



<b>Board of Directors</b>	:	<b>Mr. G. GANESH KUMAR</b> Chairman & Managing Director
		<b>Mr. G. RAMA RAJU</b> Executive Director
		<b>Mr. ASHISH UNIYAL</b> Independent Director
		<b>Mr. HARICHANDRA KANTIMAHANTI</b> Independent Director
		<b>Mr. BOOSA ESHWAR</b> Independent Director (w.e.f. 3 <sup>rd</sup> May, 2012)
<b>Auditors</b>	:	M/s. P.S.N. Ravishanker & Associates, Chartered Accountants Flat No.205, "B" Block, Kushal Towers, Khairatabad, Hyderabad - 500 004
<b>Bankers</b>	:	Bank of India, Kakinada Branch, Temple Street, Kakinada
<b>Registered Office</b>	:	H. No. C-21/A, Road No.9, Film Nagar, Jubilee Hills, Hyderabad - 500 096 Tel: 040 23541688, Fax: 040 23540933 Email: vasanth@tycheindustries.com Website: www.tycheindustries.com
<b>Factory</b>	:	<i>Unit:</i> Door No.6-223, Sarpavaram, Kakinada, East Godavari Dist. Andhra Pradesh 533005  <i>R&amp;D:</i> 4-100, Drs. Colony, Saroor Nagar, Hyderabad
<b>Registrar &amp; Transfer Agent</b>	:	CIL Securities Limited 214, Raghavaratna Towers, Chirag Ali Lane, Abids, Hyderabad-500 001 Tel: 040-23202465, Fax: 040-23203028 Email: advisors@cilsecurities.com Website: www.cilsecurities.com

**INDEX**

<b>Contents</b>	<b>Page No.</b>
Notice of the Annual General Meeting	3
Director's Report	10
Management Discussion and Analysis	15
Report on Corporate Governance	18
Auditors Report	26
Balance Sheet	30
Profit and Loss Account	31
Cash Flow Statement	32
Schedules & Notes to Financial Statements	33



## NOTICE

Notice is hereby given that the Fourteenth Annual General Meeting of the Members of M/s Tyche Industries Limited will be held on Saturday, the 29<sup>th</sup> day of September, 2012 at 11.30 a.m. at Sagi Ramakrishnam Raju Community Hall, Madhura Nagar, Hyderabad- 500038 to transact the following business:

### **Ordinary Business:**

1. To consider, approve and adopt the Audited Balance Sheet as at March 31, 2012 and Profit and Loss Account and Cash Flow Statement for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To declare dividend on Equity Shares for the financial year 31<sup>st</sup> March, 2012
3. To appoint a Director in place of Mr. G. Rama Raju who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Mr. Harichandra Kantimahanti who retires by rotation and being eligible, offers himself for reappointment.
5. To re-appoint M/s. P.S.N. Ravishanker & Associates, Chartered Accountants, Hyderabad as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

### **Special Business:**

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

**“RESOLVED THAT** Mr. Boosa Raju, who was appointed as an Additional Director by the Board of Directors w.e.f. 3<sup>rd</sup> May, 2012 in terms of Article 33 of the Articles of Association of the Company as per the provisions of Section 260 of the Companies Act, 1956 holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice along with requisite deposit under Section 257 of the Companies Act, 1956 proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, who shall be liable to retire by rotation;

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds and things which are necessary to carry on the purpose of this resolution.”

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

**“RESOLVED THAT** pursuant to the provisions of Sections 198, 269, 309 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such other approvals and consents as may be required, Mr. G. Ganesh Kumar, be reappointed as Managing Director of the Company for a period of 5 years w.e.f. 1<sup>st</sup> October, 2012 on the following revised terms and conditions:

- A. Salary : Rs.1,50,000/- per month.  
and
- B. Perquisites : In addition to the Salary, he shall be entitled to the allowances and other perquisites as follows:



- a) Housing:
  - i) Where accommodation in the Company owned house is provided, he shall pay to the Company, by way of rent 10% of the Salary.
  - ii) Where hired accommodation is provided, the expenditure incurred by the Company on hiring furnished accommodation for him will be subject to a ceiling of 60% of the Salary.
  - iii) In case, the Company does not provide accommodation, House Rent Allowance shall be paid @ 60% of the Salary.
  - iv) The expenditure incurred by the Company on gas, electricity, water and furnishing will be subject to a ceiling of 10% of the Salary.
- b) Medical Reimbursement/ Allowance for self and family: Reimbursement of expenses actually incurred for self and family or medical allowance, the total cost of which to the Company shall not exceed one month's salary in a year or three months salary over a period of three years.
- c) Leave Travel Concession or Allowance: For self and family, once in a year either in India or aboard in accordance with the rules of the Company.
- d) Club fees subject to a maximum of two clubs.
- e) Personal accident insurance as per the rules of the Company.
- f) Car Free use of Company's car with driver.
- g) Contribution to Provident Fund, Superannuation Fund or Annuity Fund, as per the rules of the Company.
- h) Gratuity payable, shall not exceed, half a month's salary, for each completed year of service.
- i) Communication Facilities: Free communication facilities like Telephones / Internet / Mobiles / Fax at residence.
- j) Leave on full pay and allowances as applicable to other employees of the Company but not exceeding one month for every 11 month's service.
- k) He shall also be entitled to reimbursement of expenses actually and properly incurred for the business of the Company, and
- l) Any other perquisites that may be allowed as per the guidelines issued by the Central Government from time to time.

**RESOLVED FURTHER THAT** the Board of Directors is at their liberty to revise the terms with regards to the remuneration from time to time within the limits provided for in the said Schedule XIII or any amendment thereto for the time being in force;

**RESOLVED FURTHER THAT** the remuneration aforesaid including the perquisites and other allowances shall be paid and allowed to Mr. G. Ganesh Kumar, Managing Director of the Company, as minimum remuneration during the currency of his tenure, in the event of absence or inadequacy of profits in any financial year;

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds and things which are necessary to carry on the purpose of this resolution."



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

**"RESOLVED THAT** pursuant to the provisions of Sections 198, 269, 309 read with Schedule XIII and other applicable provisions, if any, to the Companies Act, 1956 and subject to such other approvals and consents as may be required Mr. G. Rama Raju, be appointed as Whole-time Director of the Company for a period of 5 years w.e.f. 1<sup>st</sup> October, 2012 on the following terms and conditions:

- A. Salary : Rs.50,000/- per month.  
and
- B. Perquisites : In addition to the Salary, he shall be entitled to the allowances and other perquisites as follows:
- a) Medical Reimbursement/ Allowance for self and family: Reimbursement of expenses actually incurred for self and family or medical allowance, the total cost of which to the Company shall not exceed one month's salary in a year or three months salary over a period of three years.
  - b) Leave Travel Concession or Allowance: For self and family, once in a year either in India or aboard in accordance with the rules of the Company.
  - c) Club fees subject to a maximum of two clubs.
  - d) Personal accident insurance, as per the rules of the Company.
  - e) Car, Free use of Company's car with driver.
  - f) Contribution to Provident Fund, Superannuation Fund or Annuity Fund, as per the rules of the Company.
  - g) Communication Facilities: Free communications facilities like Telephones / Internet / Mobiles / Fax at residence.
  - h) He shall also be entitled to reimbursement of expenses actually and properly incurred for the business of the Company, and
- i) Any other perquisites that may be allowed as per the guidelines issued by the Central Government from time to time.

**RESOLVED FURTHER THAT** the Board of Directors is at their liberty to revise the terms with regards to the remuneration from time to time within the limits provided for in the said Schedule XIII or any amendment thereto for the time being in force;

**RESOLVED FURTHER THAT** the remuneration aforesaid including the perquisites and other allowances shall be paid and allowed to Mr. G. Rama Raju, Whole-time Director of the Company, as minimum remuneration during the currency of his tenure, in the event of absence or inadequacy of profits in any financial year;

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds and things which are necessary to carry on the purpose of this resolution."

**By Order of the Board of Directors  
For Tych Industries Limited**

Sd/-  
G. Ganesh Kumar  
Chairman & Managing Director

Place: Hyderabad  
Date: 14-08-2012

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

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING, IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF ON POLL ONLY AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. Members/Proxies should bring their Attendance Slip duly filled and signed for attending the meeting.
3. Corporate members are requested to send duly certified copy of the Board resolution pursuant to section 187 of the Companies Act, 1956 authorising their representative to attend and vote at the Annual General Meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from September 26, 2012 to September 29, 2012 (both days inclusive).
5. Dividend on equity shares as recommended by the Board of Directors for the year ended 31<sup>st</sup> March, 2012, if approved by the members at the Annual General Meeting, will be paid to those members, whose names stand registered in the Register of members as on the date of the Annual General Meeting of the Company i.e. 29<sup>th</sup> September, 2012.
6. Pursuant to the provisions of Section 205A and 205C of the Companies Act, 1956 the unpaid / unclaimed Dividend for the year 2004-05 is due to transfer to the Investor Education and Protection Fund (IEPF) by 3,05,820/-. The shareholders whose dividend remained unclaimed for the aforesaid financial year and following financial years are requested to claim it immediately from the Company, otherwise no claim shall lie against the said Fund or the Company in respect of any amounts which remained unclaimed for a period of seven years from the date it becomes first due for payment and no payment shall be made in respect of any such claim.
7. Members holding shares in physical form are requested to notify immediately any change in their address to the company's Registrar and Share Transfer Agents i.e. M/s CIL Securities Limited. Members holding shares in electronic form may intimate any such changes to their respective Depository Participants (DPs).
8. Members are requested to address all correspondences, including dividend mandates to the Registrar and Share Transfer Agents - CIL Securities Limited at 214, Raghavaratna Towers, Chirag Ali Lane, Abids, Hyderabad-500 001.



9. Queries on accounts and operations of the Company, if any, may please be sent to the Company seven days in advance of the meeting so that the answers can be made readily available at the meeting.

Name of Director	<b>Mr. Boosa Eshwar</b>	<b>Mr. G. Rama Raju</b>	<b>Mr. Harichandra Kantimahanti</b>	<b>Mr. G. Ganesh Kumar</b>
Date of Birth	23/02/1970	10/08/1950	01/09/1936	09/06/1971
Nationality	Indian	Indian	Indian	Indian
Date of appointment	03/05/2012	31/03/2010	02/11/2010	14/11/1998
Designation	Independent Director	Executive Director (Whole-time Director w.e.f.01/10/2012, if approved by members)	Independent Director	Chairman & Managing Director
Qualification	Graduate in Commerce.	Post Graduate degree in Pharmacy	Post Graduation in Master of Business Administration	B.Com from Osmania University and Post Graduate in Business Administration from New York Institute of Technology
Experience/ Expertise	He is having rich Industrial administration experience specifically in alcohol and chemical business.	He worked in reputed companies in various managerial positions. He is having around 35 years of experience to his credit in the field of Bulk Drugs, Intermediates & Chemicals and rich experience in synthesizing the new molecules. He is looking in to the technical, production and R&D activities in the company	He is having around 50 years experience in Business Administration	He is having rich Industrial experience of 17 years in the areas of production, Administration and Domestic and international marketing. His responsibilities include corporate compliance management and formulation of business strategies of the company.
List of outside Directorships held	1. Five and Five Hotels Private Limited	1. Siri Cellars Private Limited 2. SIRIS Limited 3. Siris Agro Ltd 4. Sudershan Drugs and Intermediates Ltd 5. Siris Aqua Ltd 6. Sri Indra Distillery Private Limited	1. Sakri Electronics & Peripherals Private Limited 2. Minca Calcination Private Limited 3. Accenture Life Sciences Private Limited 4. GFR Infrastructure Private Limited 5. Imperial Projects India Private Limited 6. Gamma Organics Limited 7. GR Intrachem Limited	1. Sri Indra distillery Private Limited 2. Siris Agro Limited 3. Siri Cellars Private Limited 4. Silver Oak Technologies Private Limited 5. Siris Aqua Limited 6. Innag Projects Private Limited 7. Tyche Industries Limited Employee Gratuity Trust
Chairman/Member of the Committees of Director of other Companies in which he is a Director	Nil	Nil	Nil	Nil

1. An explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of special business is annexed hereto and forms part of this notice.



## EXPLANATORY STATEMENT

(Pursuant to Section 173 (2) of the Companies Act, 1956)

### Item 6

Mr. Boosa Eshwar was appointed as an Additional Director of the Company with effect from **May 03, 2012**, pursuant to provisions of Section 260 of the Companies Act, 1956.

As required by Section 257 of the Companies Act, 1956, a notice in writing has been received from a member signifying his intention to propose Mr. Boosa Eshwar, as a Director of the Company along with necessary deposit amount.

Except Mr. Boosa Eshwar, none of the other Directors of the Company is in any way concerned or interested in the Resolution.

Your Directors recommend the Resolution for your approval.

### Item 7

#### **Reappointment of Mr. G. Ganesh Kumar and revision of remuneration of Managing Director**

Mr. G. Ganesh Kumar was reappointed as Managing Director of the Company by the members with effect from 01<sup>st</sup> July 2008 for a period of 5 years at the Annual General Meeting held on 29<sup>th</sup> September, 2008. Sri. G. Ganesh Kumar, Managing Director was paid a salary of Rs.3,00,000/- per month and other perquisites as approved by the General Body at its meeting held on 29<sup>th</sup> September, 2008.

The Board, on the recommendation of the Remuneration Committee at its meeting held on 14<sup>th</sup> day of August, 2012, took up the review of the remuneration being paid to the Managing Director. After taking into account the substantial growth and improvement in the operations and financial position of the Company and the prevailing remuneration packages in other Companies, the Board decided that a revision is called for and accordingly approved the reappointment and revised remuneration as set out in the Resolution with effect from 1<sup>st</sup> October, 2012.

The resolution as set out at Item No. 7 together with this Explanatory Statement constitute abstract of terms of the remuneration and the Memorandum of Interest of the Managing Director and Executive Director under Section 302 of the Companies Act, 1956.

The Board recommends the Resolution for member's approval.

Except Mr. G. Ganesh Kumar, Managing Director and Mr. G. Rama Raju, Director being related, no other Director is deemed to be interested or concerned in the Resolution.



**Item 8****Appointment of Mr. G. Rama Raju as Whole-time Director and fixing of remuneration.**

The Board, on the recommendation of the Remuneration Committee at its meeting held on 14<sup>th</sup> day of August, 2012, took up the appointment of Whole-time Director. After taking into account the substantial growth and improvement in the operations and financial position of the Company and the prevailing remuneration packages in other Companies, the Board decided to appoint him as Whole-time Director and accordingly approved the appointment and fixed remuneration as set out in the Resolution with effect from 1<sup>st</sup> October, 2012.

The resolution as set out at Item No. 8 together with this Explanatory Statement constitute abstract of terms of the remuneration and the Memorandum of Interest of the Whole-time Director under Section 302 of the Companies Act, 1956.

The Board recommends the Resolution for member's approval.

Except Mr. G. Rama Raju, Director and Mr. G. Ganesh Kumar, Managing Director being related, no other Director is deemed to be interested or concerned in the Resolution.

**By Order of the Board of Directors  
For Tyche Industries Limited**

Sd/-  
G. Ganesh Kumar  
Chairman & Managing Director

Place: Hyderabad  
Date: 14-08-2012

Registered Office:  
H. No. C-21/A, Road No.9,

**DIRECTOR'S REPORT**

*Dear Members,*

Your Directors are pleased to present the 14th Annual Report of the Company together with the Audited Accounts for the financial year ended March 31, 2012.

**Financial Results**

*(Amount Rupees in Crores)*

<b>Particulars</b>	<b>2011-12</b>	<b>2010-11</b>
Total Income	49.80	45.91
Expenditure (before Finance Cost & Depreciation)	43.14	41.30
Profit before Finance Cost & Depreciation	6.66	4.60
Finance Cost <b>1.29</b>	0.56	
Profit before Depreciation and Tax	5.38	4.05
Depreciation	0.92	0.81
<b>Profit / Loss before tax</b>	<b>4.45</b>	<b>3.24</b>
<b>Provision for Tax</b>		
- Current Tax	0.96	0.65
- Deferred Tax	0.29	0.30
<b>Profit after Tax</b>	<b>3.20</b>	<b>2.28</b>
Income tax Prior period	(0.36)	0.15
<b>Profit after tax and prior period</b>	<b>2.84</b>	<b>2.43</b>
Add: Balance brought forward from the Previous Year	17.88	16.26
<b>Appropriations</b>		
Provision for Proposed Dividend	0.49	0.49
Provision for Dividend Tax	0.08	0.08
Transfer to General Reserve	0.32	0.23
<b>Balance carried to Balance Sheet</b>	<b>19.83</b>	<b>17.88</b>

**Review of the Business**

During the year, your Company has achieved a total income of Rs.49.80 Crores as against Rs. 45.91 Crores in the previous year and earned a net profit of Rs. 2.84 Crores (Previous Year Rs.2.43 Crores) after providing Income Tax, Deferred Tax and prior period expenses of Rs.1.61 Crores (Previous Year Rs.0.81 Crores). Your Directors are confident of achieving better results in the years to come. The Board of Directors are of the opinion that the present and future market scenario of the Pharma Sector is extremely good as discussed in detail in Management Discussion and Analysis and accordingly proposes to expand its manufacturing facilities.

**Dividend**

Your Directors have recommended a dividend of Rs.0.50 per equity share for the year ended 31st March, 2012 being 5% of the Paid-up Equity Capital of the Company. The dividend, if approved at the ensuing 14th Annual General Meeting will be paid to those members whose names appear on the Company's Register of Members on September 29, 2012. The total amount of outgo on account of this will be Rs.0.49 Crores towards dividend and Rs.0.08 Crores towards dividend tax. The dividend would be tax free in the hands of the shareholders.

**Listing:**

The equity shares are listed on BSE Limited. However, the scrip was temporarily suspended from trading due to non submission of compliance as per listing agreement (which are categorised as penal reasons by the BSE Limited). Your Directors are making efforts to revoke the suspension and it is in process.

**Transfer to Reserves:**

Your Company proposes to transfer Rs.0.32 Crores to the General Reserve out of the amount available for appropriations.

**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. 10.07 Crores.

**Corporate Governance:**

Your Company is committed to maintain highest standards of Corporate Governance. As required under Clause 49 of the Listing Agreement with the Stock Exchange, a report on Corporate Governance as well as Auditors Certificate on the Compliance of Corporate Governance are annexed to this Report.

**Management Discussion and Analysis:**

A detailed Report on Management Discussion and Analysis is provided as a separate section in the Annual Report.

**Directors:**

Mr. Boosa Eshwar, has been appointed as an Additional Director of the Company with effect from May 03, 2012. Approval of the Members for his appointment is being sought and forms part of the Notice of this Annual General Meeting of the Company.

Mr. G. Rama Raju and Mr. Harichandra Kantimahanti will retire at the ensuing Annual General Meeting and being eligible, offers themselves for re-appointment. Their re-appointment is being proposed and suitable resolutions forms part of the Notice of the ensuing Annual General Meeting.

**Auditors**

The Present Statutory Auditors of the Company M/s. P.S.N. Ravishanker & Associates, Chartered Accountants, Hyderabad retire at the ensuing Annual General Meeting and have confirmed their eligibility and willingness to accept office of Auditors and if reappointed, their reappointment would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956. The Board of Directors recommend M/s P.S.N. Ravishanker & Associates, Chartered Accountants, Hyderabad for reappointment as Statutory Auditors of the Company for the financial year 2012-13.

**Cost Audit:**

Pursuant to Section 233B of the Companies Act, 1956, the Central Government has prescribed Cost Audit of the Company's bulk drugs division.

Based on the recommendations of the Audit Committee, and subject to the approval of the Central Government, the Board of Directors had appointed Mr. Sativada Venkat Rao as cost auditor of the Company for the Financial Year 2012-13. The cost audit report would be filed with the Central Government on or before the due date.

**Research & Development:**

The Company has incurred an expenditure of Rs.0.63 Crores on research and development during the year.

**Public Deposits:**

The Company has not invited / accepted deposits from the public within the meaning of Section 58A of the Companies Act, 1956.

**Directors Responsibility Statement:**

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956, the Board of Directors of the Company hereby state and confirm:

- i. that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii. that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2011-12 and of the profit of the company for that period.
- iii. that 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. that the directors had prepared the annual accounts on a "Going Concern" basis.

**Particulars of Employees:**

The Company do not have any employees drawing remuneration within the purview of Section 217 (2A) of the Companies Act, 1956 to be read with the Companies (Particulars of Employees) Rules, 1975 as amended.

**Particulars under section 217 (1) (e) of the Companies Act, 1956**

Information regarding Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required to be disclosed under Section 217 (1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is enclosed as an Annexure.

**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.

**For and on behalf of the Board**

Place: Hyderabad  
Date: 30/05/2012

Sd/-  
G. Ganesh Kumar  
Chairman & Managing Director

Sd/-  
G. Rama Raju  
Director



## ANNEXURE TO DIRECTORS' REPORT

Information U/s 217 (1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of the Board of Director's) Rules, 1988 and forming part of Directors' Report.

### A. Conservation of Energy:

#### Form - A

#### Disclosure of particulars with respect to conservation of energy

Particulars	Unit	2011-12	2010-11
<b>A. Power &amp; Fuel Consumption:</b>			
<i>Electricity (purchased)</i>			
- No. of Units (Nos/ Million)	KWH	3.33	3.2
- Total Amount (Million)	Rs.	14.7	14.25
- Average Rate per Unit	Rs.	4.38	4.45
<i>Diesel</i>			
- Quantity (Nos/ Million)	Ltr	0.09	0.07
- Total Amount (Million)	Rs.	3.97	2.85
- Average Rate per Unit	Rs.	44.07	39.46
<i>Husk</i>			
- Quantity	MT	4054.79	4362.07
- Total Amount (Million)	Rs.	10.04	11.6
- Average Rate per Unit	Rs.	2476	2661
<b>B. Consumption per Unit of Production:</b>			
- 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 at Hyderabad. It has 3 Ph.D.s and 20 M.Sc. Chemists. Based on the scientific work done at the Centre, the company filed 3 Patents and published 6 scientific papers during the year 2011-12. The company has developed innovative processes for its new APIs.

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 lead 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	2011-12	2010-11
Capital Expenditure	0.31	0.04
Recurring Expenditure	0.63	0.79
Total	0.94	0.83
Total R&D Expenditure as a % of Total Turnover	2.02%	1.97%

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	2011-12	2010-11
i) Foreign Exchange Earnings:		
- FOB value of exports (net of Freight & Insurance) (USD 38,07,303 & Euros 1,28,300 as against the PY USD 32,28,599)	18.66	14.39
ii) Foreign Exchange Outgo (CIF):		
-Raw materials (USD 12,52,893 against PY USD 618175)	5.68	2.83
-Capital Goods (USD 62000)	0.18	Nil
-For expenses	0.22	0.19

**For and on behalf of the Board**

Place: Hyderabad  
Date: 30-05-2012

Sd/-  
G. Ganesh Kumar  
Managing Director

Sd/-  
G. Rama Raju  
Director



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### OVERVIEW OF INDIAN PHARMACEUTICAL INDUSTRY

The Pharmaceutical industry in India is the world's third-largest in terms of volume and stands 14th in terms of value. According to Department of Pharmaceuticals, Ministry of Chemicals and Fertilizers, the total turnover of India's pharmaceuticals industry between 2008 and September 2009 was US\$21.04 billion. While the domestic market was worth US\$12.26 billion, sale of all types of medicines in the country is expected to reach around US\$19.22 billion by 2012. Exports of pharmaceuticals products from India increased from US\$6.23 billion in 2006-07 to US\$8.7 billion in 2008-09 a combined annual growth rate of 21.25%. According to PricewaterhouseCoopers (PWC) in 2010, India joined among the league of top 10 global pharmaceuticals markets in terms of sales by 2020 with value reaching US\$50 billion.

### COMPANY PERSPECTIVE

Tyche Industries Ltd. has developed reputation as a quality and reliable manufacturer and exporter of Active Pharmaceutical Ingredients, intermediates and nutraceuticals.

Tyche Industries Ltd. is one of the largest manufacturers in India of Glucosamine Products, which are mainly exported to USA and Europe.

The company is continuously upgrading its manufacturing facilities and systems with a view to obtain certification from US and European Regulatory Agencies. Once these approvals are obtained, the company's products can be sold in the Regulated Markets. Presently the company has WHO-GMP and ISO 9001-2008 Certificates.

### OPPORTUNITIES AND THREATS

The Indian Pharmaceutical Industry consists of quality producers and a large number of units are approved by regulatory agencies of USA and European Countries. Indian Pharma companies are very strong in Chemistry and Chemical Process Development. In view of the above, Indian Pharma companies are expected to grab a major share of the outsourcing opportunities from Global generic companies.

However, increasing infrastructural problems and high power tariff are bound to make the company's products more expensive. The company also has to watch the new patent regime which may restrict the manufacture of some of the newer drugs.

The Company believes that competition in the market has to be met squarely by developing production systems based on cost efficiency, high productivity, modern technology, quality assurance and timely deliveries. Accordingly, the Company is gearing itself to exploit the opportunities by developing innovative product process and applications. Constant efforts are being made to meet the stringent quality requirements in all markets. New markets are being explored and efforts are ongoing to widen the depth and penetration of the existing markets.

**SEGMENTWISE OR PRODUCTIONWISE PERFORMANCE**

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.

**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. In addition several new products are in the pipeline with which the company hopes to increase its revenues and profitability by about 20% in the ensuing years.

For future expansion, the company acquired 5 acres of land at Ramky Pharma SEZ, Visakhapatnam.

**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 other suppliers in India and more so from 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 diversify the product portfolio, increase the number of customers and introducing newer products.

The company is also focussing on obtaining regulatory approvals and entering into new markets.

**3. EXCHANGE RATE:**

Since 40% of the Company's revenues accrue from Exports. Finance Department is constantly monitoring the situation and taking action against major fluctuations

**4. 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. The Company has an Audit Committee consisting of three 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, 2012 the Company had 213 employees.

**FINANCIAL PERFORMANCE:**

During the year, your Company has achieved a total income of Rs. 49.80 Crores as against Rs. 45.91 Crores in the previous year and earned a net profit of Rs. 2.84 Crores (Previous Year Rs. 2.43 Crores) after providing Income Tax, Deferred Tax and Income tax- prior period of Rs. 1.61 Crores (Previous Year Rs. 0.81 Crores).

**CAUTIONARY STATEMENT:**

The financial statements have been prepared in compliance with the requirements of the Companies Act, 1956, guidelines issued by Securities and Exchange Board of India (SEBI), Generally Accepted Accounting Principles in India and Accounting Standards 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.



## 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 and Category of Directors as on 31<sup>st</sup> March, 2012 was as follows:

Name	Category & Designation	Attendance at Last AGM	No. of meetings held during the last Financial Year 2011-2012	No. of meetings attended	No. of memberships on boards of other Companies	No. of Board committees in which he is a member in other companies	No. of Board committees in which he is a Chairman in other companies
Mr. G.Ganesh Kumar	Chairman, Managing Director and Promoter	Present	6	6	6	NIL	NIL
Sri. G. Rama Raju	Executive Director, Promoter	Present	6	6	6	NIL	NIL
Mr. Harichandra Kanti Mahanti	Independent Director	Present	6	6	7	NIL	NIL
Mr. Asish Uniyal	Independent Director	Present	6	6	5	NIL	NIL
Mr. Boosa Eswar (w.e.f. 3rd May, 2012)	Independent Director	N.A.	NIL	NIL	1	NIL	NIL

#### Meetings of the Board of Directors:

During the Financial Year 2011-12, the Board of Directors met 6 (six) times, viz., on 31/05/2011, 12/08/2011, 05/09/2011, 30/09/2011, 14/11/2011 and 14/02/2012.



### 3) AUDIT COMMITTEE :

#### **Brief description of the terms of reference:**

The terms of reference of the Audit Committee are comprehensive and cover the matters specified for audit committees under the Listing Agreements with stock exchanges. The Committee provides the Board with additional assurance as to the adequacy of Company's internal control systems and financial disclosures.

#### **The Audit Committee's role is briefly described below:**

- oversee the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible;
- review with management the quarterly and annual financial statement before submission to the Board for approval;
- review with the management, the statement of uses/ application of funds
- recommend the appointment, re-appointment and if required, replacement/removal of statutory auditor, fixation of audit fee and approval for payment of any other services;
- deliberate with statutory auditors before the audit commences on the nature and scope of audit, as well as having post-audit discussion to ascertain any area of concern;
- review the qualifications, if any, in the draft audit report;
- review with the management, performance of statutory auditors, and adequacy of the internal control systems;
- appraise the Company's financial and risk management policies

#### **Composition:**

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

1. Mr. Harichandra Kantimahanti - Chairman
2. Mr. Ashish Uniyal
3. Mr. G. Ramaraju

The Audit Committee met 4 (four) times during the year on viz., on 31/05/2011, 12/08/2011, 14/11/2011 and 14/02/2012 and all the directors attended the committee meetings.

The Audit Committee has reconstituted on 30/05/2012 comprising of three independent directors consists of:

1. Mr. Harichandra Kantimahanti- Chairman
2. Mr. Boosa Eshwar
3. Mr. Ashish Uniyal

### 4) REMUNERATION COMMITTEE

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



**Composition:** The remuneration committee consists of:

1. Mr. Ashish Uniyal - Chairman
2. Mr. Harichandra Kantimahanti
3. Mr. G. Ramaraju

The Remuneration Committee has reconstituted on 30/05/2012 consists of:

1. Mr. Ashish Uniyal - Chairman
2. Mr. Harichandra Kantimahanti
3. Mr. Boosa Eshwar

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

#### 5) **INVESTORS' GRIEVANCE COMMITTEE / SHARE TRANSFER COMMITTEE**

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

1. Mr. Ashish Uniyal Chairman
2. Mr. Harichandra Kantimahanti
3. Mr. G. Ganesh Kumar

The Investors Grievance Committee/ Share Transfer Committee has reconstituted on 30/05/2012 consists of:

1. Mr. Boosa Eshwar Chairman
2. Mr. Ashish Uniyal
3. Mr. G. Ganesh Kumar, Managing Director, to perform the following functions.

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

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

The subcommittee will also focus on strengthening investor relations.

b) **Others:**

Name and designation of compliance officer: Mr. G. Ganesh Kumar, Managing Director.

Phone No : 040 23540979

Fax No. : 040 23540933

Email ID : vasanth@tycheindustries.com

There are no valid requests pending for share transfers as on the date of Directors' Report.



## 6) DATE, VENUE AND TIME OF THE ANNUAL GENERAL MEETINGS HELD SINCE LAST 3 YEARS

Date	Venue	Time	No. of Special Resolutions
30.09.2011	Sri Sagi Ramkrishnam Raju Community Hall, Madura Nagar, Hyderabad 500038	11.30 A.M.	NIL
30.09.2010	Sri Sagi Ramkrishnam Raju Community Hall, Madura Nagar, Hyderabad 500038	11.30 A.M.	2
30.09.2009	Sri Sagi Ramkrishnam Raju Community Hall, Madura Nagar, Hyderabad 500038	11.00 A.M.	1

### Postal Ballot

No Special Resolution was passed through postal Ballot during the Financial Year 2011-12. None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing a Special Resolution through Postal Ballot.

## 7) 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. The related party transactions where ever there were have been disclosed in the "Notes on Accounts in Point No:(1 (T))

### ii. Code of Conduct:

The Board of Directors 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 Managing Director of the Company affirming the compliance of the same in respect of the financial year ended on 31st March, 2012 by the members of the Board and Senior Management Personnel, as applicable to them, is also annexed separately to this Annual Report.

### iii. Compliance by the Company

The Company has complied with the requirements of the Stock Exchange, SEBI and other statutory authorities on all matters relating to capital market during the last three years.

### 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.

## 8) MEANS OF COMMUNICATION

The Company is presently publishing the quarterly results in newspapers as per listing agreement requirements. Also, the results are available on Company's website [www.tycheindustries.com](http://www.tycheindustries.com) and also on BSE's website [www.bseindia.com](http://www.bseindia.com)

**9) GENERAL INFORMATION FOR SHAREHOLDERS**

- (a) Indicated in the Notice to our shareholders, the Annual General Meeting of the Company will be held on 29th September, 2012 at 11.30 a.m at Sagi Ramakrishnam Raju Community Hall, Madura Nagar, Hyderabad - 500038.
- (b) The Financial Period of the Company is from 1st April, 2011 to 31st March, 2012.
- (c) Date of book closure: From 26th September, 2012 to 29th September, 2012 (both days inclusive) for the purpose of the Annual General Meeting and payment of dividend (subject to approval of shareholders)
- (d) The shares of the Company are listed on BSE Limited. However, the scrip was temporarily suspended from trading due to penal reasons. Your Directors are making efforts to revoke the suspension and it is in progressive stage. The listing fees as on date have been paid to the above stock exchange where the Company's shares are listed.

BSE Scrip Code : 532384

ISIN : INE443B01012 (Fully paid up)

: IN9443B01010 (Partly paid up)

- (e) Monthly high and low stock quotations during the last financial year are as under:-

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

MONTH	HIGH	LOW
APRIL 2011	15.22	13.15
MAY, 2011	14.80	13.40
JUNE, 2011	14.70	13.00
JULY, 2011	15.40	13.70
AUGUST, 2011	15.55	11.70
SEPTEMBER, 2011	14.14	11.51
OCTOBER, 2011	13.80	12.37
NOVEMBER, 2011	13.40	10.50
DECEMBER, 2011	11.44	9.00
JANUARY, 2012	12.40	10.22
FEBRUARY, 2012	13.90	11.50
MARCH, 2012	14.88	11.03



(f) As of March 31, 2012 the distribution of our shareholding was as follows:

Category (No. of Shares) From To	No. of Shareholders	%	No. of Shares	%
Upto 5000	1459	63.71	296029	2.89
5001 - 10000	282	12.31	245479	2.39
10001 - 20000	146	6.38	231400	2.26
20001 - 30000	189	8.25	481182	4.69
30001 - 40000	35	1.53	127543	1.24
40001 - 50000	42	1.83	203137	1.98
50001 - 100000	61	2.66	476109	4.64
100001 - and above	76	3.32	8189121	79.89
Total	2290	1 00.00	10250000	100.00

(e) Address for correspondence:

(i) Registered Office: H. No. C 21/A, Road No 9, Film Nagar Jubilee Hills, Hyderabad - 500096

(ii) Registrar and Share Transfer Agents: CIL Securities Ltd, 214, Raghava Ratna Towers, Chirag Ali Lane, Abids, Hyderabad - 500001

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

Place: Hyderabad  
Date: 30-05-2012

Sd/-  
(G. Ganesh Kumar)  
Chairman & Managing Director

Sd/-  
(G. Rama Raju)  
Director

**AUDITORS CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE**

To  
The Members of  
Tyche Industries Limited  
Hyderabad. 500096.

We have examined the compliance of conditions regarding corporate governance by **M/s Tyche Industries Limited** for the year ended 31<sup>st</sup> March 2012, as stipulated in clause 49 of the listing agreement of the company with stock exchanges. However, as explained to us by the management the scrip was temporarily suspended from trading due to not redressing some of the investor grievances in time and non submission of certain data to the stock exchange in time.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of corporate governance as stipulated in the above, mentioned listing agreement.

We state that generally no investor grievances are pending at present for a period exceeding one month against the company as per the records maintained by the company as per the information and explanations furnished to us by the management.

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

For P.S.N.RAVISHANKER & ASSOCIATES  
Chartered Accountants  
Firm Reg No: 0032285

Sd/-  
(P. RAVI SHANKER)  
Partner

Place : Hyderabad  
Date : 30-05-2012

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**Declaration on compliance with Code of Conduct.**

I, G. Ganesh Kumar, Managing Director, hereby declare that as provided under Clause 49 of the Listing Agreements with the stock exchanges, the Board Members and the senior management personnel have confirmed compliance with the Code of Conduct and Ethics for the year ended March 31, 2012.

For Tyche Industries Limited

Sd/-  
G.GANESH KUMAR  
Chairman & Managing Director

Place: Hyderabad  
Date: 30/05/2012





## CEO/CFO Certification

To  
The Board of Directors  
Tyche Industries Limited  
Hyderabad

We, G. Ganesh Kumar, Managing Director and Gokaraju Ramaraju, Director of M/s Tyche Industries Limited to the best of our knowledge and belief certify that:

1. We have reviewed the Balance Sheet and Profit and Loss account, and all the schedules and notes on accounts, as well as the Cash Flow statements for the financial year 2011 - 2012.
2. Based on our knowledge and information, these statements do not contain any untrue statement of a material fact or statement that might be misleading
3. Based on our knowledge and information, the financial statements, and other financial information included in this report, present in all material respects a true and fair view of the Company's affairs, the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report, and are in compliance with the existing accounting standards and / or applicable laws and regulations.
4. 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.
5. We are responsible for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting for the Company, and we have :
  - a. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements.
  - b. Evaluated the effectiveness of the Company's disclosure, controls and procedures.
6. We have disclosed, based on our most recent evaluation, wherever applicable, to the Company's auditors and the audit committee of the Company's Board of Directors (and persons performing the equivalent functions) :
  - a. There were no deficiencies in the operation of internal controls, that could adversely affect the Company's ability to record, process, summarize and report financial data, and there have been no material weaknesses in internal controls over financial reporting including any corrective actions with regard to deficiencies.
  - b. There were no significant changes in internal controls during the year covered by this report.
  - c. There were no significant changes in accounting policies during the year covered by this report.
  - d. There were no instances of fraud of which we are aware, that involve the Management or other employees who have a significant role in the Company's internal control system.

### **For Tyche Industries Limited**

Place: Hyderabad  
Date: 30-05-2012

Sd/-  
**G. Ganesh Kumar**  
Managing Director

Sd/-  
**G. Rama Raju**  
Director

**AUDITORS REPORT**

To,  
The Members of  
M/s. TYCHE INDUSTRIES LIMITED,  
D.No. C-21/A, Road No.9, Film Nagar,  
Jubilee Hills,  
Hyderabad-500 033.

From:  
P.S.N.RAVISHANKER&ASSOCIATES  
Chartered Accountants,  
Flat No.205, "B"- "Block"  
Kushal Towers, Khairatabad,  
Hyderabad-500 004.

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We have audited the attached Balance Sheet of *M/s TYCHE INDUSTRIES LTD* as at 31<sup>st</sup> March, 2012, the statement of Profit and Loss and cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

- I. As required by the Companies (Auditors Report) Order, 2003, issued by the Central Government of India in terms of sub-Section (4A) of Section 227 of the Companies Act, 1956, we have enclosed a Statement on the matters specified in paragraphs 4 and 5 of the said order.
- II. Further to our statement referred to in paragraph 1 above, we report that:
  - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of accounts as referred by law have been kept by the Company, so far as it appears from our examination of those books.
  - c) The Balance Sheet and statement of Profit and Loss and cash flow statement dealt with by this report are in agreement with the books of account.
  - d) In our opinion, the Balance Sheet and statement of Profit and Loss and the cash flow statement dealt with by this report comply with the Accounting Standards referred to in Sub-Section (3C) of Section 211 of the Companies Act, 1956.
  - e) On the basis of written representations received from the directors, as on 31-03-2012, and taken on record by the Board of directors, we report that none of the directors is disqualified as on 31.03.2012 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.



- f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- i) In so far as it relates to the Balance Sheet of the state of affairs of the company as at 31<sup>st</sup> March, 2012; and
- ii) In so far as it relates to the statement of Profit & Loss of the Profit for the year ended on that date.
- iii) In so far as it relates to the cash flow statement, of the cash flows for the year ended on that date.

For P.S.N.RAVISHANKER & ASSOCIATES  
Chartered Accountants  
Firm Reg No: 0032285

Place: Hyderabad  
Date : 30-05-2012

Sd/-  
(P.RAVISHANKER)  
Partner

**STATEMENT REFERRED TO IN THE AUDITORS REPORT**

- 1 a) The Company is maintaining proper records which show broad particulars including quantitative details and situation in respect of the fixed assets. However the fixed Assets register is to be updated.
- b) The fixed assets of the company have been broadly verified during the year by the management at reasonable intervals: we are informed that no material discrepancies were noticed on such verification.
- c) The company has not disposed off substantial part of its fixed assets so as to affect the going concern concept.
- 2 a) As explained to us, Physical verification of inventory has been conducted by the management during the year in respect of majority of the high value items at reasonable intervals.
- b) The procedures of physical verification of inventory followed by the management appear to be generally reasonable and adequate in relation to the size of the company and the nature of its business.
- c) The company is maintaining proper records of inventory and we are informed that no material discrepancies were noticed on Physical verification.
3. As per the information and explanations furnished to us by the management during the year the company has not granted any loans, secured or unsecured, to the parties covered in the register maintained under Section 301 of the Act.

During the year the Company has accepted unsecured loan from the managing director of the company, covered in the register maintained u/s 301 of the Act, amounting to Rs 102.00 Lacs ( P.Y NIL) we are informed that the said unsecured loan does not carry any interest and no specific repayment period is fixed in this regard and the other terms and conditions. Prima facie, do not appear to be prejudicial to the interests of the company.

4. In our opinion and according to the information and explanations given to us, the internal control procedures existing in the company with regard to purchase of Inventory and Fixed Assets and for the sale of goods including processing charges, prima facie, appear to be commensurate with the size of the company and the nature of its business.
5. As per the information and explanations furnished to us by the management during the year, there are no transactions that need to be entered into the register in pursuance of Section.301 of the Act.
6. As per the information and explanations furnished to us, the Company has not accepted any deposits from the Public during the year to which the directives issued by the Reserve Bank of India and the provisions of Sec.58A and 58AA of the Act and the Rules framed there under apply.
7. The company does not have any formal internal audit system during the year. It has been explained to us that the internal control systems existing in the company cover some of the internal audit aspects also.



8. The company has maintained the records, which broadly meet the requirements of the Cost Records U/s.209 (1) (d) of the Companies Act, 1956. However, we have not examined the contents of these accounts and records in detail.
9. The undisputed dues including Provident fund, Investor education and protection fund, Employees State Insurance, Income-Tax, Sales tax, Wealth tax, Custom duty, Excise duty, Cess and other statutory dues have been deposited generally by the company during the year with the appropriate authorities.
10. The company has been registered for period not less than 5 years and there are no accumulated losses in the company as at 31.03.2012. The company has not suffered cash losses during the current financial year and in the immediately preceding financial year.
11. The company has not defaulted in repayment of dues to banks. The company has not raised any funds from financial institutions/debenture holders.
12. During the year the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion and according to the information and explanations given to us, the company is not a chit fund, Nidhi/ mutual benefit fund/ society.
14. The company is not dealing or trading in shares, securities, debentures and other investments.
15. As per the information and explanations furnished to us the company has not given any guarantee for loans taken by others from banks or financial institutions.
16. During the year the company has not obtained any term loans.
17. The funds raised on short-term basis do not prima-facie appear to have been used for long-term investment and vice versa.
18. During the year the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
19. The company has not issued any debentures.
20. The company has not raised money through public issue during the year.
21. According to the information and explanations furnished to us, during the year, there was no fraud on or by the company that has been noticed or reported by the management.

For P.S.N.RAVISHANKER & ASSOCIATES  
Chartered Accountants  
Firm Reg No: 0032285

Sd/-  
(P. RAVI SHANKER)  
Partner

Place : Hyderabad,  
Date : 30-05-2012

**BALANCE SHEET AS AT MARCH 31, 2012**

(Amount in Rupees)

Particulars	Notes	As at 31-Mar-2012	As at 31-Mar-2011
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	2	<b>100,701,000</b>	100,701,000
(b) Reserves and surplus	3	<b>229,976,533</b>	207,326,136
		<b>330,677,533</b>	308,027,136
<b>2 Non-current liabilities</b>			
(a) Long-term borrowings	4	<b>10,200,000</b>	-
(b) Deferred tax liabilities (Net)	5	<b>18,425,815</b>	15,524,815
(c) Other Long term liabilities	6	<b>521,530</b>	223,036
(d) Long-term provisions	7	<b>1,235,233</b>	1,381,097
		<b>30,382,578</b>	17,128,948
<b>3 Current liabilities</b>			
(a) Short-term borrowings	8	<b>65,114,431</b>	100,069,953
(b) Trade payables	9	<b>74,388,977</b>	75,685,600
(c) Other current liabilities	10	<b>19,629,098</b>	25,828,114
(d) Short-term provisions	11	<b>16,545,134</b>	12,782,296
		<b>175,677,640</b>	214,365,963
<b>TOTAL</b>		<b>536,737,751</b>	539,522,047
<b>II. ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	12	<b>223,352,494</b>	218,242,840
(ii) Capital work-in-progress		<b>3,418,324</b>	-
(b) Non-current investments	13	<b>12,072</b>	12,072
(c) Long-term loans and advances	14	<b>4,495,673</b>	4,124,471
(d) Other non-current assets	14(a)	<b>2,892,492</b>	2,842,832
		<b>234,171,055</b>	225,222,215
<b>2 Current assets</b>			
(a) Inventories	15	<b>124,677,322</b>	109,466,158
(b) Trade receivables	16	<b>137,074,057</b>	130,694,479
(c) Cash and Cash Equivalents	17	<b>20,158,578</b>	43,740,807
(d) Short-term loans and advances	18	<b>5,312,141</b>	17,094,729
(e) Other current assets	19	<b>15,344,598</b>	13,303,659
		<b>302,566,696</b>	314,299,832
<b>TOTAL</b>		<b>536,737,751</b>	539,522,047
Summary of Significant Accounting Policies & Other Disclosures	1		

The accompanying notes are an integral part of the financial statements

As per our Report of even date attached  
For P.S.N.RAVISHANKER & ASSOCIATES  
Chartered Accountants

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

Sd/-  
(P.RAVI SHANKER)  
Partner

Sd/-  
(G.GANESH KUMAR)  
Managing Director

Sd/-  
(G.RAMA RAJU)  
Director

Place: Hyderabad  
Date: 30-05-2012



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2012

(Amount in Rupees)

Particulars	Refer Note No.	As at 31-Mar-2012	As at 31-Mar-2011
<b><u>INCOMES</u></b>			
I. Revenue from operations	20	493,612,315	457,389,331
II. Other income	21	4,353,599	1,702,299
<b>III. Total Revenue (I + II)</b>		<b>497,965,914</b>	<b>459,091,630</b>
<b><u>EXPENSES</u></b>			
a) Raw materials consumed	22	309,051,666	296,372,092
b) Changes in inventories of finished goods and work-in-progress	23	(17,052,353)	(17,865,467)
d) Employee benefits expense	24	22,299,903	20,118,292
e) Manufacturing expenses	25	82,950,268	91,126,515
f) Finance costs	26	12,858,071	5,572,932
g) Administration, Selling and Distribution expenses	27(a)	28,973,849	17,746,179
h) Other Expenses	27(b)	3,929,048	1,944,828
i) Depreciation and amortization expense	12	9,208,372	8,111,150
j) Remuneration to directors		1,200,000	3,600,000
Total expenses		<b>453,418,824</b>	426,726,521
<b>V. Profit before exceptional and extraordinary items and tax (III-IV)</b>		<b>44,547,090</b>	32,365,109
VI. Exceptional items		-	-
<b>VII. Profit before extraordinary items and tax (V - VI)</b>		<b>44,547,090</b>	32,365,109
VIII. Extraordinary Items		3,626,373	1,468,071
<b>IX. Profit before tax (VII- VIII)</b>		<b>40,920,717</b>	33,833,180
X. Tax expense:			
(1) Current tax		9,622,000	6,500,000
(2) Deferred tax		2,901,000	3,048,600
<b>XI. Profit/(loss) for the period from continuing operations (IX-X)</b>		<b>28,397,717</b>	24,284,580
XII. Profit/(loss) from discontinuing operations		-	-
XIII. Tax expense of discontinuing operations		-	-
<b>XIV Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)</b>		-	-
<b>XV Profit (Loss) for the period (XI + XIV)</b>		<b>28,397,717</b>	24,284,580
XVI. Earnings per equity share:			
'-Basic Earnings per share		2.82	2.37
'-Diluted Earnings per share		2.82	2.37
'-Nominal Value per equity share		10.00	10.00
Summary of Significant Accounting Policies & Other Disclosures	1		

The accompanying notes are an integral part of the financial statements

As per our Report of even date attached  
For P.S.N.RAVISHANKER & ASSOCIATES  
Chartered Accountants

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

Sd/-  
(P.RAVI SHANKER)  
Partner

Sd/-  
(G.GANESH KUMAR)  
Managing Director

Sd/-  
(G.RAMA RAJU)  
Director

Place: Hyderabad  
Date: 30-05-2012

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012**

(Amount in Rupees)

Particulars	As at 31-Mar-2012	As at 31-Mar-2011
<b>Net increase decrease cash and cash equivalents</b>		
<b>Net cash flow from used in operating activities</b>		
Net profit loss before tax extraordinary items	44,547,090	32,365,109
Adjustment depreciation	9,208,372	8,111,150
Adjustment provision income tax	(13,248,373)	(5,031,929)
Adjustment gain loss sale disposal fixed assets	-	1,278
Adjustment interest received	(1,298,606)	(1,186,589)
Adjustments profit loss operations	(5,338,607)	1,893,910
<b>Operating profit loss before changes working capital</b>	<b>39,208,483</b>	<b>34,259,019</b>
<b>Changes working capital</b>		
<b>Changes current assets loans advances</b>		
Changes inventories	(15,211,164)	(42,492,556)
Changes sundry debtors	(6,379,578)	(13,282,406)
Changes other current assets	(2,040,939)	3,790,902
Changes current assets loans advances	11,782,588	(6,878,607)
<b>Changes current assets loans advances</b>	<b>(11,849,093)</b>	<b>(58,862,667)</b>
<b>Changes current liabilities provisions</b>		
<b>Changes trade other payables</b>		
Changes trade payables	(1,296,623)	43,271,432
Changes other liabilities	(6,199,016)	21,525,384
Changes provisions	812,548	652,372
Changes current liabilities provisions	3,102,920	(4,003,204)
<b>Changes current liabilities provisions</b>	<b>(3,580,171)</b>	<b>61,445,984</b>
<b>Changes working capital</b>	<b>(15,429,264)</b>	<b>2,583,317</b>
<b>Net cash flow from used in operating activities</b>	<b>23,779,219</b>	<b>36,842,336</b>
<b>Net cash flow used in investing activities</b>		
Purchase tangible fixed assets	(17,736,350)	(94,150,458)
Loans to others	(371,202)	(1,785,172)
Advances to others	(49,660)	(378,486)
Proceeds sale disposal tangible fixed assets	-	70,000
Proceeds interest bank deposits	1,298,606	1,186,589
<b>Net cash flow used in investing activities</b>	<b>(16,858,606)</b>	<b>(95,057,527)</b>
<b>Net cash flow from used in financing activities</b>		
Proceeds long-term borrowings	(24,755,522)	99,621,046
Dividend equity shares paid	(4,945,100)	(4,945,100)
Dividend distribution tax equity shares paid	(802,220)	(821,300)
<b>Net cash flow from used in financing activities</b>	<b>(30,502,842)</b>	<b>93,854,646</b>
<b>Net increase/ (decrease) cash and cash equivalents</b>	<b>(23,582,229)</b>	<b>35,639,455</b>
<b>Cash and Cash Equivalents, Beginning Balance</b>	<b>43,740,807</b>	<b>8,101,352</b>
<b>Cash and Cash Equivalents, Ending Balance (Refer Note 17)</b>	<b>20,158,578</b>	<b>43,740,807</b>

Summary of Significant Accounting Policies &amp; Other Disclosures (Refer Note 1)

For and behalf of the Board of Directors of  
TYCHE INDUSTRIES LIMITEDPlace: Hyderabad  
Date: 30-05-2012Sd/-  
G.GANESH KUMAR  
Managing DirectorSd/-  
G.RAMA RAJU  
Director

We have examined the Cash Flow Statement of M/s Tyche Industries Limited for the year ending 31st March, 2012. The Statement has been prepared by the Company in accordance with the requirements of clause 32 of the Listing Agreement with Stock Exchange and is based on and is in agreement with the corresponding Profit & Loss Account and Balance Sheet of the Company dealt with in our report of 30.05.2012 to the members of the Company.

For P.S.N.RAVISHANKER & ASSOCIATES  
Chartered AccountantsPlace: Hyderabad  
Date: 30-05-2012Sd/-  
(P.RAVI SHANKER)  
Partner





## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

### 1. *Significant Accounting Policies:*

#### A. *Basis of Preparation of Financial Statements*

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'. The Company has complied with all material aspects with all mandatory accounting standards issued by the Institute of Chartered Accountants of India to the extent applicable and with the relevant provisions of the Companies Act, 1956.

Accounting policies not referred to herein otherwise are consistent with Generally Accepted Accounting Principles in India.

#### B. *Change in Accounting Policy*

Presentation and disclosure of financial statements:

During the year ended March 31, 2012, the revised Schedule VI notified under the Companies Act, 1956 has become applicable to the Company for preparation and presentation of its financial statements. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosures made in the financial statements. The Company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

#### C. *Fixed assets and depreciation*

Fixed assets are carried at the cost of acquisition or construction less 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 on fixed assets is provided using the straight-line method at the rates specified in Schedule XIV to the Companies Act, 1956. Depreciation is calculated on a pro-rata basis from the date of installation till the date the assets are sold or disposed.

#### D. *Use of estimates*

The preparation of financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the 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.

#### 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 is inclusive of excise duty 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.

**F. Investments:**

Long term investments are valued at cost of acquisition. However, provision for diminution in value, if any, is made to recognise a decline other than temporary in the value of investments. Income from investments is recognised in the accounts in the year in which it is received.

**G. Inventories**

Raw materials, packing materials, stores, spares, consumables and finished goods are valued at cost.

Work-in-progress is valued at lower of cost of raw material plus proportionate overheads as per AS-2 issued by ICAI. Cost includes all charges incurred for bringing the goods to the location of the manufacturing facilities.

Net realizable value is the estimated selling price in the ordinary course of business, reduced by the estimated costs of completion and costs to effect the 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 Profit and Loss Account;
- 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.

**I. Research & Development Expenditure:**

Research and Development expenditure, which is of revenue nature, is charged to the Profit & Loss Account and expenditure, which is of capital nature, is added to the cost of Fixed Assets 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 tax is made based on the tax rates and tax laws as applicable to the year. Provision for Deferred tax on account of timing difference is made as per Accounting Standard-22 issued by the ICAI.

**K. Retirement Benefits:**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 Profit & Loss Account of 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:**

As required by the Accounting Standard (AS-28) "Impairment of Assets", issued by the Institute of Chartered Accountants of India, it is the policy of the company to assess at each balance sheet date whether there is any indication that any fixed asset may be impaired. During the year there is no impairment loss.

### **M. Leases**

Where the Company is lessee: Finance leases, where the substantial risks and benefits incidental to ownership of the leased items are transferred to the Company, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets.

Leases that do not transfer substantially all of the risks and rewards of ownership are classified as operating leases. Lease payments under an operating lease are recognised as expense in the profit and loss account as a straight line basis over the lease term. However presently there are no operating/finance leases in the company as per AS-19 of ICAI

### **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.

(Amount in Rs.)		
Computation of Basic & Diluted Earnings per Share	March 31, 2012	March 31, 2011
I. Net Profit as per Profit and Loss Account available to equity shareholders	28397714	24284579
II. Weighted Number of Equity Shares issued	10070100	10070100
II. Basic & Diluted Earnings per Share	2.82	2.41

### **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	2011-12		2010-11	
	Revenue	%	Revenue	%
Domestic	27.70	59.45	27.23	64.78
Export	18.89	40.55	14.80	35.22
Total	46.59	100.00	42.03	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. Cash and cash equivalents**

Cash and cash equivalents in the cash flow statements comprise Bank balances and cash in hand and short-term investments with an original maturity of three months or less.

**R. 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 Company does not recognise the contingent liability but discloses its existence in the financial statements. The outstanding liability in respect of the un-expired letters of credit as at 31.03.2012 Rs. 0.11 Crores ( P.Y Rs 2.46 Crores)

**S. 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.



### T. 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.

(Amount Rupees in Crores)				
S.No.	Name of the Party	Nature of Relation	2011-12	2010-11
1	Sudershan Laboratories Limited - Inter corporate loan	Common Director	0.45	0.41
2	Tyche Chem Limited a) Purchase b) Sale c) Processing Charges d) Others	Common Director	7.15 0.69 0.49 0.02	5.17 0.13 0.21 0.03
3	G. Ganesh Kumar - Remuneration - Loan given to Company	Key Management Person	0.12 1.02	0.36 0

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

### 2. Share Capital

Particulars	As at March 31, 2012		As at March 31, 2011	
	Number	Amount in Rs.	Number	Amount in Rs.
Authorised Equity Shares of Rs. 10/- each	11,000,000	110,000,000	11,000,000	110,000,000
Issued, Subscribed and Paid up Equity Shares of Rs. 10/- each	10,250,000	102,500,000	10,250,000	102,500,000
Less: Calls unpaid on 359800 equity shares of Rs.5/- each (Previous year 359800 equity shares of Rs.5/- each)		1,799,000		1,799,000
<b>Total</b>	<b>10,250,000</b>	<b>100,701,000</b>	<b>10,250,000</b>	<b>100,701,000</b>

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

Particulars	As at March 31, 2012		As at March 31, 2011	
	Number	Amount in Rs.	Number	Amount in Rs.
Equity Shares				
Shares outstanding at the beginning of the year	10,250,000	102,500,000	10,250,000	102,500,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	10,250,000	102,500,000	10,250,000	102,500,000

#### 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 declares 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, 2012, amount of dividend per share recognised as distributions to equity shareholders is Rs.0.50 (March 31,2011:Rs.0.50)



## c. Disclosure pursuant to Note no.6(A)(g) of Part I of Schedule VI to the Companies Act, 1956

Name of Shareholder	As at March 31, 2012		As at March 31, 2011	
	No. of Shares	% of Holding	No. of Shares held	% of Holding
G. Sandeep	766,920	7.48%	746,920	7.29%
G. Ganesh Kumar	1,231,100	12.01%	1,231,100	12.01%
Silver Oak Technologies (p) Limited	1,496,917	14.60%	1,496,917	14.60%
Sri Indra Distillery (p) Limited	1,496,350	14.60%	1,496,350	14.60%
Tyche Chem Limited	1,533,532	14.96%	1,533,532	14.96%

**3. Reserves & Surplus**

Particulars		As at March 31, 2012 Rs	As at March 31, 2011 Rs
a. General Reserves			
Opening Balance		28,476,963	26,196,963
(+) Current Year Transfer		3,200,000	2,280,000
(-) Written Back in Current Year		-	-
Closing Balance	A	31,676,963	28,476,963
b. Surplus			
Opening balance		178,849,173	162,610,996
(+) Net Profit/(Net Loss) For the current year		28,397,717	24,284,577
(-) Proposed Dividend & Dividend Tax		5,747,320	5,766,400
(-) Transfer to Reserves		3,200,000	2,280,000
Closing Balance	B	198,299,570	178,849,173
Total	(A+B)	229,976,533	207,326,136

**4. Long Term Borrowings**

Particulars	As at March 31, 2012 Rs	As at March 31, 2011 Rs
Loans and advances from related parties (Taken from Managing Director of the Company & Interest free loan) (Repayable after 1 year)	10,200,000	-
Total	10,200,000	-

**5. 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 accruing during the year of Rs. 29,01,000 in the Profit & Loss Account. The details are as follows:



Deferred Tax Liability (Net) of Rs.1,84,25,815 shown in the Balance Sheet as on 31.03.2012 comprises of the following:

(Amount in Rupees)

Deferred Tax Liability:	As at March 31, 2012	As at March 31, 2011
Opening Deferred Tax Liability	15,524,815	12,476,215
on Account of Depreciation provided on fixed Assets	2,901,000	3,048,600
<b>Deferred Tax Liability (Net)</b>	<b>18,425,815</b>	<b>15,524,815</b>

#### 6. Other Long Term Liabilities

Particulars	As at March 31, 2012 Rs.	As at March 31, 2011 Rs.
(a) Others- Hire Purchase loans from Banks (Secured by Hypothecation of vehicles)	521,530	223,036
<b>Total</b>	<b>521,530</b>	<b>223,036</b>

#### 7. Long Term Provisions

Particulars	As at March 31, 2012 Rs.	As at March 31, 2011 Rs.
<b>Provision for employee benefits</b>		
Gratuity(unfunded)	1,235,233	1,381,097
<b>Total</b>	<b>1,235,233</b>	<b>1,381,097</b>

#### 8. Short Term Borrowings

Particulars	As at March 31, 2012 Rs.	As at March 31, 2011 Rs.
<b>Secured</b>		
<b>Loans repayable on demand from Banks -</b>		
<b>Working Capital Loans from Bank of India</b>		
- Cash Credit Facilities	45,114,431	80,099,272
- Packing Credit Facilities	20,000,000	19,970,681
(The Working Capital Loans from Bank of India, are secured by hypothecation of Stocks and book debts and the fund based along with non fund based limits are further collaterally secured by Equitable Mortgage of (i) Ac.3.00 (17424 Sq. Yards) Industrial land with godown situated with in the factory premises at survey no.94/1, Sarpavaram Village, kakinada belonging to the company. (ii) EQM of Plot Nos 31 & 32 in S.No92 admeasuring 520 &487 Sq yards respectively belonging to the company and (iii) negative lien over netblock (other than item offered to the bank as security and also personal guarantee given by G. Ganesh Kumar, Managing Director of the Company)		
<b>Total</b>	<b>65,114,431</b>	<b>100,069,953</b>



## 9. Trade Payables

Particulars	As at March 31, 2012 Rs.	As at March 31, 2011 Rs.
Trade payables for Raw Materials	63,441,062	73,812,179
Creditors for Expenses	2,413,411	1,873,421
Creditors for capital goods	8,534,504	-
	74,388,977	75,685,600

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 not forthcoming from the respective parties.

## 10. Other Current Liabilities

Note 1 Disclosure pursuant to Note no. 6(G) of Part I of Schedule VI to the Companies Act, 1956

Particulars	As at March 31, 2012 Rs.	As at March 31, 2011 Rs.
(a) Current maturities of long-term debt	573,036	728,731
(b) Current maturities of lease obligations for land at SEZ, Vizag , JNPC	17,001,600	21,252,000
(c) Unpaid dividends	384,225	384,225
(d) Other payables (specify nature)		
Statutory dues	815,213	2,148,998
Others	855,024	1,314,160
Total	19,629,098	25,828,114

## 11. Short Term Provisions

Short Term Provisions	As at March 31, 2012 Rs.	As at March 31, 2011 Rs.
<b>(a) Provision for employee benefits</b>		
Due to Employee Benefits	1,175,814	515,896
Salary & other Reimbursements	35,525	26,656
Contribution to PF & ESI	400,092	309,990
Gratuity (Funded)	721,147	-
Professional Tax	19,050	179,250
<b>(b) Others (Specify nature)</b>		
Proposed Dividend	4,945,100	4,945,100
Dividend tax	802,220	821,300
Provision for Current Tax	9,622,000	6,500,000
Total	16,545,134	12,782,296





**12. Fixed Assets- Tangible Assets** (Amount in Rupees)

Description	Gross Block				Accumulated Depreciation				Net Block		
	Balance as at 1 April 2011	Additions/ (Disposals) through business combinations	Revaluations/ (Impairments)	Balance as at March 31, 2012	Balance as at 1 April 2011	Depreciation charge for the year	Adjustment due to revaluations	On disposals	Balance as at March 31, 2012	Balance as at 1 April 2011	Balance as at March 31, 2012
<b>a</b>											
<b>Tangible Assets</b>											
Land- Freehold	19,989,030			19,989,030	-	-	-	-	-	19,989,030	19,989,030
Land under lease *	62,610,000			62,610,000						62,610,000	62,610,000
Factory Buildings	31,073,821	464,823		31,538,644	5,033,285	1,048,007			6,081,292	26,040,536	25,457,352
Plant and Equipment	103,888,933	7,529,275		111,418,208	17,958,407	5,629,177			23,587,584	85,930,526	87,830,624
Furniture and Fixtures	8,295,622	215,483		8,511,105	5,559,628	425,130			5,984,758	2,735,994	2,526,347
Lab Equipment	12,935,123	3,142,645		16,077,768	3,049,405	706,650			3,756,055	9,885,718	12,321,713
Vehicles	8,594,655	2,897,211		11,491,866	4,079,996	897,353			4,977,349	4,514,659	6,514,517
Electrical Equipment	8,290,401	68,589		8,358,990	1,754,024	502,055			2,256,079	6,536,377	6,102,911
Total	255,677,585	14,318,026	-	269,995,611	37,434,745	9,208,372	-	-	46,643,117	218,242,840	223,352,494
Capital Work In Progress		3,418,324		3,418,324						-	3,418,324
Grand Total	255,677,585	17,736,350	-	273,413,935	37,434,745	9,208,372	-	-	46,643,117	218,242,840	226,770,818

\*Land Held under lease taken from M/s Ramky Pharma City (India) limited for a initial period of 33 years and the Lessee has the option to renew twice the lease term of the land situated in SEZ for a period of 33 years each.

**13. Non-Current Investments**

Particulars	As at March 31, 2012 Rs.	As at March 31, 2011 Rs.
Investments in mutual Funds at cost		
'- Investments in Mutual Funds-(In ICICI Prudential Life of 751 Units @ 11.83/ unit)	12,072	12,072
<b>Total</b>	<b>12,072</b>	<b>12,072</b>

**14. Long Term Loans and Advances**

Particulars	As at March 31, 2012 Rs.	As at March 31, 2011 Rs.
- Loans and advances to related parties		
Unsecured, considered good	4,495,673	4,124,471
<b>Total</b>	<b>4,495,673</b>	<b>4,124,471</b>

Particulars	As at March 31, 2012 Rs.	As at March 31, 2011 Rs.
- Sudershan Laboratories Limited Company in which director is a member	4,495,673	4,124,471
<b>Total</b>	<b>4,495,673</b>	<b>4,124,471</b>

**14 (a) Other non-current assets**

Particulars	As at March 31, 2012 Rs.	As at March 31, 2011 Rs.
- Others - Security Deposits		
Unsecured, considered good	2,892,492	2,842,832
	<b>2,892,492</b>	<b>2,842,832</b>

**15. Inventories**

Inventories (As certified by the Management)	As at March 31, 2012 Rs.	As at March 31, 2011 Rs.
a. Raw Materials (Valued at Cost)	59,437,106	61,363,668
b. Work-in-progress (Valued at Cost) - Refer to Note.23	62,048,970	45,581,393
c. Finished goods (Valued at lower of cost or NRV)- Refer to Note 23	1,936,288	1,351,512
d. Stores and spares (Valued at cost)	1,254,958	1,169,585
<b>Total</b>	<b>124,677,322</b>	<b>109,466,158</b>



## 16. Trade Receivables

Particulars	As at	
	March 31, 2012 Rs.	March 31, 2011 Rs.
Trade receivables outstanding for a period less than six months from the date they are due for payment Unsecured, considered good	136,050,224	130,694,479
Trade receivables outstanding for a period exceeding six months from the date they are due for payment Unsecured, considered good	1,023,833	-
	1,023,833	-
<b>Total</b>	<b>137,074,057</b>	<b>130,694,479</b>

## 17. Cash and Cash Equivalents

Particulars	As at March 31, 2012		As at March 31, 2011	
	Rs.	Rs.	Rs.	Rs.
<b>i) Cash and Cash equivalents</b>				
a. Cash on hand		731,407		37,041
b. Balances with banks*		17,042,946		40,419,541
<b>ii) Other Bank Balances</b>				
a. Balances with banks*				
This includes:				
Earmarked Balances (eg. unpaid dividend accounts)	384,225		384,225	
Guarantees	2,000,000		2,000,000	
		2,384,225		2,384,225
		20,158,578		43,740,807

## 18. Short-term loans and advances

Particulars	As at March 31, 2012		As at March 31, 2011	
	Rs.	Rs.	Rs.	Rs.
<b>- Others</b>				
Unsecured, considered good except stated otherwise				
- Loans to Employees	619,552		514,190	
- Advance to Rawmaterials	950,893		12,571,665	
- Loans to Others	2,686,915		3,598,789	
- Prepaid Expenses	345,727		410,085	
- Advance for capital goods & service providers	709,054		-	
		5,312,141		17,094,729
		5,312,141		17,094,729

**19. Other current assets**

S. No.	Other current assets (Secured & Considered good)	As at March 31, 2012 Rs.	As at March 31, 2011 Rs.
1	Advance Income Tax	6,600,000	4,000,000
2	Incometax refund receivable	1,308,609	1,308,609
3	Cenvat and Cess Balances	5,984,190	5,895,355
4	Interest accrued on deposits with banks & Others	126,841	117,319
5	TDS Receivable	1,122,943	1,265,682
6	AP VAT & CST receivable	202,015	716,694
	<b>Total</b>	<b>15,344,598</b>	<b>13,303,659</b>

**20. Revenue From operations**

Particulars	For the year ended March 31, 2012 Rs.	For the year ended March 31, 2011 Rs.
Sale of products	465,886,386	420,304,550
Less: Excise Duty	(22,188,521)	(20,872,464)
Net Sale of Products	443,697,865	399,432,086
Processing charges	49,914,450	57,957,245
<b>Total</b>	<b>493,612,315</b>	<b>457,389,331</b>

**21. Other income**

Particulars	For the year ended March 31, 2012 Rs.	For the year ended March 31, 2011 Rs.
Interest Income (in case of a company other than a finance company)	1,286,261	1,160,516
Foreign Exchange Gain/ (Loss)	3,054,993	515,710
Other non-operating income	12,345	26,073
<b>Total</b>	<b>4,353,599</b>	<b>1,702,299</b>

**22. Rawmaterials consumed**

Particulars	For the year ended March 31, 2012 Rs.	For the year ended March 31, 2011 Rs.
Opening Stock	60,637,034	20,843,242
Add: Purchases	307,851,738	336,165,884
Less: Closing Stock	59,437,106	60,637,034
<b>Total</b>	<b>309,051,666</b>	<b>296,372,092</b>



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

Particulars	For the year ended March 31, 2012 Rs.	For the year ended March 31, 2011 Rs.
Closing Stocks		
Stock-in-process	62,048,970	45,581,393
Finished Goods	1,936,288	1,351,512
A	63,985,258	46,932,905
Opening Stocks		
Stock-in-process	45,581,393	26,618,068
Finished Goods	1,351,512	2,449,370
B	46,932,905	29,067,438
Total	A - B 17,052,353	17,865,467

### 24. Employee Benefit Expenses

Employee Benefits Expense	For the year ended March 31, 2012 Rs.	For the year ended March 31, 2011 Rs.
(a) Salaries and incentives	18,758,339	17,607,633
<b>(b) Contributions to -</b>		
(i) Provident fund	1,470,112	1,333,549
(ii) Superannuation scheme		
(ii) ESI	500,217	474,559
(c) Gratuity fund contributions	721,147	-
(d) Staff welfare expenses	850,088	702,551
Total	<b>22,299,903</b>	<b>20,118,292</b>

### 25. Manufacturing Expenses

Particulars	For the year ended March 31, 2012 Rs.	For the year ended March 31, 2011 Rs.
Manufacturing wages	9,340,304	8,233,765
Conversion Charges	872,598	3,339,306
Lab Testing Charges	6,293,827	7,889,731
Power & Fuel	28,704,778	28,718,746
Consumption of chemicals, Packing & Stores material	14,709,298	16,364,243
Plant repairs and maintainance	23,029,463	26,580,724
TOTAL	82,950,268	91,126,515

**26. Finance Costs**

Particulars	For the year ended March 31, 2012 Rs.	For the year ended March 31, 2011 Rs.
Interest expense on Working Capital	12,413,845	5,207,282
LC opening & Bank Charges	444,226	365,650
<b>Total</b>	<b>12,858,071</b>	<b>5,572,932</b>

**27 (a) Administration, Selling and Distribution Expenses**

Particulars	For the year ended March 31, 2012 Rs.	For the year ended March 31, 2011 Rs.
Rent	613,963	192,000
Rates and Taxes	381,199	355,756
Printing and Stationery	548,253	501,878
Postage, Telegram and Telephone	1,186,272	654,076
Insurance	789,071	949,160
Travelling and Conveyance	4,753,164	2,619,023
Legal and Professional Charges	792,020	554,832
Sales Commission & Selling Expenses	13,141,356	8,627,260
General and Office Expenses	2,691,678	1,313,963
Vehicle Maintenance	1,371,308	1,276,122
Donations	75,000	15,000
Auditors remuneration	150,000	150,000
Business Promotion Expenses	2,480,565	537,109
<b>Total</b>	<b>28,973,849</b>	<b>17,746,179</b>

**27 (b). Other Expenses**

Particulars	For the year ended March 31, 2012 Rs.	For the year ended March 31, 2011 Rs.
Advertisement Expenses	209,744	221,026
Books & periodicals	40,557	38,034
Computers Maintenance	435,021	72,249
Other Administrative Expenses	3,243,726	1,613,519
<b>Total</b>	<b>3,929,048</b>	<b>1,944,828</b>

**28. Additional Information:****(a) Particulars of Managerial Remuneration:***(Rs. in Crores)*

Particulars	2011-12	2010-11
Remuneration to Managing director	0.12	0.36
<b>Total</b>	<b>0.12</b>	<b>0.36</b>

**(b) Auditors' Remuneration:***(Amount Rupees in Crores)*

Particulars	2011-12	2010-11
Statutory Audit Fee	0.01	0.01

**(c) Foreign Exchange Earnings and Out go:***(Amount Rupees in Crores)*

Particulars	2011-12	2010-11
i) Foreign Exchange Earnings: - FOB value of exports (net of Freight & Insurance) (USD 38,07,303 & Euros 1,28,300 as against the PY USD 32,28,599)	18.66	14.39
ii) Foreign Exchange Outgo (CIF): -Raw materials (USD 12,52,893 against PY USD 618175) -Capital Goods (USD 62000) -For expenses	5.68 0.18 0.22	2.83 Nil 0.19

**(d) Details of Raw material consumed (as certified by the Management)***(Amount Rupees in Crores)*

Particulars	2011-12		2010-11	
	Qty(M.T's)	Value	Qty(M.T's)	Value
2 Piperidino Ethanol	30.80	1.29	15.79	0.66
Toluene	199.82	1.23	203.39	0.97
Hydrochloric Acid	834.75	0.23	1552.30	0.62
Methanol	711.50	1.50	735.76	1.18
Setraline Mandalate	5.62	1.47	5.61	1.47
N-Oxopentyl-L-Valine	2.88	2.05	1.75	1.11
Cooked Prawn Shell	342.78	6.63	331.34	6.78
Cooked Shell(Own)	50.69	1.25	94.04	1.54
Dry Prawn Shell	676.31	0.64	857.64	0.81
Iso Nipecotnic Acid Ethyl Ester	2.82	0.40	0.85	0.11
Potassium Tertiary Butoxide	2.47	0.26	0.87	0.09
R(-)Mandelic Acid	1.80	0.17	4.57	0.48
Chloroform	49.75	0.26	17.52	0.08
Para-Methoxy Phenyl Acetone	1.80	0.19	1.19	0.12
Raney Nickle Catalyst	5.36	0.87	7.25	1.09
Caustic Soda Lye	255.12	0.35	121.97	0.11
Others	-	12.09	-	12.42
<b>Total</b>	-	30.91	-	29.64

**(e). Details of Work in Progress (As Certified by the Management)**

(Amount Rupees in Crores)

Particulars	2011-12		2010-11	
	Qty(M.T's)	Value	Qty(M.T's)	Value
Under Process Glucosamine	10.89	0.40	12.49	0.47
Under Process Glucosamine Potassium	6.56	0.20	0.47	0.02
Under Process Rsl-iii	1.67	0.22	1.67	0.22
Under Process Setraline Base	0.87	0.45	0.29	0.10
Under Process Setraline Hcl	1.13	0.46	0.16	0.09
Underprocess Nevarapine	1.26	0.84	0.00	0.00
Under Process Racemic Setraline Hcl	1.38	0.17	5.88	0.67
Under Process Rhq-V	0.08	0.36	0.01	0.06
Under Process Tnv-1	2.65	0.58	1.84	0.41
Under Process Tnv-2	1.77	1.44	1.79	1.45
Others	-	1.08	-	1.06
<b>Total</b>	-	<b>6.20</b>	-	<b>4.56</b>

**(f). Details of Finished Goods (As Certified by the Management)**

(Amount Rupees in Crores)

Finished Goods	2011-12			2010-11		
	Sales	Closing Inventory	Opening Inventory	Sales	Closing Inventory	Opening Inventory
Glucosamine Hydrochloride	13.67	-	-	15.15	-	0.24
CPH3.6	-	-	2.41	-	0.00	
Racemic Sertraline-HCL	11.53	-	-	0.41	-	0.01
Valsartran	0.12	-	0.12	1.42	0.12	0.00
Setraline Mandalate	1.32	-	-	1.63	-	0.00
DM1- III	0.87	-	-	0.79	-	0.00
Tamsulosin Hcl Tmh-6	1.97	-	-	0.56	-	0.00
Nevarapine	0.66	-	-	-	-	0.00
RHQ	1.65	-	-	0.63	-	0.00
Tiaprofenic acid	2.33	-	-	0.00	-	0.00
Tnv-2	1.6	-	-	5.08	-	0.00
Others	7.26	0.19	0.01	13.95	0.01	0.00
<b>Total</b>	<b>46.58</b>	<b>0.19</b>	<b>0.14</b>	<b>42.03</b>	<b>0.14</b>	<b>0.25</b>

(g) Previous year figures have been re-grouped wherever necessary to conform to the classification adopted for the current year.

(h) Figures are rounded off to the nearest rupee.

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

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

Sd/-  
(P. RAVI SHANKER)  
Partner

Sd/-  
(G. GANESH KUMAR)  
Managing Director

Sd/-  
(G. RAMA RAJU)  
Director

Place: Hyderabad,  
Date: 30-05-2012





**TYCHE INDUSTRIES LIMITED**

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

Mr./Ms. ....  
.....  
.....  
.....

MEMBER  PROXY

(Please tick as applicable)

**No. of Shares**

- Note: 1. Only Members of the Company or their proxies will be allowed to attend the Meeting ON PRODUCTION OF ATTENDANCE SLIP duly completed and signed.  
2. Please fill this admission slip and hand it over at the entrance of the hall duly signed.  
3. Members are requested to bring their copies of Annual Report with them.  
4. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the Meeting.

**ATTENDANCE SLIP**

<b>Day</b>	Saturday
<b>Date</b>	29th September, 2012
<b>Time</b>	11.30 am
<b>Venue</b>	Sagi Ramakrishnam Raju Community Hall, Madhura Nagar, Hyderabad-38.

**Reg. Folio No.**

**Demat Particulars**

**DP ID No.**

**Client ID No.**

I hereby record my presence at  
the 14th ANNUAL GENERAL  
MEETING of the Company

.....  
*Signature of the Member or Proxy*

Tear Here



**TYCHE INDUSTRIES LIMITED**

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

**No. of Shares**

**FORM OF PROXY**

**Reg. Folio No.**

**Demat Particulars**

**DP ID No.**

**Client ID No.**

I/We ..... (Name of Member)  
of ..... (Address)  
being Member(s) of TYCHE INDUSTRIES LIMITED hereby appoint ..... (Name of proxy)  
of ..... of failing him/her  
..... (Address of proxy)  
..... (Name of alternate proxy)  
of ..... (Address of alternate proxy)  
as my/our proxy to vote for me/us on my/our behalf at the 14th ANNUAL GENERAL MEETING of the Company to be held  
at 11.30 am on Saturday, the 29th September, 2012 and at my adjournment thereof.

Date ..... Signature .....

Affix a  
15 paise  
Revenue  
Stamp

Note: The Proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid Meeting. The Proxy need not be a member of the Company.

