



TYCHE INDUSTRIES LIMITED



22nd ANNUAL REPORT
2019 - 2020

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

Mr. G. GANESH KUMAR
Chairman & Managing Director

Mr. K. SRINIVAS
Chief Financial Officer (up to 30th June 2019)

Mr Y. SRINIVASA RAO
Chief Financial Officer (W.e.f 07th August 2019)

Mr. SAI SUDHAKAR PANCHAKARLA
Independent Director

Mr. BOOSA ESHWAR
Independent Director

Mrs. P. VIJAYA LAKSHMI
Independent Director (effect from 05th Sept 2020)

Mr Suryanarayana Raju Penumatsa
Independent Director (effect from 24th Aug 2020)

Mr G. Sandeep
Executive Director (effect from 24th Aug 2020)

Mr. SATYA RANJAN JENA
Company Secretary

Registered Office

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

Factory address

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

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



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TYCHE INDUSTRIES LIMITED

(CIN:L72200TG1998PLC029809)

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

NOTICE

NOTICE is hereby given that the twenty Second Annual General Meeting of the members of TYCHE INDUSTRIES LIMITED will be held on Wednesday, the 30th day of September, 2020 at 10.00 a.m. through Video Conferencing("VC")/Other Audio Visual Means ("OAVM") to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2020 and the Statement of Profit and Loss for the year 31st March, 2020, Cash Flow Statement for the year ended 31st March, 2020 and together with the Report of the Directors and Auditors Report thereon.
2. To declare dividend of 10% i.e. Rs.1.00 per share on the equity shares for the financial year ended March 31, 2020.
3. To appoint a Director in the place of Mr. G Ganesh Kumar (DIN: 01009765), who retire by rotation and being eligible, offers himself for re-appointment.

Special Business:

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

Ratification of appointment and remuneration of Cost auditor Mr. Sativada Venkat Rao for the financial year 2020-21

RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and pursuant to the recommendation of the Audit committee of the Company, the appointment of Mr. Sativada Venkat Rao, Cost Accountant, Hyderabad(Registration No. 100340), the Cost Auditor who were re-appointed by the Board of Directors of the Company, to conduct the audit of the cost records maintained by the Company for the financial year ending 31st March, 2021, at an aggregate fee of Rs.30,000/- P.A (Rupees Thirty Thousand only) excluding taxes as may be applicable, in addition to reimbursement of all out-of-pocket expenses and applicable taxes thereon, be and is hereby approved and ratified."

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

5. To appoint Mr Suryanarayana Raju Penumatsa (DIN: 07069402) as an Independent director of the Company.

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



“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Rules made thereunder, read with Schedule IV of the Act and Regulation 17 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to the recommendation of Nomination and Remuneration Committee of the Board, Mr. Suryanarayana Raju Penumatsa (DIN: 07069402), who was appointed by the Board of Directors as an Additional Director (Non-executive and Independent) of the Company at its meeting held on 24th August 2020 and who holds office up to the date of this annual general meeting of the Company in terms of Section 161(1) of the Act and Article 85 of the Articles of Association of the Company and who meets the criteria of independence as provided in Section 149(6) of the Act and the Rules made thereunder and Regulation 16(1)(b) of the Listing Regulations and who has submitted a declaration to that effect and who is eligible for appointment as an Independent Director of the Company and in respect of whom the Company has received a notice in writing from a member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a term of five (5) consecutive years commencing from the date of approval by members of the Company .”

6. To appoint Mr G.Sandeep (DIN: 06608065) as an Executive Director of the Company.

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

“RESOLVED THAT pursuant to the provisions of Sections 152 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Rules made thereunder,(including any statutory modification(s) or re-enactment(s) thereof for the time being in force) Mr G. Sandeep (DIN:06608065),who was appointed by the Board of Directors as an Additional of the Company at its meeting held on 24th August 2020 and who holds office up to the date of this annual general meeting of the Company in terms of Section 161(1) of the Act and Article 85 of the Articles of Association of the Company and in respect of whom the Company has received a notice in writing from a member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Executive Director of the Company, whose office is liable to retire by rotation”.

7. Change in Designation of Mrs PENUMATSA VIJAYA LAKSHMI (DIN: 06939858) from Non-Executive Director to Non-Executive Independent Director of the Company.

To consider and, if thought fit to pass, with or without modification(s), the following resolution as an ORDINARY RESOLUTION:

RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Rules made thereunder, read with Schedule IV of the Act and Regulation 17 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), approval of the members of the Company be and is hereby accorded to the change in designation of Mrs P Vijaya Lakshmi from Non-Executive Director to Non-Executive Independent Director of the Company effective from



the date of approval by members of the Company. Mrs P Vijaya Lakshmi who meets the criteria of independence as provided in Section 149(6) of the Act and the Rules made thereunder and Regulation 16(1)(b) of the Listing Regulations and who has submitted a declaration to that effect and who is eligible for appointment as an Independent Director of the Company, not liable to retire by rotation, for a term of five (5) consecutive years commencing from the date of approval by members of the Company .”

By Order of the Board of Directors

Sd/-

G. Ganesh Kumar

Chairman & Managing Director

Place: Hyderabad

Date: 05th September 2020

**NOTES:**

1. **In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs("MCA") has vide its circular dated 5 may 2020 read with circulars dated 8 April 2020 and 13 April 2020(collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting("AGM")through Video Conferencing ("VC") /other Audio-Visual Means ("OAVM"), without the physical presence of the members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("ACT"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015("SEBI Listing Regulations") and MCA Circulars, the 22nd AGM of the Company is being held through VC/OAVM.**
2. Pursuant to the provisions of the Act, generally a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. Institutional/Corporate Members (i.e. other than individuals/HUF, NRI, etc.) Are required to send a scanned copy (PDF/JPG Format) of its Board or Governing Body Resolution/ Authorization etc., authorising its representative to attend the AGM through VC / OAVM on its behalf and cast their votes through e-voting.
4. The Statement pursuant to Section 102 of the Companies Act, 2013 in respect of special businesses is annexed hereto and forms part of the Notice.
5. Brief resume of Director proposed to be appointed/re- appointed at the ensuing Annual General Meeting in terms of Regulation 15 and 27 under (Listing obligations and disclosure requirements) Regulations, 2015 is annexed to the Notice. The Company is in receipt of relevant disclosure / consents from the Directors pertaining to their appointment / re-appointment.
6. Pursuant to Regulation 42 of the LODR Regulations, 2015, Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 24th September,2020 to Wednesday, 30th September, 2020 (both days inclusive) for determining the name of members eligible for dividend on Equity Shares, if approved by the members at the ensuing Annual General Meeting.
7. Members whose shareholding is in physical form are requested to notify immediately any change in their address or bank mandates to the Company/ Registrar & Share Transfer Agents quoting their Folio Number and Bank Account details along with self-attested documentary proof. Members holding shares in electronic form may update such details with their respective Depository Participants(s). Members are encouraged to utilise the Electronic Clearing (ECS) for receiving dividends.
8. The Board of Directors of the Company at their meeting held on June 29, 2020 have recommended a dividend of Rs. 1/- per equity shares of Rs. 10/- each as final dividend for the financial year 2019-20. Dividend, if declared will be credited / dispatched after 30th September but within the time limit to those members whose names shall appear on the Company's Register of Members on 23rd September,2020 and in respect of the shares held in dematerialized form, the dividend will be paid to members whose names are furnished



by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as beneficial owners as on that date.

9. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in the Notice will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to cs_tyche@tycheindustries.com
10. The Securities and Exchange Board of India has made it mandatory for all companies to use the bank account details furnished by the depositories for depositing dividend through National Electronic Clearing Service (NECS) to investors wherever NECS and bank details are available if the Company proposes to avail NECS Facility. The Company will be availing the NECS facility for the payment of dividend of financial year 2019-20. The bank details are required to be updated for the members who will be availing this facility. In the absence of NECS required details, the Company will print the bank account details, as available, on the Payment Instrument for distribution of dividend, if payment of dividend is approved by the members in the ensuing Annual General Meeting.
11. Members are requested to note that dividends not encashed or remaining unclaimed for a period of 7 (seven) years for the date of transfer to the Company's Unpaid Dividend Account, shall be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Further pursuant to the provisions of Section 124 of the Act read with the Investor Education and Protection Fund authority (Accounting, audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") as amended to date, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs.

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

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

Members who have not yet encashed the dividend warrants, from the financial year ended 31st March, 2013 and onwards are requested to forward their claims to the Company's Registrar and Share Transfer Agent. It may be noted that once the unclaimed dividend is transferred to IEPF as above, no claim shall rest with the Company in respect of such amount. It may also be noted that the unclaimed dividend amount which were lying with the company up to the year ended on 31st March, 2012, have already been transferred to IEPF. The details of the unclaimed dividends are available on the Company's website at www.tycheindustries.com and on the website of Ministry of Corporate Affairs at www.mca.gov.in. Members are requested to contact the Company's Registrar and share



transfer Agent – CIL Securities Limited, R R Towers, C A Lane, Abids, Hyderabad – 500001, Telangana, to claim the unclaimed/unpaid dividends.

12. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company/ RTA M/s. CIL Securities Limited (in case of shares held in physical mode) and depositories (in case of shares held in demat mode)
 - a. A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to cs_tyche@tycheindustries.com latest by September 23, 2020 5:00 p.m. IST. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.
 - b. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to cs_tyche@tycheindustries.com. The aforesaid declarations and documents need to be submitted by the shareholders latest by September 23, 2020 5:00 p.m. IST.
13. In compliance with the aforesaid MCA Circulars and SEBI Circular dated 12 May 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website www.tycheindustries.com, websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com, and on the website of CIL Securities Limited, at <https://www.cilsecurities.com>.
14. Securities and Exchange Board of India ("SEBI") has mandated that securities of listed companies can be transferred only in dematerialised form w.e.f. 1 April 2019. Accordingly, the Company & Company's RTAs have stopped accepting any fresh requests for transfer of shares in physical form. Members holding shares in physical form are requested to avail of the facility of dematerialisation before initiating transfer of shares. Members holding shares in physical mode are requested to submit their Permanent Account Number (PAN) and bank account details to the Company / CIL Securities if not registered with the Company/ CIL Securities Limited, as mandated by SEBI, by writing to the Company at cs_tyche@tycheindustries.com or to CIL Securities Limited at rta@cilsecurities.com along with the details of Name & Folio no., self-attested copy of PAN card, self-attested scanned copy of Aadhaar Card / Passport / Driving Licence / Election Identity Card, bank details viz name of the Bank and branch address, Bank account number, IFSC & MICR details and a cancelled cheque and also further advised to register nomination in respect of their shareholding in the Company. Non-Resident Indian members are requested to inform CIL Securities Limited / respective DPs, immediately of any change in their residential status on return to India for permanent settlement by submitting particulars of their bank account



maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not already furnished.

14. Pursuant to Section 72 of the Act, Members are entitled to make a nomination in respect of shares held by them. Members desirous of making a nomination, pursuant to the Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, are requested to send their requests in Form No. SH-13, to the RTA of the Company. Further, Members desirous of cancelling/ varying nomination pursuant to rule 19(9) of the Companies (Share Capital and Debentures) Rules, 2014, are requested to send their requests in Form No. SH-14, to the RTA of the Company.
15. In terms of Section 108 of the Act read with the Companies (Management and Administration) Rules, 2014 and as per the requirements of SEBI Listing Regulations, the Company is providing the facility to its Members holding shares in physical or dematerialised form as on the cut-off date, i.e. 23 September 2020, to exercise their right to vote by electronic means on any or all of the agenda items specified in the accompanying Notice of AGM.
16. For receiving all communication (including Annual Report) from the Company electronically:
 - a) Members holding shares in physical mode and who have not registered / updated their email address with the Company are requested to register / update the same by writing to the Company with details of folio number and attaching a scan copy of share certificate (front and back), self-attested scanned copy of PAN card, self-attested scanned copy of Aadhaar Card / Passport / Driving Licence / Election Identity Card to einward.cs_tyche@tycheindustries.com for registering email address.
 - b) Members holding shares in dematerialised mode are requested to register / update their email addresses with the relevant Depository Participant.
17. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
18. In terms of the provisions of Section 152 of the Act, Mr. G. Ganesh kumar, Directors retire by rotation at this AGM. Nomination and Remuneration Committee and the Board of Directors of the Company commend their respective re-appointments. Brief resume of Directors who are proposed to be re-appointed, nature of their expertise in specific functional areas, names of the companies in which they hold directorships and membership/chairmanships of Board Committees and shareholding in the Company as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings issued by ICSI are forming part of the Notice and appended to the Notice.
19. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
20. The Company has appointed M/s CIL Securities Limited, Registrar and Transfer Agents, to provide Video Conferencing facility for the Annual General Meeting and the attendant enablers for conducting of the AGM.
21. Pursuant to the provisions of the circulars of MCA on the VC/OVAM, Members can attend the AGM through log in credentials provided to them to connect to Video conference. Physical attendance of the Members at the Meeting venue is not required.



22. Members are requested to address all correspondences, including dividend matters to the Registrar & Share Transfer Agent - CIL Securities Limited at 214, Raghava Ratna Towers, Chirag Ali Lane, Abids, and Hyderabad-500 001.
23. The members holding shares in identical order of names in more than one folio are requested to write to the Company/RTA enclosing their Share Certificates to enable the Company to consolidate their holdings in one folio for better services.
24. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
25. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN details to their respective Depository Participant(s). Members holding shares in physical form shall submit their PAN details to the Registrar & Share Transfer Agent – CIL Securities Limited.
26. Non Resident Indian members are requested to inform the Company's Registrar & Share Transfer Agents, immediately of any change in their residential status on return to India for permanent settlement, their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code, if the details are not furnished earlier.

27. Voting through electronic means

CDSL e-Voting System – For Remote e-voting and e-voting during AGM

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is pleased to provide facility of remote e-voting to its Members in respect of the business to be transacted at the 22nd Annual General Meeting. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e- Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This



will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and

Cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM is being uploaded on the website of the Company at www.tycheindustries.com. The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com. The AGM Notice is also hosted on the website of CDSL (agency for providing the e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.

7. The AGM is being convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No.17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

(A) Procedure/ Instructions for e-voting are as under:

(i) The e-voting period commences on Sunday, 27th September, 2020 (9.00 a.m.) and ends on Tuesday, 29th September, 2020 (5.00 p.m.). During the e-voting period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 23rd September, 2020 may cast their votes electronically. Once the vote on a resolution is cast by the shareholder, he shall not be allowed to change it subsequently. The remote e-voting module shall be disabled by CDSL for voting after 5.00 p.m. on 29th September, 2020.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote during the meeting.

(iii) The shareholders should log on to the e-voting website www.evotingindia.com.

(iv) Click on "Shareholders" module.

(v) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,



- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's EASI/EASIEST e-services, you can log-in at <https://www.cdslindia.com> from Login - Myeasi using your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.

- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none">• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field.• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN Field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none">• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv)

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.



- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant TYCHE INDUSTRIES LIMITED on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be download from respective Store.

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

PROCESS FOR THOSE SHAREHOLDERS WHOSE E-MAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING ON THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhaar Card) by email to the Company Secretary cs_tyche@tycheindustries.com and RTA at rta@cilsecurities.com.
2. For Demat shareholders - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhaar Card) to the Company Secretary at cs_tyche@tycheindustries.com and RTA at rta@cilsecurities.com.
3. The Company Secretary shall co-ordinate with CDSL and provides the login credentials to the above mentioned shareholders.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM:

1. Shareholder will be provided facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for



VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.

2. Shareholders are advised to join the Meeting through Laptops / IPads for better experience.
3. Further, shareholders will be required to allow camera and use internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance to the company on or before September 23, 2020 mentioning their name, demat account number/folio number, email id, mobile number at cs_tyche@tycheindustries.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance to the company on or before September 23, 2020 mentioning their name, demat account number/folio number, and email id, mobile number at cs_tyche@tycheindustries.com. These queries will be replied suitable by the company through email.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time during the AGM

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

(xix) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a compliance user should be created using the admin login



and password. The Compliance user would be able to link the account(s) for which they wish to vote on.

- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; cs_tyche@tycheindustries.com , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

These details and instructions form an integral part of the Notice for the Annual General Meeting to be held on 30th September, 2020.

(B) General:

- (a) In case of any queries regarding e-voting you may refer to the 'user manual for shareholders to cast their votes' available at <https://www.evotingindia.co.in> under 'HELP'.
- (b) If you are already registered with CDSL for e-voting then you can use your existing user ID and password for casting your vote.
- (c) Once the vote on a resolution is cast by the shareholder, he shall not be allowed to change it subsequently.
- (d) The voting rights of the shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of 23rd September, 2020.
- (e) Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 23rd September, 2020, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com.

However, if you are already registered with CDSL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you



can reset your password by using “Forgot User Details/Password” option available on www.evotingindia.com.

- (f) A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- (g) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- (h) CS D. Renuka, Practising Company Secretary, Hyderabad has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- (i) The Results of the e-voting along with the scrutinizer’s report shall be placed in the Company’s website www.tycheindustries.com and on the website of CDSL immediately after the declaration of results by the Chairman or a person authorised by him in writing. The results will also be immediately communicated to the Stock Exchange where the shares of the company are listed.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013

Item No. 4

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

Based on the recommendation of Audit Committee, the Board of Directors at its meeting held on 29th June, 2020, appointed Mr. Sativada Venkat Rao, as Cost Auditor for conducting the cost audit for the financial year ending 31st March, 2021, on a remuneration of Rs.30,000/- p.a (Rupees Thirty Thousand only) excluding taxes as may be applicable, in addition to reimbursement of all out-of-pocket expenses.

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

The Directors recommend that the remuneration payable to the Cost Auditor in terms of the resolution set out at Item No. 4 of the accompanying Notice be ratified by the Members.

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

Item No.5

Pursuant to the recommendation of the Nomination and remuneration Committee and the Board of Directors, Mr Suryanarayana Raju Penumatsa was appointed as an Additional Director (Independent Director) of the Company w.e.f. 24th August 2020, by the Board of Directors at their meeting held on 24th August 2020 under Section 161 of Companies Act 2013. The appointment is subject to the approval of the shareholders at the General Meeting to be held immediately after the said appointment.

A notice under Section 160 of the Companies Act, 2013 is received from a member of the Company proposing candidature of Mr Suryanarayana Raju Penumatsa. The Company also received from Mr Suryanarayana Raju Penumatsa consent in writing to act as Director in



Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014; (ii) Intimation in Form DIR-8 pursuant to terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified as per Section 164(2) of Companies Act, 2013; and (iii) a declaration to the effect that he meets the criteria of independence as provided under Section 149 of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board of Directors of the Company, on the basis of the recommendation of the N&RC, have reviewed the profile of Mr Suryanarayana Raju Penumatsa and the declarations that he meets the criteria of independence as prescribed both under Sub-Section (8) of Section 149 of the Act, and under Regulation 16 and 17 of the Listing Regulations and the Board is of opinion that he is fit and fulfills the criteria of independence and is a person of integrity, and has the necessary knowledge, experience and expertise for being appointed as an Independent Director. Considering his vast expertise and knowledge in the field of accounting & finance, it would be in the interest of the Company that Mr Suryanarayana Raju Penumatsa is appointed as an Independent Director on the Board of the Company. He is not debarred from holding the office of the Director pursuant to order of SEBI or any other authority.

The Resolution set out at Item No 5 of the notice is put forth for consideration of the members as an Ordinary Resolution pursuant to Section 149 read with Schedule IV of the Companies Act, 2013 for appointment of Mr. Suryanarayana Raju Penumatsa as an Independent Director of the Company.

Your Directors, therefore, recommend the appointment of Mr Suryanarayana Raju Penumatsa (DIN: 07069402) as an Independent Director of the Company, for a period of five (5) years, not liable to retire by rotation, as set forth in Item No. 5 of this Notice as an Ordinary Resolution. Save and except Mr Suryanarayana Raju Penumatsa as appointee, none of the other Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution.

Item No.6

In accordance with the provisions of Section 152 of the Companies Act, 2013, appointment of Director requires approval of members. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors have proposed that Mr. G.Sandeep be appointed as Executive Director on the Board, whose office is liable to retire by rotation. The appointment of Mr. G.Sandeep shall be effective upon approval by the members in the Meeting. The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. G.Sandeep for the office of Director of the Company. Mr. G.Sandeep is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Copy of the draft letter for appointment of Mr. G.Sandeep as an Executive Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company. Except Mr. G. Ganesh kumar, Managing Director of the Company and G. Sandeep as appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 6. This Explanatory Statement may also be regarded as a disclosure under



Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Your Directors, therefore, recommend the appointment of Mr. G.Sandeep (DIN: 06608065) as an Executive Director of the Company, whose office is liable to retire by rotation.

Item No.7

The members are apprised that Mrs.P Vijaya Lakshmi who was appointed as Non-Executive Director of the Company has shown her willingness to act as Non-Executive Independent Director of the Company. The Company has received from Mrs.P Vijaya Lakshmi consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules,2014; (ii) Intimation in Form DIR-8 pursuant to terms of the Companies (Appointment & Qualification of Directors) Rules,2014,to the effect that she is not disqualified as per Section 164(2) of Companies Act,2013; and iii) a declaration to the effect that she meets the criteria of independences as provided under Section 149 of the Companies Act,2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In the opinion of the Board, Mrs.P Vijaya Lakshmi fulfils the conditions specified in the Companies Act 2013 and the Rules framed there under and Securities and Exchange Board of India (Listing Obligation and Disclosure requirements) Regulations, 2015 for appointment as an Independent Director and she is independent of the Management.

The Resolution set out at Item No 7 of the notice is put forth for consideration of the members as an Ordinary Resolution pursuant to Section 149 read with Schedule IV of the Companies Act, 2013 for change in designation of Mrs. P Vijaya Lakshmi as an Independent Director of the Company.

Your Directors, therefore, recommend the appointment of Mrs.P Vijaya Lakshmi (DIN: 06939858) as an Independent Director of the Company, for a period of five (5) years, not liable to retire by rotation, as set forth in Item No. 7 of this Notice as an Ordinary Resolution. Save and except Mrs.P Vijaya Lakshmi as appointee, none of the other Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution.

**ADDITIONAL INFORMATION**

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

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

Name of the Director	Mr. G. Ganesh Kumar
Date of Birth	09.06.1971
Din	01009765
Date of Appointment	14.11.1998
Qualification	Post-Graduation Master of Business from USA
Brief resume and expertise in specific functional areas	Industrial experience of over 20 years in the area of production and Administration. Domestic and international marketing.
Directorship in other Companies	a) SIRI CELLARS PVT LTD b) SRI INDRA DISTILEERY PRIVATE LIMITED c) INNAG PROJECTS PRIVATE LIMITED d) SIRIS AGRO LIMITED e) SILVEROAK TECHNOLOGIES PVT LTD
Chairmanship/membership of Committees of other Companies	In Tyche's Members in Audit Committee, Stakeholders Relationship Committee, Chairman in CSR Committee.
Shareholding in the Company	1408095(13.74%)

Name of the Director	Mr. Suryanarayana Raju Penumatsa
Age	63 yrs
Din	07069402
Date of Appointment	24.08.2020
Qualification	B.com
Brief resume and expertise in specific functional areas	20 years of experience in the field of Accounting & Finance.
Relationship between Directors inter se [(As per Section 2(77) of the Companies Act, 2013 and Rule 4 of Companies (Specification of Definition Rules, 2014)]	NIL
Directorship in other Companies	Siris Agro Limited
Chairmanship/membership of Committees of other Companies	NIL
Shareholding in the Company	NIL
Last remuneration drawn	NIL
No. Of board meetings attended during the year	NA



Name of the Director	Mr G. SANDEEP
Age	37 yrs
Din	06608065
Date of Appointment	24.08.2020
Qualification	He is a qualified Engineer, B.Tech-(Chemical Engineering) & also an Post graduate with MBA degree
Brief resume and expertise in specific functional areas	He has industrial experience more than 10years in the fields of Marketing of Pharmaceutical products, New Product Development, Finance, Regulatory affairs and overall management.
Relationship between Directors inter se [(As per Section 2(77) of the Companies Act, 2013 and Rule 4 of Companies (Specification of Definition Rules, 2014)]	Brother of G.Ganesh Kumar
Directorship in other Companies	Sirona Lifescience Pvt Ltd
Chairmanship/membership of Committees of other Companies	NIL
Shareholding in the Company	842775
Last remuneration drawn	
No. Of board meetings attended during the year	NA



Name of the Director	Mrs. P. VIJAYA LAKSHMI
Age	35yrs
Din	06939858
Date of Appointment	11.08.2014
Qualification	MBA
Brief resume and expertise in specific functional areas	10 years of experience in the field of Accounting & Finance.
Relationship between Directors inter se [(As per Section 2(77) of the Companies Act, 2013 and Rule 4 of Companies (Specification of Definition Rules, 2014)]	NIL
Directorship in other Companies	NIL
Chairmanship/membership of Committees of other Companies	NIL
Shareholding in the Company	NIL
Last remuneration drawn	NIL
No. Of board meetings attended during the year	8

By Order of the Board of Directors

Sd/-

G. Ganesh Kumar

Chairman & Managing Director

Place: Hyderabad

Date: 05th September 2020

Registered office:

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

CIN:L72200TG1998PLC029809



DIRECTOR'S REPORT

To
The Members,
Tyche Industries Limited

Your Directors presents the 22nd Annual Report together with the Audited Accounts of the Company for the financial year ended 31st March, 2020.

Financial Summary:

(Rupees in Crores)

Particulars	Current Year ended on 31/03/2020	Previous Year ended on 31/03/2019
Total Income (Including Other Income)	77.38	56.47
Less: Expenditure (before Finance Cost & Depreciation)	52.31	44.78
Profit before Finance Cost & Depreciation	25.07	11.69
Less: Finance Cost	0.01	0.01
Profit before Depreciation and Tax	25.06	11.68
Less: Depreciation	1.73	1.84
Profit / Loss before tax	23.33	9.84
Less: Provision for Tax		
- Current Tax	6.03	2.98
- Deferred Tax	(0.26)	(0.28)
Profit after Tax	17.56	7.14
Other Comprehensive Income	-	-
Total Comprehensive Income	17.56	7.14
Add: Balance brought forward from the Previous Year	43.94	37.10
Appropriations		
Dividend Paid*	0.51	0.00
Dividend Tax Paid*	0.11	0.00
Transfer to General Reserve*	0.30	0.30
Adjustment to Reserves	-0.03	0.01
(+/-)Excess/ Short Provision	0.00	0.00
Balance carried to Balance Sheet	60.55	43.94

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

Review of Operations :

During the year, your Company has achieved a total income of Rs. 77.38Crores as against Rs. 56.47Crores in the previous year and earned a net profit of Rs.17.56Crores (Previous Year Rs.7.14Crores) after providing Income Tax and Deferred Tax of Rs.5.77 Crores (Previous Year Rs. 2.77Crores).



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

Dividend:

Your Directors have recommended a dividend of Re.1 per fully paid equity share for the year ended 31st March, 2020 being 10% of the fully Paid-up Equity Capital of the Company. The dividend, if approved at the ensuing Annual General Meeting will be paid to those members, whose names appear on the Company's Register of Members on 23rd September, 2020. The total amount of outgo on account of this will be Rs.1.02 Crores towards dividend. The dividend would be tax in the hands of the shareholders.

Directors:**a) Directors:**

In accordance with the provisions of the Companies Act, 2013, Mr G Ganesh Kumar, Director of the Company will retire by rotation at the ensuing Annual General Meeting of the company.

Brief resume of Directors proposed to be appointed/re-appointed as stipulated under SEBI (LODR) Regulations, 2015 entered with the Stock Exchanges are given in the Notice convening 22nd Annual General Meeting.

b) Board Meetings:

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

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

c) Key Managerial Personnel:

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

Mr K.Srinivas, Chief Financial officer (up to 30.06.2019)

Mr. Y Srinivas, Chief Financial Officer(With effect from 07.08.2019)

Mr. SatyaRanjan Jena,Company Secretary and Compliance Officer

d) Independent Directors:

Mr Sai Sudhakar Panchakarla with effect from 25th March 2019 and Mr.Boosa Eshwar are Independent Directors of the Company. In terms of Section 149 and 152 of the Companies Act, 2013 these Independent Director of the Company will hold office till 29th September, 2024 who shall not retire by rotation. The Independent Directors of the Company have



given declaration that they meet the criteria of the Independence as provided in Section 149(6) of the Companies Act, 2013.

e) Independent Directors familiarisation programme:

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

f) Performance Evaluation of Board, Committees and Directors:

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

g) Policy on appointment and remuneration of Directors:

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

h) Statutory Auditors:

The Company's Statutory Auditors, M/s. SURYAM & CO, Chartered Accountants (Firm Registration No. 012181S) were appointed as the Statutory Auditors of the Company for a period of 5 years at the 19th Annual general Meeting of the Company, i.e. up to the conclusion of 24th Annual General Meeting of the Company.

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

i) Secretarial Auditors:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has re-appointed Mrs.D. Renuka, Company Secretary in Practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as "Annexure 1"



and forms part of the Notice. There is no qualification, reservation or adverse remark in the report.

j) Cost Auditors:

As per the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the cost audit records maintained by the company in respect of its bulk drugs and API's activity are required to be audited by cost auditors. The Board has on the recommendation of the Audit Committee recommended Mr.SativadaVenkat Rao., Practicing Cost Accountant, Hyderabad as Cost Auditors of the Company to conduct the cost audit for the financial year 2020-21, at a remuneration of Rs. 30,000/-p.a (Rupees Thirty Thousand only) excluding taxes as may be applicable, in addition to reimbursement of all out-of-pocket expenses subject to ratification by members. Accordingly, a resolution seeking Member's ratification for the remuneration payable Mr.SativadaVenkat Rao, Cost Auditor is included at Item No.4 of the Notice convening the 22nd Annual General Meeting.

k) Internal Auditor:

Pursuant to the provisions of Section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014, the Board has recommended the re-appointment of M/s. P.S.N Ravishanker & Associates, Chartered Accountants as Internal Auditors of the Company for the financial year 2020-21.

l) Internal Control System, Compliance Framework:

The Company has an Internal Control System, commensurate with size, scale and complexity of its operations. The Company has also put in place the policies and procedures relating to "Internal Financial Controls" for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial statements, as per the explanation to Section 134(5) (e) of the Act.

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

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

m) Transfer to Reserves:

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

**n) Material Changes:**

There have been no major material changes and commitments affecting the financial position of the Company to since the close of financial year i.e. since 31st March, 2020. Further, it is hereby confirmed that there has been no major change in the nature of business of the Company. The Company continues to operate only in one segment i.e. Bulk drugs.

Directors Responsibility Statement:

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

- i. In the preparation of the annual accounts for the year ended 31st March, 2020, the applicable accounting standards read with requirements set out under Schedule III to the Act, had been followed and there are no material departures from the same;
- ii. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2020 and profit of the company for that period;
- iii. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. The Directors had prepared the annual accounts on a "Going Concern" basis.
- v. The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- vi. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Related Party Transactions:

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

Subsidiary and associate Companies:

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

Public Deposits:

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

**Insurance:**

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

Listing of Securities:

The Equity Shares of the Company are listed with BSE Limited. The Company has paid the Annual listing fees to the BSE Limited for the financial year 2020-2021.

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.10.24Crores. The Company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

Forfeiture of shares:

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

Report on Corporate Governance:

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

Audit Committee and its Composition:

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

As on 31st March, 2020, the Audit Committee comprised of, Mr.BoosaEshwar, Mr.Sai Sudhakara Panchakarla Independent Directors and Mr. G Ganesh Kumar, Managing Director of the Company as member.

Mr.BoosaEshwar was the Chairman of Audit Committee of the Company. The Compliance Officer of the Company acts as the Secretary of the Audit Committee.

Committees of the Board:

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

1. Audit Committee
2. Stakeholders' Relationship Committee



3. Share Transfer Committee
4. Nomination and Remuneration Committee
5. Corporate Social Responsibility Committee

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

Research & Development:

The Company has incurred an expenditure of Rs.0.61Crores on research and development during the year.

Risk Management:

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

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

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

Whistle Blower Mechanism:

The Company has set up Whistle Blower / Vigil Mechanism viz. Whistle Blower Policy to enable the employees and Directors to report genuine concerns and irregularities, if any in the Company, noticed by them. The same is reviewed by the Audit Committee from time to time. The details of the Whistle Blower Policy is explained in the Corporate Governance Report and also posted on the website of the Company. We affirm that during the financial year 2019-20, no employee or director was denied access to the Audit Committee.

Loans, Guarantees or Investments:

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

Corporate Social Responsibility (CSR):

Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with CSR Rules, the Company has constituted CSR Committee and formulated CSR Policy. During the year, the Company undertook several initiatives under the CSR program. The details of CSR



policy and CSE activities undertaken during the year are annexed herewith as “Annexure III”.

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

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

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

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

Legal Compliance Reporting

The Board of Directors reviews in detail, on a quarterly basis, the reports of compliance to all applicable laws and regulations. Any non-compliance is seriously taken up by the Board, with fixation of accountability and reporting of steps taken for rectification of non-compliance. In the opinion of the Board, there has been no identification of elements of risk that may threaten the existence of the company. The Company complied with all the applicable Secretarial Standards issued by the Institute of the Companies Secretaries of India.

Extract of the Annual Return:

The extract of the Annual Return in form MGT 9 is annexed herewith as “Annexure IV” and the extract of annual return is also available at website of company i.e. www.tycheindustries.com.

Managerial Remuneration and Particulars of Employees:

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

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

Considering the first proviso to section 136(1) of the Companies Act, 2013, the annual report, excluding the aforesaid information, is being sent to the shareholders of the company and other entitled thereto. The said information is available for inspection at the registered office of the Company during business hours on working days up to the date of the forthcoming 22nd Annual General Meeting. Any shareholders interested in obtaining a copy thereof may write to the Company Secretary in this regard.

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

Information regarding Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required to be disclosed under Section 134 of the Companies Act,



2013 read with Companies (Accounts) Rules, 2014 is enclosed as an “Annexure –VI” and forms part of the Report.

Human Resource:

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

Industrial Relations:

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

Acknowledgement:

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

By Order of the Board of Directors

Sd/-

G. Ganesh Kumar

Chairman & Managing Director

Place: Hyderabad

Date: 05th September 2020

Registered office:

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

CIN:L72200TG1998PLC029809



ANNEXURES TO DIRECTORS' REPORT

Annexure –I

FORM MR-3

Secretarial Audit Report for the financial year ended 31 March, 2020

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

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

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

Based on my verification of Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under; (Not Applicable to the Company during the Audit Period);
- (iii) The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; .(Not Applicable to the Company during the Audit Period)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; Complied with yearly and event-based disclosures
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;



- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; .(Not Applicable to the Company during the Audit Period)
- d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. (Not Applicable to the Company during the Audit Period);
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.(Not Applicable to the Company during the Audit Period);
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents Regulations, 1993 regarding the Companies Act and dealing with client;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;(Not Applicable to the Company during the Audit Period) ;
- h) The Securities and Exchange Board of India (Buyback of Securities)Regulations, 1998; ;(Not Applicable to the Company during the Audit Period)
- i) The Securities and Exchange Board of India (Depositories Participate) Regulations 2018- Complied with event based disclosures, and
- j) The Securities and Exchange Board of India(Listing Obligations and Disclosure Requirements) Regulations 2015

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

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

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

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

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

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and



obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

The compliance by the Company of applicable financial laws like Direct and Indirect tax laws has not been reviewed thoroughly in this audit since the same have been subject to review by statutory financial audit and other designated professionals.

SD/-

D. RENUKA

Company Secretary in practice.

ACS No. 11963

C P No. 3460

UDIN No: A011963B000568200

Place: Hyderabad

Date: 11.08.2020



Annexure A

To
The Members
Tyche Industries Limited
Hyderabad

My Report of even date is to be read along with this letter.

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

SD/-

D. RENUKA

Company Secretary in practice.

ACS No. 11963

C P No. 3460

UDIN No: A011963B000568200

Place: Hyderabad

Date: 11.08.2020



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

Form No. AOC-2

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

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

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

**Annexure III****ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES****(Pursuant to Rule 8 of Companies [Corporate Social Responsibility Policy] Rule, 2014)**

Sr. No.	Particulars	Details
1	A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.	Company is in process of formation of Trust to undertake projects in various areas of Rural upliftment, Education, livelihood, Health, Water, Sanitation and any other.
2	The Composition of the CSR Committee.	Mr. G. Ganesh Kumar – Chair Person Mr.BoosaEshwar –Member Mr.SaiSudhakarPanchakarla- Member
3	Average net profit of the Company for last three financial years.	Rs.821.21 Lakhs
4	Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above)	Rs. 16.42lakhs
5	Details of CSR spent during the financial year.	
	a) Total amount to be spent for the financial year	Rs19.35lacs (Including Unspent amount of previous years)
	b) Amount unspent , if any	Rs 0.00
	c) Manner in which the amount spent during the financial year	The company spent an amount of Rs29.00lacs during the year on rural upliftment programs promoted by the local Municipality/panchayats.
6	In case the company has failed to spend the two per cent of the net profit or any part thereof, the reasons for not spending the amount:	The company has spent an amount of Rs 29.00 lacs during the financial year 2019-20, which includes CSR expenditure of previous years. The Company has spent excess of about 10.00 lakhs in the current year.

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

S.N	Projects/activities	Sector	Projects/ programme District and State	Amount outlay (Budget) Project / Programme wise	Amount spent on the projects or programme	Cumulative expenditure up to reporting period	Amount Direct or through agency
1	The Akshya Patra Foundation (Mid-day Meal)	Eradicating Hunger, Poverty and Malnutrition	Kakinada, Andhra Pradesh	8.00	8.00	8.00	Direct
2	Yanam Old Age Home	Setting up old age homes, day care centres and such other facilities for senior citizens	Yanam, Puducherry	10.00	10.00	10.00	Direct
3	Social Welfare Development	Develop- ment of Social Welfare Hostel	Ongoing Project at East Godavari	11.00	11.00	11.00	District Collector

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

By Order of the Board of Directors

Sd/-

G. Ganesh Kumar

Chairman & Managing Director

Chairperson of CSR Committee

Place: Hyderabad

Date: 05th September 2020

Registered office:

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

CIN:L72200TG1998PLC029809

**FORM MGT 9**

As on financial year ended on 31.03.2020

ANNEXURE – IV**EXTRACT OF ANNUAL RETURN**

(Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Company (Management & Administration) Rules, 2014) Financial Period ended on 31.03.2020

I.REGISTRATION & OTHER DETAILS :

i	CIN :	L72200TG1998PLC029809
ii	Registration Date :	23-07-1998
iii	Name of the Company :	TYCHE INDUSTRIES LIMITED
iv	Category/Sub-category of the Company:	Company having Share Capital
V	Address of the Registered office & contact details:	C-21/A, ROAD NO.9,FILM NAGAR, JUBILEE HILLS,HYDERABAD-500096
vi	Whether listed company:	Yes (Listed in BSE)
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any:	CIL SECURITIES LIMITED, 214, RAGHAVA RATNA TOWERS, CHIRAG ALI LANE, ABIDS, HYDERABAD-500001

II.PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

S. No	Name & Description of main products/services	NIC Code of the Product /services	% to total turnover of the company
1	PHARMACEUTICAL PRODUCTS	21002	100%

III. PARTICULARS OF HOLDING,SUBSIDIARY& ASSOCIATE COMPANIES:

S. No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD
1	NIL	NIL	NIL	NIL


IV. **SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year(01.04.2019)				No. of Shares held at the end of the year (31.03.2020)				% of Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	2265955	-	2265955	22.11	2265955	-	2265955	22.11	-
b) Central Govt.or	-	-	-	-	-	-	-	-	-
State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	4085641	-	4085641	39.86	4085641	-	4085641	39.86	-
d) Bank/Fl	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
SUB TOTAL:(A) (1)	6351596	-	6351596	61.97	6351596	-	6351596	61.97	-
(2) Foreign									
a) NRI- Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/Fl	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-
SUB TOTAL (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A) = (A)(1) + (A)(2)	6351596	-	6351596	61.97	6351596	-	6351596	61.97	-
B. PUBLIC SHAREHOLDING									
(1) Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Venture Capital Fund	-	-	-	-	-	-	-	-	-
c) Central govt	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Insurance Companies	-	-	-	-	-	-	-	-	-
f) FIs/ Foreign Portfolio Investors/Bank	-	-	-	-	9	-	9	-	-
g) Others (specify)									
SUB TOTAL (B)(1):		-	-	-	9	-	9	-	-



Category of Shareholders	No. of Shares held at the beginning of the year(01.04.2019)				No. of Shares held at the end of the year (31.03.2020)				% of Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Non Institutions									
a) Bodies corporates	965740	-	965740	9.42	918590	-	918590	8.96	-0.46
b) Individuals									
i) Individual shareholders holding nominal share capital upto 2 lakhs	1986554	178113	2164667	21.12	2018439	164913	2183352	21.30	0.18
ii) Individuals shareholders holding nominal share capital in excess of 2 lakhs	691457	3800	695257	6.78	702113	0	702113	6.85	0.07
c) Any Other (specify) NRIs	71922	0	71922	0.70	91818	0	91818	0.90	0.20
d) Clearing Member	818	0	818	0.01	2522	0	2522	0.02	0.01
SUB TOTAL (B)(2):	3716491	181913	3898404	38.03			3898404	38.03	-
Total Public Shareholding	3716491	181913	3898404	38.03	3733482	164913	3898395	38.03	
(B)= (B)(1)+(B)(2)	3716491	181913	3898404	38.03	3733491	164913	3898404	38.03	-
C. Shares held by Custodian									
Grand Total (A+B+C)	10068087	181913	10250000	100	10085087	164913	10250000	100	-



(ii) Shareholding of Promoters:

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

ANNEXURE - E

(iii) CHANGE IN PROMOTERS' SHAREHOLDING 01.04.2019 to 31.03.2020 :

S. No	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	No Changes held During the year		No Changes held During the year	
	Total				



(iv) Shareholding Pattern of top ten Shareholders : 01.04.2019 to 31.03.2020
(other than Directors, Promoters & Holders of GDRs & ADRs) :

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	PLUTUS TECHLABS LIMITED	656086	6.40	656086	6.40
2	IEPF	143865	1.40	163466	1.59
3	LINCOLN P COELHO	150000	1.46	150000	1.46
4	BYNA MURALI	63673	0.62	103000	1.00
5	RAMESHWAR NATH PANDEY	57003	0.56	59280	0.58
6	RANGAPPA N	38700	0.38	55200	0.54
7	RAGHU RAMA RAJU GOKARAJU	46694	0.46	46694	0.46
8	SURYANARAYANA RAJU KANTHEI	35032	0.34	35032	0.34
9	RAMESHWAR NATH PANDEY HUF	21631	0.21	32204	0.31
10	M Y NARAYANA	32074	0.31	32074	0.31

(v) Shareholding of Directors and Key Managerial Personnel

S. No.	For Each of the Directors and each Key Management Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	G Ganesh Kumar	1408095	13.74	1408095	13.74
2	EshwarBoosa	0	0	0	0
3	P.Vijaya Lakshmi	0	0	0	0
4	SaiSudhakarPanchakarla	0	0	0	0
5	Y Srinivasa Rao(CFO)	50	0	50	0
6	SatyaRanjan Jena(CS)	0	0	0	0

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

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

(Rs. In lakhs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		G.Ganesh Kumar			
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	18.00 NIL			18.00 NIL
2	Stock Option	NIL			NIL
3	Sweat Equity	NIL			NIL
4	Commission: - as % of profit				
	- others, specify	NIL			NIL
5	Others, please specify	NIL			NIL
	Total (A)	18.00			18.00
	Ceiling as per the Act *	235.06			23.06

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



Sl. No.	Particulars of Remuneration	Name of Directors			Total (Rs. In lakhs)
		Boosa Eshwar	Sai Sudhakar	P.Vijaya Lakshmi	
1	Independent Directors • Fee for attending board committee meetings • Commission • Others, please specify Total (1)	1.67	1.67		3.34
2	Other Non-Executive Directors • Fee for attending board committee meetings • Commission • Others, please specify			1.12	1.12
	Total (2)				4.46
	Total = (1 + 2)				

Overall ceiling as per the act is 23.50 lakhs*

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

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total (In Lakhs)
		CEO	CFO	Company Secretary	
1.	Gross Salary : Salary as per provisions contained in section 17(1) of IT Act,1961 Value of perquisites U/S 17(2) OF IT Act, 1961 Profits in lieu of salary u/s 17(3) of IT Act, 1961	NIL	7.71	4.80	12.51
2.	Stock Option	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL
4.	Commission - as % of profit	NIL	NIL	NIL	NIL
5.	Others, specify	NIL	NIL	NIL	NIL
	Total	NIL	7.71	4.8	12.51

*Remuneration of CFO includes remuneration paid to K.Srinivas is 3.75 lakhs and remuneration paid to Y.Srinivasa Rao is 3.96 Lakhs

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

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

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

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

Rule	Particulars	Details of Remuneration
5.1	The Ratio of the remuneration of each Director to the median remuneration of the employees of the company for the financial year.	Mr G. Ganesh Kumar (9.76:1) All other directors have not received any remuneration, except the sitting fees, during the F.Y.2019-20
5.2	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary.	For Mr. G Ganesh Kumar(Nil) For Mr. Y Srinivasa Rao (Nil) For Mr. Satya Ranjan Jena(Nil)
5.3	The percentage increase in the median remuneration of employees in the financial year.	Nil
5.4	The number of permanent employees on the rolls of the company	183
5.5	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification the thereof.	There has been no increase in the managerial remuneration for the financial year.



Annexure-VI

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

Information pursuant to Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, for the year ended 31st March, 2020.

A. Conservation of Energy:

(i) Steps and impact:

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

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

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

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

Form - A

Disclosure of particulars with respect to conservation of energy

Particulars	Unit	2019-20	2018-19
A. Power & Fuel Consumption:			
Electricity (purchased)			
- No. of Units (Nos/ Lacs)	KWH	38.00	28.00
- Total Amount (Lacs)	Rs.	277.00	216.00
- Average Rate per Units	Rs.	7.00	7.56
Diesel			
- Quantity (Nos/ Lacs)	Ltr	0.19	0.10
- Total Amount (Lacs)	Rs.	14.00	10.00
- Average Rate per Unit/ Ltr	Rs.	71.59	74.66
Husk			
- Quantity	MT	2336	1716
- Total Amount (Lacs)	Rs.	81.00	68.00
- Average Rate per Unit/MTs	Rs.	3475	3990
B. Consumption per Unit of Production:			
- Electricity	KWH	As the Company uses the same manufacturing facilities for various products, it is not practicable to give consumption per unit.	
- Diesel	Ltr		
- Husk	MT		

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

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

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

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

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

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

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

Particulars	2019-20	2018-19
Capital Expenditure	0.00	0.00
Recurring Expenditure	0.61	0.71
Total	0.61	0.71
Total R&D Expenditure as a % of Total Turnover	0.88%	1.31%

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	2019-20	2018-19
i) Foreign Exchange Earnings:		
- FOB value of exports(Net of Freight & Insurance)	37.19	27.76
ii) Foreign Exchange Outgo (CIF):		
-Raw materials	3.91	1.93
-Capital Goods	0.00	0.00
-For expenses	0.93	0.82

By Order of the Board of Directors

Sd/-

G. Ganesh Kumar

Chairman & Managing Director

Place: Hyderabad

Date: 05th September 2020

Registered office:

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

CIN:L72200TG1998PLC029809

**REPORT ON CORPORATE GOVERNANCE****1) COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

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

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

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

2) BOARD OF DIRECTORS**Composition of the Board**

As on March 31, 2020, Tyche's composition of the Board is in conformity with SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and companies Act, 2013. The Company's Board of Directors consist of One Non-Executive Director (Woman Director). Two Non-Executive Independent Directors, One Executive Director.

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

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

Directors Attendance Record and their other Directorships / Committee memberships

As mandated in Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, none of the directors is a member of more than ten board level committee or chairman of more than five committee across companies in which he/she is a director. Relevant details of the Board as on March 31, 2020 are given below:



Name	Category & Designation	Attendance at AGM held on 30th September, 2019	No. of meetings held during the last Financial Year 2019-2020	No. of meetings attended	No. of directorships on boards of other Companies	No. of Board committees in which he is a member in other companies	No. of Board committees in which he is a Chairman in other companies
Mr. G. Ganesh Kumar	Chairman, Managing Director and Promoter	Yes	8	8	1	NIL	NIL
Mr. SaiSudhakar Panchakarla	Independent Director	Yes	8	8	NIL	NIL	NIL
Mr.BoosaEswar	Independent Director	Yes	8	8	NIL	NIL	NIL
Mrs. P. Vijaya Lakshmi	Non-Executive Non Independent Director	Yes	8	8	NIL	NIL	NIL

Notes:

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

Number of Board Meeting

During the Financial Year 2019-2020, the Board of Directors met 8 (Eight) times, viz., on 27th May, 2019, 09th July 2019, 07th August, 2019, 03rd September 2019, 06th October 2019, 06th November, 2019, 12th November 2019, 10th February 2020, .The maximum gap between any two meetings was less than one hundred and twenty days, as stipulated under Regulation 17 of SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015.

Disclosure of Relationship between Directors

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



Shareholding of Non-Executive Directors

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

Role of Internal Auditor

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

Familiarization Programme for the Independent Directors

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

Skill/Expertise/Competence Of The Board Of Directors For The Financial Year Ended March 31, 2020.

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

Code of Conduct

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

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



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

3) MEETING OF INDEPENDENT DIRECTORS

During the year under review, the Independent Directors met on 10th February, 2020, carried out inter alia, the following process:

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

COMMITTEES OF THE BOARD

Tyche Industries Limited has five Board level committees:

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

A) AUDIT COMMITTEE:

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

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

The Audit Committee met 4 (four) times viz., on 27th May, 2019, 07th August, 2019, 12th November, 2019 and 10th February, 2020 during the year under review. The gap between two Audit Committee meetings was not more than four months in compliance with Listing Agreement. The details of meetings attended by each member during the year ended 31st March, 2020 is as follows:



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

Terms of Reference:

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

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

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

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

B) NOMINATION AND REMUNERATION COMMITTEE:

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



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

During the financial year 2019-2020 the Nomination & Remuneration Committee met two times on 07th August, 2019, 10th February 2020. The Composition and the details of attendance of members of the Committee are as follows:

Name of the member	Designation	No. of Meetings Held	Meetings Attended
Mr.BoosaEswar	Chairman	2	2
Mr.SaiSudhakarPanchakarla	Member	2	2
Mrs. P. Vijaya Lakshmi	Member	2	2

Terms of Reference of the Nomination & Remuneration Committee:

The Committee is empowered to -

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

Remuneration Policy:

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

Remuneration of Managing Director and Whole-Time Director;

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

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

- a. The relationship of remuneration and performance benchmarks is clear;



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

Remuneration of Non-Executive Directors:

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

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

Remuneration of Senior Management Employees:

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

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

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

Details of Remuneration:

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

Performance evaluation:

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance and of the independent directors on parameters such as level of engagement, contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc. The performance



evaluation of the Chairman and the Non -Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process as well as the evaluation of the working of its Committees, information needs of the Board, execution and performance of specific duties, obligations and governance.

Details of remuneration paid to Executive Directors during the year ended 31st March, 2020 and shares held by them are as follows:

(Rs. In Lacs)

Name of the Director	2019-20 (Salary)	No. of Shares held
G. Ganesh Kumar, Chairman & Managing Director	18.00	14.08

Note: The Company has not granted any Stock Option.

C). STAKEHOLDERS RELATIONSHIP COMMITTEE:

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

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

During the financial year 2019-2020, the Stakeholders' Relationship Committee met 3 (Three) times on 27th May, 2019, 07th August, 2019, 06th November, 2019 and 12th Nov 2019. The composition of the Committee and the details of meetings attended by each member during the year ended 31st March, 2020 are as follows:

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



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

Mr. Satya Ranjan Jena

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

Phone No. : 040 – 23541688

Email ID : cs_tyche@tycheindustries.com

• **Status of the Investor’s Complaint as on 31st March 2020:**

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

There were no share transfers pending for registration for more than 15 days as on 31st March, 2020.

D) SHARE TRANSFER COMMITTEE:

To ensure quicker investor services and expeditious of the Share Transfer approvals, this Committee has been constituted with the following members of the Board as on 31st March 2020.

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

The Committee meets on 06th November, 2019 when the memorandum of transfer date is intimated by the CIL Securities Limited (Registrar and Share Transfer Agent) and accords its approvals accordingly.

E) CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

In accordance with Section 135 of the Companies Act, 2013, the Board of Directors of the Company at its meeting held on 07th August, 2019 and 10th Feb 2020, comprising as on 31st March 2020 the following:

Name of the member	Designation	No. of Meetings Held	Meetings Attended
Mr. G. Ganesh Kumar	Chairman	2	2
Mr.SaiSudhakarPanchakarla	Member	2	2
Mr.BoosaEshwar	Member	2	2



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

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

4) GENERAL BODY MEETINGS:

Annual General Meetings:

Financial Year	Date and Time	Venue	Description of Special Resolution passed
2018-19	30th September 2019 At 10.00 a.m	SagiRamkrishnamRaju Community Hall, Madura Nagar, Hyderabad-38	Appointment of Boosa Eshwar (DIN:01879193) as Independent Director for second term.
2017-2018	29th September 2018 at 10.00 a.m.	SagiRamkrishnamRaju Community Hall, Madura Nagar, Hyderabad-38	Nil
2016-2017	29th September, 2017 at 10.00 a.m.	SagiRamkrishnamRaju Community Hall, Madura Nagar, Hyderabad-38	Nil

Postal Ballot:

No resolution was passed by means of Postal Ballot during the financial year 2019-2020. None of the businesses proposed to be transacted in the ensuing Annual General Meeting requires passing a Special Resolution through Postal Ballot.

5) MEANS OF COMMUNICATION:

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



Communication to shareholders on email: As mandated by the Ministry of Corporate Affairs (MCA) documents like Notices, Annual Report etc. were sent to the shareholders at their email address, as registered with their Depository Participants/ Company/ RTA. This helped in prompt delivery of document, reduce paper consumption, save trees and avoid loss of documents in transit.

6) GENERAL SHAREHOLDERS INFORMATION:**(a) Annual General Meeting** (through Video Conferencing("VC")/Other Audio Visual Means ("OAVM"))

22nd Annual General Meeting

Date : Wednesday, 30th September, 2020

Time : 10.00 a.m.

(b) Financial Calendar 2020-21:

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

Subject Matter	Tentative Dates of the Board Meeting
Results for the quarter ending 30th June, 2020	By 14th August, 2020
Results for the quarter ending 30th September, 2020	By 14th November, 2020
Results for the quarter ending 31st December, 2020	By 14th February, 2021
Audited Results for the quarter and year ending 31st March, 2021	By 30th May, 2021

(c) Date of book closure: From 24th September, 2020 to 30th September, 2020 (both days inclusive)**(d) Cut-off date for remote e-voting:**

The remote e-voting /voting rights of the shareholders/ beneficial owners shall be reckoned on the equity shares held by them as on the Cut-off Date i.e. Wednesday, 23rd September, 2020.

(e) Dividend payment date:

Dividend shall be paid to all the eligible shareholders on or after 30th Sept 2020 but within statutory limit.

(f) Unpaid / Unclaimed Dividend:

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



Shareholders of the Company who have either not received or not en-cashed their dividend warrants for the financial year 2012-13, 2013-14, 2014-15, 2015-16, 2016-2017, 2017-18 and 2018-19 are requested to claim the unpaid/unclaimed dividend from the Company before transfer to the fund.

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

(h) CIN : L72200TG1998PLC029809

Stock Code : 532384

Scrip Id : TYCHE

Demat ISIN : INE443B01012 (Fully paid up)

: IN9443B01010 (Partly paid up)

(i) Listing Fees:

The Company has paid the listing fees for the year 2019- 20 to the Stock Exchange where the shares are listed

(j) Market Price Data: Monthly high and low stock quotations of shares traded on BSE during the each month of the financial year 2019-2020 as compared to BSE Sensex are as follows:

Month	Volume (No. of Shares)	Share Price of shares of the Company at BSE* (Rs.)		Sensex	
		High	Low	High	Low
April, 2019	22485	73.00	64.25	39487.45	38460.25
May, 2019	26148	73.80	60.10	40124.96	36956.10
June, 2019	34457	69.95	55.65	40312.07	38870.96
July, 2019	92197	60.00	35.95	40032.41	37128.26
August, 2019	74861	59.70	37.95	37807.55	36102.35
September,2019	129940	80.95	51.00	39441.12	35987.80
October, 2019	45602	72.70	59.30	40392.22	37415.83
November,2019	227361	96.80	64.30	41163.79	40014.23
December,2019	92500	84.95	73.50	41809.96	40135.37
January,2020	153340	98.00	80.00	42273.87	40476.55
February, 2020	449850	135.40	86.70	41709.30	38219.97
March,2020	245328	117.00	63.15	39083.17	25638.90

* Source: www.bseindia.com



(k) Registrar and Share Transfer Agent:

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

(l) Share Transfer System

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

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

(m) Shareholding Pattern as on 31st March 2020.

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

(n) The Distribution of Shareholding as on 31st March, 2020:

Category (No. of Shares) From - To	No. of Shareholders	%	No. of Shares	%
Up to 500	2784	77.59	418020	4.08
501-1000	310	8.64	261953	2.56
1001-2000	194	5.41	292220	2.85
2001-3000	120	3.34	302257	2.95
3001-4000	38	1.06	138490	1.35
4001-5000	32	0.89	150922	1.47
5001-10000	56	1.56	439380	4.29
10001- 10250000	54	1.51	8246758	80.46
Total	3588	100.00	10250000	100.00

**(o) Dematerialization of Equity Shares and Liquidity**

As on 31st March, 2020 about 98.39% of the Company equity shares have been dematerialized.

DEMATERIALIZATION OF SHARES

For convenience of shareholders, the process of getting the shares dematerialized is given hereunder:

- a) Demat account should be opened with a depository participant (DP).
 - b) Shareholders should submit the dematerialization request form (DRF) along with share certificates in original, to their DP.
 - c) DP will process the DRF and will generate a dematerialization request number (DRN).
 - d) DP will submit the DRF and original share certificates to the Registrar and Transfer Agents (RTA), which is Alankit Assignments Limited.
 - e) RTA will process the DRF and confirm or reject the request to DP/ depositories.
 - f) Upon confirmation of request, the shareholder will get credit of the equivalent number of shares in his demat account maintained with the DP
- (p) Outstanding ADRs, GDRs, Warrants or any convertible instruments, conversion date and impact on Equity:

As on 31st March, 2020 the Company does not have any ADRs, GDRs, Warrants or any convertible instruments.

- (q) Address for investor correspondence:

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

- (r) Plant Location:

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

OTHER DISCLOSURES:**i. Related Party Transactions:**

There are no materially significant related party transactions, i.e., transactions, material in nature, with its promoters, the directors or the management, their subsidiaries or relatives, etc. that may potentially conflict with the interests of the Company at large. Details on materially significant related party transactions as per the requirements of the Accounting Standard (AS), are disclosed in the Notes to Accounts of the Financial Statements in the Annual Report. The Board has approved a policy for related party transactions which has been uploaded on the Company website at <http://www.tycheindustries.com/>.

ii. Subsidiary Companies:

The Company does not have any Subsidiary Company.

**iii. Disclosures by Senior Management & KMPs**

The senior management personnel make disclosures to the Board periodically regarding

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

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

iv. Disclosure of accounting treatment:

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

v. Details of Non-Compliance by the Company:

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

vi. Whistle Blower Mechanism:

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

Email : cs_tyche@tycheindustries.com

Phone No : 040-23541688

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

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

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

Mandatory Requirements:

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

Non-mandatory Requirements:

- Shareholders' Rights: As the quarterly and half yearly financial performance are



published in the newspapers and are also posted on the Company's website, the same are not being sent to the shareholders.

- Audit Qualifications:
- The Company's financial statement for the year ended on 31st March, 2020 does not contain any audit qualification.
- Reporting of Internal Auditor: The Internal Auditor reports to the Audit Committee.

viii. Certificate from Practicing Company Secretary

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

ix. Total Fee paid to the Statutory Auditor

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

x. Prevention of Sexual Harassment Policy

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

During the Financial Year 2019-20, the Status of the Complaint received/solved as follows:

Complaints pending as on 1st April, 2019	Complaints received during the year	Complaints disposed off during the year	Complaints pending as on 31st march, 2020
0	0	0	0

xi. Code for Prevention of Insider Trading Practices:

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

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

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

xi. CEO/CFO Certification:

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

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

The Board has adopted a Code of Conduct for the Board of Directors and Senior Management Personnel of the Company. All Board members and Senior Management Personnel have affirmed their compliance with the Code of Conduct. A declaration by the Chairman & Managing Director of the Company affirming the compliance of the same in respect of the financial year ended on 31st March, 2020 by the members of the Board and Senior Management Personnel, as applicable to them, is also annexed separately to this Annual Report along with the Certificate on compliance of Corporate Governance under (Listing Obligations Disclosure Requirements), Regulations, 2015 by the Company. (Annexure C)

xiii. Review of Directors' Responsibility Statement:

The Board in its report has confirmed that the annual accounts for the year ended 31st March, 2020 have been prepared as per applicable accounting standards and policies and that sufficient care has been taken for maintaining adequate accounting records.

xiv. Reconciliation of Share Capital Audit Report:

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

xv. Disclosure of Risk Management:

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

xvi. Declaration Affirming Compliance of Whistle Blower Policy

To the best of my knowledge and belief, I hereby affirm that no personnel of the Company have been denied access to the Audit committee during FY 2019-20. The Board has accepted all the recommendations of the Committee which were mandatorily required.

By Order of the Board of Directors

Sd/-

G. Ganesh Kumar

Chairman & Managing Director

Place: Hyderabad

Date: 05.09.2020

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

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

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

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

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority

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

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

Sd/-

D. RENUKA

Company Secretary in practice.

ACS No. 11963

C P No. 3460

UDIN: A011963B000568233

Place: Hyderabad

Date: 11th August, 2020



**Annexure-B
CEO/CFO Certification**

To

The Board of Directors

Tyche Industries Limited

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

1. We have reviewed the Balance Sheet and Statement of Profit and Loss, and all the Notes on Accounts, as well as the Cash Flow statements for the financial year ended 31st March, 2020.
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we am aware and the steps we have taken or propose to take to rectify these deficiencies.
4. They have indicated to the auditors and the Audit committee:
 - (i) Significant changes in internal control over financial reporting during the year;
 - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial

For Tyche Industries Limited

SD/-

(G. Ganesh Kumar)
Chairman & Managing Director

SD/-

(Y.Srinivasa Rao)
CFO

Place: Hyderabad

Date: 29th June, 2020

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

To,
The Members of
Tyche Industries Limited

I, have examined the compliance of conditions of Corporate Governance by Tyche Industries Limited ('the Company') for the year ended 31st March, 2020, as stipulated under the Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

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

In my opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations.

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

Sd/-

D. RENUKA

Company Secretary in practice.

ACS No. 11963

C P No. 3460

UDIN: A011963B000568211

Place: Hyderabad
Date: 11th August, 2020

DECLARATION ON COMPLIANCE OF CODE OF CONDUCT

To
The Members of
Tyche Industries Limited

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

For Tyche Industries Limited

SD/-

(G. Ganesh Kumar)

Managing Director

Place: Hyderabad
Date: 29th June, 2020



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

Market Size

The pharmaceutical sector was valued at US\$ 33 billion in 2020. The country's pharmaceutical industry is expected to expand at a CAGR of 22.4 per cent over 2015–20 to reach US\$ 55 billion. India's pharmaceutical exports stood at US\$ 17.27 billion in FY18 and have reached US\$ 15.52 billion in FY19 (up to January 2020). Pharmaceutical exports include bulk drugs, intermediates, drug formulations, biologicals, Ayush & herbal products and surgicals. India's domestic pharmaceutical market turnover reached Rs 129,015 crore (US\$ 18.12 billion) in 2019, growing 9.4 per cent year-on-year (in Rs) from Rs 116,389 crore (US\$ 17.87 billion) in 2020. Indian companies received 304 Abbreviated New Drug Application (ANDA) approvals from the US Food and Drug Administration (USFDA) in 2017. The country accounts for around 30 per cent (by volume) and about 10 per cent (value) in the US\$ 70-80 billion US generics market. India's biotechnology industry comprising bio-pharmaceuticals, bio-services, bio-agriculture, bio-industry and bioinformatics is expected to grow at an average growth rate of around 30 per cent a year and reach US\$ 100 billion by 2025.

Investments and Recent Developments

The Union Cabinet has given its nod for the amendment of the existing Foreign Direct Investment (FDI) policy in the pharmaceutical sector in order to allow FDI up to 100 per cent under the automatic route for manufacturing of medical devices subject to certain conditions. The drugs and pharmaceuticals sector attracted cumulative FDI inflows worth US\$ 15.93 billion between April 2000 and December 2019, according to data released by the Department for Promotion of Industry and Internal Trade (DPIIT).

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

- In February 2020, the Indian pharmaceutical market grew by 10 per cent year-on-year.
- Between Jul-Sep 2019, Indian pharma sector witnessed 39 PE investment deals worth US\$ 217 million.
- Investment (as % of sales) in research & development by Indian pharma companies* increased from 5.3 per cent in FY12 to 8.5 per cent in FY18.
- In 2017, Indian pharmaceutical sector witnessed 46 merger & acquisition (M&A) deals worth US\$ 1.47 billion
- The exports of Indian pharmaceutical industry to the US will get a boost, as branded drugs worth US\$ 55 billion will become off-patent during 2017-2020.



Government Initiatives

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

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

ICRA has given a stable outlook on the Indian pharmaceutical industry. The headwinds from pricing pressure in large regulated markets, especially USA, increased cost related to regulatory compliances but are largely offset by growing scale of business, increased focus on specialty/ niche segments and comfortable balance sheet structure. The domestic pharmaceutical industry has gained adequate scale and generic drug development capabilities over a decade of growth which will keep them in good stead to capture bigger opportunities in the regulated market. The FY2019-2021 CAGR is expected to be around 8-10% for domestic Pharmaceutical companies. The credit metrics of leading pharma companies are likely to remain stable in view of steady growth prospects in regulated markets and limited dependence of Indian pharmaceutical companies on bank borrowings. The OPBITDA/Interest and TD/OPBITDA for ICRA set of 21 entities in Indian pharmaceutical industry has been healthy at 10.2x and 2.3x for FY2019. They are expected to remain in similar range in medium term despite some pressure on profitability and marginal rise in debt levels, given inorganic investments. The key sensitivity to our outlook remains productivity of R&D expenditure, increasing competition in the U.S. generics space and operational risk related to increased level of due diligence by regulatory agencies.

The growth from US has come down sharply from 14.4% in FY2016, 4.0% in FY2017 to -13.1% in FY2019. Going forward the growth momentum would face continued headwinds given the relatively moderate proportion of large size drugs going off patent, increased competition, generic adoption reaching saturation levels in the US market along base effect catching up for Indian



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

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

INDUSTRY FUTURE

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

COMPANY PERSPECTIVE:

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

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

SEGMENTWISE OR PRODUCTIONWISE PERFORMANCE

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

COMPANY'S FINANCIAL PERFORMANCE AND ANALYSIS

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



FUTURE OUTLOOK

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

RISKS AND CONCERNS

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

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

1. COMPETITION:

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

2. MARKETING:

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

3. EXCHANGE RATE:

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

4. RESEARCH AND DEVELOPMENT:

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

5. ENVIRONMENTAL MANAGEMENT:

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

INTERNAL CONTROLS:

Tyche Industries Limited has proper and adequate internal control system commensurate with the size and complexity of the organization and a well-defined internal control system which is adequately monitored. Checks and balances and control systems have been established to ensure that assets are safe guarded, utilized with proper authorization and recorded in the books of



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

HUMAN RESOURCES / INDUSTRIAL RELATIONS:

The Company recognizes the immense value addition made by its employees to the growth and development. In turn, the Company is committed to train and develop its people and motivates them to enhance their potential and industrial relations have been cordial and mutually beneficial. As on March 31, 2020 the Company had about 200 employees.

CAUTIONARY STATEMENT:

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

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

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

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

We have audited the accompanying financial statements of **Tyche Industries Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind-AS specified under Section 133 of the Act of the state of affairs (financial position) of the Company as at 31st March, 2020 and its profit (financial performance including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion:

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

KEY AUDIT MATTERS:

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

We draw attention to the following matter of the company

A) Revenue Recognition

Refer to Note 2.2.(A) Of the summary of significant accounting policies to the financial statements.

Revenue from sale of goods is recognized when a promise in a customer contract (performance obligation) has been satisfied by transferring control over the promised goods to the customer.



Control is usually transferred upon shipment, delivery to, upon receipt of goods by the customer, in accordance with the delivery and acceptance terms agreed with the customers. We consider a risk of misstatement of the Financial Statements related to transactions occurring close to the year end, as these transactions could be recorded in the incorrect financial period (cut-off). Our tests of detail on cut-off samples were enhanced accordingly and, to verify that only revenue pertaining to current year is recognized based on terms and conditions set out in sales contracts and delivery documents, performing testing on selected statistical samples of revenue transactions recorded during the year. Our opinion is not modified in this regard.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the company's annual report but does not include the financial statements and our auditors' report thereon. The Company's annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

MANAGEMENT'S and BOARD OF DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS:

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance. Changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



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

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

AUDITORS' RESPONSIBILITY:

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

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

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



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

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS:

As required by the Companies (Auditors' Report) Order, 2016 ("The Order"), issued by the Central Government of India in terms of sub-section 11 of Section 143 of the Act, we give in the Annexure-A a Statement on the matters specified in Paragraph 3 and 4 of the Order, to the extent applicable.

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Profit and Loss Statement, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Indian Accounting Standards) Rules, 2015 except with regard to the compliance to certain disclosure requirements there under.
- e) On the basis of the written representations received from the directors as on March 31, 2020, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020, from being appointed as a director in terms of Section 164(2) of the Act.



- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure-B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations as at 31st March, 2020 on its financial position in its financial Statements.
 - ii. The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Further with respect to the matter to be included in the Auditors Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act.

For SURYAM & CO.

Chartered Accountants
(FRN : 012181S)

SD/-

(SRINIVAS OLETI)

Partner

ICAI M.No.206457

UDIN - 20206457AAAAAD8209

Place : Hyderabad

Date : 29-06-2020.



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

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

- i. a) The Company has maintained proper records showing broad particulars including quantitative details and situation of fixed assets, on the basis of available information. However, the fixed assets register is to be updated.
- b) As per the information and explanations furnished to us by the management, majority of the fixed assets have been physically verified in a broad manner by the management in a phased manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. We are informed that, no material discrepancies were noticed on such verification. However, proper adjustments in the books of account were made for the discrepancies noticed on such verification.
- c) As per the information and explanations furnished to us by the management, the title deeds of immovable properties are held in the name of the company.
- ii. The physical verification of inventories has been conducted during the year by the management, in respect of majority of the high value items at reasonable intervals. In our opinion, the frequency of such verification is reasonable.
The discrepancies, that were noticed have been properly dealt with in the books of account.
- iii. As per the information and explanations furnished to us by the management and as per the books of account and other documents examined by us, the company has not granted any loans secured or unsecured to companies, firms, limited partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- iv. As per the information and explanations furnished to us by the management and as per the books of accounts and other documents examined by us, the company has not given any loans, made investments, given guarantees, securities to the parties to which provisions of Sections 185 and 186 of the Companies Act, 2013 are applicable.
- v. According to the information and explanations given to us, the Company has not accepted deposits, to which the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or the other relevant provisions of the Companies Act, and the rules framed there under, wherever applicable, from the public.
- vi. As per the information and explanations furnished to us, prima facie, it appears that the company broadly meets the requirement prescribed by the Central Government under section 148(1) of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014. We have however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. a) As per the information and explanations furnished to us by the management, according to the records examined by us of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, GST, Service Tax, duty of Customs, Duty of Excise, Value Added Tax, Cess and other statutory dues have been generally deposited on time with the appropriate authorities. According to the information and explanations given to us, no other undisputed amounts due and payable in respect of the aforesaid dues were outstanding as at 31-03-2020 for a period of more than six months from the date they became payable.
- b) As per the information and explanations furnished to us by the management, there



are no disputes with the appropriate authorities relating to Statutory dues other than those referred to in Point No.27 of "Notes to Financial Statements for the year ended March, 31st, 2020.

- viii. In our opinion and as per the information and explanations given to us, the company did not have any dues to any financial institution, bank, government, or debenture holder during the year.
- ix. During the year, the company has not raised any monies by way of initial public offer or further public offer (including debt instruments). The company has not availed any fresh Term Loans. Accordingly, paragraph 3(ix) of the Order is not applicable to the company.
- x. During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the company or on the company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. As per the information and explanations given to us by the management and based on our examination of the records of the company, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- xii. The Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, the provisions of Clause (xii) of para 3 of the order are not applicable to the company.
- xiii. As per the information and explanations given to us and based on our audit, in our opinion, the transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements, etc., as required by the applicable Indian Accounting Standards.
- xiv. Based on our examination of the records of the Company and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures during the year. Accordingly, reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- xv. As per the information and explanations given to us and based on our examination of the company records, the company has not entered into any non-cash transactions with directors or persons connected with them. Hence, compliance with the provisions of clause (xv) of para 3 of the order are not applicable to the Company.
- xvi. As per the information and explanations given to us and based on our examination of the records of the company, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause (xvi) of para 3 of the order are not applicable to the company.

For SURYAM & CO.

Chartered Accountants
(FRN : 012181S)

SD/-

(SRINIVAS OLETI)

Partner

ICAI M.No.206457

Place : Hyderabad,
Date : 29-06-2020



**Annexure-B to the Independent Auditors' Report
of even date on the Financial Statements of Tyche Industries Limited**

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

(Referred to in clause (f) of paragraph 2 under 'Report on other Legal and Regulatory Requirements' section of our report of even date)

Opinion:

We have audited the internal financial controls over financial reporting of Tyche Industries Limited ("the Company") as of 31st March, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2020, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control



based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting:

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

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

For SURYAM & CO.

Chartered Accountants

(FRN : 012181S)

SD/-

(SRINIVAS OLETI)

Partner

ICAI M.No.206457

Place : Hyderabad,

Date :29-06-2020.



PART I –BALANCE SHEET
Name of the Company: TYCHE INDUSTRIES LIMITED
Balance Sheet as at 31.03.2020

(Amount in Rupees)

Particulars	Note No.	Figures as at the end of 31/03/2020	Figures as at the end of 31/03/2019
(1) ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	1	17,67,37,286	19,14,83,768
(b) Capital work-in-progress		-	-
(c) Financial assets			
(i) Investments	2	26,982	26,982
(d) Other non-current assets	3	2,14,70,033	2,16,65,950
		19,82,34,301	21,31,76,700
(2) Current Assets			
(a) Inventories	4	9,55,96,986	7,99,28,429
(b) Financial Assets			
(i) Trade receivables	5	12,92,77,310	10,17,10,533
(ii) Cash and cash equivalents	6	2,36,93,548	3,85,16,687
(iii) Bank Balances other than (ii) above	7	42,29,61,963	25,45,25,924
(c) Other current assets	8	7,71,83,467	5,22,60,493
		74,87,13,273	52,69,42,066
Total Assets		94,69,47,574	74,01,18,766
EQUITY AND LIABILITIES			
(a) Equity Share capital	9	10,24,53,400	10,24,53,400
(b) Other Equity	10	66,92,73,015	50,01,62,929
Total Equity		77,17,26,415	60,26,16,329
LIABILITIES			
Non-Current Liabilities			
(a) Financial liabilities		-	-
(i) Borrowings		-	-
(ii) Trade Payables		-	-
(b) Deferred tax liabilities (Net)	11	1,42,62,625	1,68,92,735
(c) Provisions	12	1,46,61,226	1,45,97,081
		2,89,23,851	3,14,89,816
Current Liabilities			
(a) Financial Liabilities			
(i) Trade payables	13		
---- Due of MSME		35,79,702	5,15,251
---- Due of creditors other than MSME		6,82,34,443	6,17,51,123
(b) Other current liabilities	14	1,01,40,969	1,03,52,349
(c) Provisions	15	6,43,42,195	3,33,93,898
		14,62,97,308	10,60,12,621
Total Equity and Liabilities		94,69,47,574	74,01,18,766

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

As per our Report of even date attached

For SURYAM & CO

Chartered Accountants

FRN No : 012181

Sd/-

(SRINIVAS OLETI)

Partner

ICAI M.No: 206457

Place : Hyderabad

Date : 29.06.2020

For and on behalf of the Board of Directors of

TYCHE INDUSTRIES LIMITED

Sd/-

(G.GANESH KUMAR)

Managing Director

DIN: 01009765

Sd/-

(Y. SRINIVASA RAO)

CFO

Sd/-

(BOOSA ESHWAR)

Director

DIN: 01879193

Sd/-

(SATYA RANJAN JENA)

Company Secretary & Compliance Officer

M. No.: A53638



TYCHE INDUSTRIES LIMITED
PART II – STATEMENT OF PROFIT AND LOSS
STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31.03.2020

Amount in Rupees

Particulars	Refer Note No.	For the year ended 31st Mar, 2020	For the year ended 31st Mar, 2019
INCOME			
I Revenue From Operations	16	73,70,35,250	53,94,74,803
II Other Income	17	3,67,66,555	2,51,92,124
III Total Income (I+II)		77,38,01,805	56,46,66,927
IV EXPENSES			
Cost of materials consumed	18	29,90,65,567	24,28,70,885
Purchases of Stock-in-Trade		-	-
"Changes in inventories of finished goods, "Stock-in -Trade and work-in-progress"	19	(1,17,54,662)	(36,02,649)
Employee benefits expense	20	7,37,83,172	7,16,88,974
Finance costs	21	21,656	46,291
Depreciation and amortization expense	1	1,73,92,790	1,84,08,761
Other expenses	22	16,20,31,849	13,67,97,059
Total expenses (IV)		54,05,40,372	46,62,09,321
V Profit/(loss) before exceptional items and tax (III- IV)		23,32,61,433	9,84,57,606
VI Exceptional Items		-	-
VII Profit/(loss) before tax (V-VI)		23,32,61,433	9,84,57,606
VIII Tax Expense:			
(1) Current tax		6,03,00,000	2,97,53,000
(2) Deferred tax- (Asset)/ liability		(26,30,110)	(27,54,720)
IX Profit (Loss) for the period from continuing operations (VII-VIII)		17,55,91,543	7,14,59,326
X Profit/(loss) from discontinued operations		-	-
XI Tax expense of discontinued operations		-	-
XII Profit/(loss) from Discontinued operations (after tax) (X-XI)		-	-
XIII Profit/(loss) for the period (IX+XII)		17,55,91,543	7,14,59,326
XIV Other Comprehensive Income		-	-
A (i) Items that will not be reclassified to profit or loss.			
(ii) Income tax relating to items that will not be reclassified to profit or loss.			
B (i) Items that will be reclassified to profit or loss.			
(ii) Income tax relating to items that will be reclassified to profit or loss.			
Total Comprehensive Income for the year (Net of Tax) (XIV)		-	-
XV Total Comprehensive Income for the period (XIII+XIV)		17,55,91,543	7,14,59,326
(Comprising Profit /(Loss) and Other Comprehensive Income for the period)			
XVI Earnings per equity share (for continuing operation):			
(1) Basic		17.14	6.97
(2) Diluted		17.14	6.97
XVII Earnings per equity share (for discontinued operation):		-	-
(1) Basic			
(2) Diluted			
XVIII Earnings per equity share(for discontinued & continuing operations)			
(1) Basic		17.14	6.97
(2) Diluted		17.14	6.97

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

As per our Report of even date attached

For SURYAM & CO

Chartered Accountants

FRN No : 012181

Sd/-

(SRINIVAS OLETI)

Partner

ICAI M.No: 206457

Place : Hyderabad

Date : 29.06.2020

For and on behalf of the Board of Directors of

TYCHE INDUSTRIES LIMITED

Sd/-

(G.GANESH KUMAR)

Managing Director

DIN: 01009765

Sd/-

(Y. SRINIVASA RAO)

CFO

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(BOOSA ESHWAR)

Director

DIN: 01879193

Sd/-

(SATYA RANJAN JENA)

Company Secretary & Compliance Officer

M. No.: A53638



STATEMENT OF CHANGES IN EQUITY

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

Statement of Changes in Equity for the period ended 31.03.2020

Note No-09

A. Equity Share Capital

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

The amount received on calls on shares is shown here.

Note No-10

B. Other Equity

	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus				Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial	Other items of Other Comprehensive Income (specify nature)	Money Received against share warrants	Total
			Capital Reserve	Securities Premium Reserve	Other Reserve (General reserve)	Retained Earnings								
Balance at the beginning of the reporting period	-	-	-	-	6,07,76,963	43,93,85,966	-	-	-	-	-	-	-	50,01,62,929
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	6,07,76,963	43,93,85,966	-	-	-	-	-	-	-	50,01,62,929
Total Comprehensive Income for the year	-	-	-	-	-	17,55,91,543	-	-	-	-	-	-	-	17,55,91,543
Proposed Dividend	-	-	-	-	-	(51,22,670)	-	-	-	-	-	-	-	(51,22,670)
Dividend tax	-	-	-	-	-	(10,52,980)	-	-	-	-	-	-	-	(10,52,980)
Transfer to retained earnings	-	-	-	30,00,000	-	-	-	-	-	-	-	-	-	-
Any other change (Prior Year- Tax Adjustment).	-	-	-	-	-	(3,05,807)	-	-	-	-	-	-	-	(3,05,807)
Balance at the end of the reporting period	-	-	-	6,37,76,963	60,54,96,052	-	-	-	-	-	-	-	-	66,92,73,015



TYCHE INDUSTRIES LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31,2020

Amount in Rupees

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Net cash flow from used in operating activities		
Net Profit/(loss) before taxation and adjustments	23,32,61,433	9,84,57,605
Adjustment in Depreciation	1,73,92,790	1,84,08,761
Adjustment in Provision for Taxes	(6,06,05,807)	(2,98,42,368)
Adjustment for loss on (Profit) /sale disposal fixed assets	(1,07,306)	(25,625)
Adjustment for interest received	(2,33,60,081)	(1,77,05,058)
Adjustment for profit and loss from operations	(6,66,80,403)	(2,91,64,290)
Operating profit loss before changes in working capital	16,65,81,030	6,92,93,315
Changes in working capital		
Changes in current assets loans and advances		
Changes in Inventories	(1,56,68,557)	(2,65,32,290)
Changes in Trade receivables	(2,75,66,777)	(54,74,699)
Changes in other current assets	(2,49,22,974)	(56,88,086)
Changes in current assets, loans & advances	1,95,786	9,63,378
Changes in current assets, loans advances	(6,79,62,522)	(3,67,31,697)
Changes in current liabilities, provisions		
Changes in trade payables	95,47,771	79,17,703
Changes in other liabilities	(2,11,380)	55,25,701
Changes in provisions	3,09,48,297	(95,43,210)
Changes in current liabilities & provisions	64,145	10,68,757
Changes current liabilities, provisions	4,03,48,832	49,68,952
Changes in working capital	(2,76,13,690)	(3,17,62,745)
Net Cash Flow used in operating activities	13,89,67,340	3,75,30,570
Net Cash Flow used in investing activities		
Purchase tangible fixed assets	(27,68,262)	(1,18,48,780)
Advances to others	-	-
Proceeds from sale / disposal tangible fixed assets	2,29,375	4,11,000
Proceeds from Interest from bank deposits	2,33,60,081	1,77,05,058
Net Cash Flow used in investing activities	2,08,21,194	62,67,278
Net cash flow from used in financing activities		
Proceeds short - term borrowings	-	(6,95,387)
Proceeds from share capital	-	-
Dividend on equity shares paid	(51,22,670)	-
Dividend distribution tax on dividend on equity shares paid	(10,52,980)	-
Net cash flow from used in financing activities	(61,75,650)	(6,95,387)
Net Increase/(decrease) in Cash and Cash equivalents	15,36,12,883	4,31,02,461
Cash and Cash equivalents at the beginning of the Year	29,30,42,628	24,99,40,168
Cash and Cash equivalents Including Bank Deposits	44,66,55,511	29,30,42,629
* Cash flow statement is prepared by considering Cash and Cash Equivalents and also Bank Balances other than Cash and Cash Equivalents to give a fair view about the movement of cash during the year.		
Summary of Significant Accounting Policies & Other Disclosures (Refer Note 2)		

We have examined the Cash Flow Statement of M/s Tyche Industries Ltd for the year ending 31st March 2020. The Statement has been prepared by the company in accordance with the requirements of clause 32 of the Listing Agreement with stock exchanges (and also it complies with "Indirect Method" as set out in the Indian Accounting Standard-7-"Statement of Cash Flows) and is based on and is in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company dealt with in our report of 29-06-2020 to the members of the Company.

As per our Report of even date attached

For SURYAM & CO

Chartered Accountants

FRN No : 012181

Sd/-

(SRINIVAS OLETI)

Partner

ICAI M.No: 206457

Place : Hyderabad

Date : 29.06.2020

For and on behalf of the Board of Directors of

TYCHE INDUSTRIES LIMITED

Sd/-

(G.GANESH KUMAR)

Managing Director

DIN: 01009765

Sd/-

(Y. SRINIVASA RAO)

CFO

Sd/-

(BOOSA ESHWAR)

Director

DIN: 01879193

Sd/-

(SATYA RANJAN JENA)

Company Secretary & Compliance Officer

M. No.: A53638



1. Property Plant & Equipment

Amount In Rupees

Description	Gross Block					Accumulated Depreciation					Net Block		
	Balance as at 1 April 2019	Additions	Acquired through business combinations	Disposals	Balance as at 31 March 2020	Balance as at 1 April 2019	Depreciation short previous years	Depreciation charge for the year	Adjustment due to revaluations	On disposals	Balance as at 31 March 2020	Balance as at 1 April 2019	Balance as at 31 March 2020
a Property, Plant & Equipment													
Land	1,99,89,030	-	-	-	1,99,89,030	-	-	-	-	-	-	1,99,89,030	1,99,89,030
Assets under lease	-	-	-	-	-	-	-	-	-	-	-	-	-
Factory Buildings	6,90,91,705	-	-	-	6,90,91,705	2,04,22,906	23,25,050	-	-	2,27,47,956	4,86,68,799	4,63,43,749	4,63,43,749
Factory Roads	23,58,455	-	-	-	23,58,455	23,58,455	-	-	-	23,58,455	-	-	-
Plant and Equipment	21,11,68,458	-	-	-	21,11,68,458	11,52,24,203	1,04,71,733	-	-	12,56,95,936	9,59,44,255	8,54,72,556	8,54,72,556
Furniture and Fixtures	1,20,82,536	-	-	-	1,20,82,536	1,07,52,047	4,15,334	-	-	1,11,67,381	13,30,489	9,15,155	9,15,155
Lab Equipment	3,48,66,903	-	-	-	3,48,66,903	2,03,13,443	18,99,589	-	-	2,22,13,032	1,45,53,480	1,26,53,871	1,26,53,871
Vehicles	1,96,83,845	27,68,262	-	14,62,928	2,09,89,179	1,22,78,477	5,16,183	-	13,40,859	1,24,53,801	74,05,368	85,35,378	85,35,378
Electrical Equipment	1,36,88,018	-	-	-	1,36,88,018	1,00,95,650	7,64,902	-	-	1,08,60,552	35,92,368	28,27,466	28,27,466
Total	38,29,28,950	27,68,262	-	14,62,928	38,42,34,284	19,14,45,181	1,73,92,790	-	13,40,859	20,74,97,112	19,14,83,789	17,67,37,286	17,67,37,286
b Capital Works in Progress	-	-	-	-	-	-	-	-	-	-	-	-	-
Grand Total	38,29,28,950	27,68,262	-	14,62,928	38,42,34,284	19,14,45,181	1,73,92,790	-	13,40,859	20,74,97,112	19,14,83,789	17,67,37,286	17,67,37,286



2. Non Current Investments

Particulars	As at 31-March-2020 Rs.	As at 31-March-2019 Rs.
Investments in Mutual funds		
- Investments in Mutual Funds- (ICICI Prudential life 226.757 units)	26,982	26,982
Total	26,982	26,982

3. Other Non -current assets

Particulars	As at 31-March-2020 Rs.	As at 31-March-2019 Rs.
- Contribution to Employee Gratuity Trust	1,38,55,557	1,38,55,557
- Others - Security Deposits Unsecured, Considered good Branch Balances	58,65,979	58,15,979
--Income tax refund receivable	13,08,609	13,08,609
--Cenvat Refund Receivable	-	-
--Advance to capital goods suppliers	4,39,888	6,85,805
Total	2,14,70,033	2,16,65,950

4. Inventories

Particulars	As at 31-March-2020 Rs.	As at 31-March-2019 Rs.
(As certified by the Management) (Valued at lower of Cost or Net Realisable Value)		
a) Raw Materials	4,63,38,864	4,18,22,150
b) Work - in - progress	2,75,99,260	3,43,50,765
c) Finished goods	1,85,06,168	-
d) Stores, Spares and Consumables	29,12,694	34,82,987
e) Husk	2,40,000	2,72,527
Total	9,55,96,986	7,99,28,429

**5. Trade Receivables**

Particulars	As at 31-March-2020		As at 31-March-2019	
	Rs.	Rs.	Rs.	Rs.
Trade receivables considered good-unsecured	12,92,77,310		9,80,04,669	
Trade receivables-Credit Impaired	-		37,05,864	
Total	12,92,77,310		10,17,10,533	

6. Cash and cash Equivalents

Particulars	As at 31-March-2020		As at 31-March-2019	
	Rs.	Rs.	Rs.	Rs.
i) Cash and Cash equivalents				
a. Cash on hand		70,150		84,817
b. Balances with banks		2,36,23,398		3,84,31,870
Total		2,36,93,548		3,85,16,687

7. Bank Balances other than (ii) above

Particulars	As at 31-March-2020		As at 31-March-2019	
	Rs.	Rs.	Rs.	Rs.
a. Balances with banks				
This includes:				
*Deposit balances & Guarentee balances		42,29,61,963		25,45,25,924
Total		42,29,61,963		25,45,25,924

* For the purpose of Cash Flows,

**8. Other Current Assets**

Particulars	As at 31-March-2020		As at 31-March-2019	
	Number	Rupees.	Number	Rupees.
- Other loans:				
Unsecured, considered good except stated otherwise				
┆ Loans to Employees	14,22,546		15,39,972	
┆ Advance to Rawmaterials	7,55,714		63,947	
┆ Prepaid Expenses	7,43,600		9,40,800	
Less: Bad advances written off	-		-	
		29,21,860		25,44,719
Advance Income Tax		5,40,00,000		2,80,00,000
GST Balances		38,42,856		1,00,46,507
Interest accrued on deposits with banks & others		1,26,63,687		88,02,108
TDS Receivable		37,43,212		20,58,918
C.E, CST & GST Refund receivable & Deposits with Department.		11,852		8,08,241
Total		7,71,83,467		5,22,60,493

9. Equity Share Capital

Particulars	As at 31-March-2020		As at 31-March-2019	
	Number	Rs.	Number	Rs.
Authorised Equity Share Capital	1,10,00,000	11,00,00,000	1,10,00,000	11,00,00,000
Equity Shares of Rs. 10/- each				
Issued, Subscribed and Paid up				
Equity Shares of Rs. 10/- each	1,02,50,000	10,25,00,000	1,02,50,000	10,25,00,000
Less: Calls unpaid on 9,320 equity shares of Rs.5/-each	9,320	46,600	9,320	46,600
Total	1,02,40,680	10,24,53,400	1,02,40,680	10,24,53,400

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

Particulars	As at 31-March-2020		As at 31-March-2019	
	Number	Rs.	Number	Rs.
Shares outstanding at the beginning of the year	1,02,50,000	10,25,00,000	1,02,50,000	10,25,00,000
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	1,02,50,000	10,25,00,000	1,02,50,000	10,25,00,000

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

"The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share."The Company declare and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting."During the year ended March 31, 2020 amount of Dividend per share recognised as distributions to equity shareholders is Rs. 1.00 (March 31,2019: Rs.0.50)"

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

Particulars	As at 31-March-2020		As at 31-March-2019	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
G Ganesh Kumar	14,08,095	13.74%	14,08,095	13.74%
G.Sandeep	8,42,775	8.22%	8,42,775	8.22%
Silver Oak Technologies (P) Limited	19,78,879	19.31%	19,78,879	19.31%
Sri Indra Distillery (P) Limited	18,88,705	18.43%	18,88,705	18.43%
Plutus Techlabs Limited	6,56,086	6.40%	6,56,086	6.40%

11. Deferred Tax Liabilities (Net)

In compliance with Accounting Standard (Ind AS-12) relating to 'Income Taxes' issued by the Institute of Chartered Accountants of India, the Company has provided the deferred tax asset during the year aggregating to Rs 26,30,110/- in the Profit & Loss Account. Deferred Tax Liability (Net) of ` Rs. 1,42,62,625/- shown in the Balance Sheet as on 31.03.2020 comprises of the following: In compliance with Accounting Standard (AS-22) relating to 'Accounting for taxes on income' issued by the Institute of Chartered Accountants of India, the Company has provided the deferred tax asset during the year aggregating to Rs 27,54,720/- in the Profit & Loss Account. Deferred Tax Liability (Net) of ` Rs. 1,68,92,735/- shown in the Balance Sheet as on 31.03.2019 comprises of the following:

Particulars	As at 31-March-2020 Rs.	As at 31-March-2019 Rs.
Opening Deferred Tax Liability	1,68,92,735	1,96,47,455
On Account of Depreciation provided on Fixed Assets	(26,30,110)	(27,54,720)
Deferred Tax Liability (Net)	1,42,62,625	1,68,92,735

**12. Provisions**

Particulars	As at 31-March-2020 Rs.	As at 31-March-2019 Rs.
Provision for employee benefits Gratuity (funded)	1,46,61,226	1,45,97,081
Total	1,46,61,226	1,45,97,081

13. Trade Payables**

Particulars	As at 31-March-2020 Rs.	As at 31-March-2019 Rs.
Trade Payables for Raw Materials: ---- MSME	35,79,702	5,15,251
---- NON MSME	6,54,62,718	5,70,00,643
Creditors for Expenses (Non MSME)	25,87,925	45,66,680
Creditors for Capital Goods (Non MSME)	1,83,800	1,83,800
Total	7,18,14,145	6,22,66,374

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

14. Other Current Liabilities

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

Particulars	As at 31-March-2020 Rs.	As at 31-March-2019 Rs.
(a) Current Maturities of long-term debt-Hire purchase loans	-	4,30,030
(b) Advances from customers	41,22,394	81,39,339
(c) Other Payable (specify Nature) Statutory Dues	10,76,284	15,87,072
Others	49,42,291	1,95,911
Inter Branches payables		
Total	1,01,40,969	1,03,52,352

**15. Provisions**

Particulars	As at 31-March-2020 Rs.	As at 31-March-2019 Rs.
(a) Provision for employee benefits		
Due to employee Benefits	40,42,195	36,40,898
(b) Others (Specify nature)		
Proposed Dividend	-	-
Dividend tax	-	-
Provision for Current Tax	6,03,00,000	2,97,53,000
Total	6,43,42,195	3,33,93,898

16. Revenue From operations

Particulars	As at 31-March-2020 Rs.	As at 31-March-2019 Rs.
Sale of Products	68,50,34,089	53,94,74,803
Net Revenue from sale of Products	68,50,34,089	53,94,74,803
Job work receipts	5,20,01,161	13,62,600
Total	73,70,35,250	54,08,37,403

17. Other Income

Particulars	As at 31-March-2020 Rs.	As at 31-March-2019 Rs.
Interest Income (In case of a company other than a finance company)	2,33,60,081	1,77,05,058
Foreign Exchange Gain/(loss)	75,92,878	58,68,365
Credit Balances written off	-	41,113
Export Incentives		
----- Sale of MEIS scrips	47,79,475	
---- Other Incentives	9,14,121	1,89,362
Profit on sale of asset	1,20,000	25,625
Total	3,67,66,555	2,38,29,523

**18. Cost of Materials consumed**

Particulars	As at 31-March-2020		As at 31-March-2019	
	Rs.	Rs.	Rs.	Rs.
Opening Stock				
- Rawmaterials	4,18,22,150		1,69,92,977	
- Stores, Spares & Consumables	34,82,987		53,45,846	
		4,53,05,137		2,23,38,823
Add: Purchases		30,30,11,988		26,58,37,199
Less: Closing Stock				
- Rawmaterials	4,63,38,864		4,18,22,150	
- Stores, Spares & Consumables	29,12,694		34,82,987	
		4,92,51,558		4,53,05,137
Total		29,90,65,567		24,28,70,885

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

Particulars	As at 31-March-2020 Rs.	As at 31-March-2019 Rs.
Closing Stocks		
Stock-in-process	2,75,99,260	3,43,50,765
Finished Goods	1,85,06,168	-
A	4,61,05,428	3,43,50,765
Opening Stocks		
Stock-in-process	3,43,50,765	3,07,48,116
Finished Goods	1	-
B	3,43,50,766	3,07,48,116
Total A - B	(1,17,54,662)	(36,02,649)

20. Employee Benefit Expenses

Particulars	As at 31-March-2020 Rs.	As at 31-March-2019 Rs.
Employee Benefit Expenses		
(a) Salaries and other Benefits	6,39,03,179	6,22,30,661
(b) Contributions to -		
(i) Provident fund	28,60,186	30,13,332
(ii) ESI	8,42,692	12,08,000
(c) Gratuity fund contributions	19,43,740	10,68,757
(d) Staff welfare expenses	24,33,375	23,68,224
(e) Directors remuneration	18,00,000	18,00,000
Total	7,37,83,172	7,16,88,974

**21. Finance Costs**

Particulars	As at 31-March-2020 Rs.	As at 31-March-2019 Rs.
Bank charges	15,649	6,956
Interest on Vehicle Hire Purchase loan	6,007	39,335
Total	21,656	46,291

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

Particulars	As at 31-March-2020 Rs.	As at 31-March-2019 Rs.
Manufacturing Wages	2,25,41,294	2,20,20,042
Lab Expenses	68,36,246	70,93,119
Power & Fuel	3,72,78,517	2,95,57,564
Consumption of chemicals, Packing & Stores Material	1,83,93,544	79,55,124
Plant Repairs and Maintainance	1,63,38,910	2,10,08,749
	-	-
Total	10,13,88,510	8,76,34,598

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

Particulars	As at 31-March-2020 Rs.	As at 31-March-2019 Rs.
Rent	25,40,000	24,00,000
Rates and Taxes	66,86,835	12,00,452
Printing and Stationery	12,46,058	10,69,346
Postage & Telephone.	13,58,693	6,56,022
Insurance	13,03,784	5,90,329
Travelling and Conveyance	38,19,837	19,55,503
Legal and Professional Charges	59,66,619	35,26,038
Sales commission and Selling Expenses	2,03,12,576	1,81,82,945
General and Office Expenses	3,78,284	30,51,121
Vehicle Maintenance	9,67,326	17,34,628
Statutory Audit, Tax Audit, Internal audit fees and Secretarial fees.	5,00,000	5,00,000
Cost Audit Fees	30,000	30,000
Listing Fees	3,83,838	2,50,000
Business Promotion Expenses	12,82,195	19,38,536
Total	4,67,76,045	3,70,84,920

(c) Other Expenses

Particulars	As at 31-March-2020 Rs.	As at 31-March-2019 Rs.
Advertisement Expenses	1,23,400	99,816
Books and Periodicals	56,007	74,073
Computer Maintenance	1,09,297	68,610
US FDA Expenses	42,53,040	43,88,054
CSR Expenditure	29,00,000	11,25,000
Other Administrative Expenses	64,25,550	63,21,989
Total	1,38,67,294	1,20,77,542

**23 Audit Fees:**

Particulars	As at 31-March-2020 Rs.	As at 31-March-2019 Rs.
Statutory Audit Fees	0.025	0.025
Internal & Tax Audit Fees	0.020	0.020
Cost Audit Fees	0.003	0.003
Secretarial Audit Fees	0.005	0.005

24. Related Party Transactions, transactions with Key Managerial Persons & their relatives.

Related party Disclosures, as required by Indian Accounting Standard 24(Ind As 24) – “Related Parties Disclosures” by the Institute of Chartered Accountants of India are as given below.

(Rs in Crores)

S.No	Name of the Party	Nature of Relation	2019-2020	2018-2019
1.	G.Ganesh Kumar Managerial Remuneration	Managing Director	0.18	0.18
2.	Boosa Eshwar Director Sitting Fees	Independent Director	0.016	0.02
3.	Sai Sudhakar Panchakarla Director Sitting Fees	Independent Director	0.016	-
4.	P.Vijaya Lakshmi Director Sitting Fees	Non-Executive Director	0.012	0.013
5.	Harichand Kantimahanti Director Sitting Fees	Independent Director	-	0.02
6.	Mr. G. Sandeep - Salary as an Employee - Rent	Relative to Director	0.33 0.31	0.27 0.24
7.	K. Srinivas Remuneration	Chief Financial Officer Upto 30-06-2019	0.037	0.15
8.	Y.Srinivas Rao Remuneration	Chief Financial Officer from 07-08-2019	0.039	-
9.	Satya Ranjan Jena Remuneration	Company Secretary (From 30-03-2020)	0.048	
10.	Ms. Laxmi Chandra Dey	Company Secretary upto 06-02-2019	-	0.044

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

**25. Additional Information****a. Foreign Exchange Earnings and out go**

(Rs. In Crores)

Particulars	As at 31-March-2020 Rs.	As at 31-March-2019 Rs.
'i) Foreign Exchange Earnings -- FOB Value of Exports (net of Freight & Insurance)	37.19	27.76
'ii) Foreign Exchange out go (CIF)		
- Raw Materials	3.91	1.93
- Capital Goods	0.00	0.00
- For Expenses	0.93	0.82

b. Break up for Imported / Indigenous material

(Rs. In Crores)

Particulars	2019-2020	2018-2019
'a) Value of Imported raw materials consumed	3.30	1.93
'b) Value of Indigenous Raw Material consumed	26.60	22.36
'c) Percentage of above materials consumed		
'- Imported raw materials consumed	11.04%	7.95%
'- Indigenous raw materials consumed	88.96%	92.05%

c. Details of Raw Material (as certified by the Management)

(Rs. In Crores)

Particulars	2019-20		2018-19	
	Qty. (MTS)	Value	Qty. (MTS)	Value
2 Piperidino Ethanol	19.20	0.84	17.20	0.72
Toluene	146.71	0.82	117.10	0.67
Methanol	693.92	1.77	725.40	2.51
Cooked Prawn Shell	248.40	4.36	303.80	5.12
Iso Nipecotic Acid Ethyl Ester	16.15	2.70	9.95	1.62
Potassium Tertiary Butoxide	15.00	1.87	8.35	1.10
Chloroform	143.60	0.61	56.69	0.22
Para-Methoxy Phenyl Acetone	2.26	0.30	1.09	0.14
Reney Nickle Catalyzt	0.78	0.13	1.11	0.17
Caustic Soda Lye	166.70	0.26	110.70	0.22
Racemate Hydrochloride	19.23	1.58	43.80	3.37
Others		14.66		8.42
Total		29.90		24.28

**d. Details of Finished Goods & work in Process Produced/ Despatch during the year**

Description	Production	Internal Consumption /Despatch	Sales
	Quantity MTS	Quantity MTS	Amount Rs. In Crores
Intermediates	356	357	-
Finished Goods	274	274	68.50

As per our Report of even date attached**For SURYAM & CO**

Chartered Accountants

FRN No : 012181

Sd/-

(SRINIVAS OLETI)

Partner

ICAI M.No: 206457

Place : Hyderabad

Officer

Date : 29.06.2020

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

Sd/-

(G.GANESH KUMAR)

Managing Director

DIN: 01009765

Sd/-

(Y. SRINIVASA RAO)

CFO

Sd/-

(BOOSA ESHWAR)

Director

DIN: 01879193

Sd/-

(SATYA RANJAN JENA)

Company Secretary & Compliance

M. No.: A53638

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019****1. Corporate Information**

Tyche Industries Limited is a public company domiciled in India and was incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at D. No. C-21/A, Road No.9, Film Nagar, Jubilee Hills, Hyderabad, Telangana-500096, India. The Company's shares are listed on the Bombay Stock Exchange (BSE).

The Company is principally engaged in manufacturing of active pharmaceutical ingredients.

The financial statements for the year ended 31 March 2020 were approved by the Board of Directors and authorised for issue on 29th June 2020.

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**2.1 Basis of Preparation****a) Statement of Compliance**

The Financial statements of Tyche Industries Limited have been prepared and presented in accordance with Indian Accounting Standards (hereinafter referred to as the "IND AS") as notified by the Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules 2015 as amended from time to time, other pronouncements of the institute of Chartered Accountants of India and guidelines issued by Securities and Exchange Board of India (SEBI).

The company's internal Financial Control (IFC) over Financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles which is being implemented by the company as a continuous process exercise required for providing reasonable assurance regarding the reliability of the financial reporting.

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

These financial statements comprise the Balance Sheets as at 31st March 2020 and

31st March 2019, the Statements of Profit and Loss, Statements of Changes in Equity and the Statements of Cash Flows for the year ended 31st March 2020 and for the year ended 31st March 2019, and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as "Financial Statements").

The statement of cash flows has been prepared under indirect method.

b) Basis of Measurement

The Company follows the mercantile system of accounting and recognizes incomes and expenses on accrual basis. The accounts are prepared as a going concern and on historical cost basis except for the following:

- Certain financial assets and liabilities are measured at fair value or amortised cost.



- Employee defined benefit assets/liability recognised as the net total of the fair value of plan assets, and actuarial losses/gains, and the present value of defined benefit obligation

c) Functional & presentation Currency

These financial statements are presented in Indian rupees (Rs), which is also the functional currency of the Company.

d) Use of estimates:

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

i. Defined employee benefit plan (Gratuity):

The cost of the defined benefit gratuity plan and other accumulated leave entitlement and the present value of the gratuity obligation and accumulated leave obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the postemployment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

ii. Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its



recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market

iii. Impairment of investments

The Company reviews its carrying value of investments annually, or more frequently when there is an indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

iv. Inventories

The Company estimates the net realisable value (NRV) of its inventories by taking into account their estimated selling price, estimated cost of completion, estimated costs necessary to make the sale, obsolescence by applying certain percentages over different age category of such inventories, expected loss rate considering the past trend and future outlook. Inventories are written down to NRV where such NRV is lower than their cost.

e) Current and Non current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or noncurrent classification of assets and liabilities.

2.2 Significant Accounting Policies:

A. Revenue Recognition:

Effective April 1, 2018, the Company has applied Ind AS 115: Revenue from Contracts with Customers which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue. The impact of the adoption of the standard on the financial statements of the Company is insignificant.

The specific recognition criteria described below must also be met before revenue is recognised:

Sale of goods: Revenue from sale of goods is recognised when a promise in a customer contract (performance obligation) has been satisfied by transferring control over the promised goods to the customer. Control is usually transferred upon shipment, delivery to, upon receipt of goods by the customer, in accordance with the delivery and acceptance terms agreed with the customers. The amount of revenue to be recognised is based on the consideration expected to be received in exchange for goods, excluding trade discounts, volume discounts, sales returns and any taxes or duties collected on behalf of the government which are levied on sales such as sales tax, value added tax, goods and services tax, etc., where applicable. Any additional amounts based on terms of agreement entered into with customers, is recognised in the period when the collectability becomes probable and a reliable measure of the same is available.

**Rendering of services: Milestone payments and Development/Licensing arrangements**

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

Interest income: Interest income is recognised with reference to the Effective Interest Rate (EIR) method.

Export benefits, incentives and licenses: Export incentives are recognised as income when the right to receive credit as per the terms of the scheme is established in respect of the exports made and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

B. Property, Plant and Equipment.

Items of Property, Plant and Equipment, are measured in the financial statements at cost of acquisition or construction less accumulated depreciation and accumulated impairment. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

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.

Subsequent expenditure related to an item of property, plant and equipment is capitalized only if it enhances the future economic benefits arising from the existing assets beyond its previously assessed standards of performance.

Measurement of any class of Property, Plant and Equipment, for any subsequent periods other than initial recognition period is stated adopting Cost model.

C. 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.

D. Depreciation

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



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

E. Investments:

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

F. Impairment of Assets:

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

G. Inventories

- i. Raw materials, packing materials, stores, spares, consumables are valued at cost, after providing for obsolescence, if any or Net realizable Value (NRV) whichever is lower.
- ii. Work-in-progress, finished goods are valued at cost of raw material plus proportionate overheads or Net realizable value whichever is lower as mandated by ICAI. Cost includes all charges incurred for bringing the materials to the location of the manufacturing facilities.

Net realizable value (NRV) is the estimated selling price in the ordinary course of business, reduced by the estimated costs of completion to affect such sale.

H. Foreign exchange transactions and translations

The financial statements are presented in Indian rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

Initial recognition: Foreign currency transactions are recorded in the functional currency, by applying to the foreign currency amount the exchange rate between the functional currency and foreign currency at the date of the transaction.

Conversion: Foreign currency monetary items are reported at functional currency spot rate of exchange at the reporting date. 'Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in



line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Exchange differences: Exchange differences arising on the settlement of monetary items or on reporting monetary items of the Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

I. Research & Development Expenditure:

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and use or sell the asset
- Its ability to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Acquired research and development intangible assets that are under development are recognised as Intangible assets under development. These assets are not amortised, but evaluated for potential impairment on an annual basis or when there are indications that the carrying value may not be recoverable. Any impairment is recognised as an expense in the statement of profit and loss.

J. Government grants and subsidies

Government grants are recognised when there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is deducted from the related expense. When the grant relates to an asset, it is recognised as deferred income and amortised over the useful life of such assets. The Non monetary government grants (like MEIS Scrips) are first recognised at Nominal Value and then the difference between the sale proceeds and earlier recognised amount is transferred to statement of profit and loss.

K. Taxes on Income:

Tax expenses for the year comprises of Current tax and deferred tax. Provision for Current taxes made based on the tax rates and tax laws as applicable to the financial year. Provision for Deferred tax on account of timing difference is calculated as per Ind AS-12 ("Income taxes") prescribed by ICAI on the temporary differences (both taxable and deductible temporary differences) in carrying amount of the assets and liabilities as at the reporting date on the carrying value and the amounts used for taxation purposes. Income tax expense is recognised in the statement of profit and loss except to the extent that it relates to items recognised in the equity, in which case it is recognised in equity.

**L. Employee benefits**

Short- term Employee Benefits:

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

Defined Contribution Plan:

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

Defined Benefit Plan:

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

M. Financial Instruments:**A) Financial Assets:****1. Initial Recognition and Measurement.**

All Financial Assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of Financial Assets, which are not at Fair Value Through Profit and Loss are adjusted to the fair value on initial recognition. Purchase and sale of Financial Assets recognized using trade date accounting.

2. Subsequent Measurement:

- A financial Asset is measured at Amortized Cost if is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial Asset give rise on specified dates to cash flows that represent solely payments of principal and interest on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement profit and loss. The losses arising from impairment are recognised in the statement profit and loss. This category generally applies to trade and other receivables, Cash and Bank Balances, Deposits and Loans etc.



- Financial Assets measured at Fair Value through other Comprehensive Income (FVTOCI)

Financial Assets is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the Financial Assets and the contractual terms of the Financial Asset give rise on specified dates to cash flows that represents solely payments of principal and interest on the principal amount outstanding.

- Financial Assets measured at Fair Value Through Profit or Loss (FVTPL)

A financial Asset Which is not classified in any of the above categories are measured at FVTPL. Financial Assets are reclassified subsequent to their recognition, if the Company changes its business model for managing those financial assets. Changes in business model are made and applied prospectively from the reclassification date which is the first day of immediately next reporting period following the changes in business model in accordance with principles laid down under Ind AS 109.

This category is generally applied to Investments in equity shares, Investments in units of mutual funds, derivative instruments, investments primarily held for trading purposes.

3. Impairment of Financial Assets:

In accordance with Ind AS 109, the company uses Expected Credit Loss (ECL) model, for evaluating impairment of Financial Assets other than those measured at Fair Value through Profit and Loss (FVTPL). Expected credit Losses are measured through a loss allowance at an amount equal to

- The 12 Months expected credit losses (expected credit losses that result from all those default events on the financial instrument that are possible within 12 months after the reporting date.); or
- Full life time expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument.)

For trade receivables the Company applies “Simplified approach” which requires expected lifetime losses to be recognized from initial recognition of the receivables.

The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward – looking estimates are analysed.

For other assets, the company uses 12-months ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full life time ECL is used.

B) Financial Liabilities:

i) Initial Recognition and Measurement

All Financial Liabilities are recognized at fair value and in case of borrowings, net of directly attributable cost, fees of recurring nature and directly recognized in the statement of Profit and Loss as finance cost.

**ii) Subsequent Measurement:**

Financial Liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

N. 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.

O. Contingencies

Provision in respect of loss contingencies relating to claims, litigations, assessments, fines and penalties are recognised when it is probable that a liability has been incurred and the amount can be estimated reliably.

P. Cash dividend and noncash distribution to equity holders

The Company recognises a liability to make cash and noncash distribution to equity holders when the distribution is authorised, and the distribution is no longer at the discretion of the Company. As per the Corporate laws in India, a final dividend distribution is authorised when it is approved by the shareholders whereas for interim dividend when authorised by board. A corresponding amount is recognised directly in equity. Noncash distribution is measured at fair value of the assets distributed with fair value re-measurement recognised directly in equity.

Q. Income Tax:

The Government of India, on 20 September 2019, vide the Taxation Laws (Amendment) Ordinance 2019, the Ordinance inserted a new Section 115BAA in the Income tax Act, 1961, which provides an option to the Company for paying income tax at reduced rates as per the provisions/conditions defined in the Said section. The Company has evaluated the above Ordinance and based on its evaluation currently the management proposed to opt for the new section thereby enabling the company to pay tax at reduced rates. Since the Company opts for Section 115BAA, provisions of MAT u/s 115JB of Income tax Act, 1961 does not apply.

R. Earnings Per Share:

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

Computation of Basic and Diluted Earnings per share:

Particulars	As at 31-March-2020 Rs.	As at 31-March-2019 Rs.
1) Net Profit as per the Profit and loss account available to Equity shareholders	17,55,91,543	7,14,59,325
2) Weighted Average Number of Equity shares	1,02,45,340	1,02,45,340
3) Basic earnings per share	17.14	6.97
4) Diluted Earnings Per share	17.14	6.97

**S. Contingent liabilities**

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

The Contingent Liabilities of the Company as at 31-03-2020 are as under:

T. IMPACT OF COVID-19:

The risks posed by the coronavirus pandemic appears to be multivarious. In many countries, businesses are being forced to cease or restrict their operations for long or indefinite period. Even in India the outbreak has been declared an epidemic or pandemic and on 24 March 2020, the Government of India imposed a nationwide lockdown, limiting movement of population of India as a preventive measure against the COVID-19 pandemic. As a result most of the businesses are dealing with lost revenue and disrupted supply chains. The disruption to global supply chains due to factory shut-downs has already exposed the vulnerabilities of many organizations. However, as the Company operates in the industry that is considered essential, the operations were continuing during lockdown by taking appropriate measures.

The Company has considered the possible effects that may result from the pandemic relating to COVID-19. With a view to ensure minimal disruption with respect to operations including production and distribution activities, the Company has taken several business continuity measures. While the Company has not experienced any significant difficulties with respect to market demand, liquidity, financing capital expansion projects, collections so far, the Company has assessed the financial impact of the COVID-19 situation particularly on the carrying amounts of receivables, inventories, property, plant and equipment and intangible assets. The Company has, as at the date of approval of these financial results, used internal and external sources of information, including economic forecasts and estimates from market sources. On the basis of evaluation and current indicators of future economic conditions, the Company believes that it will be in a position to recover the carrying amounts of these assets and does not anticipate any material impact due to impairment to these financial and non-financial assets. However, the impact assessment of COVID-19 is a continuing process, given the uncertainties associated with its nature and duration. The Company will continue to monitor any material changes to future economic conditions.



Amount in Rs.

U. Financial Instruments - Fair Value And Risk Management

Particulars	Notes	Carrying Amount						Fair Value	
		FVTPL		FVTOCI		Amortised cost		Total carrying amount	
		As at 31-03-2020	As at 31-03-2019	As at 31-03-2020	As at 31-03-2019	As at 31-03-2020	As at 31-03-2019	As at 31-03-2020	As at 31-03-2019
Financial Assets Measured at Fair Value									
Investments in Mutual funds*	4	26,982	26,982	-	-	-	-	26,982	26,982
Financial assets not measured at fair value									
(i) Trade receivables	7	-	-	12,92,77,310	10,17,10,533	12,92,77,310	10,17,10,533	-	-
(ii) Cash and cash equivalents	8	-	-	2,36,93,548	3,85,16,687	2,36,93,548	3,85,16,687	-	-
(iii) Bank Balances other than (ii) "above"	9	-	-	42,29,61,963	25,45,25,924	42,29,61,963	25,45,25,924	-	-
Total				57,59,32,820	39,47,53,144	57,59,32,820	39,47,53,144		
Financial liabilities not measured at fair value									
(i) Trade payables	15			7,18,14,145	6,22,66,374				

*The Company estimates that the fair value of these investments are not materially different as compared to their cost.



The Company's activities expose it to variety of financial risks, foreign currency risk, interest rate risk, credit risk, commodity price risk and liquidity risk. Within the boundaries of approved Risk Management Policy framework, the Company manages the volatility and minimize the adverse impact on its financial performance.

i) Credit Risk:

Credit Risk is the risk that a customer fails to perform or pay the amounts due causing financial loss to the company. Credit risk arises from dealing in derivatives, receivables from customers and other financial instruments. The company maintains that, Credit Risk is actively managed through continuous follow up with the parities and Credit information is regularly shared between business and financial function, with a framework in place to quickly identify respond and recognize cases of credit deterioration.

ii) Liquidity risk

Liquidity risk arises from the Company's inability to meet its cash flow commitments on the due date. The company's liquidity is managed centrally with all the departments forecasting their cash and liquidity requirements. Management monitors rolling forecasts of the company's cash flow position to ensures that the company is able to meet its obligation.

iii) Market Risk

a. Foreign Currency Risk

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the Company. The Company is subject to foreign exchange risk primarily due to its foreign currency revenues, expenses and borrowings. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in US Dollar, Euro and GBP against the functional currency of the Company.

The company's exposure to currency risk as at 31.03.2020 is as follows

Particulars	Amount in USD (as at 31-03-2020)
Financial Assets	
Trade Receivables	9,99,940
Net Exposure in Financial Assets	9,99,940
Financial Liabilities	
Trade payables	2,29,765
Net Exposure in Financial Liabilities	2,29,765
Net Exposure in respect of recognised assets/(liabilities)	7,70,175

b. Interest Rate Risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. The Company is not exposed to any interest rate risk as currently there are no borrowings made by the company and also the interest-bearing assets held by the company are short term (maturity within 12 months) and are substantially independent of change in market interest rates.

c. Commodity Price Risk:

Commodity price risk arises due to fluctuation in prices of the major imported raw materials and



other products. The company has a risk management framework headed by the managing director, aimed at prudently managing the risk arising arising from the volatility in commodity prices and freight costs.

V. Segment Reporting:

- i. 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.
- ii. 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	2019-20		2018-19	
	Revenue	%	Revenue	%
Domestic	35.37	48.00	25.58	47.42
Export	38.33	52.00	28.36	52.58
Total	73.70	100.00	53.94	100.00

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

W. Forfeiture of shares:

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

X. Confirmation of Balances:

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

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

As per our Report of even date attached

For SURYAM & CO

Chartered Accountants

FRN No : 012181

Sd/-

(SRINIVAS OLETI)

Partner

ICAI M.No: 206457

Place : Hyderabad

Officer

Date : 29.06.2020

For and on behalf of the Board of Directors of

TYCHE INDUSTRIES LIMITED

Sd/-

(G.GANESH KUMAR)

Managing Director

DIN: 01009765

Sd/-

(Y. SRINIVASA RAO)

CFO

Sd/-

(BOOSA ESHWAR)

Director

DIN: 01879193

Sd/-

(SATYA RANJAN JENA)

Company Secretary & Compliance

M. No.: A53638

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Jubilee Hills, Hyderabad - 500 096.