,250,000
Notes on accounts attached	14				

As per our report of even date
for P.S.N.RAVISHANKER & ASSOCIATES
Chartered Accountants

For and behalf of the Board of Directors of
TYCHE INDUSTRIES LIMITED

Sd/-
(P.RAVI SHANKER)
Partner
Place : Hyderabad.,
Date : 30/06/2008

Sd/-
(G.GANESH KUMAR)
Managing Director

Sd/-
(M. MURALI REDDY)
Director



TYCHE INDUSTRIES LIMITED	Amount as at 31.03.2008 Rs.	Amount as at 31.03.2007 Rs.
SCHEDULES FORMING PART OF BALANCE SHEET		
<u>Schedule - 1</u>		
<u>SHARE CAPITAL</u>		
<u>Authorised Capital</u> 11,000,000 Equity Shares of Rs. 10/- each	110,000,000	110,000,000
<u>Issued, Subscribed & Paid up Capital</u> 10,250,000 Equity Shares of Rs. 10/- each fully paid-up 102,500,000		102,500,000
Less : Calls unpaid on 359,800 Equity Shares @ Rs. 5/- each (Previous year 817,100 Equity shares @ Rs 5 each) 1,799,000	100,701,000	4,085,500
Total	100,701,000	98,414,500
<u>Schedule - 2</u>		
<u>RESERVES & SURPLUS</u>		
<u>General Reserve</u>		
Balance at the beginning of the year	13,596,963	9,126,963
Add: Transfer from Profit & Loss Account	3,430,000	4,470,000
	17,026,963	13,596,963
<u>Profit & Loss Account</u>		
Credit Balance In Profit & Loss Account	91,895,963	66,782,430
Total	108,922,926	80,379,393



TYCHE INDUSTRIES LIMITED

Schedule - 3

SCHEDULE OF FIXED ASSETS

(Amount in Rs.)

Particulars	Gross Block				Depreciation				Net Block	
	As on 01.04.2007	Additions during the year 2007-2008	Deletions/ Adjustments During the year 2007-2008	As on 31.03.2008	Upto 31.03.2007	For the year 2007-2008	Deletions/ Adjustments During the year 2007-2008	Upto 31.03.2008	As on 31.03.2008	As on 31.03.2007
LAND-FREEHOLD	19,169,130	-	-	19,169,130	-	-	-	-	19,169,130	19,169,130
FACTORY BUILDINGS	21,716,951	-	-	21,716,951	1,414,980	725,346	-	2,140,326	19,576,625	20,301,972
PLANT & MACHINERY	35,576,621	7,927,661	424,100	43,080,182	2,986,694	2,103,641	17,863	5,072,472	38,007,710	32,589,926
LABORATORY EQUIPMENT	10,058,803	115,764	-	10,174,567	811,559	479,639	-	1,291,198	8,883,369	9,247,244
FURNITURE & OFFICE EQUIPMENT	6,311,719	161,130	-	6,472,849	4,192,997	262,098	-	4,455,095	2,017,754	2,118,721
VEHICLES	4,434,430	-	-	4,434,430	1,350,854	421,271	-	1,772,125	2,662,305	3,083,575
ELECTRICAL EQUIPMENT	4,024,432	42,500	-	4,066,932	520,279	217,436	-	737,715	3,329,217	3,504,152
SUB TOTAL	101,292,086	8,247,055	424,100	109,115,041	11,277,363	4,209,431	17,863	15,468,932	93,646,110	90,014,721
ADD:CAPITAL WORK IN PROGRESS	711,361	11,888,672	2,880,324	9,719,709	-	-	-	-	9,719,709	711,361
TOTAL	102,003,447	20,135,727	3,304,424	118,834,750	11,277,363	4,209,431	17,863	15,468,932	103,365,819	90,726,082



TYCHE INDUSTRIES LTD Schedule 4 INVESTMENTS	Amount as at 31.03.2008 Rs.	Amount as at 31.03.2007 Rs.
<u>Non trade</u>		
<u>I. Mutual Funds</u>		
a) <u>Franklin Templeton - Long- Term</u> (Previous year Market Value : 2,22,455 units @10.043/unit = Rs.23.20 lakhs)	-	1,911,945
b) <u>ICICI Prudential</u> (751 Units @Rs.11.83/ Unit = Rs 0.09 lakhs)	12,072	12,072
<u>II. Bonds</u>		
8% bonds in UCO Bank	500,000	500,000
Total	512,072	2,424,017



TYCHE INDUSTRIES LIMITED		Amount as at	Amount as at
Schedule - 5		31.03.2008	31.03.2007
CURRENT ASSETS, LOANS & ADVANCES		Rs	Rs
A. CURRENT ASSETS			
1. Raw materials (Valued at cost being lower of cost or market price)		18,132,013	15,116,285
Work in process (valued at cost of Raw materials plus proportionate overheads)		3,797,988	2,383,445
Finished Goods (valued at cost being lower of cost or market price)		7,658,282	12,181,576
Stores & Other Consumables (including capital items) (Valued at cost being lower of cost or market price)		4,592,446	6,052,725
2. Sundry Debtors - Unsecured considered good outstanding			
- for less than Six Months period	72,846,282		73,375,861
- for more than Six Months period	1,547,072	73,846,282	73,375,861
3. CENVAT and Cess balances		3,035,939	2,102,901
4. Cash on hand		909,249	745,330
5. (a) Bank balances with Scheduled banks			
i In Current accounts		22,397,161	561,686
ii In Deposit Accounts		4,140,430	4,092,259
iii In Dividend Account		384,225	384,225
(b) Bank balances with other banks			
In Current account at USA, PNC bank		-	423,639
5. Intercorporate Deposits (Including Accrued interest)		2,219,158	10,891,566
6 Interest accrued on Deposits with bank and others		434,776	368,177
7 Other Receivables		3,116,520	3,852,976
8. TDS receivable		2,175,924	1,119,311
9. Advance Tax			
-Income Tax	5,000,000		5,000,000
-Fringe Benefit Tax	70,000	5,070,000	70,000
10. AP VAT & CST Receivable		2,247,510	655,933
Total (A)		154,157,902	139,377,895
B. LOANS & ADVANCES			
Recoverable in cash or kind for value to be received, considered good			
i. Advances to employees		628,811	397,524
ii. Advance for capital goods and service providers		1,131,761	4,460,241
iii. Advance for Raw materials		5,549,679	2,488,185
iv. Other Advances		1,120,329	660,891
v. Deposits with Govt & Non govt organisations		1,704,569	1,676,310
vi. Prepaid Expenses		181,591	115,429
Total (B)		10,316,740	9,798,581
Total (A) + (B)		164,474,642	149,176,476



TYCHE INDUSTRIES LTD Schedule - 6	Amount as at 31.03.2008 Rs.	Amount as at 31.03.2007 Rs.
CURRENT LIABILITIES & PROVISIONS		
A. CURRENT LIABILITIES		
a. Creditors for Raw material	20,645,897	22,136,061
b. Creditors for Capital goods	4,728,718	2,066,619
c. Liabilities for expenses	2,177,230	1,220,074
d. Statutory Dues	1,749,834	1,167,456
e. Other current liabilities	623,372	725,735
f. Tax payable	2,118,933	2,118,933
B. PROVISIONS:		
a. Provision for Proposed Dividend	4,945,100	14,149,400
b. Excess provision for Dividend for Previous years.	384,225	384,225
c. Provision for Dividend tax	840,400	2,404,700
d. Provision for Fringe Benefit Tax for previous years	310,000	310,000
e. Provision for taxation- Current Tax	12,051,000	11,030,000
f. Provision for tax- Fringe benefit tax	460,000	-
T total	51,034,709	57,713,203
Schedule - 7		
MISCELLANEOUS EXPENDITURE : (To the extent not written off or adjusted)		
Deferred revenue expenditure	408,835	613,253
Less : Amount Written off during the year	204,418	204,418
Total (b)	204,417	408,835
Balance carried to Balance Sheet (a+b)	204,417	408,835



TYCHE INDUSTRIES LTD SCHEDULES FORMING PART OF PROFIT & LOSS ACCOUNT	Amount as at 31.03.2008 Rs.	Amount as at 31.03.2007 Rs.
Schedule -8 OTHER INCOME		
a. Interest on Fixed Deposits with banks and others	167,690	422,26
b. Interest on Inter Corporate Deposits	665,615	723,148
c. Income from Mutual Funds	496,634	167,200
Total	1,329,939	1,312,609
Schedule- 9 PERSONNEL COST		
a. Salaries, wages, allowances & Other benefits	11,691,685	10,141,171
b. Staff Welfare Expenses	312,468	541,115
Total	12,004,154	10,682,286
Schedule - 10 OPERATING AND ADMINISTRATION EXPENSES		
A Advertisement	404,568	299,334
B Travelling Conveyance & Incidental charges	1,561,855	1,256,293
C Rent	192,000	192,000
D Professional Fees	1,167,396	413,676
E Fees & Taxes	416,091	399,695
F Business Promotion Charges	597,812	821,257
G Books & Periodicals	11,780	41,029
H Computer Maintenance	56,065	43,719
I Insurance	349,926	342,622
J Auditor's Remuneration	50,562	44,896
K Printing & Stationery	345,484	408,174
L Postage, Courier charges	86,673	155,659
M Telephone & Internet charges	722,731	764,406
N Vehicle Maintenance	1,397,288	1,028,463
O Electricity & Office Maintenance	1,785,596	1,270,761
P Freight, clearing, sales commission and forwarding expenses	8,426,934	4,820,133
Q Other Administrative Expenses	1,700,897	699,065
R Exchange (Gain)/loss	2,592,460	1,566,535
S Loss on sale of asset	58,475	-
Total	21,924,592	14,567,717



TYCHE INDUSTRIES LTD Schedule:11 Increase / Decrease in Inventories :	Amount as at 31.03.2008 Rs.	Amount as at 31.03.2007 Rs.
Schedule:11 Increase / Decrease in Inventories :		
a Work in Process		
Opening Stock	2,383,445	3,672,097
Closing Stock	3,797,988	2,383,445
Increase/(Decrease) in Work in Process Sub total (A)	1,414,543	(1,288,652)
b Finished Goods		
Opening Stock	12,181,576	6,870,208
Closing Stock	7,658,282	12,181,576
Increase/(Decrease) in Finished Goods Sub total (B)	(4,523,294)	5,311,368
Total Increase /(Decrease) in Stocks (A+B)	(3,108,751)	4,022,716
Schedule:12 RAWMATERIAL CONSUMED		
a Opening stock	15,116,285	6,214,773
b Add: Purchases	157,568,255	163,845,812
c Less: Closing Stock	18,132,013	15,116,285
Raw material consumption (a+b-c)	154,552,527	154,944,300
Schedule - 13 Manufacturing Expenses		
a . Manufacturing Wages	2,945,591	1,578,921
b. Power& fuel	15,895,364	14,614,625
c. Chemicals &Packing material consumed	3,542,803	2,712,688
d. Stores consumables & other expenses	4,226,274	3,549,027
e. Plant Repairs & Maintainance	18,969,940	12,764,924
f. Lab expenses	363,659	397,746
G. Processing charges	2,794,239	-
TOTAL	48,737,869	35,617,932



TYCHE INDUSTRIES LIMITED
NOTES ON ACCOUNTS FORMING PART OF THE BALANCE SHEET
ALONG WITH SIGNIFICANT ACCOUNTING POLICIES

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES:

The Statement of Significant accounting policies forms integral part of the financial statements.

2. ACCOUNTING ASSUMPTIONS :

a) Accounting Systems:

These Financial Statements have been prepared under the historical Cost convention in accordance with the generally accepted accounting principles applicable, accounting standards and the provisions of the Companies Act, 1956 as adopted consistently by the company, on the basis of going concern with revenues recognized and expenses accounted for on their accrual, including provisions /adjustments for committed obligations and amounts determined as payable or receivable during the year.

(b) Fixed Assets:

Fixed Assets are stated at historical cost of acquisition, which is inclusive of freight, installation charges, duties and incidental expenses, less depreciation to date.

(c) Current Assets:

In the opinion of Board of Directors, save as otherwise stated, the Current Assets, Loans & advances have been stated at value realizable in the course of business as a going concern.

(d) Liabilities:

In the opinion of Board of Directors provisions have been made for all known Liabilities.

(e) Depreciation:

Depreciation on fixed assets is provided on the basis of Straight Line Method at the rates provided in Schedule-XIV of the Companies Act, 1956 for the period of the usage of the assets.

(f) Revenue Recognition:

Revenues from Sale of goods Manufactured by the company are recognized when the significant risks and rewards of ownership are transferred to the buyer. The major activity of the company during the year is only manufacturing of chemicals, bulk drugs and drug intermediaries.

(g) Foreign Currency Transactions:

Foreign Currency Transactions are accounted for on the following basis as per AS-11 issued by ICAI.

- ◆ Income & Expenses at the branch are incorporated in the Head Office books at the average rate for the year. Current Assets and Current Liabilities are incorporated at the rate prevailing at the end of the year.
- ◆ Fixed Assets at the branch are recorded at the rate on the date of purchase.
- ◆ Profit or loss on conversion of the branch figures in USD into figures in Indian Rupees is shown as foreign exchange difference and transferred to the profit & loss account.

**H) Retirement Benefits:**

The company's liability towards retirement benefits in the form of provident fund is charged to the revenue expenditure as and when paid. The contribution in respect of provident fund is charged at its actual as per Employee's Provident fund and Miscellaneous provision act, 1952 as amended from time to time. The company liability in the form of Gratuity and Encashment of leave salary is charged to revenue expenditure as and when paid, as the employees covered in the scheme are very low, and no provision is specifically made in this regard as per AS-15 of ICAI.-

i) Segmental Reporting.

The company has income from only one segment of manufacturing and processing of Fine chemicals.

(J) Earnings per Share

(Amount in Rupees)

Particulars	As on 31-03-2008	As on 31-03-2007
Earnings available to Shareholders	3,43,29,033	4,46,62,926
Number of Equity Shares issued	1,02,50,000	1,02,50,000
Basic & diluted Earnings per Share	3.35	4.36

(K) Miscellaneous Expenditure:

The indirect expenditure incurred in the setting up of the In-house R&D laboratory is treated as deferred revenue expenditure to be written off over a period of 5 years.

L) Investments:

The surplus funds of the company are deployed in the units of the mutual funds to earn income thereon. These investments are in the nature of Long term Non trade investments and as such are shown under the head 'INVESTMENTS' in the balance sheet as per details given in the Schedule- III.

3. VALUATION OF INVENTORY:

The company has adopted the Policy to value the Raw materials, stores and spares and finished goods at cost, Work- in- process is valued at cost of Raw materials plus proportionate overheads as per AS 2 issued by ICAI. Cost includes all charges incurred for bringing the goods to the location of the manufacturing facilities.



**4.DETAILS OF CAPACITY, PRODUCTION:
(AS CERTIFIED BY THE MANAGEMENT)**

SL.No	Particulars	Current Year (12 Months)			Previous Year (12 Months)		
		Licensed Capacity	Installed Capacity	Actual Production	Licensed Capacity	Installed Capacity	Actual Production
1	Glucosamine	360 Mts	360 Mts	313.69	360 Mts	360 Mts	253.77Mts
2	CPH	50Mts	30Mts	24.00	50Mts	30Mts	27.48 Mts
3	Tetrolone	90 Mts	90 Mts	NIL	90 Mts	90 Mts	72.00 Mts
4	2-(2-Ethoxphenoxy	N.A	N.A	NIL	N.A	N.A	10.00 kgs
5	2-Aminoproply	N.A	N.A	NIL	N.A	N.A	25.50 kgs
6	Recemic setraline	N.A	N.A	59.55	N.A	N.A	56.75 Mts
7.	VFHcl	N.A	N.A	NIL	N.A	N.A	110 kgs

**5.DETAILS OF FINISHED GOODS PRODUCTION, TURNOVER
(AS CERTIFIED BY THE MANAGEMENT)**

SL.No.	Product Name	CURRENT YEAR 2007-2008 (12 MONTHS)			PREVIOUS YEAR 2006-2007 (12 MONTHS)		
		Production (Qty. Kgs/MTs)	Sales (Qty-Kgs/MTs)	Sales Value (Rs) In Lakhs	Production (Qty-Kgs/MTs)	Sales (Qty-Kgs/MTs)	Sales Value (Rs) In Lakhs
1	Glucosamine	313.69	321.48	1121.28	253.77Mts	241.2 Mts	893.74
2	2-Ethoxphenoxy	NIL	NIL	NIL	10.00 kgs	10.00 kgs	135
3.	2- Aminoproply	NIL	NIL	NIL	25.50 kgs	25.50 kgs	16.43
4.	Recemic Setraline	59.55	57.61	797.29	56.75 Mts	60.20 kgs	775.43
5.	Tetrolone	NIL	NIL	NIL	72.00 Mts	71.70 Mts	308.47
6.	VFHcl	NIL	NIL	NIL	110 kgs	110kgs	2.97
7	CPH	24.00	25.43	177.00	27.48 Mts	25.38 Mts	198.10

**6. DETAILS OF RAW MATERIAL CONSUMED
(AS CERTIFIED BY THE MANAGEMENT)**

SL. No.	Product	CURRENT YEAR 2007-08 (12 Months)		PREVIOUS YEAR 2006-07 (12 Months)	
		Quantity in MT's	Value (Rupees in lakhs)	Quantity in MT's	Value (Rupees in Lakhs)
1	Dry Prawn and Cooked Shell.	2310	605.31	4,076 mts	429.64
2	Other chemicals consumed	—	935.10	—	1,116.8
3	Other chemicals consumed at R&D	—	5.11	—	3.00
	Total		1545.52		1,549.44

**7. FOREIGN EXCHANGE TRANSACTIONS:
(AS CERTIFIED BY THE MANAGEMENT)****Earnings and Expenditure in Foreign Currency**

	2007-2008	2006-2007
Particulars	Rupees (lacs)	Rupees (lacs)
Foreign exchange earned	1280.68	1068.42
Foreign exchange spent	45.74	62.41
Foreign exchange expenditure- Capital	3.93	9.03

8. CONTINGENT LIABILITIES: -NIL-**9. DETAILS OF TRAVELLING EXPENDITURE:**

Particulars	2007-2008 Amount (Rs in lacs)	2006-2007 Amount (Rs in lacs)
Domestic (Directors and others)	13.83	9.87
Foreign- Directors	NIL	NIL
Foreign – Others	1.79	2.69
Total	15.62	12.56

10. CAPITAL COMMITMENTS: NIL**11. DIRECTOR'S REMUNERATION:**

Particulars	Years	
	2007-08	2006-07
Salary, Allowances & perks	NIL	NIL

12 STATUTORY AUDITOR'S REMUNERATION IN RESPECT OF:

(Amount in Rupees)

Particulars	2007-08	2006-07
Statutory Audit Fee	50,562	44,080
Tax Audit Fee	16,854	11,020
Other Services	7,584	4,900

13. CONFIRMATION OF BALANCES:

The balances outstanding on account of sundry debtors/sundry creditors/advances are subject to confirmation from the respective parties.



14. SSI UNITS DUES:

There are no overdues from or to SSI units as per the reporting requirements of Schedule-VI of the Companies Act, 1956.

15. PREVIOUS YEAR FIGURES:

Previous year figures are regrouped wherever necessary to make them comparable with that of current year classification.

16. ROUNDING OFF:

Paise have been rounded off to the nearest rupee.

17. OTHER PROVISIONS OF SCHEDULE-VI :

Other provisions of Schedule-VI of the Companies Act, 1956 are not applicable to the company.

For P.S.N. RAVISHANKER & ASSOCIATES
Chartered Accountants

For and on behalf of the
Board of Directors of
TYCHE INDUSTRIES LIMITED

Sd/-
(P. RAVI SHANKER)
Partner

Sd/-
(G.GANESH KUMAR)
Managing Director

Place : Hyderabad,
Date : 30.06.2008

Sd/-
(M.MURALI REDDY)
Director



TYCHE INDUSTRIES LIMITED		
Cash Flow Statement for the Year Ended March 31, 2008		
Particulars	Year Ended 31.03.2008	Year Ended 31.03.2007
A. Cash Flows from Operating Activities		
Net Profit/(loss) before taxation	48,479,389	57,804,763
Adjustments for:		
Depreciation & Loss on sale of Assets	4,267,906	3,612,779
Deferred Revenue expenses written off.	204,418	204,418
Interest and other income to be shown seperately	(1,329,939)	(1,312,609)
Foreign Exchange loss	2,592,460	1,566,535
Operating profit/(loss) before working capital changes	54,214,235	61,875,886
(Increase)/Decrease in Trade and other receivables	(266,036)	(3,284,068)
Increase/ (decrease) Trade payables and other payabies	(12,931,677)	(46,487,079)
(Increase)/Decrease in Loans & advances and Current Assets	6,059,725	(24,160,261)
Cash generated/outflow from operations	47,076,246	(12,055,522)
Net Cash Flow from Operating Activities	47,076,246	(12,055,522)
B. Cash Flows from Investing Activities		
Sale/(Purchase) of Fixed Assets-Net	(16,831,303)	14,353,381
Sale/(Purchase) of Investments- Net	1,911,945	(2,832,800)
Income from Mutual Funds	496,634	167,200
Net Cash used for Investing Activities	(14,422,724)	11,687,781
C. Cash Flows from Financing Activities		
Proceeds from Allotment of Equity Shares/ calls in arrears	2,286,500	-
Interest Income	833,305	1,145,409
Dividend paid	(14,149,400)	(9,432,900)
Net Cash Flow from Financing Activities	(11,029,595)	(8,287,491)
Net Increase/(decrease) in Cash and Cash equivalents during the Year	21,623,927	(8,655,232)
Cash and Cash equivalents at the beginning of the Year	6,207,138	14,862,370
Cash and Cash equivalents at the end of the Year	27,831,065	6,207,138

Note : Figures in brackets indicate decrease/outflow
for and on behalf of the Board of Directors of

TYCHE INDUSTRIES LIMITED

(G.GANESH KUMAR)

(M.MURALI REDDY)

Managing Director

DIRECTOR

Place : Hyderabad

Date: 30-06-2008

We have examined the Cash Flow Statement of M/s.Tyche industries Limited for the year ending 31st March,2008. The statement has been prepared by the Company in accordance with the requirements of clause 32 of the Listing Agreement with Stock Exchange and is based on and is in agreement with the corresponding Profit & Loss Account and Balance Sheet of the Company dealt with in our report of 30.06.2008 to the members of the Company.

For P.S.N. RAVI SHANKER & ASSOCIATES
Chartered Accountants

Place: Hyderabad

Date : 30/06/2008

(P.RAVI SHANKER)
Partner



TYCHE INDUSTRIES LTD
Regd.Office C 21/A, Road No 9 Film Nagar Jubilee Hills, Hyderabad - 033

Regd. Folio No

No.of Shares Held

PROXY FORM
Annual General Meeting 2007-2008

I/We of
in the district of Being a member / Members of the above
named company. Hereby appoint Mr./Ms/Kum in the district of
..... As my/our proxy to attend and vote for me/us on my/our behalf at the 10th Annual General
Meeting of the Company to be held at Sagi Ramakrishna Raju Community Hall Madhura Nagar,Hyderabad-38
on Monday the 29th September 2008 at 11.30 A.M and at any adjournment thereof.

Affix Re. 1/- Revenue Stamp

Signed this the Day of2008

Address

Signature.....

Note: The Proxy to be valid has to be duly completed and must be deposited at the registered office of the
Company not less than 48 hous before the time for holding the meeting. A Proxy need not be a member of the
Company

.....CUT HERE.....

TYCHE INDUSTRIES LTD
.Regd.Office C 21/A, Road No 9 Film Nagar Jubilee Hills,Hyderabad - 033
ATTENDENT SLIP

I Here by record my presence at the 10th Annual General Meeting of the Company being held at Sagi Ramakrishnam
RajuCommunity Hall, Madhura Nagar, Hyderabad on Monday the 29th September 2008 at 11.30 A.M

.....
Full name of the shareholder(In Block letters)

.....
Signature

Folio No

No.of Shares held.....

.....
Full Name of the Proxy(in block letters)

.....
Signature

(To be filled if the proxy attends instead of the member)

Note: Shareholders attending the meeting in person of by proxy are requested to complete the attendance slip
and hand over at the entrance of the meeting hall.

* To be signed at the time of Meeting.

**PRINTER MATTER
BOOK - POST**

IF UNDELIVERED, PLEASE RETURN TO
CIL SECURTIES LIMITED,
UNIT : TYCHE INDUSTRIES LIMITED
C 21/A, Road No.9, Film Nagar,
Jubilee Hills, Hyderabad - 033.