



Tyche Industries Limited

The Manager (CRD)

05th September 2019

BSE Limited

Dalal Street,

Mumbai-400001

Scrip Code-532384

Dear Sir,

Sub: - Annual Report for the year 2018-2019


As per Regulation 34 of SEBI (LODR) Regulation 2015, Please find enclosed herewith the 21st Annual Report for the financial year ended 31st March, 2019.

This is for your information and record.

Thanking You,

Yours faithfully

For Tyche Industries Limited



Satya Ranjan Jena

Company Secretary

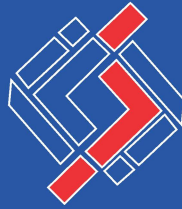


Regd. Office : H.No. C 21/A, Road No. 9, Film Nagar, Jubilee Hills, Hyderabad - 500 096.

Tel: +91-40-2354 1688, Fax: +91-40-2354 0933, E-mail : info@tycheindustries.com

Factory : Door No. 6-223, Sarpavaram, Kakinada, East Godavari Dist.

CIN:L72200TG1998PLC029809



TYCHE INDUSTRIES LIMITED



21st ANNUAL REPORT
2018 - 2019

**TYCHE INDUSTRIES LIMITED****Board of Directors**

Mr. G. GANESH KUMAR
Chairman & Managing Director

Mr. K. SRINIVAS
Chief Financial Officer

Mr. HARICHANDRA KANTIMAHANTI
Independent Director (up to 25th March 2019)

Mr. SAI SUDHAKAR PANCHAKARLA
Independent Director
(with effect from 25th March 2019)

Mr. BOOSA ESHWAR
Independent Director

Mrs. P. VIJAYA LAKSHMI
Non-Executive Director

Mr. SATYA RANJAN JENA
Company Secretary (With effect from 30th March 2019)

Ms. LAXMI CHANDRA DEY
Company Secretary (up to 06th Feb 2019)

Registered Office

D. No. C-21/A, Road No.9,
Film Nagar, Jubilee Hills,
Hyderabad - 500 096.Telangana.
Tel: 040 – 23541688
Email: cs_tyche@tycheindustries.com
Website: www.tycheindustries.com
CIN:L72200TG1998PLC029809

Factory address

Door No.6-223, Sarpavaram, Kakinada,
East Godavari Dist, Andhra Pradesh – 533005

Statutory Auditors M/s. SURYAM & CO, Chartered Accountants Plot No.350, Phase-I , SAKET ECIL POST, KAPRA Hyderabad - 500 062		Internal Auditors M/s. P. S. N. Ravishanker & Associates, Chartered Accountants Flat No.205,"B" Block, Kushal Towers, Khairatabad, Hyderabad - 500 004	
Secretarial Auditor: D. Renuka, Practising Company Secretary, Plot No.143, Flat No.301, SV's Kausalya Complex, Rajeev Nagar, Hyderabad- 500 045	Bankers: Bank of India, Kakinada Branch, Temple Street, Kakinada	Registrar & Share Transfer Agent: CIL Securities Limited 214, Raghavaratna Towers, Chirag Ali Lane, Abids, Hyderabad-500 001 Tel:040-23202465,Fax:040-23203028 Email: rta@cilsecurities.com Website: www.cilsecurities.com	



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TYCHE INDUSTRIES LIMITED

(CIN:L72200TG1998PLC029809)

Regd Office: D. No. C-21/A, Road No.9, Film Nagar, Jubilee Hills, Hyderabad,Telangana-500096
Email:CS_tyche@tycheindustries.com, website: www.tycheindustries.com

NOTICE

NOTICE is hereby given that the twenty first Annual General Meeting of the members of TYCHE INDUSTRIES LIMITED will be held on Monday, the 30th day of September, 2019 at 10.00 a.m. at Sagi Ramakrishnam Raju Community Hall, Madhura Nagar, Hyderabad, Telangana– 500038, to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2019 and the Statement of Profit and Loss for the year 31st March, 2019, Cash Flow Statement for the year ended 31st March, 2019 and together with the Report of the Directors and Auditors Report thereon.
2. To declare dividend on equity shares for the financial year ended 31st March, 2019.
3. To appoint a Director in the place of Mrs. Vijaya Lakshmi Penumatsa (DIN: 06939858), who retire by rotation and being eligible, offers herself for re-appointment.

Special Business:

4. **To Re-Appoint Mr. Boosa Eshwar (DIN-01879193) as Independent Director and in this regard consider and if thought fit, to pass with or without modification(s), the following resolution as Special Resolution:-**

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Rules made thereunder, read with Schedule IV of the Act and Regulation 17 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to the recommendation of Nomination and Remuneration Committee and prior approval of Audit Committee of the Board, Mr.BoosaEshwar (DIN-01879193) who was appointed as an Independent Director at the 16th Annual General Meeting of the Company and who holds office up to 30th September, 2019 as an Independent Director and who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and who is eligible for re-appointment as such and in respect of whom the Company has received a Notice in writing from a member under Section 160(1) of the Act proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a further term of five (5) consecutive years with effect from 30 September, 2019 to 29th September 2024 on the Board of the Company.



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

To re-appoint Mr. Sativada Venkat Rao, Cost Accountant as cost auditor of the company for the financial year 2019-2020.

RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Mr. Sativada Venkat Rao, Cost Accountant, Hyderabad (Registration No. 100340), the Cost Auditor is re-appointed by the Board of Directors of the Company, to conduct the audit of the cost records maintained by the Company for the financial year ending 31st March, 2020, be paid a remuneration of Rs.30,000/- P.A (Rupees Thirty Thousand only) excluding taxes as may be applicable, in addition to reimbursement of all out-of-pocket expenses.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds and things which may be necessary for the purpose of giving effect to this resolution.

6. To consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

To appoint Mr Sai Sudhakar Panchakarla (DIN: 08397860) as an Independent director of the Company.

“RESOLVED THAT pursuant to the provisions of the section 149, 150, 152 and 160 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the rules framed thereunder, read with Schedule IV to the Act and Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended from time to time, the consent of the members of the Company be and is hereby accorded to appoint Mr. Sai Sudhakar Panchakarla (DIN: 08397860), who was appointed as an additional Director of the Company by the Board of Directors, in terms of Section 161 of the Companies Act, 2013 and who has submitted declaration that he meets the criteria of independence under Section 149 of the Companies Act, 2013 and who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company for a period of 5 years i.e. from 25th March 2019 to 24th March 2024 and he shall not be liable to retire by rotation.

FURTHER RESOLVED THAT the Board of directors be and is hereby authorised to do all such acts, deeds, matters and things and give such directions as may be necessary, in the best interest of the company, for giving effect to the aforesaid Resolution, including but not limited to signing and executions of necessary forms and documents as may be deemed necessary and expedient in its discretion.”

By Order of the Board of Directors

Sd/-

G. Ganesh Kumar

Chairman & Managing Director

Place: Hyderabad

Date: 07th August 2019

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIESTO ATTEND AND VOTE, IN CASE OF POLL ONLY, ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBEROF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY, IN ORDER TO BE VALID,SHOULD BE DULY COMPLETED, STAMPED AND SIGNED AND MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

A person can act as proxy on behalf of member(s) not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights provided that a member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

2. The Statement pursuant to Section 102 of the Companies Act, 2013 in respect of special businesses is annexed hereto and forms part of the Notice.
3. The Members/Proxies should bring their attendance slip duly filled in and signed along with the Annual Report at the Annual General Meeting.
4. Corporate members are requested to send duly certified copy of the Board Resolution pursuant to Section 113 of the Companies Act, 2013 authorising their representative to attend and vote at the Annual General Meeting.
5. Brief resume of Director proposed to be appointed/re- appointed at the ensuing Annual General Meeting in terms of Regulation 15 and 27 under (Listing obligations and disclosure requirements) Regulations, 2015 is annexed to the Notice. The Company is in receipt of relevant disclosure / consents from the Directors pertaining to their appointment / re-appointment.
6. Pursuant to Regulation 42 of the LODR Regulations, 2015, Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 24th September,2019 to Monday, 30th September, 2019 (both days inclusive) for determining the name of members eligible for dividend on Equity Shares, if approved by the members at the ensuing Annual General Meeting.
7. Members whose shareholding is in physical form are requested to notify immediately any change in their address or bank mandates to the Company/ Registrar &Share Transfer Agents quoting their Folio Number and Bank Account details along with self-attested documentary proof. Members holding shares in electronic form may update such details with their respective Depository Participants(s). Members are encouraged to utilise the Electronic Clearing (ECS) for receiving dividends.
8. The dividend on Equity Shares as recommended by the Board of Directors, if declared at the Annual General Meeting, will be credited / dispatched after 30th September but within the time limit to those members whose names shall appear on the Company's Register of Members on 23rd September,2019 and in respect of the shares held in dematerialized form, the dividend will be paid to members whose names are furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as beneficial owners as on that date.



9. The Register of Directors' and Key Managerial Personnel and their Shareholdings maintained under Section 170 and Register of Contract or Arrangements in which Directors are interested under Section 189 of the Companies Act, 2013 will be open for inspection by the members during the Annual General Meeting.
10. The Securities and Exchange Board of India has made it mandatory for all companies to use the bank account details furnished by the depositories for depositing dividend through National Electronic Clearing Service (NECS) to investors wherever NECS and bank details are available if the Company proposes to avail NECS Facility. The Company will be availing the NECS facility for the payment of dividend of financial year 2018-19. The bank details are required to be updated for the members who will be availing this facility. In the absence of NECS required details, the Company will print the bank account details, as available, on the Payment Instrument for distribution of dividend, if payment of dividend is approved by the members in the ensuing Annual General Meeting.
11. Members are requested to note that dividends not encashed or remaining unclaimed for a period of 7 (seven) years for the date of transfer to the Company's Unpaid Dividend Account, shall be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Further pursuant to the provisions of Section 124 of the Act read with the Investor Education and Protection Fund authority (Accounting, audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") as amended to date, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs.

The Members/claimants whose shares, unclaimed dividend IEPF may claim the shares or apply for refund by making an application to IEPF Authority in form IEPF 5 (available on www.iepf.gov.in) along with requisite fees as decided by it from time to time. The Members/claimant can file only one consolidated claim in financial years as per IEPF Rules.

It is in Members' interest to claim any un-encashed dividends and for future, opt for Electronic Clearing Services, so that dividends paid by the Company are credited to the Members' account on time.

Members who have not yet encashed the dividend warrants, from the financial year ended 31st March, 2012 and onwards are requested to forward their claims to the Company's Registrar and Share Transfer Agent. It may be noted that once the unclaimed dividend is transferred to IEPF as above, no claim shall rest with the Company in respect of such amount. It may also noted that the unclaimed dividend amount which were lying with the company up to the year ended on 31st March, 2011, have already been transferred to IEPF. The details of the unclaimed dividends are available on the Company's website at www.tycheindustries.com and on the website of Ministry of Corporate Affairs at www.mca.gov.in. Members are requested to contact the Company's Registrar and share transfer Agent – CIL Securities Limited, R R Towers, C A Lane, Abids, Hyderabad – 500001, Telangana, to claim the unclaimed/unpaid dividends.

12. Members are requested to address all correspondences, including dividend matters to the Registrar & Share Transfer Agent - CIL Securities Limited at 214, Raghava Ratna Towers, Chirag Ali Lane, Abids, Hyderabad-500 001.



13. The members holding shares in identical order of names in more than one folio are requested to write to the Company/RTA enclosing their Share Certificates to enable the Company to consolidate their holdings in one folio for better services.
14. In case of joint holders attending the meeting, the joint holder with highest, in order of names will be entitled to vote.
15. Members desirous of getting any information about the accounts and operations of the Company can send their queries so as to reach at-least seven days before the meeting at the Company's Registered Office, so that the information required can be made readily available at the meeting.
16. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN details to their respective Depository Participant(s). Members holding shares in physical form shall submit their PAN details to the Registrar & Share Transfer Agent – CIL Securities Limited.
17. Non Resident Indian members are requested to inform the Company's Registrar & Share Transfer Agents, immediately of any change in their residential status on return to India for permanent settlement, their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code, if the details are not furnished earlier.
18. To comply with the provision of Section 88 of the Companies Act, 2013 read with Rule 3 of the Companies (Management and Administration) Rule 2014, the Company is required to update its database by incorporating members designated email ID.

You are thus requested to submit your e-mail ID vide the e-mail updation form attached in this Annual Report. The same could be done by filling up and signing at the appropriate place in the said form and by returning the same by post.

The e-mail ID provided shall be updated subject for successful verification of your signatures as per record available with the RTA of the Company.

19. The Notice of the 21stAGM and instructions for remote e-voting along with the Attendance Slip and Proxy Form are being sent to all the Members whose email addresses are registered with the company/Depository Participants unless a member has requested for hard copy of the same. For members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by courier. It will also be available on the Company's website, www.tycheindustries.com > Investor Relations > Annual Reports-2018-19

20. Voting through electronic means

Pursuant to provisions of Section 108 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer remote e-voting facility to the members to cast their votes electronically on all resolutions set forth in the Notice convening the 21stAnnual General Meeting to be held on Monday, 30th September, 2019 at 10.00 a.m. The Company has engaged the services of Central Depository Services Limited (CDSL) to provide the e-voting facility.

The facility for voting, either through ballot / polling paper shall also be made available at the venue of the 21stAGM. The members attending the meeting, who have not already cast



their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.

The Company has appointed CS D. Renuka, Practicing Company Secretary, Hyderabad as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner. E-voting is optional. In terms of requirements of the Companies Act, 2013 and the relevant Rules, the Company has fixed 23rd September, 2019 as the 'Cut-off Date'. The remote e-voting/voting rights of the shareholders/ beneficial owners shall be reckoned on the equity shares held by them as on the Cut-off Date i.e.23rd September, 2019 only.

The e-voting facility is available at the link www.evotingindia.com. It is hereby clarified that it is not mandatory for a member to vote using the e-voting facility, and a member may avail the facility at his/her/it discretion, subject to compliance with the instructions as prescribed below:

- (A) Procedure/ Instructions for e-voting are as under:
- (i) The e-voting period commences on **Friday, 27th September, 2019 (9.00 a.m.) and ends on Sunday, 29th September, 2019 (5.00 p.m.)**. During the e-voting period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. **23rd September, 2019** may cast their votes electronically. Once the vote on a resolution is cast by the shareholder, he shall not be allowed to change it subsequently. The remote e-voting module shall be disabled by CDSL for voting **after 5.00 p.m. on 29th September, 2019**.
 - (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
 - (iii) Click on Shareholders.
 - (iv) 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.
 - (v) Next enter the Image Verification as displayed and Click on Login.
 - (vi) 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.



(vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <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. E.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN Field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none">• Please enter the DOB or Dividend Bank Details in order to login. If 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 (iv)

(viii) After entering these details appropriately, click on "SUBMIT" tab.

- (ix) 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant **TYCHE INDUSTRIES LIMITED** on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

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.



- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be download from Google play store.

Please follow the instructions as promoted by the mobile app while voting on your mobile.

- (xviii) 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 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.
- (xix) 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.

These details and instructions form an integral part of the Notice for the Annual General Meeting to be held on 30th September, 2019.

(B) General:

- (a) In case of any queries regarding e-voting you may refer to the 'user manual for shareholders to cast their votes' available at <https://www.evotingindia.co.in> under 'HELP'.
- (b) If you are already registered with CDSL for e-voting then you can use your existing user ID and password for casting your vote.
- (c) Once the vote on a resolution is cast by the shareholder, he shall not be allowed to change it subsequently.
- (d) The voting rights of the shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of 23rd September, 2019.



- (e) Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. **23rd September, 2019**, may obtain the login ID and password by sending a request at helpdesk.evoting@cDSLindia.com.

However, if you are already registered with CDSL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evotingindia.com.

- (f) A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- (g) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- (h) CS D. Renuka, Practising Company Secretary, Hyderabad has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- (i) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- (j) The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- (k) The Results of the e-voting along with the scrutinizer's report shall be placed in the Company's website www.tycheindustries.com and on the website of CDSL immediately after the declaration of results by the Chairman or a person authorised by him in writing. The results will also be immediately communicated to the Stock Exchange where the shares of the company are listed.

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

Mr Boosa Eshwar DIN:(01879193) was appointed as Independent Directors on the Board of the Company pursuant to the provisions of Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the erstwhile Clause 49 of the Listing Agreement with the stock exchanges. He hold office as Independent Directors of the Company up to September 28, 2019 ("first term" in line with the explanation to Sections 149(10) and 149(11) of the Act.

The, Nomination and Remuneration Committee of the Board of Directors, on the basis of the report of performance evaluation of Independent Directors, has recommended reappointment of Mr.Boosa Eshwar as Independent Directors for a second term of 5 (five) consecutive years on the Board of the Company.

The Board, based on the performance evaluation of Independent Directors and as per the recommendation of the Nomination and Remuneration Committee, consider that, given his background and experience and contributions made by him during his tenure, the continued association of him would be beneficial to the Company and it is desirable to continue to avail his services as Independent Directors. Accordingly, it is proposed to re-appoint Mr Boosa Eshwar as Independent Directors of the Company, not liable to retire by rotation and to hold office for a second term of 5(five) consecutive years on the Board of the Company.

Section 149 of the Act and provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,2015 ("Listing Regulation") inter alia prescribe that an Independent director of a Company shall meet the criteria of independence as provided in Section 149(10) of the Act provides that an independent director shall hold office for a term of up to five consecutive years on the Board and shall be eligible for re-appointment on passing a special resolution by the company and disclosure of such appointment in its Board's report. Section 149(11) provides that an independent director may hold office for up to two consecutive terms.

Mr.Boosa Eshwar is not disqualified from being appointed as Director in terms of Section 164 of the Act and have given their consent to act as Director. He is not debarred from holding the office of Director pursuant to order of SEBI or any other authority.

The Company has also received declaration from Mr.Boosa Eshwar that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the Listing Regulations. In the opinion of the Board, Mr.Boosa Eshwar fulfil the conditions for Re-appointment as Independent Director as specified in the Act and the Listing Regulations. Mr.Boosa Eshwar is independent of the management.

The Company has received requisite notice, as provided under the section 160 of the Companies Act,2013 from a member, proposing the appointment of Mr.Boosa Eshwar as an Independent Director not liable to retire by rotation.



Details of Directors whose re-appointment as Independent Directors is proposed are provided in the Notice pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General meetings ("SS-2"), issued by the Institute of Company Secretaries of India. Copy of draft letters of appointment of Mr.Boosa Eshwar setting out the terms and conditions of appointment are available for inspection by the members at the registered office and corporate office of the Company.

Your Directors, therefore, recommend the appointment of Mr.Boosa Eshwar (DIN:01879193) as an Independent Director of the Company, for a period of five (5) years, not liable to retire by rotation, as set forth in item No.4 of this Notice. Save and except Mr.Boosa Eshwar and his relatives, none of the other Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the above Resolution.

Item No. 5

In terms of the provisions of Section 148 of the act and rules made thereunder, the Company is required to maintain cost audit records and have the same audited by the a Cost Auditor.

Based on the recommendation of Audit Committee, the Board of Directors at its meeting held on 27th May, 2019, appointed Mr.Sativada Venkat Rao, as Cost Auditor for conducting the cost audit for the financial year ending 31st March, 2019,on a remuneration of Rs.30,000/- p.a (Rupees Thirty Thousand only) excluding taxes as may be applicable, in addition to reimbursement of all out-of-pocket expenses.

Rule 14 of Companies (Audit and Auditors) Rules, 2014 as amended, requires that the remuneration payable to the cost auditor be ratified by the Members. Hence, the resolution at Item No. 5 of the Notice.

The Directors recommend that the remuneration payable to the Cost Auditor in terms of the resolution set out at Item No. 5 of the accompanying Notice be ratified by the Members.

None of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution.

Item No. 6

Pursuant to the recommendation of the Nomination and remuneration Committee and the Board of Directors, Mr Sai Sudhakar Panchakarala was appointed as an Additional Director (Independent Director) of the Company w.e.f. 25th March 2019,by the Board of Directors at their meeting held on 25th March 2019 under Section 161 of Companies Act 2013.The appointment is subject to the approval of the shareholders at the General Meeting to be held immediately after the said appointment.

A notice under Section 160 of the Companies Act,2013 is received from a member of the Company proposing candidature of Mr Sai Sudhakar Panchakarla .The Company also received from Mr Sai Sudhakar Panchkarlai)consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules,2014; (ii) Intimation in Form DIR-8 pursuant to terms of the Companies (Appointment



& Qualification of Directors) Rules, 2014, to the effect that he is not disqualified as per Section 164(2) of Companies Act, 2013; and iii) a declaration to the effect that he meets the criteria of independences as provided under Section 149 of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In the opinion of the Board, Mr. Sai Sudhakar Panchakarla fulfils the conditions specified in the Companies Act 2013 and the Rules framed there under and Securities and Exchange Board of India (Listing Obligation and Disclosure requirements) Regulations, 2015 for appointment as an Independent Director and he is independent of the Management.

The Resolution set out at Item No 6 of the notice is put forth for consideration of the members as an Ordinary Resolution pursuant to Section 149 read with Schedule IV of the Companies Act, 2013 for appointment of Mr. Sai Sudhakar Panchakarla as an Independent Director of the Company.

The terms and conditions of appointment of Mr. Sai Sudhakar Panchkarla shall be open for inspection by the Member at the registered office of the Company during normal business hours on any working day.

**ADDITIONAL INFORMATION**

(As per Regulation 36(3) of SEBI (LODR) Regulation 2015)

As required under the Listing Regulations, the particulars of Directors who seek appointment/re-appointment are given below:

Name of the Director	Mrs.VIJAYA LAKSHMI PENUMATSA
Age	34 yrs
Din	06939858
Date of Appointment	11.08.2014
Qualification	M.B.A
Brief resume and expertise in specific functional areas	More than 15 years of experience in the fields of Accounts & Finance.
Relationship between Directors inter se [(As per Section 2(77) of the Companies Act, 2013 and Rule 4 of Companies (Specification of Definition Rules, 2014)]	NIL
Directorship in other Companies Chairmanship/membership of	NIL
Committees of other Companies	NIL
Shareholding in the Company	NIL
Last remuneration drawn	1.35Lac
No. Of board meetings attended during the year	7

Name of the Director	Mr BoosaEshwar
Age	49 yrs
Din	01879193
Date of Appointment	30.09.2014
Qualification	B.A
Brief resume and expertise in specific functional areas	17 years of experience in Customer Relationship Management.
Relationship between Directors inter se [(As per Section 2(77) of the Companies Act, 2013 and Rule 4 of Companies (Specification of Definition Rules, 2014)]	NIL
Directorship in other Companies Chairmanship/membership of	NIL
Committees of other Companies	NIL
Shareholding in the Company	NIL
Last remuneration drawn	2.0Lac
No. Of board meetings attended during the year	7



Name of the Director	Mr.SaiSudhakarPanchakarla
Age	44 yrs
Din	08397860
Date of Appointment	25.03.2019
Qualification	B.Sc
Brief resume and expertise in specific functional areas	20 years of experience in the field of Administration and management.
Relationship between Directors inter se [(As per Section 2(77) of the Companies Act, 2013 and Rule 4 of Companies (Specification of Definition Rules, 2014)]	NIL
Directorship in other Companies Chairmanship/membership of Committees of other Companies	NIL
Shareholding in the Company	NIL
Last remuneration drawn	NIL
No. Of board meetings attended during the year	1

By Order of the Board of Directors

Sd/-

G. Ganesh Kumar

Chairman & Managing Director

Place: Hyderabad

Date: 07th August 2019

Registered office:

D. No. C-21/A, Road No.9, Film Nagar,
Jubilee Hills, Hyderabad - 500 096

CIN:L72200TG1998PLC029809



DIRECTOR'S REPORT

To
The Members,
Tyche Industries Limited

Your Directors presents the 21st Annual Report together with the Audited Accounts of the Company for the financial year ended 31st March, 2019.

Financial Summary:

(Rupees in Crores)

Particulars	Current Year ended on 31/03/2019	Previous Year ended on 31/03/2018
Total Income (Including Other Income)	56.47	53.28
Less: Expenditure (before Finance Cost & Depreciation)	44.78	42.57
Profit before Finance Cost & Depreciation	11.69	10.71
Less: Finance Cost	0.01	0.01
Profit before Depreciation and Tax	11.68	10.70
Less: Depreciation	1.84	1.84
Profit / Loss before tax	9.84	8.86
Less: Provision for Tax		
- Current Tax	2.98	2.97
- Deferred Tax	(0.28)	0.03
Profit after Tax	7.14	5.86
Less: Extra-Ordinary Items- short provision	-	-
Profit after tax and prior period	7.14	5.86
Add: Balance brought forward from the Previous Year	37.10	32.18
Appropriations		
Provision for Proposed Dividend*	0.51	0.51
Provision for Dividend Tax*	0.11	0.11
Transfer to General Reserve*	0.30	0.30
Adjustment to Reserves	0.01	0.00
(+/-)Excess/ Short Provision	0.00	-0.03
Balance carried to Balance Sheet	43.31	37.10

* Recommended by board, subject to approval of shareholders in the annual general meeting.

Review of Operations :

During the year, your Company has achieved a total income of Rs.56.47Crores as against Rs.53.28 Crores in the previous year and earned a net profit of Rs.7.06Crores (Previous Year Rs.5.86Crores) after providing Income Tax and Deferred Tax of Rs.2.77Crores (Previous Year Rs.3.00Crores).



Your Directors always work with a focus to build a sustainable business model which would add value to all stakeholders over the years to come. The Board of Directors opine that the present and future market scenario of Pharma Sector will be good as discussed in detail in Management Discussion and Analysis.

Dividend:

Your Directors have recommended a dividend of Re.0.50 per fully paid equity share for the year ended 31st March, 2019 being 5% of the fully Paid-up Equity Capital of the Company. The dividend, if approved at the ensuing Annual General Meeting will be paid to those members, whose names appear on the Company's Register of Members on 23rd September, 2019. The total amount of outgo on account of this will be Rs.0.51 Crores towards dividend and Rs.0.11 Crores towards dividend tax. The dividend would be tax free in the hands of the shareholders.

Directors:**a) Directors:**

The Board of directors of the Company has an optimum combination of Executive, Non-Executive and Independent Directors with one woman Independent Director

In accordance with the provisions of the Companies Act, 2013, Smt.P Vijaya Lakshmi, Director of the Company will retire by rotation at the ensuing Annual General Meeting of the company and being eligible offers her self for reappointment. The Board recommend necessary resolution for the approval of members.

During the year under review Sri. Sudhakar Panchakarla has been co-opted as additional director.

Brief resume of Directors proposed to be appointed/re-appointed as stipulated under SEBI (LODR) Regulations, 2015 entered with the Stock Exchanges are given in the Notice convening 21st Annual General Meeting.

b) Board Meetings:

During the year, seven board meetings were held, with gap between meetings not exceeding the period prescribed under the 2013 Act. Details of Board and Board Committee Meetings held during the year are given in the Corporate Governance Report.

Board Meeting dates are finalised in consultation with all Directors and agenda papers backed up by comprehensive notes and background information are circulated well in advance before the date of the meeting thereby enabling the Board to take informed decisions. A detailed presentation is also made to apprise the Board of important developments in industry, segments, business operations, marketing, products etc.

c) Key Managerial Personnel:

Mr. G. Ganesh Kumar, Managing Director of the Company.

Mr K.Srinivas, Chief Financial officer

Ms.Laxmi Chandra Dey, Company Secretary and Compliance Officer(Up to 06.02.2019)

Mr.SatyaRanjan Jena, Company Secretary and Compliance Officer
(With effect from 30.03.2019)

**d) Independent Directors:**

Mr. Harichandra Kantimahanti was Independent Director of the Company up to date 25th March 2019 and Mr. Sai Sudhakar Panchakarla with effect from 25th March 2019 and Mr. Boosa Eshwar are Independent Directors of the Company. In terms of Section 149 and 152 of the Companies Act, 2013 these Independent Directors of the Company will hold office till 29th September, 2024 who shall not retire by rotation. The Independent Directors of the Company have given declaration that they meet the criteria of the Independence as provided in Section 149(6) of the Companies Act, 2013.

e) Independent Directors familiarisation programme:

As per the requirements under the (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company undertook Directors Familiarisation Programme for Independent Directors in order to familiarise them with business model, management structure, product portfolio, industry overview, manufacturing operations, internal control system and operations, FOREX management, risk management framework, functioning of various divisions, HR Management etc.

f) Performance Evaluation of Board, Committees and Directors:

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing obligation and Disclosure Requirements), Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance and of the Independent Directors on parameters such as level of engagement, contribution, independent judgement, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Chairman and Non Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process as well as the evaluation of the working of its committee, information needs of the Board, execution and performance of specific duties, obligation and governance.

g) Policy on appointment and remuneration of Directors:

The Board has on the recommendation of Nomination & Remuneration Committee formulated criteria for determining Qualifications, Positive Attributes and Independency of a Director as also a policy for remuneration of Directors, Key Managerial Personnel and Senior Management. The details of criteria laid down and the Remuneration policy are given in the Corporate Governance Report.

h) Statutory Auditors:

The Company's Statutory Auditors, M/s. SURYAM & CO, Chartered Accountants (Firm Registration No. 012181S) were appointed as the Statutory Auditors of the Company for a period of 5 years at the 18th Annual general Meeting of the Company, i.e. up to the conclusion of 24th Annual General Meeting of the Company.

Accordingly, M/s. SURYAM & CO, Chartered Accountants, Statutory Auditors of the Company will continue till the conclusion of Annual General Meeting to be held 2022. In this regard, the Company has received a certificate from the Auditors to the effect that their continuation as Statutory Auditors, would be in accordance with the provisions of Section 141 of the Companies Act 2013.

**i) Secretarial Auditors:**

As per the provisions of Section 204 of the Act the Board of directors has appointed Mrs.D. Renuka, Company Secretary in Practice to conduct secretarial audit pursuant to the recommendations of the Audit committee for the Financial Year 2018-19. The Secretarial Audit Report for the financial year ended March 31, 2019 issued by Practicing Company Secretary is enclosed as Annexure - 1 to this Report and does not contain any reservation, qualification or adverse remarks.

Further, the Board has appointed Mrs.D. Renuka, Company Secretary in Practice to conduct secretarial audit pursuant to the recommendations of the Audit committee for the FY 2019-20.

j) Cost Auditors:

The Board appointed Mr. Sativada Venkat Rao., Cost Accountant, as Cost Auditors for conducting the audit of cost records of the Company for the Financial Year 2018-19 on the recommendations of the Audit committee. The same was ratified by the Members at 20th AGM held on 29th September 2018. The Cost Audit reports for FY 2017-18 were filed with Ministry of Corporate Affairs on 08th September 2018. Further, the Board of directors based on the recommendations of the audit committee, appointed. Mr. Sativada Venkat Rao., Cost Accountant as Cost Auditors for conducting the audit of cost records of the Company for the FY 2019-20, subject to ratification of members at the ensuing AGM.

k) Internal Auditor:

Pursuant to the provisions of Section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014, the Board has recommended the re-appointment of M/s. P.S.N Ravishanker & Associates, Chartered Accountants as Internal Auditors of the Company for the financial year 2019-20.

l) Internal Control System, Compliance Framework:

The Company has an Internal Control System, commensurate with size, scale and complexity of its operations. The Company has also put in place the policies and procedures relating to "Internal Financial Controls" for ensuring the orderly and efficient conduct of its business, including adherence to the 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 statements, as per the explanation to Section 134(5)(e) of the Act.

The internal financial controls are adequate and are operating effectively so as to ensure orderly and efficient conduct of business operations. The Audit Committee in consultation with the Internal Auditors formulates the scope, functioning, periodicity and methodology for conducting the internal audit. The internal auditors carry out audit, covering inter alia, monitoring and evaluating the efficacy and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies at all locations and submit their periodical internal audit reports to the Audit Committee. Based on the internal audit report and review by the Audit Committee, process owners undertake



necessary actions in their respective areas. The Internal Auditors have expressed that the internal control system in the Company is robust and effective.

The Board has also put in place requisite legal compliance framework to ensure compliance of all the applicable laws and that such systems are adequate and operating effectively.

m) Transfer to Reserves:

Your Company proposes to transfer Rs.0.30 Crores to the General Reserve out of the amount available for appropriations.

n)Material Changes:

There have been no major material changes and commitments affecting the financial position of the Company to since the close of financial year i.e. since 31st March, 2019. Further, it is hereby confirmed that there has been no major change in the nature of business of the Company. The Company continues to operate only in one segment i.e. Bulk drugs.

Directors Responsibility Statement:

Pursuant to the requirement under Section 134(3)(c) of the Companies Act, 2013, the Board of Directors of the Company hereby state that:

- i. In the preparation of the annual accounts for the year ended 31st March, 2019, the applicable accounting standards read with requirements set out under Schedule III to the Act, had been followed and there are no material departures 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 as at 31st March, 2019 and profit of the company for that period;
- iii. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. The Directors had prepared the annual accounts on a "Going Concern" basis.
- v. The Directors had 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 had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Related Party Transactions:

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large and the Form AOC-2 is attached (Annexure-II).

**Subsidiary and associate Companies:**

The Company does not have any subsidiary and/or associate companies.

Public Deposits:

During the year under review, the Company has neither accepted nor renewed any deposit within the meaning of Section 73 and 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

Insurance:

Your Company has taken wherever possible to mitigate risks, appropriate insurances and the Board is kept apprised of the risk assessment and minimization procedures. The assets of the Company have been adequately covered under insurance. The policy values have been enhanced taking into consideration the expanded and upgraded facilities of the Company.

Listing of Securities:

The Equity Shares of the Company are listed with BSE Limited. The Company has paid the Annual listing fees to the BSE Limited for the financial year 2018-2019.

Share Capital:

The Company has only one class of shares viz., Equity share of face value of Rs.10/- each. The total issued and subscribed capital of the Company is Rs.10.25 Crores. The paid up capital of the Company is Rs.10.24 Crores. The Company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

Forfeiture of shares:

The company has issued notices to the shareholders for payment of calls in arrears on various dates, after the issue of said notices the company is left with unpaid capital of Rs 46,600/- unpaid on 9,320 equity shares @ Rs 5/- share. The company after taking approvals from the stock exchange, the said share capital will be written off accordingly in books.

Report on Corporate Governance:

A detailed report on Corporate Governance prepared in substantial compliance with the provisions of SEBI (LODR) Regulations, 2015 with the Stock Exchange together with Certificate given by the practising company secretary regarding the compliance of conditions of corporate governance, form a part of Annual Report.

Audit Committee and its Composition:

The Audit Committee of the Company reviews the reports to be submitted with the Board of Directors with respect to auditing and accounting matters. It also supervises the Company's internal control and financial reporting process.

As on 31st March, 2019, the Audit Committee comprised of Mr.Sai Sudhakara Panchakarla, Mr.BoosaEshwar, Independent Directors and Mr. G Ganesh Kumar, Managing Director of the Company as member.



Mr.Sai Sudhakar Panchakarlawas the Chairman of Audit Committee of the Company. The Compliance Officer of the Company acts as the Secretary of the Audit Committee.

Committees of the Board:

There are currently five Committees of the Board, which are as follows:

1. Audit Committee
2. Stakeholders' Relationship Committee
3. Share Transfer Committee
4. Nomination and Remuneration Committee
5. Corporate Social Responsibility Committee

Details of all the Committees along with their charters, composition and meetings held during the year, are provided in the "Report on Corporate Governance", as part of this Annual Report.

Research & Development:

The Company has incurred an expenditure of Rs.0.71Crores on research and development during the year.

Risk Management:

Company has implemented an integrated risk management approach through which it reviews and assesses significant risks on a regular basis to help ensure that there is a robust system of risk controls and mitigation in place. Senior management periodically reviews this risk management framework to keep updated and address emerging challenges.

Major risks identified for the Company by the management are Manufacturing & Supply, Regulatory, Information Technology, Currency fluctuation, Compliance, Litigation, etc. The management is however, of the view that none of the above risks may threaten the existence of the Company as robust Risk mitigation mechanism is put in place to ensure that there is nil or minimum impact on the Company in case any of these risks materialise.

The Company has laid down a well-defined Risk Management Policy covering the risk mapping, trend analysis, risk exposure, potential impact and risk mitigation process. A detailed exercise is being carried out to identify, evaluate, manage and monitoring of both business and non-business risk. The Board periodically reviews the risks and suggests steps to be taken to control and mitigate the same through a properly defined framework.

Whistle Blower Mechanism:

The Company has set up Whistle Blower / Vigil Mechanism viz. Whistle Blower Policy to enable the employees and Directors to report genuine concerns and irregularities, if any in the Company, noticed by them. The same is reviewed by the Audit Committee from time to time. The details of the Whistle Blower Policy is explained in the Corporate Governance Report and also posted on the website of the Company. We affirm that during the financial year 2018-19, no employee or director was denied access to the Audit Committee.

**Loans, Guarantees or Investments:**

Details of Loans, Guarantees and Investments, if any covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

Corporate Social Responsibility (CSR):

Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with CSR Rules, the Company has constituted CSR Committee and formulated CSR Policy. During the year, the Company undertook several initiatives under the CSR program. The details of CSR policy and CSE activities undertaken during the year are annexed herewith as "Annexure III".

Details of Significant and Material Orders passed by the Regulators or Courts or Tribunals impacting the Going Concern status and Company's operations in future:

There was no order passed by any regulator or court or tribunal, which impacts, the going concern status of the Company or will have bearing on Company's operations in future.

Information under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has constituted an Internal Compliant Committee under Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year, no complaint was made before the Committee.

Extract of the Annual Return:

The extract of the Annual Return in form MGT 9 is annexed herewith as "Annexure IV".

Managerial Remuneration and Particulars of Employees:

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013, read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) rules, 2014 are attached as "Annexure V".

In terms of Section 197(12) of the Companies Act, 2013 read with rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of limits set out in said rules forms part of the annual report.

Considering the first proviso to section 136(1) of the Companies Act, 2013, the annual report, excluding the aforesaid information, is being sent to the shareholders of the company and other entitled thereto. The said information is available for inspection at the registered office of the Company during business hours on working days up to the date of the forthcoming 21st Annual General Meeting. Any shareholders interested in obtaining a copy thereof may write to the Company Secretary in this regard.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:

Information regarding Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required to be disclosed under Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 is enclosed as an "Annexure -VI" and forms part of the Report.

**Human Resource:**

Your Company firmly believes that employees are the most valuable assets and key players of business success and sustained growth. Various employee benefits, recreational and team building programs are conducted to enhance employee skills, motivation as also to foster team spirit. Company also conducts in-house training programs to develop leadership as well as technical/functional capabilities in order to meet future talent requirements.

Industrial Relations:

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

Acknowledgement:

Your Directors wish to take this opportunity to thank the employees for their dedicated service and contribution to the Company. We also thank Bank of India, Government Agencies, Business Associates, Shareholders and Investors at large for their continued support towards conduct of efficient operations of the Company.

By Order of the Board of Directors

Sd/-

G. Ganesh Kumar

Chairman & Managing Director

Place: Hyderabad

Date: 07th August 2019

Registered office:

D. No. C-21/A, Road No.9, Film Nagar,
Jubilee Hills, Hyderabad - 500 096

CIN:L72200TG1998PLC029809



ANNEXURES TO DIRECTORS' REPORT

Annexure –I

FORM MR-3

Secretarial Audit Report for the financial year ended 31st March, 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
M/s. Tyche Industries Limited
Hyderabad

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Tyche Industries Limited (hereinafter called "the Company") Secretarial Audit was conducted in a manner that provided to me on a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2019 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under; (Not Applicable to the Company during the Audit Period);
- (iii) The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder;
- (iv) 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;
- (v) 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. (Not Applicable to the Company during the Audit Period);
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008. (Not Applicable to the Company during the Audit Period);
- 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; (Not Applicable to the Company during the Audit Period) ;and
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - NOT APPLICABLE.

I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

- Drugs and Cosmetics Act, 1940.
- Food and Drug Administration licensing terms and conditions etc.
- The Air (Prevention & Control of Pollution) Act, 1981;
- The Environment (Protection) Act, 1986;

I have also examined compliance with the applicable clauses of the following:

- I) Secretarial Standards issued by The Institute of Company Secretaries of India have been followed with respect to Board meetings;
- II) The Listing Agreements entered into by the Company with the BSE Limited, Mumbai.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above and there are no non compliances that have come to my knowledge.

I 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.



The minutes of the Board meetings have not identified any dissent by members of the Board; hence I have no reason to believe that the decisions by the Board were not approved by all the directors present.

I 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.

Sd/-

D. RENUKA

Company Secretary in practice.

ACS No. 11963

C P No. 3460

Place: Hyderabad

Date: 05.08.2019



Annexure A

To
The Members
Tyche Industries Limited
Hyderabad

My 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. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I 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. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Where ever required, I 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. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Hyderabad
Date: 05.08.2019

Sd/-
D. Renuka
Company Secretary Practice
ACS : 11963
CP NO: 3460



PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) OF THE COMPANIES ACT, 2013

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1	Details of contracts or arrangements or transactions not at arm's length basis	NOT APPLICABLE
(a)	Name(s) of the related party and nature of relationship	
(b)	Nature of contracts/arrangements/transactions	
(c)	Duration of the contracts/arrangements/transactions	
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	Date(s) of approval by the Board	
(g)	Amount paid as advances, if any	
(h)	Date of which the special resolution was passed in general meeting as required under first proviso to section 188	
2	Details of material contracts or arrangement or transactions at arm's length basis	
(a)	Name(s) of the related party and nature of relationship	
(b)	Nature of contracts/arrangements/transactions	
(c)	Duration of the contracts / arrangements/transactions	
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
(e)	Date(s) of approval by the Board, if any	
(f)	Amount paid as advances, if any	



Annexure III

Report on Corporate Social Responsibility (CSR) Activities

Sr. No.	Particulars	Details
1	A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.	Company is in process of formation of Trust to undertake projects in various areas of Rural upliftment, Education, livelihood, Health, Water, Sanitation and any other.
2	The Composition of the CSR Committee.	Mr. G. Ganesh Kumar – Chair Person Mr.BoosaEshwar –Member Mr.SaiSudhakarPanchakarla- Member
3	Average net profit of the Company for last three financial years.	Rs.578.11 Lakhs
4	Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above)	Rs. 11.56 lakhs
5	Details of CSR spent during the financial year.	
	a) Total amount to be spent for the financial year	Rs11.25lacs
	b) Amount unspent , if any	Rs 2.93lacs***
	c) Manner in which the amount spent during the financial year	The company spent an amount of Rs11.25lacs during the year on rural upliftment programs promoted by the local Municipality/panchayats.
6	In case the company has failed to spend the two per cent of the net profit or any part thereof, the reasons for not spending the amount:	The company has spent an amount of Rs11.25lacs during the financial year 18-19, which includes CSR expenditure of previous years. As the CSR spending is continuous process the company will spend the required amount in coming year.

**Manner In Which The Amount Spent During The Financial Year Is Detailed Below:
(Amount in Lakhs)**

S.N	Projects/activities	Sector	Projects/ programme District and State	Amount outlay (Budget) Project / Programme wise	Amount spent on the projects or programme	Cumulative expenditure up to reporting period	Amount Direct or through agency
1	Rural upliftment	Rural Develop -ment & Sustain -ability	Kakinada	11.25	11.25	11.25	Direct

*** Company has spent all the unspent money as on date.

CSR Committee hereby confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the company.

By Order of the Board of Directors
Sd/-

G. Ganesh Kumar
Chairman & Managing Director

Place: Hyderabad
Date: 07th August 2019

Registered office:
D. No. C-21/A, Road No.9, Film Nagar,
Jubilee Hills, Hyderabad - 500 096
CIN:L72200TG1998PLC029809



Chairperson of CSR Committee

FORM MGT 9

As on financial year ended on 31.03.2019

ANNEXURE – IV

EXTRACT OF ANNUAL RETURN

(Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Company (Management & Administration) Rules, 2014) Financial Period ended on 31.03.2019

I.REGISTRATION & OTHER DETAILS :

i	CIN :	L72200TG1998PLC029809
ii	Registration Date :	23-07-1998
iii	Name of the Company :	TYCHE INDUSTRIES LIMITED
iv	Category/Sub-category of the Company:	Company having Share Capital
V	Address of the Registered office & contact details:	C-21/A, ROAD NO.9,FILM NAGAR, JUBILEE HILLS,HYDERABAD-500096
vi	Whether listed company:	Yes (Listed in BSE)
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any:	CIL SECURITIES LIMITED, 214, RAGHAVA RATNA TOWERS, CHIRAG ALI LANE, ABIDS, 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 /services	% to total turnover of the company
1	PHARMACEUTICAL PRODUCTS	21002	100%

III. PARTICULARS OF HOLDING,SUBSIDIARY& ASSOCIATE COMPANIES:

S. No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD
1	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(01.04.2018)				No. of Shares held at the end of the year (31.03.2019)				% of Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	2265955	-	2265955	22.11	2265955	-	2265955	22.11	-
b) Central Govt.or	-	-	-	-	-	-	-	-	-
State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	4085641	-	4085641	39.86	4085641	-	4085641	39.86	-
d) Bank/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
SUB TOTAL:(A) (1)	6351596	-	6351596	61.97	6351596	-	6351596	61.97	-
(2) Foreign									
a) NRI- 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)	6351596	-	6351596	61.97	6351596	-	6351596	61.97	-
B. PUBLIC SHAREHOLDING									
(1) Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Venture Capital Fund	-	-	-	-	-	-	-	-	-
c) Central govt	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Insurance Companies	-	-	-	-	-	-	-	-	-
f) FIIs/ Foreign Portfolio Investors	-	-	-	-	-	-	-	-	-
g) Others (specify)									
SUB TOTAL (B)(1):	-	-	-	-	-	-	-	-	-



Category of Shareholders	No. of Shares held at the beginning of the year(01.04.2018)				No. of Shares held at the end of the year (31.03.2019)				% of Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Non Institutions									
a) Bodies corporates	916846	-	-	8.94	965740	-	965740	9.42	0.48
b) Individuals									
i) Individual shareholders holding nominal share capital upto 2 lakhs	2100072	217713	2317785	22.61	1986554	178113	2164667	21.12	-1.49
ii) Individuals shareholders holding nominal share capital in excess of 2 lakhs	606090	0	606090	5.91	691457	3800	695257	6.78	0.87
c) Any Other (specify) NRIs	53901	0	53901	0.53	71922	-	71922	0.70	0.17
d) Clearing Member	3782	0	3782	0.04	818	-	818	0.01	-0.03
SUB TOTAL (B)(2):	3680691	217713	3898404	38.03	3716491	181913	3898404	38.03	-
Total Public Shareholding	3680691	217713	3898404	38.03	3716491	181913	3898404	38.03	
(B) = (B)(1) + (B)(2)	3680691	217713	3898404	38.03	3716491	181913	3898404	38.03	-
C. Shares held by Custodian									
Grand Total (A + B + C)	10032287	217713	10250000	100	10068087	181913	10250000	100	-

**(ii) Shareholding of Promoters:**

S. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of 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	UPPALAPATI SATYA SRINIVAS	12825	0.13	-	12825	0.13	-	-
2	SUBBARAJU GOKARAJU	280	0.00	-	280	0.00	-	-
3	VIJAYA KUMARI GOKARAJU	1600	0.02	-	1600	0.02	-	-
4	GOKARAJU RAMA RAJU	280	0.00	-	280	0.00	-	-
5	G GANESH KUMAR	1408095	13.74	-	1408095	13.74	-	-
6	BHUPATHI KASIRAJU	100	0.00	-	100	0.00	-	-
7	SANDEEP GOKARAJU	842775	8.22	-	842775	8.22	-	-
8	INNAG PROJECTS PRIVATE LIMITED	187057	1.82	-	187057	1.82	-	-
9	SIRI CELLARS PRIVATE LIMITED	31000	0.30	-	31000	0.30	-	-
10	SRI INDRA DISTILLERY PRIVATE LIMITED	1888705	18.43	-	1888705	18.43	-	-
11	SILVEROAK TECHNOLOGIES PRIVATE LIMITED	1978879	19.31	-	1978879	19.31	-	-
	Total	6351596	61.97	-	6351596	61.97	-	-

ANNEXURE - E**(iii) CHANGE IN PROMOTERS' SHAREHOLDING 01.04.2018 to 31.03.2019 :**

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
1	At the beginning of the year	6351596	No Change	6351596	No Change
	Total		During the year		During the year



(iv) Shareholding Pattern of top ten Shareholders : 01.04.2018 to 31.03.2019
(other than Directors, Promoters & Holders of GDRs & ADRs) :

S. No.	For Each of the Top 10 Shareholders	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	PLUTUS TECHLABS LIMITED	656086	6.40	656086	6.40
2	LINCOLN P COELHO	150000	1.46	150000	1.46
3	IEPF	103773	1.01	143865	1.40
4	BYNA MURALI	30000	0.29	63673	0.62
5	RAMESHWAR NATH PANDEY	36899	0.36	57003	0.56
6	RAGHU RAMA RAJU GOKARAJU	46694	0.46	46694	0.46
7	RANGAPPA N	1200	0.01	38700	0.38
8	SURYANARAYANA RAJU KANTHEI	35032	0.34	35032	0.34
9	M Y NARAYANA	32074	0.31	32074	0.31
10	PARAVATHI GOKARAJU	31354	0.31	31354	0.31

(v) Shareholding of Directors and Key Managerial Personnel

S. No.	For Each of the Directors and each Key Management Personnel	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	G Ganesh Kumar	1408095	13.74	1408095	13.74
2	EshwarBoosa	0	0	0	0
3	P.Vijaya Lakshmi	0	0	0	0
4	SaiSudhakarPanchakarla	0	0	0	0
5	K.Srinivas (CFO)	0	0	0	0
6	Laxmi Chandra Dey(CS)	0	0	0	0
7	SatyaRanjan Jena(CS)	0	0	0	0

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

(Rs. In lakhs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		G.Ganesh Kumar			
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	18.00 NIL			18.00 NIL
2	Stock Option	NIL			NIL
3	Sweat Equity	NIL			NIL
4	Commission: - as % of profit				
	- others, specify	NIL			NIL
5	Others, please specify	NIL			NIL
	Total (A)	18.00			18.00
	Ceiling as per the Act *	100.24			100.24

*(being 10% of the net profit of the company calculated as per section 198 of the Companies Act,2013.)



Sl. No.	Particulars of Remuneration	Name of Directors			Total (Rs. In lakhs)
		Boosa Eshwar	Harichand Kantimahanti	P.Vijaya Lakshmi	
1	Independent Directors • Fee for attending board committee meetings • Commission • Others, please specify Total (1)	2.0	2.0		4.0
2	Other Non-Executive Directors • Fee for attending board committee meetings • Commission • Others, please specify			1.35	1.35
	Total (2)				5.35
	Total = (1 + 2)				

Overall ceiling as per the act is 10.24 lakhs*

*(being 1% of the net profit of the company calculated as per section 198 of the Companies Act,2013.)

Remuneration to key managerial personnel other than MD/MANAGER/WTD.

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total (In Lakhs)
		CEO	Company Secretary	CFO	
1.	Gross Salary : Salary as per provisions contained in section 17(1) of IT Act,1961 Value of perquisites U/S 17(2) OF IT Act, 1961 Profits in lieu of salary u/s 17(3) of IT Act, 1961	NIL	4.44	15.00	19.44
2.	Stock Option	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL
4.	Commission - as % of profit	NIL	NIL	NIL	NIL
5.	Others, specify	NIL	NIL	NIL	NIL
	Total	NIL	4.44	15.00	19.44

**PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:**

Type Act	Section of the Companies	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD /NCLT/ COURT]	Appeal made, if any(give Details)
A.COMPANY Penalty Punishment Compounding			None		
B.Directors Penalty Punishment Compounding			None		
C.OTHER OFFICERS IN DEFAULT Penalty Punishment Compounding			None		

**Annexure-V****Extract of Annual Return and Details of remuneration of employee**

Details under section 197 of the Companies Act, 2013 and Rule 5 of the Companies (Appointment and remuneration of Managerial personnel) Rules, 2014

Rule	Particulars	Details of Remuneration
5.1	The Ratio of the remuneration of each Director to the median remuneration of the employees of the company for the financial year.	Mr G. Ganesh Kumar (10:1) All other directors have not received any remuneration, except the sitting fees, during the F.Y.2018-19
5.2	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary.	For Mr. G Ganesh Kumar(Nil) For Mr. K Srinivas(Nil) For Ms.Laxmi Chand Dey(Nil)
5.3	The percentage increase in the median remuneration of employees in the financial year.	10%
5.4	The number of permanent employees on the rolls of the company	182
5.5	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification the thereof.	There has been no increase in the managerial remuneration for the financial year.



Annexure-VI

Statement of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo Pursuant to Provisions of Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014

Information pursuant to Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, for the year ended 31st March, 2019.

A. Conservation of Energy:

(i) Steps and impact:

- Improved natural illumination to reduce power consumption.
- Arrest leakage in terms of steam, water and compressed air.
- External chemical cleaning of chilled and hot water coils for better heat transfer and avoid losses.
- The PVC fills of cooling towers have been replaced to improve efficiency.
- During the winter season the ambient condition is used to minimise the running hours of the chillers.
- Replacement of old energy efficient AHU's

(ii) Steps taken by the Company for utilising alternate Sources of energy:

Husk is used for boiler by the Company for utilising alternate Sources of energy.

(iii) Capital investment on energy conservation equipment: Rs. Nil

Form - A

Disclosure of particulars with respect to conservation of energy

Particulars	Unit	2018-19	2017-18
A. Power & Fuel Consumption:			
Electricity (purchased)			
- No. of Units (Nos/ Lacs)	KWH	28.00	27.00
- Total Amount (Lacs)	Rs.	216.00	212.00
- Average Rate per Units	Rs.	7.56	7.83
Diesel			
- Quantity (Nos/ Lacs)	Ltr	0.10	0.10
- Total Amount (Lacs)	Rs.	10.00	8.00
- Average Rate per Unit/ Ltr	Rs.	74.66	65.10
Husk			
- Quantity	MT	1716	1528
- Total Amount (Lacs)	Rs.	68.00	46.00
- Average Rate per Unit/MTs	Rs.	3990	3033
B. Consumption per Unit of Production:			
- Electricity	KWH	As the Company uses the same manufacturing facilities for various products, it is not practicable to give consumption per unit.	
- Diesel	Ltr		
- Husk	MT		

**B. Technology Absorption:****Form - B****Disclosure of Particulars with respect to Technology Absorption****Research & Development (R & D)****1. Specific areas in which R & D carried out by the Company:**

Tyche Industries Limited recognises that it operates in competitive business environment. Thus, Tyche has placed its focus on quality and innovative products in the entire pharmaceutical value chain – APIs and Intermediates, which are produced at lower costs to face the challenges in the intense competition.

Our business culture of producing quality, innovative safe pharmaceutical solutions will continue to be our foundation for growth. Dedicated investment in research and development, and developing innovative approaches will be the key to our sustainable growth in the business. We will move forward with a focus to shape and assure our future by practising the art of reengineering and invention and producing the breakthrough Pharmaceutical solutions through investment in research and development.

The company has a full-fledged R&D Centre. It has 1 PhD's and 33 B.S.C, B. Pharmacy M.Sc. Chemists engaged on the scientific work done at the Centre. The company has developed innovative processes for its new APIs. The company is planning to introduce new API's products after carrying extensive research and development in the therapeutic category to treat diseases namely hyperparathyroid, convulsant, asthma etc in the coming years.

2. Benefits derived as a result of the research and development:

Some of the products developed in R & D are being produced in commercial quantities. Modification of existing manufacturing processes and reduction in the time cycle for some of the products has led to reduction in cost of production and consequential benefits which were passed on to the consumers by way of reduction in prices.

3. Expenditure on R & D: (Amount Rupees in Crores)

Particulars	2018-19	2017-18
Capital Expenditure	0.00	0.00
Recurring Expenditure	0.71	0.77
Total	0.71	0.77
Total R&D Expenditure as a % of Total Turnover	1.31%	1.48%

4. Future plan of action:

Several new products have been identified after a thorough study of the market and the processes to manufacture these products will be developed in the R&D Lab.

Technology absorption, adaptation and innovation

The Company has not sourced any technology from outside.



Form C:

Foreign Exchange Earnings and Outgo:

(Amount Rupees in Crores)

Particulars	2018-19	2017-18
i) Foreign Exchange Earnings:		
- FOB value of exports(Net of Freight & Insurance)	27.76	26.75
ii) Foreign Exchange Outgo (CIF):		
-Raw materials	1.93	1.58
-Capital Goods	0.00	0.00
-For expenses	0.82	0.71

By Order of the Board of Directors

Sd/-

G. Ganesh Kumar

Chairman & Managing Director

Place: Hyderabad

Date: 07th August 2019

Registered office:

D. No. C-21/A, Road No.9, Film Nagar,

Jubilee Hills, Hyderabad - 500 096

CIN:L72200TG1998PLC029809



REPORT ON CORPORATE GOVERNANCE

1) COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is about commitment to values and ethical business conduct. It is a journey for constantly improving sustainable value creation and is an upward moving target.

Tyche Industries Limited has always attached great importance to good and responsible corporate governance. We believe that Corporate Governance is a key driver of sustainable corporate growth and long term value creation for its stakeholders. It is also our belief that Corporate Governance does not only mean ensuring compliance with regulatory requirements, but also means being responsive to aspirants of customers and expectations of the society. We always strive for excellence in quality of goods and services with the twin objectives of enhancing customer satisfaction and shareholder's value.

We are committed to upgrade our systems, processes and disclosure norms to achieve high standards of Corporate Governance.

2) BOARD OF DIRECTORS

Composition of the Board

As on March 31,2019, Tyche's composition of the Board is in conformity with SEBI (Listing Obligations and Disclosure Requirements) Regulation,2015 and companies Act, 2013. The Company's Board of Directors consist of One Non-Executive Director (Woman Director). Two Non-Executive Independent Directors. One Executive Director.

Category of directors	No. of Directors	% of Total no.of Directors
Non-Executive(Woman Director)	1	25%
Non-Executive Independent Director	2	50%
Executive Director	1	25%
Total	4	100%

The Company policy is to maintain the optimum combination of Executive and Non-Executive Director. The Board is chaired by Executive Director.

Directors Attendance Record and their other Directorships / Committee memberships

As mandated in Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, none of the directors is a member of more than ten board level committee or chairman of more than five committee across companies in which he/she is a director. Relevant details of the Board as on March 31, 2019 are given below:



Name	Category & Designation	Attendance at AGM held on 29th September, 2018	No. of meetings held during the last Financial Year 2018-2019	No. of meetings attended	No. of directorships on boards of other Companies	No. of Board committees in which he is a member in other companies	No. of Board committees
Mr. G. Ganesh Kumar	Chairman, Managing Director and Promoter	Yes	7	7	1	NIL	NIL
Mr. SaiSudhakar Panchakarla (Appointed w.e.f 25.03.2019)	Independent Director	NA	7	1	NIL	NIL	NIL
Mr. Boosa Eswar	Independent Director	Yes	7	7	NIL	NIL	NIL
Mrs. P. Vijaya Lakshmi	Non-Executive Non Independent Director	Yes	7	7	NIL	NIL	NIL
HarichandraKantimahanti (Resigned w.e.f 25.03.2019)	Independent Director	Yes	7	6	1	NIL	NIL

Notes:

- The Directorships held by directors as mentioned above do not include Alternate Directorships and Directorships in Foreign Companies, Section 8 Companies and Private Limited Companies
- Membership/Chairmanship of only the Audit Committee and Stakeholders' Relationship Committee of all public Limited Companies has been considered.

Number of Board Meeting

During the Financial Year 2018-2019, the Board of Directors met 7 (Seven) times, viz., on 30th May, 2018, 10th August, 2018, 29th September 2018, 09th November, 2018, 06th February 2019, 25th March 2019 and 30th March, 2019. The maximum gap between any two meetings was less than one hundred and twenty days, as stipulated under Regulation 17 of SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015.

Disclosure of Relationship between Directors

There are no inter-se relationships between the Board members.



Shareholding of Non-Executive Directors

None of the Non-Executive Directors holds any shares in the Company.

Role of Internal Auditor

Tyche Industries has an adequate Internal Control framework, which has been instituted considering the nature, size and risk in the business. The framework comprises, inter alia, of a well-defined organisation structure, roles and responsibilities, documented policies and procedures etc. Information Technology policies and processes were also updated to ensure that they satisfy the current business needs. This is complemented by a management information and monitoring system, which ensures compliance to internal processes, as well as with applicable laws and regulations. The operating management is not only responsible for revenue and profitability, but also for maintaining financial discipline and hygiene. The Internal Audit has a well laid down internal audit methodology, which emphasises on risk based internal audits using data analytics and tools. M/s. P.S.N. Ravishanker & Associates, the Internal Auditor prepares a rolling annual internal audit plan, comprising of operational, financial, compliance and information systems audits.

Familiarization Programme for the Independent Directors

The Company conducts Familiarization Programme for the Independent Directors to provide them an opportunity to familiarize with the Company, its management and its operations so as to gain a clear understanding of their roles and responsibilities and contribute significantly towards the growth of the Company. They have full opportunity to interact with senior management personnel and are provided all the documents required and sought by them for enabling them to have a good understanding of the Company, its various operations and the industry of which it is a part and the detail can be referred on the website of the Company i.e. www.tycheindustries.com.

Skill/Expertise/Competence Of The Board Of Directors For The Financial Year Ended March 31, 2019.

Sl.No.	Name of Directors	Expertise/ Skill
1	Mr.Ganesh Kumar	Production,Administration, Domestic & International Marketing
2	Mr.EshwarBoosa	Customer Relationship Management
3	Mr.SaiSudhakarPanchakarla	Administration and management
4	Mrs.VijayaLakshmi Penumatsa	Finance and Accounts

Code of Conduct

The Code of Conduct is available on the website of the Company www.tycheindustries.com. All Board members and senior management personnel affirm compliance with the Code of Conduct annually. A declaration signed by the Chairman to this effect placed at the end of this report.

Adherence to ethical professional conduct is a must for every employee, including Board members and senior management personnel of Tyche Industries Limited. The Code is intended to serve as a basis for ethical decision-making in conduct of professional work.



The Code of Conduct enjoins that each individual in the organization must know and respect existing laws, accept and provide appropriate professional views, and be up right in his conduct and observe corporate discipline. The duties of Directors including duties as an Independent Director as laid down in the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 also forms part of the Code of Conduct.

3) MEETING OF INDEPENDENT DIRECTORS

During the year under review, the Independent Directors met on 30th March, 2019, carried out inter alia, the following process:

Evaluation of performance of Non Independent Directors and the Board of Directors as a whole; evaluation of performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors and evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties. All the Independent Directors were present at the Meeting. The Company will organize necessary familiarization programmes as and when required. The terms and conditions of appointment of the independent directors are disclosed on the website of the Company.

Details reason for resignation of Mr. Haichandra Kantimahanti (Independent director).

Mr. Harichandra Kantimahanti (Independent director) has resigned w.e.f 25.03.2019 before the expiry of his tenure due to his preoccupations, there were no any material reasons except mentioned earlier.

COMMITTEES OF THE BOARD

Tyche Industries Limited has five Board level committees:

- A) Audit committee,
- B) Nomination and Remuneration committee,
- C) Stakeholders Relationship committee,
- D) Share Transfer committee,
- E) Corporate Social Responsibility committee

A) AUDIT COMMITTEE:

The Board has constituted a well-qualified Audit Committee. Majority of members of the Committee are Independent Directors including Chairman. They possess sound knowledge on accounts, audit, finance, taxation, internal controls etc.

The Audit Committee of the Company reviews the reports to be submitted with the Board of Directors with respect to auditing and accounting matters. It also supervises the Company's internal control and financial reporting process.

The Audit Committee met 4 (four) times viz., on 30th May, 2018, 10th August, 2018, 09th November, 2018 and 06th February, 2019 during the year under review. The gap between two Audit Committee meetings was not more than four months in compliance with Listing Agreement. The details of meetings attended by each member during the year ended 31st March, 2019 is as follows:



Name of the member	Designation	No. of Meetings Held	Meetings Attended
Mr.SaiSudhakarPanchakarla	Chairman	4	1
Mr.BoosaEshwar	Member	4	4
Mr. G. Ganesh Kumar	Member	4	4

Terms of Reference:

The Terms of reference of the Audit Committee are as per the guidelines set out in the Listing Agreement with the Stock Exchange read with Section 177 of the Companies Act, 2013. These broadly includes (i) Develop an annual plan for Committee, (ii) review of financial reporting processes, (iii) review of risk management, internal control and governance processes, (iv) discussion on quarterly, half yearly and annual financial statements, (v) interaction with statutory, internal and cost auditors, (vi) recommendation for appointment, remuneration and terms of appointment of auditors and (vii) risk management framework concerning the critical operations of the Company.

In addition to the above, the Audit Committee also reviews the following

- Matter to be included in the Director's Responsibility Statement.
- Changes, if any, in the accounting policies.
- Major accounting estimates and significant adjustments in financial statement.
- Compliance with listing and other legal requirements concerning financial statements.
- Disclosures in financial statements including related party transactions.
- Management discussion and analysis of company's operations.
- Valuation of undertakings or assets of the company, wherever it is necessary.
- Periodical review of internal audit reports.
- Findings of any special investigations carried out by the Internal Auditors.
- Letters of Statutory Auditors to management on internal control weakness, if any.
- Major non routine transactions recorded in the financial statements involving exercise of judgment by the management.
- Recommend to the Board the appointment, re-appointment and if required the replacement or removal of the Statutory Auditors considering their independence and effectiveness, and recommend the audit fees.

For Audit Committee meetings, the Statutory Auditors are invited and are generally attended by the Senior Management Executives of the Company.

B) NOMINATION AND REMUNERATION COMMITTEE:

The Nomination & Remuneration Committee of the Company recommends to the Board of Directors, the remuneration payable to the Executive Directors, senior most management



immediately below the Managing Director on their performance, defined assessment criteria and job responsibilities.

During the financial year 2018-2019 the Nomination & Remuneration Committee met three times on 10th August, 2018, 25th March 2019, and 30th March 2019. The Composition and the details of attendance of members of the Committee are as follows:

Name of the member	Designation	No. of Meetings Held	Meetings Attended
Mr.BoosaEswar	Chairman	3	3
Mr.SaiSudhakarPanchakarla	Member	3	1
Ms. P. Vijaya Lakshmi	Member	3	3

Terms of Reference of the Nomination & Remuneration Committee:

The Committee is empowered to -

- Formulate criteria for determining qualifications, positive attributes and independence of Directors and evaluating the performance of the Board of Directors.
- Identify and assess potential individuals with respect to their expertise, skills, attributes, personal and professional standing for appointment and re-appointment as Directors/ Independent Directors on the Board and as Key Managerial personnel's.
- Formulate a policy relating to remuneration for the Directors and the Senior Management Employees.

Remuneration Policy:

The Company follows a policy on remuneration of Directors and Senior Management Employees.

Remuneration of Managing Director and Whole-Time Director;

- At the time of appointment or re-appointment, the Executive Directors shall be paid such remuneration as may be mutually agreed between the Company (which includes the Nomination & remuneration Committee and the Board of Directors) and the respective Executive Director with in the overall limits prescribed under the Companies Act, 2013.
- The remuneration shall be subject to the approval of the Members of the Company in General Meeting.
- The remuneration of Executive Directors is broadly divided in to fixed and variable component.
- The fixed compensation shall comprise salary, allowances, perquisites, amenities and retirement benefits.



In determining the remuneration (including the fixed increment and performance bonus) the Nomination & Remuneration Committee shall consider the following:

- a. The relationship of remuneration and performance benchmarks is clear;
- b. Balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;
- c. Responsibility of the Managing Director's and the industry benchmarks and the current trends;
- d. The Company's performance vis-à-vis the annual budget achievement and individual performance.

Remuneration of Non-Executive Directors:

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board / Committee meetings. A Non-Executive Director shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Independent Directors shall not be entitled to participate in Stock Option Scheme of the Company, if any, introduced by the Company.

Remuneration of Senior Management Employees:

In determining the remuneration of the Senior Management employees (i.e. KMPs and Executive Committee Members) the Nomination & Remuneration Committee shall consider the following:

1. The relationship of remuneration and performance benchmark is clear.
2. The fixed pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.
3. The components of remuneration include salaries, perquisites and retirement benefits.
4. The remuneration including annual increment and performance incentive is decided based on the critically of the roles and responsibilities, the Company's performance vis-à-vis the annual budget achievement, industry benchmark and current compensation trends in the market.

The Managing director will carry out the individual performance review based on the standard appraisal matrix and after taking in to account the appraisal score card and other factors mentioned herein above, recommends the annual increment to the Nomination & Remuneration committee for its review and approval.

Details of Remuneration:

Non-Executive Directors are eligible for sitting fees for attending Board and Committee meetings.

**Performance evaluation:**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance and of the independent directors on parameters such as level of engagement, contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Chairman and the Non -Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process as well as the evaluation of the working of its Committees, information needs of the Board, execution and performance of specific duties, obligations and governance.

Details of remuneration paid to Executive Directors during the year ended 31st March, 2019 and shares held by them are as follows:

(Rs. In Lacs)

Name of the Director	2018-19 (Salary)	No. of Shares held
G. Ganesh Kumar, Chairman & Managing Director	18.00	14.08

Note: The Company has not granted any Stock Option.

C) STAKEHOLDERS RELATIONSHIP COMMITTEE:

The functions of the Committee(s) include to specifically look into redressing investors' grievances pertaining to:

- Transfer of shares
- Dividends
- Dematerialization of shares.
- Replacement of lost/stolen/mutilated share certificates
- Non-receipt of rights/bonus/split share certificates
- Any other related issues

During the financial year 2018-2019, the Stakeholders' Relationship Committee met 3 (Three) times on 30th May, 2018, 10th August, 2018 and 09th November, 2018. The composition of the Committee and the details of meetings attended by each member during the year ended 31st March, 2019 are as follows:

Name of the member	Designation	No. of Meetings Held	Meetings Attended
Mr.SaiSudhakarPanchakarla	Chairman	3	0
Mr. G. Ganesh Kumar	Member	3	3
Mr.BoosaEshwar	Member	3	3



• **Name of the Compliance Officer::**

Mr. Satya Ranjan Jena

Address : D. No. C-21/A, Road No.9, Film Nagar, Jubilee Hills, Hyderabad - 500 096

Phone No. : 040 – 23541688

Email ID : cs_tyche@tycheindustries.com

• **Status of the Investor's Complaint as on 31st March 2019:**

Opening	Received during the year	Resolved during the year	Pending
Nil	2	Resolved	NIL

There were no share transfers pending for registration for more than 15 days as on 31st March, 2019.

D) SHARE TRANSFER COMMITTEE:

To ensure quicker investor services and expeditious of the Share Transfer approvals, this Committee has been constituted with the following members of the Board as on 31st March 2019.

Name of the member	Designation	No. of Meetings Held	Meetings Attended
Mr.SaiSudhakarPanchakarla	Chairman	1	0
Mr. G. Ganesh Kumar	Member	1	1
Mr.BoosaEshwar	Member	1	1

The Committee meets on 10th December, 2018 when the memorandum of transfer date is intimated by the CIL Securities Limited (Registrar and Share Transfer Agent) and accords its approvals accordingly.

E) CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

In accordance with Section 135 of the Companies Act, 2013, the Board of Directors of the Company at its meeting held on 10th August, 2018, comprising as on 31st March 2019 the following:

Name of the member	Designation	No. of Meetings Held	Meetings Attended
Mr.SaiSudhakarPanchakarla	Chairman	1	0
Mr. G. Ganesh Kumar	Member	1	1
Mr.BoosaEshwar	Member	1	1



The said Committee has been entrusted with the responsibility of formulating and recommending to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the CSR Policy and recommending the amount to be spent on CSR activities.

The Committee meets on 10th December, 2018 when the memorandum of transfer date is intimated by the CIL Securities Limited (Registrar and Share Transfer Agent) and accords its approvals accordingly.

E) CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

In accordance with Section 135 of the Companies Act, 2013, the Board of Directors of the Company at its meeting held on 10th August, 2018, comprising as on 31st March 2019 the following:

Name of the member	Designation	No. of Meetings Held	Meetings Attended
Mr.SaiSudhakarPanchakarla	Chairman	1	0
Mr. G. Ganesh Kumar	Member	1	1
Mr.BoosaEshwar	Member	1	1

The said Committee has been entrusted with the responsibility of formulating and recommending to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the CSR Policy and recommending the amount to be spent on CSR activities.

4) GENERAL BODY MEETINGS:

Annual General Meetings:

Financial Year	Date and Time	Venue	Description of Special Resolution passed
2017-2018	29th September 2018 at 10.00 a.m.	SagiRamkrishnamRaju Community Hall, Madura Nagar, Hyderabad-38	Nil
2016-2017	29th September, 2017 at 10.00 a.m.	SagiRamkrishnamRaju Community Hall, Madura Nagar, Hyderabad-38	Nil
2015-2016	30th September, 2016 at 10.00 a.m.	SagiRamkrishnamRaju Community Hall, Madura Nagar, Hyderabad-38	Nil

**Postal Ballot:**

No resolution was passed by means of Postal Ballot during the financial year 2018-2019. None of the businesses proposed to be transacted in the ensuing Annual General Meeting requires passing a Special Resolution through Postal Ballot.

5) MEANS OF COMMUNICATION:

- a) The quarterly, half-yearly and annual financial results of the Company are forwarded to the BSE Limited, where the Company's shares are listed and published in English daily newspaper and Telugu newspaper.
- b) The audited financial results and the shareholding pattern are displayed on the Company's website at www.tycheindustries.com. The Company also regularly provides information to the Stock Exchange as per the requirement of Listing Agreement and updates the same on the Company's website periodically.
- c) The Management Discussion and Analysis is a part of the Annual Report and annexed separately.
- d) The Company has not made any presentations to institutional investors or to the analysts and has not made any press release during the year under review.

6) GENERAL SHAREHOLDERS INFORMATION:**(a) Annual General Meeting**

21st Annual General Meeting

Date : Monday, 30th September, 2019

Time : 10.00 a.m.

Venue : Sagi Ramakrishnam Raju Community Hall,
Madhura Nagar, Hyderabad-500038

(b) Financial Calendar 2019-20:

The financial year of the Company starts from 1st April of every year and ends on 31st March of the succeeding year.

Subject Matter	Tentative Dates of the Board Meeting
Results for the quarter ending 30th June, 2019	By 14th August , 2019
Results for the quarter ending 30th September,2019	By 14th November, 2019
Results for the quarter ending 31st December, 2019	By 14th February, 2020
Audited Results for the quarter and year ending 31st March, 2020	By 30th May, 2020

(C) Date of book closure: From 24thSeptember, 2019 to 30th September, 2019 (both days inclusive)



(c) Cut-off date for remote e-voting:

The remote e-voting /voting rights of the shareholders/ beneficial owners shall be reckoned on the equity shares held by them as on the Cut-off Date i.e. Monday, 23rd September, 2019.

(d) Dividend payment date:

Dividend shall be paid to all the eligible shareholders on or after 30th Sept 2019 but within statutory limit.

(e) Unpaid / Unclaimed Dividend:

Pursuant to the provision of Section 125 of the Companies Act, 2013, dividend which remains unpaid or unclaimed for a period of seven years from the date of its transfer to unpaid dividend account, is required to be transferred by the Company to the Investor Education and Protection fund, established by the Central Government under the provisions of Section 125 of the Companies Act, 2013.

Shareholders of the Company who have either not received or not en-cashed their dividend warrants for the financial year 2011-12, 2012-13, 2013-14, 2014-15, 2015-16, 2016-2017 and 2017-18 are requested to claim the unpaid/unclaimed dividend from the Company before transfer to the fund.

(f) Listing on Stock Exchange : BSE Limited (BSE)

(g) CIN : L72200TG1998PLC029809

Stock Code : 532384

Scrip Id : TYCHE

Demat ISIN : INE443B01012 (Fully paid up)

: IN9443B01010 (Partly paid up)

(h) Listing Fees:

The Company has paid the listing fees for the year 2018- 19 to the Stock Exchange where the shares are listed

(i) Market Price Data: Monthly high and low stock quotations of shares traded on BSE during the each month of the financial year 2018-2019 as compared to BSE Sensex are as follows:



Month	Volume (No. of Shares)	Share Price of shares of the Company at BSE* (Rs.)		Sensex	
		High	Low	High	Low
April, 2018	54179	119.90	103.60	35213.3	32972.56
May, 2018	101093	111.50	80.20	35993.53	34302.89
June, 2018	80027	85.00	68.55	35877.41	34784.68
July, 2018	26005	86.65	71.50	37644.59	35106.54
August, 2018	133136	96.00	78.00	38989.65	37128.99
September, 2018	54796	94.95	72.00	38934.35	35985.63
October, 2018	61856	86.95	72.50	36616.64	33291.58
November, 2018	62418	94.20	78.50	36389.22	34303.38
December, 2018	33199	92.55	80.10	36554.99	34426.29
January, 2019	43351	94.00	76.05	36701.03	35375.51
February, 2019	58194	83.65	66.00	37172.18	35287.16
March, 2019	45619	82.00	60.10	38748.54	35926.94

* Source: www.bseindia.com

(j) Registrar and Share Transfer Agent:

CIL Securities Limited
214, RaghavaRatna Towers, Chirag Ali Lane, Abids, Hyderabad - 500001

(k) Share Transfer System

All shares sent or transferred in physical form are registered by the Registrar and Share Transfer Agents (RTA) within 15 days of the lodgement, if documents, are found in order. Shares under objection are returned within two weeks. All requests for dematerialization of shares processed and the confirmation is given to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) within 21 days.

The Company has obtained and filed with the Stock Exchange(s), the half yearly certificates from Company secretary in practice for due Compliance with the share transfer formalities as required under regulation 40(9)&(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(l) Shareholding Pattern as on 31st March 2019.

category	No. of Shares	% of Shareholding
Promoters	6351596	61.97
Public	3898404	38.03
Total	10250000	100.00



(m) The Distribution of Shareholding as on 31st March, 2019:

	No. of Shareholders	%	No. of Shares	%
Up to 500	2574	75.53	419978	4.10
501-1000	321	9.42	272836	2.66
1001-2000	200	5.87	304608	2.97
2001-3000	129	3.79	327108	3.19
3001-4000	33	0.97	120029	1.17
4001-5000	36	1.06	168208	1.64
5001-10000	61	1.79	451722	4.41
10001- 10250000	54	1.58	8185511	79.86
Total	3408	100.00	10250000	100.00

(n) Dematerialization of Equity Shares and Liquidity

As on 31st March, 2019 about 98.23% of the Company equity shares have been dematerialized.

(o) Outstanding ADRs, GDRs, Warrants or any convertible instruments, conversion date and impact on Equity:

As on 31st March, 2019 the Company does not have any ADRs, GDRs, Warrants or any convertible instruments.

(p) Address for investor correspondence:

Registered Office: D. No. C 21/A, Road No 9, Film Nagar Jubilee Hills, Hyderabad- 500096.

(q) Plant Location:

Address: Door No.6-223, Sarpavaram, Kakinada, East Godavari Dist , Andhra Pradesh. PIN – 533 005.

OTHER DISCLOSURES:

i. Related Party Transactions:

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. Details on materially significant related party transactions as per the requirements of the Accounting Standard (AS), are disclosed in the Notes to Accounts of the Financial Statements in the Annual Report. The Board has approved a policy for related party transactions which has been uploaded on the Company website at <http://www.tycheindustries.com/>.

**ii. Subsidiary Companies:**

The Company does not have any Subsidiary Company.

iii. Disclosures by Senior Management & KMPs

The senior management personnel make disclosures to the Board periodically regarding

1. their dealings in the Company's share; and
2. all material financial and commercial and other transactions with the Company where they have personal interest, stating that the said dealings and transactions, if any, had no potential conflict with the interests of the Company at large.

The material, financial and commercial transactions where Key Management personal interest forms part of the disclosure on related parties referred to in Notes to Annual Accounts, which were reported to the Board of Directors.

iv. Disclosure of accounting treatment:

In the preparation of financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India to the extent applicable

v. Details of Non-Compliance by the Company:

The Company has complied with all the requirements of regulatory authorities. No penalties/strictures were imposed on the Company by stock exchanges or SEBI or any statutory authority on any matter related to capital market during the last three years.

vi. Whistle Blower Mechanism:

With the expansion of the business, various risk associated with the business have also increased considerably. Some such risks identified are the risk of fraud, misconduct & unethical behaviour. To ensure fraud-free work & ethical environment Company has laid down a vigil mechanism policy. By which Company provide a platform to all the employee, vendors and customers to report any suspected or confirmed incident of fraud, misconduct, unethical behaviour etc. through any of the following reporting protocols:

Email : cs_tyche@tycheindustries.com

Phone No : 040-23541688

Written communication to : C-21/A, Road No.9, Film Nagar, Jubilee Hills, Hyderabad-500096

The Mechanism also provides for adequate safeguards against victimisation of employees who avail of the mechanism and direct access to the Chairman of the Audit Committee is also available in exceptional cases. The Company has set up a Direct Touch initiative, under which all directors, employees/business associates have direct access to the Chairman of the Audit Committee.

vii. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

Mandatory Requirements:

The Company has complied with all mandatory requirements of SEBI (Listing obligation and Disclosure Requirements) Regulations, 2015 and is being reviewed from time to time.



Non-mandatory Requirements:

- Shareholders' Rights: As the quarterly and half yearly financial performance are published in the newspapers and are also posted on the Company's website, the same are not being sent to the shareholders.
- Audit Qualifications:
- The Company's financial statement for the year ended on 31st March, 2019 does not contain any audit qualification.
- Reporting of Internal Auditor: The Internal Auditor reports to the Audit Committee.

viii. Certificate from Practicing Company Secretary

The Company has received a certificate from a Company Secretary in practice confirming that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of Companies by the Board/Ministry of the Corporate affairs or any such statutory authority. (Annexure-A)

ix. Total Fee paid to the Statutory Auditor

An amount of Rs. 2.5 lakhs p.a was paid to the statutory auditor for all services provided to the company.

x. Prevention of Sexual Harassment Policy

The Company is committed to provide a protective environment at workplace for all its woman employees. To ensure that every woman employee is treated with dignity and respect and as mandated under "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013" the Company has in place a formal policy for prevention of sexual harassment of its women employees.

During the Financial Year 2018-19, the Status of the Complaint received/solved as follows:

Complaints pending as on 1st April, 2018	Complaints received during the year	Complaints disposed off during the year	Complaints pending as on 31st march, 2019
0	0	0	0

xi. Code for Prevention of Insider Trading Practices:

In compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading Regulations), 2015, the Company has laid down a comprehensive Code of Conduct for prevention of Insider Trading for the Directors, Senior Management, Officers & Other Employees. The Code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with shares of the Company.

The Company has also formulated a Code of Conduct for Prevention of Insider Trading and a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015.



The new guidelines as mandated by SEBI on Insider trading as was adopted and disclosed in the company website www.tycheindustries.com.

xi. CEO/CFO Certification:

The CEO & CFO certification on the financial statements as per Regulation 17(8) of (Listing Obligation Disclosure Requirements) Regulations, 2015, (Annexure B).

xii. Code of Conduct and Certificate on compliance of Corporate Governance:

The Board has adopted a Code of Conduct for the Board of Directors and Senior Management Personnel of the Company. All Board members and Senior Management Personnel have affirmed their compliance with the Code of Conduct. A declaration by the Chairman & Managing Director of the Company affirming the compliance of the same in respect of the financial year ended on 31st March, 2019 by the members of the Board and Senior Management Personnel, as applicable to them, is also annexed separately to this Annual Report along with the Certificate on compliance of Corporate Governance under (Listing Obligations Disclosure Requirements), Regulations, 2015 by the Company. (Annexure C)

xiii. Review of Directors' Responsibility Statement:

The Board in its report has confirmed that the annual accounts for the year ended 31st March, 2019 have been prepared as per applicable accounting standards and policies and that sufficient care has been taken for maintaining adequate accounting records.

xiv. Reconciliation of Share Capital Audit Report:

As stipulated by the SEBI, a qualified Company secretary in practise carries out a reconciliation of share capital audit, to reconcile the total admitted capital with National Securities Depository Limited and Central Depository Services (India) Limited and the total issued and listed capital with the Stock Exchange. The audit confirms that the total issued / paid up capital is in agreement with the aggregate of the total number of shares in physical forms and the total number of shares in dematerialised form (held with depository). The audit report is being submitted on quarterly basis to the Stock exchange.

xv. Disclosure of Risk Management:

The Company has initiated the risk assessment and minimization procedure. The Company has framed the risk assessment and minimization procedure which is periodically reviewed by the Board.

xvi. Declaration Affirming Compliance of Whistle Blower Policy

To the best of my knowledge and belief, I hereby affirm that no personnel of the Company have been denied access to the Audit committee during FY 2018-19. The Board has accepted all the recommendations of the Committee which were mandatorily required.

By Order of the Board of Directors

Sd/-

G. Ganesh Kumar

Chairman & Managing Director

Place: Hyderabad

Date: 07th August 2019

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
M/s. Tyche Industries Limited

I D Renuka have examined the relevant registers, records, forms, returns and disclosures received from the Directors of M/s. Tyche Industries Limited having CIN L72200TG1998PLC029809 and having registered office at C 21/A, Road No.9, Film Nagar, Jubilee Hills, Hyderabad-500096 and (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority

Sl. No.	Name of Director	DIN	Date of Appointment in Company
1	GANESH KUMAR GOKARAJU	01009765	14-11-1998
2	ESHWAR BOOSA	01879193	03-05-2012
3	VIJAYA LAKSHMI PENUMATSAV	06939858	11-08-2014
4	SAI SUDHAKAR PANCHAKARLA	08397860	25-03-2019

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Sd/-

D. RENUKA

Company Secretary in practice.

ACS No. 11963

C P No. 3460

Place: Hyderabad

Date: 27th May, 2019



**Annexure-B
CEO/CFO Certification**

To

The Board of Directors

Tyche Industries Limited

We, Mr. G. Ganesh Kumar, Chairman & Managing Director and Mr. K. Srinivas, CFO of M/s Tyche Industries Limited to the best of our knowledge and belief certify that:

1. We have reviewed the Balance Sheet and Statement of Profit and Loss, and all the Notes on Accounts, as well as the Cash Flow statements for the financial year ended 31st March, 2019.
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we am aware and the steps we have taken or propose to take to rectify these deficiencies.
4. They have indicated to the auditors and the Audit committee:
 - (i) Significant changes in internal control over financial reporting during the year;
 - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial

For Tyche Industries Limited

SD/-

(G. Ganesh Kumar)
Chairman & Managing Director

SD/-

(K.Srinivas)
CFO

Place: Hyderabad

Date: 27th May, 2019

**Annexure-C****PRACTISING COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE**

To,
The Members of
Tyche Industries Limited

I, have examined the compliance of conditions of Corporate Governance by Tyche Industries Limited ('the Company') for the year ended 31st March, 2019, as stipulated under the Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

The compliance of conditions of Corporate Governance is the responsibility of management. My 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 my 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 Listing Regulations.

I 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.

Sd/-

D. RENUKA

Company Secretary in practice.

ACS No. 11963

C P No. 3460

Place: Hyderabad
Date: 27th May, 2019

DECLARATION ON COMPLIANCE OF CODE OF CONDUCT

To
The Members of
Tyche Industries Limited

I, Mr.G. Ganesh Kumar, Chairman & Managing Director of the Company, hereby declare that the Board Members and the Senior Management of the Company have affirmed compliance with the Code of Conduct and Ethics during the year ended 31st March, 2019.

For Tyche Industries Limited

SD/-

(G. Ganesh Kumar)

Managing Director

Place: Hyderabad
Date: 27th May, 2019



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

India is the largest provider of generic drugs globally. Indian pharmaceutical sector industry supplies 40 per cent of generic demand in the US and 25 per cent of all medicine in UK. India enjoys an important position in the global pharmaceuticals sector. The country also has a large pool of scientists and engineers who have the potential to steer the industry ahead to an even higher level. Presently over 80 per cent of the antiretroviral drugs used globally to combat AIDS (Acquired Immune Deficiency Syndrome) are supplied by Indian pharmaceutical firms.

Market Size

The pharmaceutical sector was valued at US\$ 33 billion in 2019. The country's pharmaceutical industry is expected to expand at a CAGR of 22.4 per cent over 2015–20 to reach US\$ 55 billion. India's pharmaceutical exports stood at US\$ 17.27 billion in FY18 and have reached US\$ 15.52 billion in FY19 (up to January 2019). Pharmaceutical exports include bulk drugs, intermediates, drug formulations, biologicals, Ayush & herbal products and surgicals. India's domestic pharmaceutical market turnover reached Rs 129,015 crore (US\$ 18.12 billion) in 2018, growing 9.4 per cent year-on-year (in Rs) from Rs 116,389 crore (US\$ 17.87 billion) in 2017. Indian companies received 304 Abbreviated New Drug Application (ANDA) approvals from the US Food and Drug Administration (USFDA) in 2017. The country accounts for around 30 per cent (by volume) and about 10 per cent (value) in the US\$ 70-80 billion US generics market. India's biotechnology industry comprising bio-pharmaceuticals, bio-services, bio-agriculture, bio-industry and bioinformatics is expected to grow at an average growth rate of around 30 per cent a year and reach US\$ 100 billion by 2025.

Investments and Recent Developments

The Union Cabinet has given its nod for the amendment of the existing Foreign Direct Investment (FDI) policy in the pharmaceutical sector in order to allow FDI up to 100 per cent under the automatic route for manufacturing of medical devices subject to certain conditions. The drugs and pharmaceuticals sector attracted cumulative FDI inflows worth US\$ 15.93 billion between April 2000 and December 2018, according to data released by the Department for Promotion of Industry and Internal Trade (DPIIT).

Some of the recent developments/investments in the Indian pharmaceutical sector are as follows:

- In February 2019, the Indian pharmaceutical market grew by 10 per cent year-on-year.
- Between Jul-Sep 2018, Indian pharma sector witnessed 39 PE investment deals worth US\$ 217 million.
- Investment (as % of sales) in research & development by Indian pharma companies* increased from 5.3 per cent in FY12 to 8.5 per cent in FY18.
- In 2017, Indian pharmaceutical sector witnessed 46 merger & acquisition (M&A) deals worth US\$ 1.47 billion
- The exports of Indian pharmaceutical industry to the US will get a boost, as branded drugs worth US\$ 55 billion will become off-patent during 2017-2019.

Government Initiatives

Some of the initiatives taken by the government to promote the pharmaceutical sector in India are as follows:



- The allocation to the Ministry of Health and Family Welfare has increased by 13.1 per cent to Rs 61,398 crore (US\$ 8.98 billion) in Union Budget 2019-20.
- In October 2018, the Uttar Pradesh Government announced that it will set up six pharma parks in the state and has received investment commitments of more than Rs 5,000-6,000 crore (US\$ 712-855 million) for the same.
- The National Health Protection Scheme is largest government funded healthcare programme in the world, which is expected to benefit 100 million poor families in the country by providing a cover of up to Rs 5 lakh (US\$ 7,723.2) per family per year for secondary and tertiary care hospitalisation. The programme was announced in Union Budget 2018-19.
- In March 2018, the Drug Controller General of India (DCGI) announced its plans to start a single-window facility to provide consents, approvals and other information. The move is aimed at giving a push to the Make in India initiative.
- The Government of India is planning to set up an electronic platform to regulate online pharmacies under a new policy, in order to stop any misuse due to easy availability.
- The Government of India unveiled 'Pharma Vision 2020' aimed at making India a global leader in end-to-end drug manufacture. Approval time for new facilities has been reduced to boost investments.
- The government introduced mechanisms such as the Drug Price Control Order and the National Pharmaceutical Pricing Authority to deal with the issue of affordability and availability of medicines.

ICRA has given a stable outlook on the Indian pharmaceutical industry. The headwinds from pricing pressure in large regulated markets, especially USA, increased cost related to regulatory compliances but are largely offset by growing scale of business, increased focus on specialty/ niche segments and comfortable balance sheet structure. The domestic pharmaceutical industry has gained adequate scale and generic drug development capabilities over a decade of growth which will keep them in good stead to capture bigger opportunities in the regulated market. The FY2018-2021 CAGR is expected to be around 8-10% for domestic Pharmaceutical companies. The credit metrics of leading pharma companies are likely to remain stable in view of steady growth prospects in regulated markets and limited dependence of Indian pharmaceutical companies on bank borrowings. The OPBITDA/Interest and TD/OPBITDA for ICRA set of 21 entities in Indian pharmaceutical industry has been healthy at 10.2x and 2.3x for FY2018. They are expected to remain in similar range in medium term despite some pressure on profitability and marginal rise in debt levels, given inorganic investments. The key sensitivity to our outlook remains productivity of R&D expenditure, increasing competition in the U.S. generics space and operational risk related to increased level of due diligence by regulatory agencies.

The growth from US has come down sharply from 14.4% in FY2016, 4.0% in FY2017 to -13.1% in FY2018. Going forward the growth momentum would face continued headwinds given the relatively moderate proportion of large size drugs going off patent, increased competition, generic adoption reaching saturation levels in the US market along base effect catching up for Indian exporters. Further increased regulatory scrutiny as reflected in increased issuance of warning letters/import alerts and consolidation of supply chain in US



market resulting in pricing pressures has impacted competitiveness of Indian pharmaceutical companies. The profitability for the industry, though expected to remain healthy, faces pressure from rising pricing pressures in US, increased regulatory compliance costs, rising R&D costs and other overheads and currency volatility related challenges in EMs. Overall, company specific factors would continue to play a pivotal role with quality of product pipeline (i.e. higher share of limited competition launches in the U.S.) being the single most differentiating factor. Companies with growing portfolio comprising of niche/complex products in regulated markets, diversified geographic-mix and established brands in EMs would be better placed to manage some of the headwinds.

Over the past few years, pharma companies have increased their R&D budgets significantly in view of their growing focus on regulated markets and complex molecules/therapy segments. With R&D optimization efforts underway, we expect aggregate R&D spend to maintain at current levels despite requirements arising from expanding presence in complex therapy segment such as injectables, inhalers, dermatology, controlled-release substances and even biosimilars.

INDUSTRY FUTURE

Medicine spending in India is projected to grow 9-12 per cent over the next five years, leading India to become one of the top 10 countries in terms of medicine spending. Going forward, better growth in domestic sales would also depend on the ability of companies to align their product portfolio towards chronic therapies for diseases such as such as cardiovascular, anti-diabetes, anti-depressants and anti-cancers that are on the rise. The Indian government has taken many steps to reduce costs and bring down healthcare expenses. Speedy introduction of generic drugs into the market has remained in focus and is expected to benefit the Indian pharmaceutical companies. In addition, the thrust on rural health programmes, lifesaving drugs and preventive vaccines also augurs well for the pharmaceutical companies.

COMPANY PERSPECTIVE:

TYCHE INDUSTRIES LTD (TIL) has developed good reputation as a quality and reliable manufacturer and exporter of API's, Intermediates and Nutraceuticals, the company expects to develop adequate revenues from these segments in future. TIL is one of the largest manufacturers in India of Glucosamine Hydrochloride and corresponding sodium and potassium salts which are mainly exported to USA and Europe.

The overseas Regulatory approvals facilitated entry of the Company into the overseas advanced regulatory markets. The company has obtained US FDA recognition for its facilities in Kakinada, and the company has already obtained EU- GMP certification. The company is in the process of filings for more ANDA's in the coming future.

SEGMENTWISE OR PRODUCTIONWISE PERFORMANCE

Company's operations are predominantly related to the manufacture of bulk drugs intermediates, as such there is only one primary reportable segment.

COMPANY'S FINANCIAL PERFORMANCE AND ANALYSIS

The Company's financial performance and analysis is already discussed in the Directors' Report which forms a part of the Annual Report.



FUTURE OUTLOOK

The company has been manufacturing its core products for several years and has built up a steady clientele. The company has plans to introduce newer products after careful market study. The management always strives to introduce new products which it hopes will contribute to the top line and bottom line in the ensuing years by expanding its marketing network to new areas countries in Africa, Europe, Israel, and Middle East.

RISKS AND CONCERNS

Any business activity is confronted with various risks and an efficient business concern would take cognizance of the various risks and arrange for taking corrective actions to mitigate the risks.

Some of the risks are listed below along with the suggested actions for mitigation.

1. COMPETITION:

The competition is mainly from some of the suppliers in India and more so from Global market including Chinese suppliers. To preserve its market share, the company has embarked on aggressive programme to improve the cost efficiency of processes and production of key products vis- a- vis increase in input cost of raw materials, power, labour etc.

2. MARKETING:

Constant efforts are being made to expand the product portfolio and diversify the market into new countries in Africa and Europe, increasing the number of customers and introducing newer products by continuous research and development. The company is also focussing on obtaining regulatory approvals and entering into new markets.

3. EXCHANGE RATE:

High volatility in the foreign currency is a big concern for the company as most of the raw materials are imported / imported products are used by the company. Further as most of the major customers are from outside India the company also faces exchange rate variation on its receivables, Finance Department is constantly monitoring the situation and taking action against major fluctuations as per the exchange rate movements.

4. RESEARCH AND DEVELOPMENT:

The company faces challenges on rolling out new and improved products, Research and development is a key to success of the unit and hence management takes steps to improve the strength of the R&D team continuously in order to face competition.

5. ENVIRONMENTAL MANAGEMENT:

The company is very much aware of its responsibilities towards environment and commissioned the Multiple Effect Evaporation System to concentrate and collect the solid effluent and send it for incineration to government approved agency.

INTERNAL CONTROLS:

Tyche Industries Limited has proper and adequate internal control system commensurate with the size and complexity of the organization and a well-defined internal control system



which is adequately monitored. Checks and balances and control systems have been established to ensure that assets are safe guarded, utilized with proper authorization and recorded in the books of account. There is a proper definition of roles and responsibilities across the organization to ensure information flow and monitoring. An Internal Audit was conducted in various areas of operations of the Company. The Management duly considered and takes appropriate action on recommendations made by the Statutory Auditors, Cost Auditors, Internal Auditors and The Independent Audit Committee of the Board of Directors. The Company has an Audit Committee consisting of three directors out of which two are the Independent Directors. This Committee reviews the statutory audit reports, the quarterly and annual financial statements and discusses all significant audit observations and follow up actions arising from them.

HUMAN RESOURCES / INDUSTRIAL RELATIONS:

The Company recognizes the immense value addition made by its employees to the growth and development. In turn, the Company is committed to train and develop its people and motivates them to enhance their potential and industrial relations have been cordial and mutually beneficial. As on March 31, 2019 the Company had about 200 employees.

CAUTIONARY STATEMENT:

The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013, guidelines issued by Securities and Exchange Board of India (SEBI), Generally Accepted Accounting Principles in India and Accounting Standards / Ind AS issued by The Institute of Chartered Accountants of India (ICAI).

Our management accepts responsibility for the integrity and objectivity of the financial statements as well as for various estimates and judgments used therein. The judgments relating to the financial statements have been made on a prudent and reasonable basis so that the financial statements reflect in a true and fair view of the state of affairs of the Company.

Readers are advised to kindly note that the above discussion contains statements about risks, concerns, opportunities, etc., which are valid only at the time of making the statements. A variety of factors known/unknown expected or otherwise may influence the financial results. These statements are not expected to be updated or revised to take care of any changes in the underlying presumptions. Readers may therefore appreciate the context in which these statements are made before making use of the same.

**INDEPENDENT AUDITORS' REPORT****TO THE MEMBERS OF TYCHE INDUSTRIES LIMITED****OPINION :**

We have audited the accompanying financial statements of **Tyche Industries Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph 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 including Ind-AS specified under Section 133 of the Act of the state of affairs (financial position) of the Company as at 31st March, 2019 and its profit (financial performance including other comprehensive income) its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion :

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

KEY AUDIT MATTERS :

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have not specifically found any matters to be considered as key audit matters to be communicated in our report.

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



Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

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.

AUDITORS' RESPONSIBILITY :

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements



or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS :

As required by the Companies (Auditors' Report) Order, 2016 ("The Order"), 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 Paragraph 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that :

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Profit and Loss Statement, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Indian Accounting Standards) Rules, 2015 except with regard to the compliance to certain disclosure requirements there under.
- e) On the basis of the written representations received from the directors as on March 31, 2019, taken on record by the Board of Directors, none of the directors is disqualified



as on March 31, 2019, from being appointed as a director in terms of Section 164(2) of the Act.

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure-B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us :
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements.
 - (ii) The Company does not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For SURYAM & CO.

Chartered Accountants
(FRN : 012181S)

SD/-

(SRINIVAS OLETI)

Partner

ICAI M.No.206457

Place : Hyderabad,

Date :27-05-2019.



ANNEXURE - A TO THE INDEPENDENT AUDITORS' REPORT
Dt.27-05-2019 issued to the members of Tyche Industries Limited

**Statement on the matters specified in Paragraphs 3 & 4 of
the Companies (Auditors Report) Order, 2016**

- (i) a) The Company has maintained proper records showing broad particulars including quantitative details and situation of fixed assets, on the basis of available information. However, the fixed assets register is to be updated.
- b) As per the information and explanations furnished to us by the management, majority of the fixed assets have been physically verified in a broad manner by the management in a phased manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. We are informed that no material discrepancies were noticed on such verification, pending adjustment.
- c) As per the information and explanations furnished to us by the management, the title deeds of immovable properties are held in the name of the company.
- (ii) The physical verification of inventories has been conducted during the year by the management, in respect of majority of the high value items at reasonable intervals. In our opinion, the frequency of such verification is reasonable.
- The discrepancies, that were noticed have been properly dealt with in the books of account.
- (iii) As per the information and explanations furnished to us by the management and as per the books of account and other documents examined by us, the company has not granted any loans secured or unsecured to companies, firms, limited partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- (iv) As per the information and explanations furnished to us by the management and as per the books of accounts and other documents examined by us, the company has not given any loans, made investments, given guarantees, securities to the parties to which provisions of Sections 185 and 186 of the Companies Act, 2013 are applicable.
- (v) According to the information and explanations given to us the Company has not accepted deposits, to which the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or the other relevant provisions of the Companies Act, and the rules framed there under, wherever applicable, from the public.
- (vi) As per the information and explanations furnished to us, prima facie, it appears that the company broadly meets the requirement prescribed by the Central Government under section 148(1) of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014. We have however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) a) As per the information and explanations furnished to us by the management, according to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Customs, Duty of Excise, Value Added Tax, Cess and other statutory dues have been generally deposited with the appropriate authorities. According to the information and explanations given to us, no other undisputed amounts payable in respect of the



aforesaid dues were outstanding as at 31-03-2019 for a period of more than six months from the date they became payable.

- (b) As per the information and explanations furnished to us by the management, there are no disputes with the appropriate authorities relating to Statutory Dues and those dues outstanding for a period of more than six months from the date they became payable other than those referred to in Point No.Q of "Notes to Financial Statements for the year ended March, 31st, 2019."
- (viii) As per the information and explanations given to us, the company has not defaulted in repayment of loans or borrowings to the Banks or Government. The company has not made any borrowings from the financial institutions or debenture holders.
- (ix) During the year the company has not raised money by way of initial public offer or further public offer (including debt instruments). The company has not availed any fresh Term Loans.
- (x) During the year under review, no fraud by the company or on the company by its officers or employees has been noticed or reported.
- (xi) As per the information and explanations given to us by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- (xii) The Company is not a Nidhi company. Hence Clause (xii) is not applicable to the company.
- (xiii) As per the information and explanations given to us and based on our audit, in our opinion, the transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements, etc., as required by the applicable Indian accounting standards.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- (xv) As per the information and explanations and based on audit, the company has not entered into any non-cash transactions with directors or persons connected with them. Hence, compliance with the provisions of clause (xv) of para 3 of the order are not applicable to the Company.
- (xvi) As per the information and explanations given to us, and based on our audit, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For SURYAM & CO.

Chartered Accountants
(FRN : 012181S)

SD/-

(SRINIVAS OLETI)

Partner

ICAI M.No.206457

Place : Hyderabad,

Date :27-05-2019.



**Annexure-B to the Independent Auditors' Report
of even date on the Financial Statements of Tyche Industries 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 **Tyche Industries Limited** ("the Company") as of 31st March, 2019 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 the Institute of Chartered Accountants of India 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 issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

**Meaning of Internal Financial Controls over Financial Reporting :**

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

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 31st March, 2019, 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 SURYAM & CO.

Chartered Accountants
(FRN : 012181S)

SD/-

(SRINIVAS OLETI)

Partner

ICAI M.No.206457

Place : Hyderabad,

Date : 27-05-2019.



PART I –BALANCE SHEET
Name of the Company: TYCHE INDUSTRIES LIMITED
Balance Sheet as at 31.03.2019

(Amount in Rupees)

Particulars	Note No.	Figures as at the end of 31/03/2019	Figures as at the end of 31/03/2018
(1) ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	1	19,14,83,788	19,84,29,015
(b) Capital work-in-progress	-	-	
(c) Investments	2	26,982	26,982
(d) Other non-current assets	3	2,16,65,950	2,25,77,491
		21,31,76,720	22,10,33,488
(2) Current Assets			
(a) Inventories	4	7,99,28,429	5,33,96,139
(b) Trade receivables	5	10,17,10,533	9,62,35,834
(c) Cash and cash equivalents	6	29,30,42,612	24,99,40,168
(d) Loans	7	25,44,719	25,96,556
(e) Other current assets	8	4,97,15,774	4,40,27,688
		52,69,42,066	44,61,96,385
Total Assets		74,01,18,786	66,72,29,873
EQUITY AND LIABILITIES			
(a) Equity Share capital	9	10,24,53,400	10,24,53,400
(b) Other Equity	10	50,01,62,949	42,87,92,881
Total Equity		60,26,16,349	53,12,46,281
LIABILITIES			
Non-Current Liabilities			
(a) Other financial liabilities (other than those specified in item (b), to be specified)	11	-	6,95,387
(b) Deferred tax liabilities (Net)	12	1,68,92,735	1,96,47,455
(c) Provisions	13	1,45,97,081	1,35,28,324
		3,14,89,816	3,38,71,166
Current Liabilities			
(a) Trade payables	14	6,22,66,374	5,43,48,671
(b) Other current liabilities	15	1,03,52,349	48,26,648
(c) Provisions	16	3,33,93,898	4,29,37,107
		10,60,12,621	10,21,12,426
Total Equity and Liabilities		74,01,18,786	66,72,29,873

The accompanying notes are an integral part of the financial statements.

As per our Report of even date attached

For SURYAM & CO

Chartered Accountants

FRN No : 012181S

Sd/-

(SRINIVAS OLETI)

Partner

ICAI M.No: 206457

Place : Hyderabad

Date : 27.05.2019

For and on behalf of the Board of Directors of

TYCHE INDUSTRIES LIMITED

Sd/-

(G.GANESH KUMAR)

Managing Director

Sd/-

(K.SRINIVAS)

CFO

Sd/-

(BOOSA ESHWAR)

Director

Sd/-

(SATYA RANJAN JENA)

Company Secretary & Compliance Officer



TYCHE INDUSTRIES LIMITED
PART II – STATEMENT OF PROFIT AND LOSS
STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31.03.2019

Amount in Rupees

Particulars	Refer Note No.	For the year ended 31st Mar, 2019	For the year ended 31st Mar, 2018
INCOME			
I Revenue From Operations	17	53,94,74,803	51,59,54,025
II Other Income	18	2,51,92,124	1,68,97,428
III Total Income (I+II)		56,46,66,926	53,28,51,453
IV EXPENSES			
Cost of materials consumed	19	24,28,70,885	23,67,18,125
Purchases of Stock-in-Trade		-	-
Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	20	(36,02,649)	(83,08,721)
Employee benefits expense	21	7,16,88,974	7,46,67,253
Finance costs	22	46,291	84,086
Depreciation and amortization expense	1	1,84,08,761	1,84,54,706
Other expenses	23	13,67,97,059	12,25,86,624
Total expenses (IV)		46,62,09,321	44,42,02,073
V Profit/(loss) before exceptional items and tax (III- IV)		9,84,57,605	8,86,49,380
VI Exceptional Items		-	-
VII Profit/(loss) before tax (V-VI)		9,84,57,605	8,86,49,380
VIII Tax Expense:			
(1) Current tax		2,97,53,000	2,97,13,000
(2) Deferred tax- (Asset)/ liability		(27,54,720)	3,09,600
IX Profit (Loss) for the period from continuing operations (VII-VIII)		7,14,59,325	5,86,26,780
X Profit/(loss) from discontinued operations		-	-
XI Tax expense of discontinued operations		-	-
XII Profit/(loss) from Discontinued operations (after tax) (X-XI)		-	-
XIII Profit/(loss) for the period (IX + XII)		7,14,59,325	5,86,26,780
XIV Other Comprehensive Income		-	-
A (i) Items that will not be reclassified to profit or loss.			
(ii) Income tax relating to items that will not be reclassified to profit or loss.			
B (i) Items that will be reclassified to profit or loss.			
(ii) Income tax relating to items that will be reclassified to profit or loss.			
XV Total Comprehensive Income for the period (XIII + XIV)(Comprising Profit (Loss) and Other Comprehensive Income for the period)		7,14,59,325	5,86,26,780
XVI Earnings per equity share (for continuing operation):			
(1) Basic		6.97	5.72
(2) Diluted		6.97	5.72
XVII Earnings per equity share (for discontinued operation):			
(1) Basic		-	-
(2) Diluted		-	-
XVIII Earnings per equity share(for discontinued & continuing operations)			
(1) Basic		6.97	5.72
(2) Diluted		6.97	5.72

As per our Report of even date attached

For SURYAM & CO
Chartered Accountants
FRN No : 012181S

Sd/-
(SRINIVAS OLETI)
Partner

ICAI M.No: 206457
Place : Hyderabad
Date : 27.05.2019

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

Sd/-
(G.GANESH KUMAR)
Managing Director

Sd/-
(K.SRINIVAS)
CFO

Sd/-
(BOOSA ESHWAR)
Director

Sd/-
(SATYA RANJAN JENA)
Company Secretary & Compliance Officer



TYCHE INDUSTRIES LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

Amount in Rupees

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Net increase decrease cash and cash equivalents		
Net cash flow from used in operating activities		
Net Profit/(loss) before taxation and adjustments	9,84,57,605	8,86,49,380
Adjustment in Depreciation	1,84,08,761	1,84,54,706
Adjustment in Provision for Taxes	(2,98,42,368)	(2,99,40,825)
Adjustment loss on (Profit) /sale disposal fixed assets	(25,625)	32,236
Adjustment interest received	(1,77,05,058)	(1,23,40,590)
Adjustment profit and loss operations	(2,91,64,290)	(2,37,94,473)
Operating profit loss before changes working capital	6,92,93,315	6,48,54,907
Changes working capital		
Changes current assets loans and advances		
Changes in Inventories	(2,65,32,290)	(89,44,943)
Changes in Trade receivables	(54,74,699)	7,26,900
Changes in other current assets	(56,88,086)	(1,65,72,552)
Changes in current assets, loans & advances	9,63,378	79,59,399
Changes current assets loans advances	(3,67,31,697)	(1,68,31,196)
Changes current liabilities provisions		
Changes in trade payables	79,17,703	(1,50,30,855)
Changes in other liabilities	55,25,701	56,949
Changes in provisions	(95,43,210)	88,89,183
Changes in current liabilities & provisions	10,68,757	84,17,326
Changes current liabilities provisions	49,68,952	23,32,603
Changes working capital	(3,17,62,745)	(1,44,98,593)
Net Cash Flow used in operating activities	3,75,30,570	5,03,56,314
Net Cash Flow used in investing activities		
Purchase tangible fixed assets	(1,18,48,780)	(1,42,14,599)
Advances to others	-	(16,02,630)
Proceeds sale disposal tangible fixed assets	4,11,000	6,63,48,513
Proceeds interest bank deposits	1,77,05,058	1,23,40,590
Net Cash Flow used in investing activities	62,67,278	6,28,71,874
Net cash flow from used in financing activities		
Proceeds short - term borrowings	(6,95,387)	-
Proceeds from share capital	-	1,45,400
Dividend equity shares paid	-	(51,22,670)
Dividend distribution tax equity shares paid	-	(10,42,873)
Net cash flow from used in financing activities	(6,95,387)	(60,20,143)
Net Increase/(decrease) in Cash and Cash equivalents	4,31,02,461	10,72,08,045
Cash and Cash equivalents at the beginning of the Year	24,99,40,168	14,27,32,123
Cash and Cash equivalents at the end of the Year	29,30,42,629	24,99,40,168
Summary of Significant Accounting Policies & Other Disclosures (Refer Note 1)		

We have examined the Cash Flow Statement of M/s Tyche Industries Ltd for the year ending 31st March 2019. The Statement has been prepared by the company in accordance with the requirements of clause 32 of the Listing Agreement with stock exchanges and is based on and is in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company dealt with in our report of 27-05-2019 to the members of the Company.

As per our Report of even date attached

For **SURYAM & CO**

Chartered Accountants

FRN No : 012181S

Sd/-

(SRINIVAS OLETI)

Partner

ICAI M.No: 206457

Place : Hyderabad

Date : 27.05.2019

For and on behalf of the Board of Directors of

TYCHE INDUSTRIES LIMITED

Sd/-

(G.GANESH KUMAR)

Managing Director

Sd/-

(K.SRINIVAS)

CFO

Sd/-

(BOOSA ESHWAR)

Director

Sd/-

(SATYA RANJAN JENA)

Company Secretary & Compliance Officer



1. Property Plant & Equipment

Amount In Rupees

Description	Gross Block					Accumulated Depreciation					Net Block		
	Balance as at 1 April 2018	Additions	Acquired through business combinations	Disposals	Balance as at 31 March 2019	Balance as at 1 April 2018	Depreciation short previous years	Depre- ciation charge for the year	Adjustment due to revalu- ations	On disposals	Balance as at 31 March 2019	Balance as at 1 April 2018	Balance as at 31 March 2019
a Property, Plant & Equipment													
Land	1,99,89,030	-	-	-	1,99,89,030	-	-	-	-	-	-	1,99,89,030	1,99,89,030
Assets under lease	-	-	-	-	-	-	-	-	-	-	-	-	-
Factory Buildings	6,90,91,705	-	-	-	6,90,91,705	1,80,97,856	23,25,050	-	-	2,04,22,906	5,09,93,849	4,86,68,799	4,86,68,799
Factory Roads	23,58,455	-	-	-	23,58,455	15,80,488	7,77,967	-	-	23,58,455	7,77,967	7,77,967	7,77,967
Plant and Equipment	20,41,62,582	83,18,764	-	13,12,888	21,11,68,458	10,57,99,015	1,03,65,587	-	-	11,52,24,203	9,83,63,567	9,59,44,255	9,59,44,255
Furniture and Fixtures	1,19,82,536	1,00,000	-	-	1,20,82,536	1,03,16,738	4,35,309	-	-	1,07,52,047	16,65,798	13,30,489	13,30,489
Lab Equipment	3,46,06,903	2,60,000	-	-	3,48,66,903	1,80,74,633	22,38,870	-	-	2,03,13,443	1,65,32,270	1,45,53,480	1,45,53,480
Vehicles	1,69,89,913	27,63,532	-	69,600	1,96,83,845	1,10,55,422	12,79,871	-	-	1,22,78,477	59,34,491	74,05,368	74,05,368
Electrical Equipment	1,32,81,534	4,06,484	-	-	1,36,88,018	91,09,484	9,86,166	-	-	1,00,95,650	41,72,050	35,92,368	35,92,368
Total	37,24,62,658	1,18,48,780	-	13,82,488	38,29,28,950	17,40,33,636	1,84,08,761	-	9,97,215	19,14,45,182	19,84,29,015	19,14,83,788	19,14,83,788
b Capital Works In Progress													
Grand Total	37,24,62,658	1,18,48,780	-	13,82,488	38,29,28,950	17,40,33,636	1,84,08,761	-	9,97,215	19,14,45,182	19,84,29,015	19,14,83,788	19,14,83,788



STATEMENT OF CHANGES IN EQUITY

Name of the Company: **TYCHE INDUSTRIES LIMITED**

Statement of Changes in Equity for the period ended 31.03.2019

Note No-09

A. Equity Share Capital

	Balance at the beginning of the reporting period	Changes in equity share capital during the year '###	Balance at the end of the reporting period
	10,24,53,400	0	10,24,53,400

The amount received on calls on shares is shown here.

B. Other Equity

	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus				Debt Instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial	statements of a foreign operation	Other Items of Other Comprehensive Income (specify nature)	Money received against share warrants	Total
			Capital Reserve	Securities Premium Reserve	Other Reserves (General reserve)	Retained Earnings									
Balance at the beginning of the reporting period	-	-	-	-	5,77,76,963	37,10,15,918	-	-	-	-	-	-	-	-	42,87,92,881
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	5,77,76,963	37,10,15,918	-	-	-	-	-	-	-	-	42,87,92,881
Total Comprehensive Income for the year	-	-	-	-	-	7,14,59,325	-	-	-	-	-	-	-	-	7,14,59,325
Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	30,00,000	(30,00,000)	-	-	-	-	-	-	-	-	-
Any other change (Prior Year-Tax Adjustment).	-	-	-	-	-	(89,257)	-	-	-	-	-	-	-	-	(89,257)
Balance at the end of the reporting period	-	-	-	-	6,07,76,963	43,93,85,986	-	-	-	-	-	-	-	-	50,01,62,949



2. Non Current Investments

Particulars	As at 31-March-2019 Rs.	As at 31-March-2018 Rs.
Investments in Mutual funds - Investments in Mutual Funds- (ICICI Prudential life 226.757 units)	26,982	26,982
Total	26,982	26,982

3. Other Non -current assets

Particulars	As at 31-March-2019 Rs.	As at 31-March-2018 Rs.
- Contribution to Employee Gratuity Trust	1,38,55,557	1,27,86,800
- Others - Security Deposits Unsecured, Considered good	58,15,979	58,15,979
Branch Balances	-	-
--Income tax refund receivable	13,08,609	13,08,609
--Cenvat Refund Receivable	-	21,95,444
--Advance to capital goods suppliers	6,85,805	4,70,659
Total	2,16,65,950	2,25,77,491

4. Inventories

Particulars	As at 31-March-2019 Rs.	As at 31-March-2018 Rs.
(As certified by the Management)		
a) Raw Materials (Valued at Cost)	4,18,22,150	1,69,92,977
b) Work - in - progress (Valued at Cost) - Refer to Note 23	3,43,50,765	3,07,48,116
c) Finished goods (Valued at lower of Cost or NRV) Refer to Note 23	-	-
d) Stores, Spares and Consumables (Valued at cost)	34,82,987	53,45,846
e) Husk- (Valued at Cost)	2,72,527	3,09,200
Total	7,99,28,429	5,33,96,139



5. Trade Receivables

Particulars	As at 31-March-2019		As at 31-March-2018	
	Rs.	Rs.	Rs.	Rs.
Trade receivables outstanding for a period not exceeding six months (Unsecured, considered good)		9,80,04,669		9,55,28,030
Trade receivables outstanding for a period exceeding six months (Unsecured, considered good)	37,05,864			
Less: Provision for Bad & Doubtful Debts	-	37,05,864		7,07,804
Total		10,17,10,533		9,62,35,834

6. Cash and cash Equivalents

Particulars	As at 31-March-2019		As at 31-March-2018	
	Rs.	Rs.	Rs.	Rs.
i) Cash and Cash equivalents				
a. Cash on hand		84,818		82,418
b. Balances with banks		3,84,31,870		2,45,05,407
ii) Other Bank Balances				
a. Balances with banks				
This includes:				
Deposit balances & Guarantee balances	25,45,25,924	25,45,25,924	22,53,52,343	22,53,52,343
Total		29,30,42,612		24,99,40,168

7. Loans

Particulars	As at 31-March-2019		As at 31-March-2018	
	Rs.	Rs.	Rs.	Rs.
- Other loans:				
Unsecured, considered good except stated otherwise				
'- Loans to Employees	15,39,972		22,84,865	
'- Advance to Rawmaterials	63,947		5,74,064	
'- Prepaid Expenses	9,40,800		2,37,627	
Less: Bad advances written off	-		(5,00,000)	
		25,44,719		25,96,556
Total		25,44,719		25,96,556

**8. Other Current Assets**

Particulars	As at 31-March-2019		As at 31-March-2018	
	Rs.	Rs.	Rs.	Rs.
Advance Income Tax	2,80,00,000		2,85,00,000	
GST Balances	1,00,46,507		50,62,459	
Interest accrued on deposits with banks & others	88,02,108		68,95,694	
TDS Receivable	20,58,918		12,58,760	
C.E, CST & GST Refund receivable & Deposits with Department.	8,08,241		23,10,775	
Total	4,97,15,774		4,40,27,688	

9. Equity Share Capital

Particulars	As at 31-March-2019		As at 31-March-2018	
	Number	Rs.	Number	Rs.
Authorised Equity Share Capital Equity Shares of Rs. 10/- each Issued, Subscribed and Paid up	1,10,00,000	11,00,00,000	1,10,00,000	11,00,00,000
Equity Shares of Rs. 10/- each	1,02,50,000	10,25,00,000	1,02,50,000	10,25,00,000
Less: Calls unpaid on 9,320 equity shares of Rs.5/-each	9,320	46,600	9,320	46,600
Total	1,02,40,680	10,24,53,400	1,02,40,680	10,24,53,400

a. Reconciliation of Equity Shares outstanding at the beginning and at the end of the year

Particulars	As at 31-March-2019		As at 31-March-2018	
	Number	Rs.	Number	Rs.
Shares outstanding at the beginning of the year	1,02,50,000	10,25,00,000	1,02,50,000	10,25,00,000
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	1,02,50,000	10,25,00,000	1,02,50,000	10,25,00,000

**b. Terms / rights attached to equity shares**

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declare and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting. During the year ended March 31, 2019 amount of Dividend per share recognised as distributions to equity shareholders is Rs. 0.50 (March 31, 2018: Rs.0.50)

C. Disclosure pursuant to Note no. 6(A)(g) of Part I of Schedule III to the Companies Act, 2013

Particulars	As at 31-March-2019		As at 31-March-2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
G Ganesh Kumar	14,08,095	13.74%	14,08,095	13.74%
G.Sandeep	8,42,775	8.22%	8,42,775	8.22%
Silver Oak Technologies (P) Limited	19,78,879	19.31%	19,78,879	19.31%
Sri Indra Distillery (P) Limited	18,88,705	18.43%	18,88,705	18.43%
Plutus Techlabs Limited	6,56,086	6.40%	6,56,086	6.40%

10. Reserves & Surplus

Particulars	As at 31-March-2019 Rs.	As at 31-March-2018 Rs.
a. General Reserves		
Opening Balance	5,77,76,963	5,47,76,963
(+) Current Year Transfer	30,00,000	30,00,000
(-) Written Back in Current Year	-	-
Closing Balance A	6,07,76,963	5,77,76,963
b. Surplus		
Opening balance	37,10,15,918	32,17,82,506
(+) Net Profit for the current year	7,14,59,305	5,86,26,780
(-) Proposed Dividend & Dividend Tax	-	(61,65,543)
(+/-) Excess/(Short) Provision for Income Tax	(89,257)	(2,27,825)
(-) Transfer to Reserves	(30,00,000)	(30,00,000)
Closing Balance B	43,93,85,966	37,10,15,918
Total (A+B)	50,01,62,929	42,87,92,881

**11. Other financial Liabilities**

Particulars	As at 31-March-2019 Rs.	As at 31-March-2018 Rs.
(a) Others- Hire Purchase loans form Banks (Secured by Hypothecation of Vehicles)	-	6,95,387
Total	-	6,95,387

12. Deferred Tax Liabilities (Net)

In compliance with Accounting Standard (AS-22) relating to 'Accounting for taxes on income' issued by the Institute of Chartered Accountants of India, the Company has provided the deferred tax asset during the year aggregating to Rs 27,54,720/- in the Profit & Loss Account. Deferred Tax Liability (Net) of Rs. 1,68,92,735/- shown in the Balance Sheet as on 31.03.2019 comprises of the following:

Particulars	As at 31-March-2019 Rs.	As at 31-March-2018 Rs.
Deferred Tax Liability:		
Opening Deferred Tax Liability	1,96,47,455	1,93,37,855
On Account of Depreciation provided on Fixed Assets	(27,54,720)	3,09,600
Deferred Tax Liability (Net)	1,68,92,735	1,96,47,455

13. Provisions

Particulars	As at 31-March-2019 Rs.	As at 31-March-2018 Rs.
Provision for employee benefits		
Gratuity (funded)	1,45,97,081	1,35,28,324
Total	1,45,97,081	1,35,28,324

14. Trade Payables**

Particulars	As at 31-March-2019 Rs.	As at 31-March-2018 Rs.
Trade Payables for Raw Materials:		
---- MSME	5,15,251	-
---- NON MSME	5,70,00,643	4,91,20,821
Creditors for Expenses	45,66,680	51,99,850
Creditors for Capital Goods	1,83,800	28,000
Total	6,22,66,374	5,43,48,671

**The Information relating to Micro & Small enterprises as envisaged under the Micro, Small and Medium Enterprises Development Act, 2006 to whom the company owes dues on account of principal and interest were not forthcoming from some. Party balances who have given declaration have been classified as applicable.

**15. Other Current Liabilities**

Note No. 1 Disclosure pursuant to Note No.6(a) of Part I of Schedule III of the Companies Act 2013

Particulars	As at 31-March-2019 Rs.	As at 31-March-2018 Rs.
(a) Current Maturities of long-term debt-Hire purchase loans	4,30,030	7,37,797
(b) Advances from customers	81,39,339	22,84,232
(c) Other Payable (specify Nature)		
Statutory Dues	15,87,072	15,37,278
Others	1,95,911	2,67,341
Total	1,03,52,349	48,26,648

16. Provisions

Particulars	As at 31-March-2019 Rs.	As at 31-March-2018 Rs.
(a) Provision for employee benefits		
Due to employee Benefits	36,40,898	70,58,564
(b) Others (Specify nature)		
Proposed Dividend	-	51,22,670
Dividend tax	-	10,42,873
Provision for Current Tax	2,97,53,000	2,97,13,000
Total	3,33,93,898	4,29,37,107

17. Revenue From operations

Particulars	As at 31-March-2019 Rs.	As at 31-March-2018 Rs.
Sale of Products	53,94,74,803	52,53,03,637
Less: Excise Duty/ GST	-	(93,49,612)
Net Revenue from sale of Products	53,94,74,803	51,59,54,025
	-	-
Total	53,94,74,803	51,59,54,025



18. Other Income

Particulars	As at 31-March-2019 Rs.	As at 31-March-2018 Rs.
Interest Income (In case of a company other than a finance company)	1,77,05,058	1,23,40,590
Foreign Exchange Gain/(loss)	58,68,365	13,20,319
Job work receipts	13,62,600	-
Credit Balances written off	41,113	32,36,519
Export Incentives	1,89,362	-
Profit on sale of asset	25,625	-
Total	2,51,92,124	1,68,97,428

19. Cost of Materials consumed

Particulars	As at 31-March-2019		As at 31-March-2018	
	Rs.	Rs.	Rs.	Rs.
Opening Stock				
- Rawmaterials	1,69,92,977		1,63,07,069	
- Stores, Spares & Consumables	53,45,846		54,85,178	
		2,23,38,823		2,17,92,247
Add: Purchases		26,58,37,199		23,72,64,701
Less: Closing Stock				
- Rawmaterials	4,18,22,150		1,69,92,977	
- Stores, Spares & Consumables	34,82,987		53,45,846	
		4,53,05,137		2,23,38,823
Total		24,28,70,885		23,67,18,125

20. Changes in inventories of finished goods work-in-progress and Stock-in-Trade

Particulars	As at 31-March-2019 Rs.	As at 31-March-2018 Rs.
Closing Stocks		
Stock-in-process	3,43,50,765	3,07,48,116
Finished Goods	-	-
A	3,43,50,765	3,07,48,116
Opening Stocks		
Stock-in-process	3,07,48,116	2,24,39,395
Finished Goods	-	-
B	3,07,48,116	2,24,39,395
Total A - B	(36,02,649)	(83,08,721)

**21. Employee Benefit Expenses**

Particulars	As at 31-March-2019 Rs.	As at 31-March-2018 Rs.
Employee Benefit Expenses		
(a) Salaries and other Benefits	6,22,30,661	6,47,57,262
(b) Contributions to -		
(i) Provident fund	30,13,332	31,26,346
(ii) ESI	12,08,000	12,66,330
(c) Gratuity fund contributions	10,68,757	18,95,077
(d) Staff welfare expenses	23,68,224	18,22,238
(e) Directors remuneration	18,00,000	18,00,000
Total	7,16,88,974	7,46,67,253

22. Finance Costs

Particulars	As at 31-March-2019 Rs.	As at 31-March-2018 Rs.
Bank charges	6,956	42,785
Interest on Vehicle Hire Purchase loan	39,335	41,301
Total	46,291	84,086

23. Other Expenses**(a) Manufacturing Expenses**

Particulars	As at 31-March-2019 Rs.	As at 31-March-2018 Rs.
Manufacturing Wages	2,20,20,042	1,99,56,651
Lab Expenses	70,93,119	76,44,906
Power & Fuel	2,95,57,564	2,67,47,057
Consumption of chemicals, Packing & Stores Material	79,55,124	66,30,044
Plant Repairs and Maintainance	2,10,08,749	1,93,35,388
Total	8,76,34,598	8,03,14,046

**(b) Administration, Selling and Distribution Expenses**

Particulars	As at 31-March-2019 Rs.	As at 31-March-2018 Rs.
Rent	24,00,000	24,00,000
Rates and Taxes	12,00,452	11,68,672
Printing and Stationery	10,69,346	10,91,825
Postage & Telephone.	6,56,022	8,51,084
Insurance	5,90,329	5,99,181
Travelling and Conveyance	19,55,503	36,19,066
Legal and Professional Charges	35,26,038	24,64,000
Sales commission and Selling Expenses	1,81,82,945	1,50,17,086
General and Office Expenses	30,51,121	17,30,222
Vehicle Maintenance	17,34,628	11,56,301
Donations	-	10,000
Statutory Audit, Tax Audit, Internal audit fees and Secretarial fees.	5,00,000	2,50,000
Cost Audit Fees	30,000	30,000
Listing Fees	2,50,000	2,87,500
Business Promotion Expenses	19,38,536	14,40,970
Total	3,70,84,918	3,21,15,907

(c). Other Expenses

Particulars	As at 31-March-2019 Rs.	As at 31-March-2018 Rs.
Advertisement Expenses	99,816	1,00,061
Books and Periodicals	74,073	61,751
Computer Maintenance	68,610	1,90,185
US FDA Expenses	43,88,054	39,71,844
CSR Expenditure	11,25,000	12,00,726
Loss on transfer of Land lease hold rights	-	9,48,513
Other Administrative Expenses	63,21,989	36,83,669
Total	1,20,77,543	1,01,56,749

**24. additional Information**

a) Particulars of Managerial Remuneration:

(Rs. in Crores)

Particulars	As at 31-March-2019 Rs.	As at 31-March-2018 Rs.
Remuneration to Managing Director	0.18	0.18
Total	0.18	0.18

b) Auditors Remuneration:

(Rs. in Crores)

Particulars	As at 31-March-2019 Rs.	As at 31-March-2018 Rs.
Statutory Audit fees	0.025	0.025
Internal & tax Aduti fees	0.020	0.010
Cost Audit fees	0.003	0.003
Secretarial Audit fees	0.005	0.005

c) Foreign Exchange Earnings and out go

(Rs. in Crores)

Particulars	As at 31-March-2019 Rs.	As at 31-March-2018 Rs.
i) Foreign Exchange earnings		
- Fob Value of Exports (net of Freight & Insurance)	27.76	26.75
ii) Foreign Exchange out go (CIF)		
- Raw Materials	1.93	1.58
- Capital Goods	-	-
- For Expenses	0.82	0.82

d) Break up of Imported / indigeneous material

(Rs. in Crores)

for the year ended on 31st March	2018-2019	2017-2018
a) Value of Imported rawmaterials consumed	1.93	1.58
b) Value of Indigeneous raw material consumed	22.36	22.01
c) Percentage of above total consumption		
- Imported raw materials consumed	7.95%	7.01%
- Indigeneous raw materials consumed	92.05%	92.99%



e) Details of Raw Material consumed (as certified by the Management)

Particulars	2018-2019		2017-2018	
	Qty. (MTS)	Value	Qty. (MTS)	Value
2 Piperidino Ethanol	17.20	0.72	21.60	0.91
Toluene	117.10	0.67	124.72	0.67
Methanol	725.40	2.51	649.08	1.90
Cooked Prawn Shell	303.80	5.12	231.84	3.94
Iso Nipecotoc Acid Ethyl Ester	9.95	1.62	9.45	1.55
Potassium Tertiary Butoxide	8.35	1.10	9.18	1.18
Chloroform	56.69	0.22	117.29	0.34
Para- Methoxy Phenyl Acetone	1.09	0.14	2.26	0.25
Raney Nickle Catalyst	1.11	0.17	1.15	0.17
Caustic Soda Lye	110.70	0.22	117.99	0.23
Adenine	-	-	1.47	0.40
Hydro Bromic Acid	-	-	11.88	0.13
Meganesuim Tetryry Butoxide	-	-	1.29	0.22
Racemate Hydrochloride	43.80	3.37	24.89	2.92
DESMP	-	-	4.00	0.16
RPC	-	-	1.31	0.05
Others	-	8.42	-	8.65
Total	-	24.28	-	23.67

f) Details of Finished Goods & Work in Process Produced/ Despatch during the year

Description	Production	Internal Consumption / Despatch	Sales
	Quantity MTS	Quantity MTS	Amount Rs in Crores
Intermediates	338	339	-
Finished Goods	274	274	52.47

The accompanying notes are an integral part of the financial statements.

As per our Report of even date attached

For SURYAM & CO
Chartered Accountants
FRN No : 012181S

Sd/-
(SRINIVAS OLETI)
Partner
ICAI M.No: 206457
Place : Hyderabad
Date : 27.05.2019

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

Sd/-
(G.GANESH KUMAR)
Managing Director
Sd/-
(K.SRINIVAS)
CFO

Sd/-
(BOOSA ESHWAR)
Director
Sd/-
(SATYA RANJAN JENA)
Company Secretary & Compliance Officer



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

1. Significant Accounting Policies:**A. Basis of Preparation of Financial Statements**

The financial statements of Tyche Industries Limited (Tyche or the company), for the financial year ended 31.03.2019, are presented in accordance with Indian Accounting Standards ("Ind AS") and Companies (Indian Accounting Standards) Amendment Rules, 2018 which are prescribed under the section 133 of the Act read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter and guidelines issued by the Securities and Exchange Board of India [SEBI]. The Company follows the mercantile system of Accounting and recognises Income & Expenditure on accrual basis. The accounts are prepared on historical cost basis and as a 'Going Concern'. Accounting policies not referred to herein otherwise are consistent with Accounting Principles in India.

B. Property, Plant and Equipment.

Items of Property, Plant and Equipment, are measured in the financial statements at cost of acquisition or construction net off accumulated depreciation. The cost of fixed assets includes non-refundable taxes, duties, freight and other incidental expenses related to the acquisition and installation of the respective assets. Borrowing costs directly attributable to acquisition or construction of those fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalised.

Depreciation

Depreciation on property, plant and equipment is provided based on straight line basis on useful lives of assets as prescribed in Schedule II to the Companies Act, 2013. Depreciation is calculated on a pro-rata basis from the date of installation till the date the assets are sold or disposed. Land is not depreciated.

Software for internal use, which is primarily acquired from third-party vendors and which forms integral part of tangible asset, including consultancy charges for implementing the software, is capitalised as part of the related tangible asset. Subsequent costs associated with maintaining such software are recognised as expenses. The capitalised costs are amortized over the estimated useful life of the software or the remaining useful life of the tangible fixed asset, whichever is lower.

C. Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that might affect reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting year. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

D. Current and non-current classification:

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

**Assets:**

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

- a) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is expected to be realised within twelve months after the reporting date; or
- d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Liabilities:

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

- a) it is expected to be settled in the Company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is due to be settled within twelve months after the reporting date; or
- d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification. Current assets/ liabilities include the current portion of noncurrent assets/ liabilities respectively. All other assets/ liabilities are classified as noncurrent.

E. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue from sale of goods is recognized on dispatch (in respect of exports on the date of the bill of lading or airway bill) which coincides with transfer of significant risks and rewards to customer and net of trade discounts, sales returns and sales tax, where applicable. Income from job work services are recognized when services are rendered or related costs are incurred in accordance with the terms of specific contracts. Interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Milestone payments and Development/Licensing arrangements

Revenues include amounts derived from product Development/licensing agreements. These arrangements typically consist of an initial up-front payment on inception of the arrangement and subsequent payments dependent on achieving certain milestones in accordance with the terms prescribed in the agreement. Non-refundable up-front license fees received in connection with product out-licensing agreements are deferred and recognised over the period in which the Company has continuing performance obligations. Milestone payments which are contingent on achieving certain clinical milestones are recognised as revenues either on achievement of such milestones, if the milestones are considered substantive, or over the period the Company has continuing performance obligations, if the milestones are not considered substantive. If milestone payments are creditable against future royalty



payments, the milestones are deferred and released over the period in which the royalties are anticipated to be paid.

F. Investments:

Investments are readily realisable and intended to be held for not more than 12 months are classified as current investments. All other investments are classified as long-term investment. Current investments are carried at the lower of cost and fair value. Long-term investments are carried at cost less diminution in value, if any.

G. Inventories

- i) Raw materials, packing materials, stores, spares, consumables are valued at cost, after providing for obsolescence, if any.
- ii) Work-in-progress, finished goods are valued at cost of raw material plus proportionate overheads or Net realizable value whichever is lower as mandated by The Institute of Chartered Accountants of India. Cost includes all charges incurred for bringing the materials to the location of the manufacturing facilities. Net realizable value is the estimated selling price in the ordinary course of business, reduced by the estimated costs of completion to affect such sale.

H. Foreign currency transactions

- a. Transactions in foreign exchange are accounted for at the exchange rate prevailing on the date of transaction, Gains and losses arising thereon are recognized in the statement of Profit and Loss;
- b. Foreign currency monetary items are reported using the closing rate, Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.
- c. In case of forward exchange contracts, difference between the forward rate and the exchange rate on the date of transaction is recognized as expense or income over the life of the contract. Exchange differences on such contracts are recognized in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expense for the year, in which such contract got cancelled or Renewal.

I. Research & Development Expenditure:

Research and Development expenditure, which is of revenue nature, is charged to the statement of Profit & Loss Account and amounts in the nature of capital are capitalized and shown in the Fixed Assets schedule in the year in which these are incurred.

J. Taxes on Income:

Tax expenses for the year comprises of Current tax and deferred tax. Provision for Current taxes made based on the tax rates and tax laws as applicable to the financial year.

Provision for Deferred tax on account of timing difference is calculated as prescribed by ICAI on the temporary differences in carrying amount of the assets and liabilities as at the reporting date on the carrying value and the amounts used for taxation purposes. Income tax expense is recognised in the statement of profit and loss except to the extent that it relates to items recognised in the equity, in which case it is recognised in equity.



K. Employee benefits

Short- term Employee Benefits:

Short-term employee benefits are expensed as and when the service is rendered by employee. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined Contribution Plan:

The Companies liability towards retirement benefits in the form of Provident Fund and ESIC are considered as defined contribution plan and the contributions are charged to the statement of Profit & Loss during the year when the contributions to the respective funds are due. The company contributes to the employees Provident Fund maintained under Statutory Provident Fund Scheme.

Defined Benefit Plan:

The Company operates defined benefit plans for gratuity. The cost of providing such defined contribution is determined using the projected unit credit method (PUCM). The accruing liability towards Gratuity and other retirement benefits are provided on the basis of Actuarial Valuation made by an independent Actuary. The Company fully contributes all ascertained liabilities to the "Tyche Industries Limited Employees Gratuity Trust" (Trust). Trustees administer contributions made to the Trust through a fund managed by Life Insurance Corporation of India (LIC). The Actuarial gains and losses are recognised immediately in the statement of profit and loss account as income or expense.

L. Impairment of Assets:

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount. In the opinion of the Management, during the year there is no impairment loss.

M. Confirmation of Balances:

The balances outstanding on account of sundry debtors/sundry creditors/advances are subject to confirmation in respect of some parties.

N. Earnings Per Share:

Basic Earnings per Share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Computation of Basic and Diluted Earnings per share:

Particulars	As at 31.03.2019	As at 31.03.2018
1) Net Profit as per the Profit and loss account available to Equity shareholders	7,14,59,325	5,86,26,780
2) Weighted Average Number of Equity shares	1,02,45,340	1,02,45,340
3) Basic earnings per share	6.97	5.72
4) Diluted Earnings Per share	6.97	5.72

**O. Segment Reporting:**

- a. Company's operations are predominantly related to the manufacture and processing of bulk drugs & intermediates, as such there is only one primary reportable segment. Secondary reportable segments are identified taking into account the geographical markets available to the products, the differing risks, returns and internal reporting system. Hence the segmental reporting is based on Domestic and Export sales.
- b. As a part of secondary reporting, revenues are attributed to geographical areas based on the location of customers as detailed below:

(Rs. In Crores)

Particulars	2018-19		2017-18	
	Revenue	%	Revenue	%
Domestic	25.58	47.42	24.84	48.15
Export	28.36	52.58	26.75	51.85
Total	53.94	100.00	51.59	100.00

- c. The Company does not track its assets and liabilities by geographical area.

P. Provisions

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Q. Contingent liabilities

A contingent liability is possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Contingent Liabilities of the Company as at 31-03-2019 are as under:

Financial years (Asst Year)	Nature	Amount (Rs. In Lakhs as at 31-03-2019 (Previous year)	Forum where dispute is pending with	Status
2009-2010 (2010-2011)	Income Tax Demand	13.08 (13.08)	Representation for rectification filed with DCIT	Amount modified and unsettled as or 27.05.2015
2011-2012 (2012-2013)	Income tax Demand	17.11 (17.11)	Appeal Lying with CIT (Appeals)	Unsettled as on 27-05-2019

**R. Borrowing cost**

Borrowing cost includes interest incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

S. Related Party Transactions:

Related party Disclosures, as required by Accounting Standard 18 – “Related Parties Disclosures” by the Institute of Chartered Accountants of India are as given below.

(Rs in Crores)

S.No	Name of party	Nature of Relation	2018-19	2017-18
1	Mr. G. Sandeep	Relative to Director		
	- Salary/Remuneration		0.27	0.27
	- Rent		0.24	0.24

All related party transactions during the year, in the ordinary course of business, were on arm's length basis.

T. Cash and cash equivalents:

Cash and cash equivalents consist of cash on hand, demand deposits and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value. For this purpose, “short-term” means investments having maturity of twelve months or less from the date of investment. Bank overdrafts that are repayable on demand and form an integral part of our cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

U. Forfeiture of shares:

The company has issued notices to the shareholders for payment of calls in arrears on various dates, after the issue of said notices the company is left with unpaid capital of Rs 46,600/- (unpaid on 9,320 equity shares @ Rs 5/- share). The company after taking necessary approvals from stock exchange, the said amount will be written off in books.

**V. Managerial Remuneration:**

Name of the Director	2018-2019 (Rs in Lacs)	2017-2018 (Rs in Lacs)
G. Ganesh Kumar, Chairman & Managing Director	18.00	18.00

W. The Figures of the previous years have been re-grouped/re-arranged wherever necessary.

The accompanying notes are an integral part of the financial statements.

As per our Report of even date attached

For SURYAM & CO

Chartered Accountants

FRN No : 012181S

Sd/-

(SRINIVAS OLETI)

Partner

ICAI M.No: 206457

Place : Hyderabad

Date : 27.05.2019

For and on behalf of the Board of Directors of

TYCHE INDUSTRIES LIMITED

Sd/-

(G.GANESH KUMAR)

Managing Director

Sd/-

(K.SRINIVAS)

CFO

Sd/-

(BOOSA ESHWAR)

Director

Sd/-

(SATYA RANJAN JENA)

Company Secretary & Compliance Officer



TYCHE INDUSTRIES LIMITED

(CIN: L72200TG1998PLC029809)

Regd. Office: D. No. C-21/A, Road No.9, Film Nagar, Jubilee Hills, Hyderabad - 500 096

Email:cs_tyche@tycheindustries.com; Website:www.tycheindustries.com, Phone: 040 – 23541688

ATTENDANCE SLIP

21st ANNUAL GENERAL MEETING ON 30TH SEPTEMBER, 2019

Registered Folio/
DP ID & Client ID

Name and address of the shareholder(s)

Joint Holder 1

Joint Holder 2

I/we hereby record my/our presence at the 21st Annual General Meeting of the Company held at Sagi RamakrishnamRaju Community Hall, Madhura Nagar, Hyderabad – 500038 on Monday, 30th September, 2019 at 10.00 a.m.

.....
Member's Folio/DP ID/Client ID No.

.....
Member's/Proxy's name
(in Block Letters)

.....
Member's/Proxy's Signature

Note:

1. Please fill in the Folio/DP ID-Client ID No., name and sign this Attendance Slip and hand it over at the Attendance Verification Counter at the ENTRANCE OF THE MEETING HALL.
2. Please read the instructions for e-voting given along with Annul Report. The Voting period starts from Friday, 27th September, 2019 (9.00 a.m.) and ends on Sunday, 29th September, 2019 (5.00 p.m.). The voting module shall be disabled by CDSL for voting thereafter.



TYCHE INDUSTRIES LIMITED

(CIN: L72200TG1998PLC029809)

Regd. Office: D. No. C-21/A, Road No.9, Film Nagar, Jubilee Hills, Hyderabad - 500 096

Email:cs_tyche@tycheindustries.com;Website:www.tycheindustries.com, Phone: 040 – 23541688

PROXY FORM

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

21st ANNUAL GENERAL MEETING ON 30TH SEPTEMBER, 2019

Name of the member (s):
 Registered address:
 E-mail Id:
 Folio No/ Client Id:
 DP Id:

I/We being a member(s) of Shares of the above named Company hereby appoint:

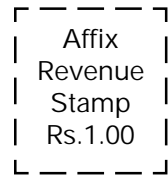
(1)Name
 Address.....
 Email Id:..... Signature..... or failing him;

(2) Name
 Address.....
 Email Id:..... Signature..... or failing him;

(3) Name
 Address.....
 Email Id:..... Signature.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 21st Annual General Meeting of the Company to be held on Monday, 30th September, 2019 at 10.00 a.m. at SagiRamakrishnamRaju Community Hall, Madhura Nagar, Hyderabad – 500038 and at any adjournment thereof in respect of such resolutions as are indicated overleaf:

Resolution Number	RESOLUTIONS	Vote (Optional see Note 2) (Please mention no. of share)		
		For	Against	Abstain
	Ordinary Business			
1	Ordinary Resolution for adoption of Audited Financial Statements for the year ended 31st March, 2019 along with Reports of the Directors' and of the Auditors'.			
2	Ordinary Resolution for declaration of Dividend on Equity Shares for the financial year ended 31st March, 2019.			
3	Ordinary Resolution for appointment of a director in place of Smt.P.Vijaya Lakshmi, who retires by rotation and being eligible, offers herself for re-appointment.			
	Special Business:			
4	Special Resolution to re-appoint Mr BoosaEshwara independent Director of the Company			
5	Ordinary Resolution for approval of remuneration payable to Mr.SativadaVenkatRao, Cost Accountant, Hyderabad, the Cost Auditors of the Company for the financial year 2019-20.			
6	Ordinary Resolution for appointment of Mr.SaiSudhakarPanchakarla as an Independent director of the Company.			



Signed this day of, 2019

Signature of shareholder

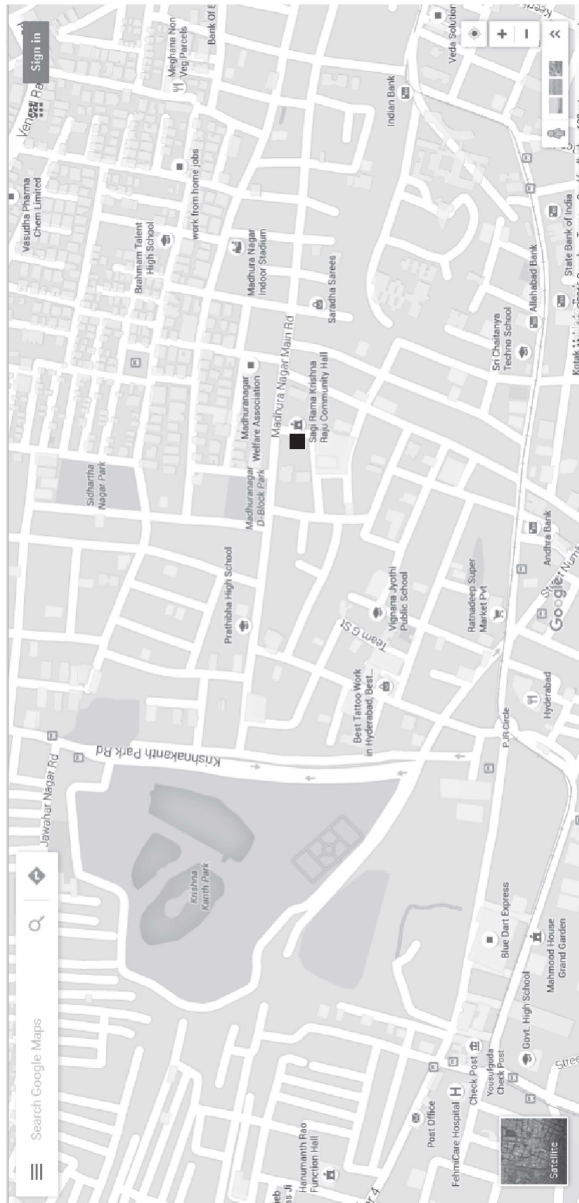
Signature of Proxy holder(s)

Note:

1. This 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.
2. It is optional to indicate your preference. If you leave the for, against or abstain column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deemed appropriate.



Route Map



Printed Matter
BOOK-POST



If undelivered please return to :



TYCHE INDUSTRIES LIMITED
C 21/A, Road No. 9, Film Nagar,
Jubilee Hills, Hyderabad - 500 096.