



# TYCHE INDUSTRIES LIMITED



**25<sup>th</sup> ANNUAL REPORT**  
**2022 - 2023**

**Board of Directors**

Mr. G. GANESH KUMAR  
Mr. SAI SUDHAKAR PANCHAKARLA  
Mr. BOOSA ESHWAR  
Mrs. P. VIJAYA LAKSHMI  
Mr G. SANDEEP  
Mr. VENKATARAJU GUPTA KOLLEPALLI

Chairman & Managing Director  
Non-Executive Independent Director  
Non-Executive Independent Director  
Non-Executive Independent Director  
Executive Director  
Non-Executive Director

**Chief Financial Officer**

Mr Y. SRINIVASA RAO

**Company Secretary**

Mr. SATYA RANJAN JENA

**COMMITTEES OF THE BOARD****Audit Committee**

Mr Boosa Eshwar (Chairperson)  
Mr Sai Sudhakar Panchakarla(Member)  
Mr G Ganesh Kumar(Member)

**Nomination and Remuneration Committee**

Mr Boosa Eshwar (Chairperson)  
Mr Sai Sudhakar Panchakarla (Member)  
Mrs. P Vijaya Lakshmi (Member)

**Corporate Social Responsibility Committee**

Mr G Ganesh Kumar (Chairperson)  
Mr Sai Sudhakar Panchakarla(Member)  
Mr Boosa Eshwar (Member)

**Stakeholders Relationship Committee**

Mr Boosa Eshwar (Chairperson)  
Mr Sai Sudhakar Panchakarla (Member)  
Mr G Ganesh Kumar (Member)

**Share Transfer Committee**

Mr Boosa Eshwar (Chairperson)  
Mr Sai Sudhakar Panchakarla (Member)  
Mr G Ganesh Kumar (Member)

**Registered Office**

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

**Factory Address**

Door No.6-223, Sarpavaram, Kakinada  
East Godavari Dist, Andhrapradesh-533005  
Tel: +91 884 237 5841/42  
Email:info@tycheindustries.net



<b>Statutory Auditors</b> M/s. P. S. N. Ravishanker & Associates, Chartered Accountants Flat No.205,"B" Block, Kushal Towers, Khairatabad, Hyderabad - 500 004	<b>Internal Auditors</b> M/s K SRINIVAS & ASSOCIATES Flat No. G-2, Swastik Heights, Plot No 1570, 1571, 1572, Venkata Ramana Colony, Gokul Plots, Kphp 9th Phase, Hyderabad, Telangana-500085	
<b>Secretarial Auditor:</b> D. Renuka, Practising Company Secretary, Plot No.143, Flat No.301, SV's Kausalya Complex, Rajeev Nagar, Hyderabad- 500 045	<b>Bankers:</b> Bank of India, Kakinada Branch, Temple Street, Kakinada	<b>Registrar &amp; Share Transfer Agent:</b> 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
<b>Cost Auditors</b> SATIVADA VENKAT RAO Cost Accountants # 7-1-302/1, B.K.Guda, S.R.Nagar, Hyderabad,Telangana-500038		



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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@tycheindustries.net, website: www.tycheindustries.net

**NOTICE**

NOTICE is hereby given that the twenty fifth Annual General Meeting of the members of TYCHE INDUSTRIES LIMITED will be held on Tuesday, the 29th day of August, 2023 at 11.00 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 Financial Statements of the Company for the financial year ended 31st March,2023 and together with the Report of the Directors and Auditors Report thereon and, in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT the Audited Financial Statements of the Company for the financial year ended March 31, 2023 and the reports of the Board of Directors and Auditors' thereon, as circulated to the members be and are hereby considered and adopted."

2. To declare dividend of 20% i.e., Rs.2.00 per share on the equity shares for the financial year ended March 31, 2023 and, in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT a dividend at the rate of 20% i.e., 2.00/- (Two Rupees Only) per equity share of face value of `10/- (Rupees Ten Only) each fully paid- up Equity Shares of the Company, as recommended by the Board of Directors be and is hereby approved for the financial year ended March 31, 2023."

3. To appoint a director in the place of Mr. G Sandeep (DIN: 06608065), who retire by rotation and being eligible, offers himself for re-appointment and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT in accordance with the provisions of Section 152(6) read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable provisions of the Companies Act, 2013, Mr. G Sandeep (DIN: 06608065), who retires by rotation at this meeting and being eligible, offers himself for re-appointment, be and is hereby appointed as a Director of the Company."

**Special Business:**

4. **TO APPROVE THE REMUNERATION PAYABLE TO COST AUDITORS MR. SATIVADA VENKAT RAO FOR THE FINANCIAL YEAR ENDING 2023-24.**

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 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, 2024, at an aggregate fee of Rs.45,000/- P.A (Rupees Forty-five 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. Change in Designation of Mr VENKATARAJU GUPTA KOLLEPALLI (DIN: 09054998) 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 Mr Venkataraju Gupta Kollepalli from Non-Executive Director to Non-Executive Independent Director of the Company effective from the date of approval by members of the Company. Mr Venkataraju Gupta Kollepalli 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 .”

**6. To approve Material Related Party Transactions of the Company and in this regard, to consider, and if thought fit, to pass the following resolution as an Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (“Listing Regulations”), the applicable provisions of the Companies Act, 2013 (“the Act”) read with rules made thereunder, other applicable laws / statutory provisions, if any, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Company’s Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions and basis the approval of the Audit Committee and recommendation of the Board of Directors of the Company, approval of the Members of the Company be and is hereby accorded to the Company to enter into and / or continue the related party transaction(s) / contract(s) / arrangement(s) / agreement(s) (in terms of Regulation 2(1)(zc)(i) of the Listing Regulations) in terms of the explanatory statement to this resolution and more specifically set out in Table below in the explanatory statement to this resolution



on the respective material terms & conditions set out in Table.

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as 'Board' which term shall be deemed to include the Audit Committee of the Board and any duly constituted committee empowered to exercise its powers including powers conferred under this resolution) be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit in its absolute discretion and to take all such steps as may be required in this connection including finalizing and executing necessary contract(s), arrangement(s), agreement(s) and such other documents as may be required, seeking all necessary approvals to give effect to this resolution, for and on behalf of the Company, to delegate all or any of its powers conferred under this resolution to any Director or Key Managerial Personnel or any officer / executive of the Company and to resolve all such issues, questions, difficulties or doubts whatsoever that may arise in this regard and all action(s) taken by the Company in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects."

**7. Appointment of Mr. Srinivas Gelli (DIN:10214845) as a Non-Executive Director of the Company.**

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

"RESOLVED THAT pursuant to the provisions of section 152 and other applicable provisions of the Companies Act, 2013 (the 'Act'), the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Articles of Association of the Company, Mr. Srinivas Gelli (DIN: 10214845), who was appointed by the Board of Directors of the Company, as an Additional Director of the Company with effect from 1st August, 2023, be and is hereby appointed as a Non-Executive Director of the Company, whose office shall be liable to retirement by rotation."

By Order of the Board of Directors

Sd/-

**G. Ganesh Kumar**

Chairman & Managing Director

Place: Hyderabad

Date: 01st August, 2023

**NOTES:**

1. **The Ministry of Corporate Affairs (“MCA”) vide its circular dated May 5, 2020 read with circulars dated April 8, 2020, April 13, 2020, January 13, 2021 and May 5, 2022 (collectively referred to as “MCA Circulars”) and SEBI vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and SEBI/HO/CFD/CMD2/ CIR/P/2022/62 dated May 13, 2022 (collectively referred to as “SEBI Circulars”) has permitted the holding of the Annual General Meeting (“AGM”) through VC / 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 AGM of the Company being conducted through VC / OAVM”. Central Depository Services Limited(‘CDSL’) will be providing facility for voting through remote e-voting and CIL Securities Limited for participation in the AGM through VC/OAVM facility and e-voting during the AGM. The procedure for participating in the meeting through VC/OAVM is explained at Note No. 28 below and is also available on the website of the Company at [www.tycheindustries.net](http://www.tycheindustries.net)**
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 Wednesday,23rd August,2023 to Tuesday 29th August 2023 (both days inclusive) for the purpose of Annual General Meeting.
7. Members whose shareholding is in physical form are requested to notify immediately anychange in their address or bank mandates to the Company/ Registrar &Share Transfer Agents quoting their Folio Number and Bank Account details alongwithself-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 May 27, 2023 have recommended a dividend of Rs. 2.00/- per equity shares of Rs. 10/- each dividend for the financial year 2022-23. Dividend, if declared will be credited / dispatched after 29th August 2023 but within the time limit to those members whose names shall appear on the Company's Register of Members on 22nd August, 2023 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@tycheindustries.net](mailto:cs@tycheindustries.net).
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 2022-23. 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](http://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, 2016 and onwards are requested to forward their claims to the Company's Registrar and Share Transfer Agent. It may be noted that once the unclaimed dividend is transferred to IEPF as above, no claim shall rest with the Company in respect of such amount.



It may also noted that the unclaimed dividend amount which were lying with the company up to the year ended on 31st March, 2015, have already been transferred to IEPF. The details of the unclaimed dividends are available on the Company's website at [www.tycheindustries.net](http://www.tycheindustries.net) and on the website of Ministry of Corporate Affairs at [www.mca.gov.in](http://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@tycheindustries.net](mailto:cs@tycheindustries.net) latest by August 22, 2023 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@tycheindustries.net](mailto:cs@tycheindustries.net). The aforesaid declarations and documents need to be submitted by the shareholders latest by August 22, 2023 5:00 p.m. IST.
13. In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report for FY 2022-23 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company or Depository Participant(s). Shareholders are also requested to visit the website of the Company [www.tycheindustries.net](http://www.tycheindustries.net) or the website of the Registrar and Transfer Agent <https://www.cilsecurities.com> or the website of the stock exchanges, BSE for downloading the Annual Report and Notice of the AGM.
14. Securities and Exchange Board of India ("SEBI") has mandated those 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@tycheindustries.net](mailto:cs@tycheindustries.net) or to CIL Securities Limited at [rt@cilsecurities.com](mailto:rt@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 pincode number, if not already furnished.

15. 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.
16. 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. 22nd August 2023, to exercise their right to vote by electronic means on any or all of the agenda items specified in the accompanying Notice of AGM.
17. 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 [inward.cs@tycheindustries.net](mailto:inward.cs@tycheindustries.net) for registering email address.
  - b) Members holding shares in dematerialised mode are requested to register/update their email addresses with the relevant Depository Participant.
18. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
19. In terms of the provisions of Section 152 of the Act, Mr. G Sandeep, Director 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/chairmanship 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.
20. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
21. 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.



22. Pursuant to the provisions of the circulars of MCA on the VC/OVAM, Members can attend the AGM through login credentials provided to them to connect to Video Conference. Physical attendance of the Members at the Meeting venue is not required.
23. 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.
24. 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.
25. 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.
26. 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.
27. 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.
28. Voting through electronic means

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

1. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations and in terms of SEBI circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 in relation to the E-voting facility provided by the listed entities, the members are provided with the facility to cast their vote electronically, through the e-Voting services provided by Central Depository Services (India) Limited (CDSL) on all the resolutions outlined in this Notice.
2. 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.net](http://www.tycheindustries.net). The Notice can also be accessed from the websites of the Stock Exchange i.e., BSE Limited at [www.bseindia.com](http://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](http://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, MCA Circular No. 20/2020 dated May 05, 2020 and January 13, 2021 and May 5, 2022.

**THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:**

- (i) The voting period begins on Saturday 26th August 2023 (9.00 a.m.) and ends on Monday, 28th August 2023 (5.00 p.m.). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 22nd August 2023 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository



Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"><li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li><li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li><li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li><li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li></ol>
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"><li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which</li></ol>



	<p>is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nSDL.com">https://eservices.nSDL.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nSDL.com/">https://www.evoting.nSDL.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</p>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.



**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

(v) Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding in Demat form & physical shareholders.

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on “Shareholders” module.
- 3) 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

<b>For Shareholders holding shares in Demat Form other than individual and Physical Form</b>	
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"> <li>• Shareholders who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
DOB	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.
Dividend Bank Details	<ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>



- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (x) 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.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) 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.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) Facility for Non – Individual Shareholders and Custodians –Remote Voting
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "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](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto: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@tycheindustries.net](mailto:cs@tycheindustries.net), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. 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.
7. 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 atleast Seven days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [cs@tycheindustries.net](mailto:cs@tycheindustries.net). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance Seven days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [cs@tycheindustries.net](mailto:cs@tycheindustries.net). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. 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.



10. 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.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

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), AADHAR (self attested scanned copy of Aadhar Card) by email to Company Secretary [cs@tycheindustries.net](mailto:cs@tycheindustries.net) and RTA at [rta@cilsecurities.com](mailto:rta@cilsecurities.com).
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022-23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. 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](mailto: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 29th August, 2023.

**(A) General:**

- (a) Once the vote on a resolution is cast by the shareholder, he shall not be allowed to change it subsequently.
- (b) 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 22nd August, 2023.
- (c) 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. 22nd August 2023 may obtain the login ID and password by sending a request at [helpdesk.evoting@cdslindia.com](mailto: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](http://www.evotingindia.com).

- (d) 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.



- (e) 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.
- (f) 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.
- (g) The Results of the e-voting along with the scrutinizer's report shall be placed in the Company's website [www.tycheindustries.net](http://www.tycheindustries.net) 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 a Cost Auditor.

Based on the recommendation of Audit Committee, the Board of Directors at its meeting held on 27th May, 2023, appointed Mr. Sativada Venkat Rao, as Cost Auditor for conducting the cost audit for the financial year ending 31st March, 2024, on a remuneration of Rs.45,000/- p.a (Rupees Forty Five 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.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No.4 of the Notice for approval of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2024.

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**

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



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

The Resolution set out at Item No 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 change in designation of Mr. Venkataraju Gupta Kollepalli as an Independent Director of the Company.

Your Directors, therefore, recommend the appointment of Mr Venkataraju Gupta Kollepalli (DIN: 09054998) 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. Venkataraju Gupta Kollepalli 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**

The Company is engaged in activities of manufacturing of active pharmaceutical ingredients. Sometimes company purchases its raw materials from its related party. The annual turnover of the Company as on March 31, 2023 is `75.38 crore (excluding duties and taxes). In furtherance of its business activities, the Company have entered into / will enter into transactions / contract(s) / agreement(s) / arrangement(s) with related parties in terms of Regulation 2(1)(zc)(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"). All related party transactions of the Company are at arm's length and in the ordinary course of business. The Company has a well-defined governance process for the related party transactions undertaken by it. These transactions are independently reviewed by the Audit Committee. Further, all related party transactions are undertaken after obtaining prior approval of the Audit Committee. The related party transactions are approved by the members of Audit Committee who are independent directors. All related party transactions have been unanimously approved by the Audit Committee after satisfying itself that the related party transactions are at arm's length and in the ordinary course of business. The Audit Committee of the Company reviews on a quarterly basis, the details of all related party transactions entered into by the Company during the previous quarter, pursuant to its approvals. Regulation 23 of the Listing Regulations has been amended effective April 1, 2023 to provide that shareholders' approval should be obtained for related party transactions which, in a financial year, exceed the lower of

`1,000 crore; and (ii) 10% of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity. The material related party transactions for which the approval of the shareholders is being sought fall into the following categories:  
1. Transactions between the Company and related parties: (a) for purchase of goods/ services.

**A. TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES AS PER RESOLUTION NO. 06****A1. Transactions with (i) Plutus Techlabs Private Limited, a related party of the Company;**

<b>Sr. No.</b>	<b>PARTICULARS</b>	<b>DETAILS</b>
(i)	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	(i) Name of Related Party: Plutus Techlabs Private Limited Relationship: A private company in which director is member and director.
(ii)	Name of Director(s) or Key Managerial Personnel who is related, if any	Not Applicable
(iii)	Type, tenure, material terms and particulars	Purchase of sertraline HCL Intermediate for further processing of sertraline HCL API  The pricing of goods is same price at which the Company purchase these products from independent party.  The above arrangements are continuing business transactions. Approval of the shareholders is being sought for transactions during the 5 financial years i.e. from FY2023-24 to FY2027-28
(iv)	Value of the transaction	The Company estimates that the purchase value of sertraline HCL Intermediate from Plutus Techlabs Private Limited and allied transactions (i) for FY2023-24 to be ` 15 crore; and (ii) in each of the 4 subsequent financial years from FY2024-25 to FY2027-28 to be upto ` 60 crore.
(v)	The percentage of the listed entity's annual turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided)	The estimated transaction value for purchase of pharmaceutical product from Plutus Techlabs Pvt Ltd and allied transactions for FY2023-24 represents  (a) 19.89% of annual consolidated turnover of the Company for FY2022-23; and  (b) 27.82% of annual turnover of Plutus Techlabs Pvt Ltd for FY2022-23
(vi)	Details of the transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary	Not Applicable



<b>Sr. No.</b>	<b>PARTICULARS</b>	<b>DETAILS</b>
(vii)	Justification as to why the RPT is in the interest Company gets the product on time and gets the best of the listed entity product available in the market	Company gets the product on time and gets the best product available in the market
(viii)	Any valuation or other external report relied upon by the listed entity in relation to the transactions	Not Applicable
(ix)	Any other information that may be relevant	All relevant information forms part of this Statement setting out material facts pursuant to Section 102(1) of the Companies Act, 2013

Shri G Ganesh Kumar, Director of the Company who is also director on the board of Plutus Techlabs Pvt Ltd; and relatives of this director, to the extent of their shareholding, if any, may be deemed to be concerned or interested,

in the said transactions. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the said transactions

#### **Item No.7**

As recommended by the Nomination and Remuneration Committee, the Board of Directors at its meeting held on 01st August, 2023 appointed Mr. Srinivas Gelli (DIN:10214845) as an Additional Director (Non-Executive and Non-Independent) of the Company, w.e.f. 01st August, 2023. As an Additional Director, Mr. Srinivas Gelli holds office up to the date of this Annual General Meeting and is eligible to be appointed as a Director of the Company. Mr. Srinivas Gelli has consented to act as a Director of the Company. Mr. Srinivas Gelli is not related to any other Director of the Company. The disclosures relating to Mr. Srinivas Gelli, as required under the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, are set out as an Annexure to the Notice. Considering his vast experience and knowledge in the field of finance, Accounting, Auditing, Taxation and management consultancy, the Board recommends the resolution, pertaining to the appointment of Mr. Srinivas Gelli (Non-Executive and Non-Independent), for approval by the Members of the Company by way of an Ordinary Resolution. 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 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 appointment of Mr.Srinivas Gelli as Non -executive (Non-independent) Director of the Company.

Your Directors, therefore, recommend the appointment of Mr. Srinivas Gelli (DIN: 10214845) as Non -Executive Director of the Company, who shall liable to retire by rotation, as set forth in Item No. 7 of this Notice as an Ordinary Resolution. Save and except Mr Srinivas Gelli 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	<b>Mr G. SANDEEP</b>
Age	39 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 Sreeven Pharma Private Limited
Chairmanship/membership of Committees of other Companies	NIL
Shareholding in the Company	1292775
Last remuneration drawn	105.30 Lakhs
No. Of board meetings attended during the year	7



Name of the Director	<b>Mr. VENKATARAJU GUPTA KOLLEPALLI</b>
Age	55yrs
Din	09054998
Date of Appointment	12.02.2021
Qualification	Chartered Accountant (CA)
Brief resume and expertise in specific functional areas	28+ years experienced in the field of accounts, audits and tax related services,
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	7



Name of the Director	<b>Mr. SRINIVAS GELLI</b>
Age	54yrs
Din	10214845
Date of Appointment	01-08-2023
Qualification	Chartered Accountant (CA)
Brief resume and expertise in specific functional areas	29+ years experienced in the field of accounts, audits and tax related services,
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	NA

By Order of the Board of Directors

Sd/-

**G. Ganesh Kumar**

Chairman & Managing Director

Place: Hyderabad

Date: 01st August, 2023

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 have pleasure in presenting the 25th Annual Report of the Company together with the Audited Accounts of the Company for the financial year ended 31st March, 2023.

**Financial Results:**

(Rupees in Lakhs)

Particulars	Current Year ended on 31/03/2023	Previous Year ended on 31/03/2022
Total Income (Including Other Income)	8021.32	6642.34
Less: Expenditure (before Finance Cost & Depreciation)	5923.50	5130.47
Profit before Finance Cost & Depreciation	2097.82	1511.87
Less: Finance Cost	0.11	0.00
Profit before Depreciation and Tax	2097.71	1511.87
Less: Depreciation	177.34	178.91
<b>Profit before tax after Depreciation</b>	<b>1920.37</b>	<b>1332.97</b>
Less: Exceptional Item	11.95	69.32
<b>Profit/Loss before Tax</b>	<b>1908.42</b>	<b>1263.64</b>
Less: Provision for Tax		
- Current Tax	503.31	339.09
- Deferred Tax	-12.04	-8.59
<b>Profit after Tax</b>	<b>1417.15</b>	<b>933.14</b>
Other Comprehensive Income	-9.85	6.87
<b>Total Comprehensive Income</b>	<b>1407.30</b>	<b>940.01</b>
Add: Balance brought forward from the Previous Year	9397.37	7919.40
<b>Appropriations</b>		
Dividend Paid*	153.61	102.41
Dividend Tax Paid*	0.00	0.00
Transfer to General Reserve*	30.00	30.00
Adjustment to Reserves	0.00	0.00
(+/-)Excess/ Short Provision	0.18	12.01
<b>Balance carried to Balance Sheet</b>	<b>10650.88</b>	<b>9397.37</b>

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

**Review of the Business:**

During the year, your Company has achieved a total income of Rs. 8021.32 Lakhs as against Rs.6642.35 Lakhs in the previous year and earned a net profit of Rs.1417.15 Lakhs (Previous Year Rs 932.83 Lakhs) after providing Income Tax and Deferred Tax of Rs.491.27 Lakhs (Previous Year Rs.330.39 Lakhs).



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.

**Management Discussion & Analysis:**

Various business aspects including market conditions, business opportunities, challenges etc. have been discussed at length in the Management Discussion and Analysis (MD&A), which forms part of this Annual Report.

**Dividend:**

Your Directors have recommended a dividend of Re.2.00 per fully paid equity share for the year ended 31st March, 2023 being 20% 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 22nd August, 2023. The total amount of outgo on account of this will be Rs.2.04 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. Sandeep, 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 25th Annual General Meeting.

**b) Board Meetings:**

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

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

**c) Key Managerial Personnel:**

Mr. G. Ganesh Kumar, Managing Director of the Company.  
Mr. Y Srinivas Rao, Chief Financial Officer  
Mr. SatyaRanjan Jena, Company Secretary and Compliance Officer

**d) Declaration from Independent Directors**

Mr.Boosa Eshwar, Mr Sai Sudhakar Panchakarla and Mrs P Vijaya Lakshmi are Independent Directors of the Company. In terms of Section 149 and 152 of the Companies Act, 2013



these Independent Director of the Company shall not retire by rotation. The independent directors have submitted the declaration of independence stating that they meet the criteria of independence as prescribed in sub-section (6) of Section 149 of the Companies Act, 2013 as well as under Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**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. P. S. N Ravishanker, Chartered Accountants (Firm Registration No. 003228S) were appointed as the Statutory Auditors of the Company for a period of 5 years at the 24th Annual general Meeting of the Company, up to the conclusion of this 29th Annual General Meeting of the Company.

**i) Secretarial Auditors& Secretarial Report:**

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 this report. 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. Sativada Venkat Rao., Practicing Cost Accountant, Hyderabad as Cost Auditors of the Company to conduct the cost audit for the financial year 2023-24, at a remuneration of Rs. 45,000/-p.a (Rupees Forty Five 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. Sativada Venkat Rao, Cost Auditor is included at Item No.4 of the Notice convening the 25th 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 appointment of M/s. K SRINIVAS & Associates, Chartered Accountants as Internal Auditors of the Company for the financial year 2023-24.

**l) Auditors' Qualifications/reservations/adverse remarks/ Frauds reported:**

There are no Auditors' Qualifications or reservations or adverse remarks on the financial statements of the Company. The auditor's recommendations for improvement in the control systems are noted and the necessary steps towards the implementation of the same will be initiated. The Auditors have not reported any frauds to the Audit Committee as prescribed under Sec. 143(12) of the Companies Act, 2013

**m) 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.

**n) Transfer to Reserves:**

Your Company proposes to transfer Rs.30 Lakhs to the General Reserve out of the amount available for appropriations.

**o) Material Changes:**

There is no Material Changes in the current year

**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, 2023, 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, 2023 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 2023-2024.

**Share Capital:**

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

**Forfeiture of shares:**

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

**Report on Corporate Governance:**

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

**Audit Committee and its Composition:**

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

As on 31st March, 2023, the Audit Committee comprised of, Mr.Boosa Eshwar, Mr.Sai Sudhakara Panchakarla Independent Directors and Mr. G Ganesh Kumar, Managing Director of the Company as member.

Mr.Boosa Eshwar is 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
6. Share Transfer 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.90.90 Lakhs 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 are explained in the Corporate Governance Report and also posted on the website of the Company. We affirm that during the financial year 2022-23, 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 CSR 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 formulated and implemented a policy for Prevention of Sexual Harassment of Women at workplace. During the year under review, the Company has not received any complaints under the policy

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.

**Detail of application made or proceeding pending under Insolvency and Bankruptcy code 2016:**

During the year under review, there are no application made or proceeding pending under Insolvency and Bankruptcy code, 2016.

**Detail of difference between Valuation amount on one time settlement and valuation while availing loan from Banks and Financial Institutions.**

During the year under review, Company doesn't avail any loan and there has been no one time settlement of Loans.

**Annual Return:**

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014 (as amended), a copy of the Annual Return of the Company shall be placed on the Website of the Company at [www.tycheindustries.net](http://www.tycheindustries.net).

**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 IV”.

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 25th 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 –V” 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.

### **Awards**

Your Company has been awarded as “Asia’s 200 Best under A Billion 2020” by Forbes in the year 2020-21.

### **Acknowledgement:**

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

For and on behalf of the Board of Directors

Sd/-

**G. Ganesh Kumar**

Chairman & Managing Director

Place: Hyderabad

Date: 01st August, 2023



**ANNEXURES TO DIRECTORS' REPORT**

**Annexure –I**

**FORM MR-3**

Secretarial Audit Report for the financial year ended 31st March, 2023

[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 2023 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 2023 according to the provisions of:

- 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.



It is to be noted that for the Audit period, the following Acts are not applicable.

- a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not Applicable to the Company during the Audit Period)
- b) 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);
- c) 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)
- d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; ;( Not Applicable to the Company during the Audit Period)

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

ICSI Peer Review UIN: L2000TL172900

UDIN No: A011963E000706987

Place: Hyderabad

Date: 01.08.2023



**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

ICSI Peer Review UIN: L2000TL172900

UDIN No: A011963E000706987

Place: Hyderabad

Date: 01.08.2023

**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**

1. Brief outline on CSR Policy of the Company:

The Company has set high ethical standards for all its dealings and believes in inspiring trust and confidence. We strongly believe that, we exist not only for doing good business, but equally for the betterment of the Society. The Company has implemented its CSR policy/ charter to focus on the following areas inter-alia:

- Happy Childhood;
- Health;
- Education;
- Environmental Sustainability; and
- Promoting Sports, Art and Culture etc.

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr Boosa Eshwar	Chairperson-Non Executive Independent Director	1	1
2	Mr Sai Sudhakar Panchakarla	Member-NonExecutive Independent Director	1	1
3	Mr G Ganesh Kumar	Member-Executive Director	1	1

3. The web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:

The web links are as under:[www.tycheindustries.net](http://www.tycheindustries.net)

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report): Not Applicable.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

S. No.	Financial Year	Amount available for set-off from preceding for the financial year, if( any)	Amount required to be setoff for the financial years, if any(in )
1	2021-22	0	0



6. Average net profit of the Company as per Section 135(5): 2122.89lakh.
7. (a) Two percent of average net profit of the Company as per section 135(5): 42.46 lakh.  
(b) Surplus arising out of CSR projects or programmes or activities of the previous financial years: Nil.  
(c) Amount required to be set off for the financial year, if any: Nil  
(d) Total CSR obligation for the financial year (7a+7b-7c):42.46 lakh.
8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in lakh)	Amount Unspent (in lakh)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
40.42 lakh	NA	NA	PM Cares Fund	2.04 Lakhs	11th April, 2023

(\*) Will be complied in accordance with the Companies Act, 2013 read with the CSR Amendment Rules.



(b) Details of CSR amount spent against ongoing projects for the financial year:

S. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project	Project duration	Amount allocated for the project (Rs. in lakh)	Amount spent in the current financial Year ( ` in lakh)	Amount transferred to Unspent CSR Account for the project as per Section 135 (6) ( ` in lakh)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
										Name	CSR Registration number
NIL											



(c) Details of CSR amount spent against other than ongoing projects for the financial year:

S. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent in the current financial Year (' in lakh)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
1	MPDO	x(Rural Development Projects)	Yes	AP	East Godavari	25.00	Yes	NA	
2	Poor Feeding Fund	i(Eradicating Hunger)	Yes	Puducherry	Yanam	15.00	No	No Yanam Old Age HomeCSR00009815	
3	DLAT	iPromoting health care including preventive health care	Yes	AP	Kakinada	0.42	Yes	NA	



- (d) Amount spent in Administrative Overheads: Nil.
- (e) Amount spent on Impact Assessment, if applicable: Not Applicable.
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e): ` 40.42 lakh.
- (g) Excess amount for set off, if any: Nil

Sr.No.	Particular	Amount (Rs in lakh)
(i)	Two percent of average net profit of the company as per section 135(5)	42.46
(ii)	Total amount spent for the Financial Year	40.42
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NA
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

9. (a) Details of Unspent CSR amount for the preceding three financial years

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135(6) (Rs in lakh)	Amount spent in the reporting Financial Year (Rs in lakh)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (Rs in lakh)
				Name of the Fund	Amount (Rs)	Date of transfer	
NIL							



9. (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Sr. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (Rs in lakh)	Amount spent on the project in the reporting Financial Year (Rs in lakh)	Cumulative amount spent at the end of reporting Financial Year (Rs in lakh)	Status of the project - Completed/ Ongoing Not Applicable
Not Applicable								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Your Company during FY 2022-23 has already spent an amount of 40.42 Lakhs towards CSR. In doing so, an amount of 2.04 lakhs remained unspent. However, the company has transferred 2.04 lakhs to PM Cares Fund on dated 11th April 2023. Your Company believe in 'Giving back to Society' and is fully committed towards fulfilling its CSR obligation.

**For Tyche Industries Limited  
For and on behalf of the Board of Directors**

Sd/-

Sd/-

Place: Hyderabad

**Bosa Eswar**

**G. Ganesh Kumar**

Date: 01st August, 2023

Chairperson of  
CSR Committee

Chairman & Managing Director

**Annexure-IV****Information pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

1. The ratio of remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Sl No	Names	Designation	Ratio of remuneration to median remuneration
1.	Mr. G Ganesh Kumar	Managing Director	61.07:1
2.	Mr.G Sandeep	Executive Director	61.07:1
3.	Mr.Boosa Eshwar	Independent Director	1.16:1
4.	Mrs. P. Vijaya Lakshmi	Independent Director	1.16:1
5.	Mr. Sai Sudhakar Panchakarla	Independent Director	1.09:1
7.	Mr. Venkata Raju Gupta Kollepalli	Non-Executive Director	1.16:1

2. The percentage increase in remuneration of each Director, Chief Financial Officer; Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Sl.No	Names	Designation	Increase in Percentage %
1	Mr. G Ganesh Kumar	Managing Director	53.20
2	Mr.G Sandeep	Executive Director	53.20
3	Mr.Boosa Eshwar	Independent Director	0
4	Mrs. P Vijaya Lakshmi	Independent Director	0
5	Mr Sai Sudhakar Panchakarla	Independent Director	0.40
6	Mr Venkata Raju Gupta Kollepalli	Non-Executive Director	0
7	Mr Y Srinivas Rao	Chief Financial Officer	-1.89
8	Mr Satya Ranjan Jena	Company Secretary	30.38

**Notes:**

1. The percentage increase in the median remuneration of employees in the financial year was - 1.73
2. The number of permanent employees on the rolls of the Company as on March 31, 2023 was 166
3. Average increment of other than the managerial personnel 10%
4. Affirmation that the remuneration is as per the remuneration policy of the Company: The remuneration for MD/KMP/rest of the employees is as per the remuneration policy of the Company.

**B. Information as per Rule 5(2) of Chapter XIII, the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014**

- i. Details of employee Employed throughout the financial year was in receipt of remuneration for that year which in the aggregate, was not less than One Crore and Two lakh rupees:

Sl. No.	Name of the Employee	Designation	Remuneration Received (CTC in lakhs) FY 2022-23	Nature Contract/ Permanent	Qualification & Experience in years	Date of commencement of employment	Age of the employee	Last Employment held before joining	No. of Equity shares held	Whether relative of Director
1.	G Ganesh Kumar	MD	105.30	Permanent	PG in MBA	14.11.1998	52 years	Nil	9.58 lakh	Yes
2.	G Sandeep	ED	105.30	Permanent	B.Tech	01.05.2009	39 years	Nil	12.92 lakhs	Yes

- ii. Details of employee Employed of the part of the financial year was in receipt of remuneration for any part of that year at a rate which, in the aggregate, was not less than Eight Lakhs and Fifty Thousand rupees per month: NIL

Sl. No.	Name of the Employee	Designation	Remuneration Received (CTC in lakhs) FY 2022-23	Nature Contract/ Permanent	Qualification & Experience in years	Date of commencement of employment	Age of the employee	Last Employment held before joining	No. of Equity shares held	Whether relative of Director
NIL										

**Annexure-V**

Statement of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo Pursuant to Provisions of Section 134(3)(m) of the Companies Act, 2013 read with the rule 8 of 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, 2023.

**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	2022-23	2021-22
<b>A. Power &amp; Fuel Consumption:</b>			
Electricity (purchased)			
- No. of Units (Nos/ Lacs)	KWH	30.07	28.67
- Total Amount (Lacs)	Rs.	265.11	223.44
- Average Rate per Units	Rs.	8.82	7.80
Diesel			
- Quantity (Nos/ Lacs)	Ltr	0.13	0.18
- Total Amount (Lacs)	Rs.	12.99	17.71
- Average Rate per Unit/ Ltr	Rs.	102.24	99.00
Husk			
- Quantity	MT	2004.68	1592.60
- Total Amount (Lacs)	Rs.	117.45	46.75
- Average Rate per Unit/MTs	Rs.	5858.87	2935.27
<b>B. Consumption per Unit of Production:</b>			
- Electricity	KWH	As the Company uses the same manufacturing facilities for various products, it is not practicable to give consumption per unit.	
- Diesel	Ltr		
- Husk	MT		

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

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

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

The company has a full-fledged R&D Centre. 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 Lakhs)**

Particulars	2022-23	2021-22
Capital Expenditure	0.00	0.00
Recurring Expenditure	90.90	67.00
Total	90.90	67.00
Total R&D Expenditure as a % of Total Turnover	1.20%	1.07%

**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 Lakhs)

<b>Particulars</b>	<b>2022-23</b>	<b>2021-22</b>
i) Foreign Exchange Earnings:		
- FOB value of exports(Net of Freight & Insurance)	4365.95	3379.00
ii) Foreign Exchange Outgo (CIF):		
-Raw materials	1498.72	311.00
-Capital Goods	0.00	0.00
-For expenses	115.19	127.00

By Order of the Board of Directors

Sd/-

**G. Ganesh Kumar**

Chairman &amp; Managing Director

Place: Hyderabad

Date: 01st August, 2023

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 longterm 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 31,2023, 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. Three Non-Executive Independent Directors. Two Executive Director.

<b>Category of directors</b>	<b>No. of Directors</b>	<b>% of Total no.of Directors</b>
Non-Executive Director	1	16.67%
Non-Executive Independent Director	3	50%
Executive Director	2	33.33%
Total	6	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, 2023 are given below:



Name	Category & Designation	Attendance at AGM held on 30th September, 2022	No. of meetings held during the last Financial Year 2022-2023	No. of meetings attended	No of Directorship in listed entities including this listed entity (Refer Regulation 25(1) of Listing Regulations)	Number of memberships in Audit / Stakeholder Committee(s) including this listed entity (Refer Regulation 26(1) of Listing Regulations)	Number of chairmanship in Audit / Stakeholder Committee(s) including this listed entity (Refer Regulation 26(1) of Listing Regulations)
Mr. G. Ganesh Kumar	Chairman, Managing Director and Promoter	Yes	7	7	1	2	NIL
Mr. SaiSudhakar Panchakarla	Independent Director	Yes	7	7	1	2	NIL
Mr.Boosa Eswar	Independent Director	Yes	7	7	1	NIL	2
Mrs. P. Vijaya Lakshmi	Independent Director	Yes	7	7	1	NIL	NIL
Mr G Sandeep	Executive Director	Yes	7	7	1	NIL	NIL
*Mr Venkataraju Gupta Kollepalli	Non-Execautive Non Independent Director	Yes	7	7	1	NIL	NIL

**Notes:**

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

**Number of Board Meeting**

During the Financial Year 2022-2023, the Board of Directors met 7 (Seven) times, viz., on 30th May 2022, 12th August 2022, 06th September 2022, 10th November 2022, 27th January, 2023, 13th February 2023, 31st March 2023 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**

Mr G Sandeep is the brother of Mr G. Ganesh Kumar except this 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. K Srinivas & 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.net](http://www.tycheindustries.net).

**Skill/Expertise/Competence of The Board of Directors For The Financial Year Ended March 31, 2023**

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.VijayaLakshmiPenumatsa	Finance and Accounts
5	Mr G Sandeep	Administration,Marketing, Finance and Accounts
6	Mr.Venkataraju Gupta Kollepalli	Finance and Accounts

**Code of Conduct**

The Code of Conduct is available on the website of the Company [www.tycheindustries.net](http://www.tycheindustries.net). 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 31st March 2023, 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 5 (Five) times viz., on 30th May 2022, 12th August 2022, 06th September 2022, 10th November, 2022, 13th February 2023 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, 2023 is as follows

<b>Name of the member</b>	<b>Designation</b>	<b>No. of Meetings Held</b>	<b>Meetings Attended</b>
Mr. Boosa Eshwar	Chairman	5	5
Mr. SaiSudhakar Panchakarla	Member	5	5
Mr. G. Ganesh Kumar	Member	5	5

**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 2022-2023 the Nomination & Remuneration Committee met two time on 30th May 2022, 06th September 2022 The Composition and the details of attendance of members of the Committee are as follows:

<b>Name of the member</b>	<b>Designation</b>	<b>No. of Meetings Held</b>	<b>Meetings Attended</b>
Mr. Boosa Eswar	Chairman	2	2
Mr. Sai Sudhakar Panchakarla	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, 2023 and shares held by them are as follows:** (Rs. In Lacs)

Name of the Director	2022-23 (Salary)	2022-23 Commission	No. of Shares held
G. Ganesh Kumar, Chairman & Managing Director	30.00	75.30	9.58
G Sandeep, Executive Director	34.80	70.50	12.92



Details of remuneration paid to Non-Executive during the year ended 31st March, 2023 and shares held by them are as follows: (in Lakhs)

<b>Name of the Director</b>	<b>2022-23 Remuneration</b>	<b>2022-23 Sitting Fees</b>	<b>No. of Shares held</b>
Mr Boosa Eshwar	NA	2.00	0
Mr Sai Sudhakar panchakarla	NA	1.88	0
Mr P Vijaya Lakshmi	NA	2.00	0
Mr Venkataraju Gupta Kollepalli	NA	2.00	0

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 2022-2023, the Stakeholders' Relationship Committee met 3 (Three) time on 30th May 2022, 06th September 2022, 15th October 2022. The composition of the Committee and the details of meetings attended by each member during the year ended 31st March, 2023 are as follows:

<b>Name of the member</b>	<b>Designation</b>	<b>No. of Meetings Held</b>	<b>Meetings Attended</b>
Mr. Boosa Eshwar	Chairman	3	3
Mr. G. Ganesh Kumar	Member	3	3
Mr. Sai Sudhakar Panchakarla	Member	3	3



- **Name of the Compliance Officer::**

Mr. Satya Ranjan Jena

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

Phone No. : 040 – 23541688

Email ID : cs@tycheindustries.net

- **Status of the Investor's Complaint as on 31st March 2023:**

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

There were no share transfers pending for registration for more than 15 days as on 31st March, 2023.

#### 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 2023.

Name of the member	Designation	No. of Meetings Held	Meetings Attended
Mr. Boosa Eshwar	Chairman	2	2
Mr. G. Ganesh Kumar	Member	2	2
Mr.Sai Sudhakar Panchakarla	Member	2	2

The Committee meets on 15th October 2022, and 27th January 2023 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 06th September 2022, comprising as on 31st March 2023 the following:

Name of the member	Designation	No. of Meetings Held	Meetings Attended
Mr. G. Ganesh Kumar	Chairman	1	1
Mr. Sai Sudhakar Panchakarla	Member	1	1
Mr. Boosa Eshwar	Member	1	1



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

**4) GENERAL BODY MEETINGS:**

Annual General Meetings:

<b>Financial Year</b>	<b>Date and Time</b>	<b>Venue</b>	<b>Description of Special Resolution passed</b>
2021-2022	30th September 2022 at 11.00 a.m.	VideoConference/Other AudioVisual Means (OAVM)	i. revision in the terms of remuneration of Mr. G Ganesh Kumar (din: 01009765) as Managing Director of the company  ii. revision in the terms of remuneration of Mr. G Sandeep (din: 06608065) as executive director of the company
2020-2021	30th September 2021 at 11.00 a.m.	VideoConference/Other AudioVisual Means (OAVM)	i. revision in the terms of remuneration of Mr. G Ganesh Kumar (Din: 01009765) as managing director of the company  ii. revision in the terms of remuneration of Mr. G Sandeep (Din: 06608065) as executive director of the company
2019-2020	30th September 2020 at 10.00 a.m	VideoConference/ Other AudioVisual Means (OAVM)	Nil

**Postal Ballot:**

No resolution was passed by means of Postal Ballot during the financial year 2022-2023. None of the businesses proposed to be transacted in the ensuing Annual General Meeting requires passing a Special Resolution through Postal Ballot.

**5) MEANS OF COMMUNICATION:**

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

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"))

25th Annual General Meeting

Date : Tuesday, 29th August, 2023

Time : 11.00 a.m.

- (b) **Financial Calendar 2023-24:**

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

<b>Subject Matter</b>	<b>Tentative Dates of the Board Meeting</b>
Results for the quarter ending 30th June, 2023	By 14th August, 2023
Results for the quarter ending 30th September, 2023	By 14th November, 2023
Results for the quarter ending 31st December, 2023	By 14th February, 2024
Audited Results for the quarter and year ending 31st March, 2024	By 30th May, 2024



- (c) Date of book closure: From 23rd August, 2023 to 29th August, 2023 (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., Tuesday, 22nd August, 2023.

- (e) Dividend payment date:

Dividend shall be paid to all the eligible shareholders on or after 29th August, 2023 but within the period mentioned in Companies Act.

- (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 2015-16, 2016-2017, 2017-18, 2018-19, 2019-20, 2020-21 and 2021-22 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 2022-23 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 2022-23 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, 2022	148203	158	126	60845.10	56009.07
May, 2022	107861	153	105	57184.21	52632.48
June, 2022	45173	140	110.4	56432.65	50921.22
July, 2022	47556	144.95	115.4	57619.27	520921.22
August, 2022	174895	162.8	126.6	60411.20	57367.47
September,2022	124715	155	131.6	60676.12	56147.23
October, 2022	50978	149.95	132.5	60786.70	56683.40
November,2022	84359	140.6	121.6	63303.01	60425.47
December,2022	212537	149.5	125	63583.07	59754.10
January,2023	83239	137.85	127	61343.96	58699.20
February, 2023	165545	145	122.1	61682.25	58795.97
March,2023	129008	144.8	131	60498.48	57084.91

\* Source: [www.bseindia.com](http://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 2023.**

category	No. of Shares	% of Shareholding
Promoters	6351496	61.97
Public	3898504	38.03
<b>Total</b>	<b>10250000</b>	<b>100</b>

**(n) The Distribution of Shareholding as on 31st March, 2023:**

Category (No. of Shares) From - To	No. of Shareholders	%	No. of Shares	%
Up to 500	7519	88.41	773099	7.54
501-1000	466	5.48	373994	3.65
1001-2000	244	2.87	362545	3.54
2001-3000	138	1.62	348240	3.40
3001-4000	31	0.36	111278	1.09
4001-5000	27	0.32	124177	1.21
5001-10000	47	0.55	348716	3.40
10001- 10250000	33	0.39	7807951	76.18
<b>Total</b>	<b>8505</b>	<b>100.00</b>	<b>10250000</b>	<b>100.00</b>

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

As on 31st March, 2023 about 98.63% 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:

- Demat account should be opened with a depository participant (DP).
- Shareholders should submit the dematerialization request form (DRF) along with share certificates in original, to their DP.
- DP will process the DRF and will generate a dematerialization request number (DRN).
- DP will submit the DRF and original share certificates to the Registrar and Transfer Agents (RTA), which is CIL Securities Limited.
- RTA will process the DRF and confirm or reject the request to DP/ depositories.
- 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, 2023 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.net>

### **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@tycheindustries.net

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, 2023 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 2022-23, the Status of the Complaint received/solved as follows:

Complaints pending as on 1st April, 2022	Complaints received during the year	Complaints disposed off during the year	Complaints pending as on 31st March, 2023
0	0	0	0

**xi. Code for Prevention of Insider Trading Practices:**

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

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

The new guidelines as mandated by SEBI on Insider trading as was adopted and disclosed in the company website [www.tycheindustries.net](http://www.tycheindustries.net).

**xii. 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).

**xiii. 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, 2023 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)

**xiv. Review of Directors’ Responsibility Statement:**

The Board in its report has confirmed that the annual accounts for the year ended 31st March, 2023 have been prepared as per applicable accounting standards and policies and that sufficient care has been taken for maintaining adequate accounting records

**xv. 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 2022-23. The Board has accepted all the recommendations of the Committee which were mandatorily required.

Place: Hyderabad  
Date: 01st August, 2023

By Order of the Board of Directors

Sd/-

**G. Ganesh Kumar**

Chairman & Managing Director

**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.com 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, 2023 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
5	SANDEEP GOKARAJU	06608065	24-08-2020
6	VENKATARAJU GUPTA KOLLEPALLI	09054998	12-02-2021

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

Sd/-

**D. RENUKA**

Company Secretary in practice.

ACS No. 11963

C P No. 3460

ICSI Peer Review UIN: L2000TL172900

UDIN No: A011963E000706932

Place: Hyderabad

Date: 01st August, 2023



**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, 2023.
  - (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: 01st August, 2023

**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, 2023, 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 No: A011963E000706943

Place: Hyderabad  
Date: 01st August, 2023

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**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, 2023.

**For Tyche Industries Limited**

SD/-

**(G. Ganesh Kumar)**

Managing Director

Place: Hyderabad  
Date: 01st August, 2023



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### GLOBAL PHARMACEUTICAL SCENARIO

Owing to the supply-chain disruptions and raw material shortage, the pharmaceutical industry experienced several bottle-necks during the year. However, faster vaccines rollouts has played a cardinal role in reviving the sector, since healthcare systems and policy makers across economies are now more confident about spending on the pharmaceutical industry. The global pharmaceutical industry is likely to grow at a CAGR of 9.1% in CY2022, thus reaching a market valuation of \$1587.05 billion. Companies are now adopting better measures to tackle the pandemic induced impacts, which earlier resulted in operational issues. At a CAGR of 19.2%, the pharmaceuticals industry is estimated to reach \$3201.02 billion in CY2026.

The larger section of the global demography is ageing, which makes them prone to chronic illnesses, such as rheumatoid arthritis, hypertension, diabetes, and cancer. The rise in patient pool drives the demand for medications, thus positioning the industry on path of recovery in the near short-term. Over the next five years, the industry is expecting to launch a total of 300 new medications, with a bias toward specialised, niche, and orphan drugs. This is likely to generate \$196 billion in additional expenditure, that will counterbalance the brand spending reductions of \$188 billion, owing to loss of exclusivity.

### DOMESTIC PHARMACEUTICAL MARKET

The Indian pharmaceutical industry is the 3rd largest pharmaceutical manufacturing country, in terms of volume. The nation is also the largest supplier of generic pharmaceuticals in the world, accounting for 20% of worldwide supply. Furthermore, Indian pharmaceutical firms are extremely cost-effective and offers excellent efficacy, all of which has helped the country to become the 'Pharmacy of the World'. The Indian pharmaceutical market is now valued at \$41.7 billion and by 2024, it is likely to be worth \$65 billion. Constant government impetus, in terms of PLI scheme for bulk pharmaceuticals and manufacturing of local medical device is facilitating growth of the sector. Between April and September, FY2022, the sector witnessed a growth of 53% in terms of FDI, thus accounting for Rs. 4,413 crore. This can be attributed to the need to meet the COVID-19-related medical and immunisation needs. Despite being a prominent player in formulations, the country is heavily reliant on imports for bulk pharmaceuticals used in medication formulations. To reduce this reliance, the GoI introduced the PLI scheme, and allotted Rs 6,940 crore to promote domestic production of 53 important Active Pharmaceutical Ingredients (APIs) over the next 8 years.

### 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 2020-21.
- 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 2019-20.
- 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 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, 2023 the Company had about 184 employees.

### KEY FINANCIAL RATIOS

Key financial parameters as on 31st March 2023 on the basis of Standalone Financials for the year ending 31st March 2023 & 31st March 2022 respectively are as follows;

Particulars	FY 2022-23	FY 2021-22
Debtors Turnover	4.20	3.99
Inventory Turnover	2.30	2.50
Interest Coverage Ratio*	NA	NA
Current Ratio	5.81	7.87
Debt Equity Ratio	NIL	Nil
Operating Profit Margin	27.67	21.40
Net Profit Margin	17.54%	14.15%

\*Company doesn't have any interest liability.

During the year, the return on Net Worth of the Company is 16.35% as compared to the previous financial year 12.12%.



**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, 2023, 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 Notes to Financial Statements including 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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at 31st March, 2023 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 or delivery to or 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.

**B) IT Systems and Controls:**

We have identified IT Systems and controls over financial reporting as a key audit matter for the company because it's financial and reporting system should be integrated and must be fundamentally reliant on IT systems and controls to process the voluminous data specifically with respect to revenue, debtors, inventory management and raw material consumption. Automated accounting procedures and IT environment controls are required to be modified and implemented to operate effectively to ensure accurate financial reporting to comply with all the reporting requirements under various statues. We have assessed the management's position through discussion with the in-house experts. Management has initiated steps to integrate all activities 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.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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:**

1. As required by the Companies (Auditor's Report) Order, 2020 ("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 paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit 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 including Other Comprehensive Income, 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 under "Ind AS-19-Employee Benefits", and does not have any impact on the Financial Statements of the company.
  - (e) On the basis of the written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, 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) Further, with respect to the other matters to be included in the Auditors Report under section 197(16) of the Act, as amended:

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.



- (h) 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, 2023 on its financial position in its financial Statements. Refer Note No: 30 of the 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.
  - iv.
    - A) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - B) The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
    - C) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
  - v. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.



- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

**For P.S.N Ravishanker & Associates**

Chartered Accountants

ICAI FRN: 003228S

(SD/-)

**(P RAVISHANKER)**

Partner

ICAI M.No. 025288

UDIN: 23025288BGXFON3099

Place: Hyderabad,

Date: 27-05-2023.

**ANNEXURE - A to the Independent Auditors' Report dt.27-05-2023  
issued to the members of Tyche Industries Limited****(Referred to in paragraph 1 under 'Report on  
Other Legal and Regulatory Requirements' section of our report of even date)**

- i. a) (A) The Company has maintained records showing only broad particulars including quantitative details and situation of Property, Plant and Equipment, on the basis of available information. However, as per the information and explanations furnished by the management and based on our examination of records, the system of tagging of fixed assets and computerization of records has been initiated by the company to be commensurate with the size of the company & level of operations.
- (B) The Company does not have any Intangible Assets. Accordingly, our reporting under this clause is not applicable to the company.
- b) As per the information and explanations furnished to us by the management, the Property, Plant and Equipment have been physically verified in a broad manner by the management according to a phased programme designed to cover all the items over a period of 3 years, which in our opinion is reasonable but can be improved, having regard to the size of the Company and nature of its assets. We are informed that, no material discrepancies were noticed on such verification, pending adjustment.
- (c) The title deeds of all the immovable properties, as disclosed in Note 3 on Property, Plant and Equipment of the financial statements, are held in the name of the Company as at the balance sheet date.
- (d) The Company has chosen cost model for its Property, Plant and Equipment and intangible assets. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment or intangible assets does not arise.
- (e) Based on the information and explanations furnished to us, no proceedings have been initiated on (or) are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statements does not arise.
- ii. a) 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 procedure, coverage and frequency of such verification is reasonable but the system of verification can be further improved to be commensurate with the size of company & level of operations.
- The discrepancies noticed on physical verification of inventory as compared to book records were less than 10% in aggregate for each class of inventory.
- b) During the year, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. Accordingly, our reporting under this clause is not applicable to the company.
- (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, made



investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, our reporting on all other subclauses in this clause is not required.

- (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 are applicable and the investments made by the company comply with the provisions of Section 186 of the Companies Act, 2013.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be 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. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (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 and according to the records examined by us of the Company, undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, sales tax, Service Tax, duty of Customs, Duty of Excise, Value Added Tax, Cess and other statutory dues have been generally deposited 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 31-03-2023 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.30 of "Notes to Financial Statements for the year ended March, 31st, 2023.
- (viii) According to the information and explanations given by the management and based on the procedures carried out during the course of our audit, we have not come across any transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- ix. a) In our opinion and as per the information and explanations given to us, the company has not taken any loans or other borrowings from any financial institution, bank, government, or debenture holder during the year. Hence reporting under clause 3(ix)(a) of the Order is not applicable.  
  
b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.



- (c) According to the records of the Company examined by us and the information and explanations given to us, the Company has not obtained any term loans.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no short-term funds were raised by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order
- xi. (a) 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, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) 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, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) 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, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- (xii) As the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. the provisions of Clause (xii) of para 3 of the order are not applicable to the company.
- (xiii) The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.
- xiv. (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.



- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- 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 its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi) (c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, the Group does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause (xviii) is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 36 to the financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.
- xx. (a) In respect of other than ongoing projects, the company has transferred unspent amount of Rs. 1.35 Lakhs to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act;
- (b) As informed to us by the company, it does not have any ongoing CSR projects, Accordingly, our reporting under clause 3(xx) (b) of the Order is not applicable.



xxi. The reporting under clause 3(xxi) of the Order is not applicable as the company is not required to prepare consolidated financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

**For P.S.N Ravishanker & Associates**

Chartered Accountants

ICAI FRN: 003228S

(SD/-)

**(P RAVISHANKER)**

Partner

ICAI M.No. 025288

UDIN: 23025288BGXFON3099

Place: Hyderabad,

Date: 27-05-2023.

**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, 2023 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, 2023, 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. However, an improvement in the following internal financial controls is desirable.

- (a) The system of physical verification of fixed assets, tagging of fixed assets, and computerization of records can be improved to be commensurate with the size of the company & level of operations.
- (b) The system of physical verification of inventories, tagging of inventories can be further improved to be commensurate with the size of company & level of operations.

**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.

**Auditor's 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 P.S.N Ravishanker & Associates**

Chartered Accountants

ICAI FRN: 003228S

(SD/-)

**(P RAVISHANKER)**

Partner

ICAI M.No. 025288

UDIN: 23025288BGXFON3099

Place: Hyderabad,

Date: 27-05-2023.



**PART I –BALANCE SHEET**

**Name of the Company: TYCHE INDUSTRIES LIMITED (CIN L72200TG1998PLC029809)**

**Balance Sheet as at 31.03.2023**

(Amount in Lakhs)

Particulars	Note No.	Figures as at 31/03/2023	Figures as at 31/03/2022
<b>(1) ASSETS</b>			
<b>NON-CURRENT ASSETS:</b>			
(a) Property Plant and Equipment	3	1,661.09	1,663.21
(b) Capital work-in-progress		-	-
<b>Financial Assets</b>			
(i) Investments		-	-
(c) Other non-current assets	4	259.61	260.92
		<b>1,920.70</b>	<b>1,924.14</b>
<b>(2) Current Assets</b>			
(a) Inventories	5	1,796.98	1,124.31
(b) Financial Assets			
(i) Trade receivables	6	2,207.78	1,642.18
(ii) Cash and cash equivalents	7	671.94	359.44
(iii) Bank Balances other than (ii) above	8	6,802.04	6,391.70
(c) Other current assets	9	712.36	585.10
		<b>12,191.10</b>	<b>10,102.73</b>
<b>Total Assets</b>		<b>14,111.81</b>	<b>12,026.86</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share capital	10	1,024.53	1,024.53
(b) Other Equity	11	10,650.88	9,397.37
<b>Total Equity</b>		<b>11,675.42</b>	<b>10,421.90</b>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
(a) Financial liabilities		-	-
(i) Long term Borrowings			
(b) Deferred tax liabilities (Net)	12	124.10	136.14
(C) Provisions	13	214.86	185.77
		<b>338.96</b>	<b>321.91</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Trade payables	14		
---- Due of MSME		54.30	66.94
---- Due of creditors other than MSME		1,183.89	522.84
(ii) Other Financial Liabilities		98.64	79.27
(b) Other current liabilities		187.00	211.25
(c) Provisions	17	573.60	402.75
		<b>2,097.42</b>	<b>1,283.05</b>
<b>Total Equity and Liabilities</b>		<b>14,111.81</b>	<b>12,026.86</b>
<b>Notes on Accounts</b>	<b>1&amp;2</b>		
Total Equity and Liabilities and Notes on accounts.			

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

As per our Report of even date attached

**For M/s. P.S.N. Ravishanker & Associates**

Chartered Accountants

FRN No : 03288S

**(P. RAVI SHANKER)**

Partner

ICAI M.No: 25288

Place: Hyderabad

Date:27-05-2023

For and on behalf of the Board of Directors of

**TYCHE INDUSTRIES LIMITED**

Sd/-

**(G.GANESH KUMAR)**

Managing Director

DIN : 01009765

Sd/-

**(Y.SRINIVAS 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 YEAR ENDED 31.03.2023**

*Amount in Lakhs*

Particulars	Refer Note No.	For the year ended 31st Mar, 2023	For the year ended 31st Mar, 2022
<b>INCOME</b>			
I Revenue From Operations	18	7,538.52	6,226.75
II Other Income	19	482.80	415.60
<b>III TOTAL INCOME (I+ II)</b>		<b>8,021.32</b>	<b>6,642.34</b>
<b>IV EXPENSES</b>			
Cost of materials consumed	20	3,574.25	3,030.14
Purchases of Stock-in-Trade		-	-
Changes in inventories of finished goods, work-in-progress and Stock-in -Trade	21	(214.22)	(257.43)
Employee benefits expense	22	906.27	805.13
Finance costs	23	0.11	0.09
Depreciation and amortization expense	3	177.34	178.91
Other expenses	24	1,657.19	1,552.55
<b>TOTAL EXPENSES (IV)</b>		<b>6,100.95</b>	<b>5,309.39</b>
V Profit/(loss) before exceptional items and tax (III- IV)		1,920.37	1,332.95
VI Exceptional Items	25	11.95	69.32
VII Profit/(loss) After Exceptiona Items and before tax (V-VI)		1,908.42	1,263.64
<b>VIII Tax Expense:</b>			
(1) Current tax		503.31	339.09
(2) Deferred tax- (Asset)/ liability		(12.04)	(8.59)
IX Profit (Loss) for the period from continuing operations (VII-VIII)		1,417.15	933.13
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 year (IX+XII)		1,417.15	933.14
XIV Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss.	26	(13.16)	9.18
(ii) Income tax relating to items that will not be reclassified to profit or loss.	-	3.31	(2.31)
B (i) Items that will be reclassified to profit or loss.			
(ii) Income tax relating to items that will be reclassified to profit or loss.			
XV Total Comprehensive Income for the period (XIII+XIV)(Comprising Profit(Loss) and Other Comprehensive Income for the period)		1,407.30	940.01
XVI Earnings per equity share (for continuing operation):			
(1) Basic		13.74	9.18
(2) Diluted		13.74	9.18
XVII Earnings per equity share (for discontinued operation):			
(1) Basic		-	-
(2) Diluted		-	-
XVIII Earnings per equity share(for discontinued & continuing operations)			
(1) Basic		13.74	9.18
(2) Diluted		13.74	9.18
Notes on Accounts	1 & 2		

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

As per our Report of even date attached  
For M/s. **P.S.N. Ravishanker & Associates**  
Chartered Accountants  
FRN No : 03288S  
**(P. RAVI SHANKER)**  
Partner  
ICAI M.No: 25288  
Place: Hyderabad  
Date:27-05-2023

For and on behalf of the Board of Directors of  
**TYCHE INDUSTRIES LIMITED**  
Sd/-  
**(G.GANESH KUMAR)**  
Managing Director  
DIN : 01009765  
Sd/-  
**(Y.SRINIVAS RAO)**  
CFO

Sd/-  
**(BOOSA ESHWAR)**  
Director  
DIN: 01879193  
Sd/-  
**( SATYA RANJAN JENA)**  
Company Secretary & Compliance Officer  
M. No.: A53638

**STATEMENT OF CHANGES IN EQUITY**

Statement of Changes in Equity for the period ended 31.03.2023

**Note No-10****Equity Share Capital**

Amount in Lakhs

Particulars	31-Mar-2023		31-Mar-2022	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	10245340	1024.53	10245340	1024.53
Shares outstanding at the end of the year	10245340	1024.53	10245340	1024.53

**Note 11 : OTHER EQUITY**

Particulars	As at 31-March-2023 Rs. in Lakhs	As at 31-March-2022 Rs. in Lakhs
<b>a) General Reserves</b>		
Opening Balance	697.77	667.77
(+) Current Year	30.00	30.00
<b>Closing Balance A</b>	<b>727.77</b>	<b>697.77</b>
<b>b. Surplus</b>		
Opening Balance	8708.24	7919.4
(+) Net Profit for the current year	1417.15	933.25
(-) Dividend	-153.61	-102.41
(+) / (-) Excess (Short) Provision for income tax	-0.18	-12.01
(-) Transfer to General Reserves	-30	-30
(+)/ (-) Remeasurement of net defined benefit plans	-18.49	-8.65
<b>Closing Balance B</b>	<b>9923.11</b>	<b>8699.58</b>
<b>Total A+B</b>	<b>10650.88</b>	<b>9397.37</b>



**Explanatory Note to Other Equity Note No.11 as on 31-03-2023** (Rupees in Lakhs)

	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus			Remeasurement of Net Defined Benefit Plans through other comprehensive income	Money Received against share warrants	Total
			Capital Reserve	Securities Premium Reserve	General reserve			
Balance at the beginning of the reporting period	-	-	-	697.77	8,708.24	(8.64)	-	9,397.37
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	697.77	8,708.24	(8.64)	-	9,397.37
Total Comprehensive Income for the year (Net of Tax)	-	-	-	-	1,417.15	(9.85)	-	1,407.30
Dividend Paid	-	-	-	-	(153.61)	-	-	(153.61)
Transfer to retained earnings	-	-	-	-	-	-	-	-
Any other change (Prior Year- Tax Adjustment).	-	-	-	-	(0.18)	-	-	(0.18)
<b>Balance at the end of the reporting Year</b>	-	-	-	<b>697.77</b>	<b>9,971.60</b>	<b>(18.49)</b>	-	<b>10,650.88</b>

**Explanatory Note to Other Equity Note No.11 as on 31-03-2022** (Rupees in Lakhs)

	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus			Remeasurement of Net Defined Benefit Plans through other comprehensive income	Money Received against share warrants	Total
			Capital Reserve	Securities Premium Reserve	General reserve			
Balance at the beginning of the reporting period	-	-	-	667.77	7,919.40	(15.52)	-	8,571.66
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	667.77	7,919.40	(15.52)	-	8,571.66
Total Comprehensive Income for the year (Net of Tax)	-	-	-	-	933.25	6.87	-	940.12
Dividend Paid	-	-	-	-	(102.41)	-	-	(102.41)
Transfer to retained earnings	-	-	-	30.00	(30.00)	-	-	-
Any other change (Prior Year- Tax Adjustment).	-	-	-	-	(12.01)	-	-	(12.01)
<b>Balance at the end of the reporting Year</b>	-	-	-	<b>697.77</b>	<b>8,708.24</b>	<b>(8.65)</b>	-	<b>9,397.37</b>



**TYCHE INDUSTRIES LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31,2023**

Rupees in Lakhs

Particulars	Year Ended 31.03.2023	Year Ended 31.03.2022
<b>Cash Flow From Operating activities</b>		
Net Profit/(loss) before taxation and adjustments	1,895.26	1,272.82
Adjustments to Profit before tax		
Adjustment in Depreciation	177.34	178.91
Adjustment in Provision for Taxes	(500.00)	(341.29)
Adjustment for taxes paid	(0.18)	(12.0)
Adjustment for Investment Written off	-	0.27
Adjustment for interest received	(369.45)	(303.67)
Adjustment for profit and loss from operations	(692.29)	(477.89)
<b>Operating profit loss before changes working capital</b>	<b>1,202.97</b>	<b>794.93</b>
Changes in working capital		
Changes in current assets loans and advances	-	-
Changes in Inventories	(672.67)	(34.92)
Changes in Trade receivables	(565.60)	70.80
Changes in other current assets	(127.26)	153.75
Changes in current assets, loans & advances	1.31	(37.95)
<b>Changes in current assets loans advances</b>	<b>(1,364.22)</b>	<b>151.68</b>
Changes in current liabilities, provisions		
Changes in trade payables	648.42	(98.04)
Changes in other Financial Liabilities	19.36	23.07
Changes in other liabilities	(24.25)	30.65
Changes in provisions	170.85	(467.04)
Changes in current liabilities & provisions	29.08	10.76
<b>Changes current liabilities, provisions</b>	<b>843.46</b>	<b>(500.59)</b>
Changes in working capital	(520.77)	(348.91)
<b>Net Cash Flow used in operating activities</b>	<b>682.20</b>	<b>446.02</b>
<b>Net Cash Flow used in investing activities</b>		
Purchase tangible fixed assets	(175.22)	(99.07)
Proceeds from sale of Assets	-	15.50
Proceeds from insurance claim for damaged fixed assets	-	95.58
Proceeds from interest bank deposits	369.45	303.67
<b>Net Cash Flow used in investing activities</b>	<b>194.23</b>	<b>315.68</b>
<b>Net cash flow from used in financing activities</b>		
Proceeds short - term borrowings	-	-
Proceeds from share capital	-	-
Dividend on equity shares paid		
Dividend distribution tax on dividend on equity shares paid	(153.61)	(102.41)
<b>Net cash flow from used in financing activities</b>	<b>(153.61)</b>	<b>(102.41)</b>
Net Increase/(decrease) in Cash and Cash equivalents	722.82	659.29
Cash and Cash equivalents at the beginning of the Year	6,751.15	6,091.86
<b>Cash and Cash equivalents Including Bank Deposits</b>	<b>7,473.98</b>	<b>6,751.15</b>

Note: 1. The Cash Flow statement has been prepared under the "Indirect Method as set out in Ind As7; Statement of Cash Flows"  
2. The Previous Figures have been Regrouped wherever necessary in order to conform to this year's presentation.

As per our Report of even date attached  
For M/s. P.S.N. Ravishanker & Associates  
Chartered Accountants  
FRN No : 03288S  
(P. RAVI SHANKER)  
Partner  
ICAI M.No: 25288  
Place: Hyderabad  
Date:27-05-2023

For and on behalf of the Board of Directors of

**TYCHE INDUSTRIES LIMITED**

Sd/-  
(G.GANESH KUMAR)  
Managing Director  
DIN : 01009765  
Sd/-  
(Y.SRINIVAS RAO)  
CFO

Sd/-  
(BOOSA ESHWAR)  
Director  
DIN: 01879193  
Sd/-  
( SATYA RANJAN JENA)  
Company Secretary & Compliance Officer  
M. No.: A53638

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023****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 31st March, 2023 were approved by the Board of Directors and authorised for issue on 27th May, 2023.

**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, 2023 and 31st March 2022, the Statements of Profit and Loss, Statements of Changes in Equity and the Statements of Cash Flows for the year ended 31st March, 2023 and for the year ended 31st March 2022, 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 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 on 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 non-current 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:

### I. Financial Assets:

#### i. 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.

#### ii. Subsequent Measurement:

- A financial Asset is measured at Amortized Cost if it 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.

### **iii. 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.

**II. 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. Dividend distribution to equity holders**

The Company recognises a liability to make dividend 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 other equity.



**Notes to the Financial Statements**  
**Note No 03: Property Plant & Equipment as on 31st March, 2023**

Rupees in Lakhs

Particulars	Land	Factory Buildings	Factory Roads	Plant and Equipment	Plant and Equipment 40%	Furniture and Fixtures	Lab Equipment	Vehicles	Electrical Equipment	Total	Capital Work In Progress
<b>Gross Block:</b>											
Balance as at 1 April 2022	199.89	733.52	23.58	2095.77	31.96	146.87	380.18	211.78	151.89	4065.44	0.00
Additions	0.00	0.00	0.00	29.75	0.00	1.93	1.98	139.74	1.83	175.22	0.00
Disposals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
"Balance as at "31 March 2023"	199.89	733.52	23.58	2125.52	31.96	148.80	382.15	351.52	153.72	4240.66	0.00
<b>Accumulated Depreciation</b>											
Balance as at 1 April 2022	0.00	271.53	23.58	1358.69	1.78	120.72	263.01	150.67	122.25	2312.23	0.00
Depreciation charge for the year	0.00	25.16	0.00	100.47	1.68	3.90	20.62	19.37	6.15	177.34	0.00
On disposals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Balance as at 31 March 2023	0.00	296.70	23.58	1459.15	3.45	124.62	310.62	170.04	128.40	2516.57	0.00
<b>Carrying Value</b>											
Balance as at 31 March 2023	199.89	436.82	0.00	666.37	28.51	24.18	98.53	181.48	25.31	1661.09	0.00
Balance as at 31 March 2022	199.89	461.98	0.00	737.09	30.18	26.15	117.17	61.11	29.64	1663.21	0.00

**Property Plant & Equipment as on 31st March, 2022**

Rupees in Lakhs

Particulars	Land	Factory Buildings	Factory Roads	Plant and Equipment	Plant and Equipment 40%	Furniture and Fixtures	Lab Equipment	Vehicles	Electrical Equipment	Total	Capital Work In Progress
<b>Gross Block:</b>											
Balance as at 1 April 2021	199.89	690.92	23.58	2,223.69	31.96	145.39	370.75	209.89	143.64	4,039.72	0.00
Additions	0.00	56.38	0.00	74.43	0.00	1.49	9.43	1.89	8.25	151.86	0.00
Disposals	0.00	13.78	0.00	202.35	0.00	0.00	0.00	0.00	0.00	216.13	0.00
"Balance as at 31 March 2022	199.89	733.52	23.58	2,095.77	31.96	146.87	380.18	211.78	151.89	4,065.44	0.00
<b>Accumulated Depreciation:</b>											
Balance as at 1 April 2021	0.00	250.73	23.58	1,363.12	0.10	115.42	241.26	136.98	116.00	2,247.19	0.00
Depreciation charge for the year	0.00	24.02	0.00	106.22	1.68	5.30	21.75	13.69	6.26	204.91	0.00
On disposals	0.00	3.22	0.00	110.66	0.00	0.00	0.00	0.00	0.00	113.87	0.00
Balance as at 31 March 2022	0.00	271.53	23.58	1,358.69	1.78	120.72	263.00	150.67	122.25	2,312.23	0.00
<b>Carrying Value (Net Block):</b>											
Balance as at 31 March 2022	199.89	461.98	0.00	737.09	30.18	26.15	117.17	61.11	29.64	1,663.21	0.00
Balance as at 31 March 2021	199.89	440.19	0.00	860.57	31.86	29.96	129.49	72.91	27.65	1,792.53	52.79



**Capital Work in Progress** Rupees in Lakhs

Particulars	CWIP for a period of 31st March 2023				CWIP for a period of 31st March 2022					
	Less than 1 Year	1 Year to 2 Years	2 Years to 3 Years	More than 3 Years	Total	Less than 1 Year	1 Year to 2 Years	2 Years to 3 Years	More than 3 Years	Total
Project in Progress	0	0	0	0	0	0	0	0	0	0
Project temporarily Suspended	0	0	0	0	0	0	0	0	0	0

Note:

- Title deeds of the Immovable properties included above are held in the name of the company
- The Company at present does not have any charges registered against any movable or immovable properties plant and equipments.
- The company has not revalued its Property, Plant and Equipment during the year or in the previous year

**4. Other Non -current assets**

<b>Particulars</b>	<b>As at 31-March-2023 Rs. in Lakhs</b>	<b>As at 31-March-2022 Rs. in Lakhs</b>
Others		
Contribution to Employee Gratuity Trust	180.30	178.38
Security Deposit		
Unsecured, Considered good	65.58	65.52
Income tax refund receivable	13.09	13.09
Advance to capital goods suppliers	0.64	3.94
<b>Total</b>	<b>259.61</b>	<b>260.92</b>

**5. Inventories**

<b>Particulars</b>	<b>As at 31-March-2023 Rs. in Lakhs</b>	<b>As at 31-March-2022 Rs. in Lakhs</b>
a) Raw Materials	912.94	465.51
b) Work - in - progress	834.90	621.38
c) Finished goods	0.69	-
d) Stores, Spares	40.88	33.91
(e) Husk	7.56	3.51
<b>Total</b>	<b>1,796.98</b>	<b>1,124.31</b>



**6. Trade Receivables**

Particulars	Outstanding for the following periods from due date of payment As on 31-03-2023 (Rs. in Lakhs)						Outstanding for the following periods from due date of payment As on 31-03-2022 (Rs. in Lakhs)					
	Less than Six Months	6 Months to 1 Year	1 Year to 2 Years	2 Years to 3 Years	More than 3 Years	Total	Less than Six Months	6 Months to 1 Year	1 Year to 2 Years	2 Years to 3 Years	More than 3 Years	Total
i) Undisputed Trade Receivables- Considerd Good	2,198.11	3.54	5.33	0.18	0.63	2,207.78	1,615.83	24.61	0.62	0.48	0.63	1,642.18
ii) Undisputed Trade Receivables- which have significant increase in credit Risk	0	0	0	0	0	0	0	0	0	0	0	0
iii) Undisputed Trade Receivables- Credit Impaired	0	0	0	0	0	0	0	0	0	0	0	0
iv) Disputed Trade Receivables- Considerd Good	0	0	0	0	0	0	0	0	0	0	0	0
v) Disputed Trade Receivables- which have significant increase in credit Risk	0	0	0	0	0	0	0	0	0	0	0	0
vi) Disputed Trade Receivables- Credit Impaired	0	0	0	0	0	0	0	0	0	0	0	0

**7. Cash and cash Equivalents**

Particulars	As at 31-March-2023 Rs. in Lakhs	As at 31-March-2022 Rs. in Lakhs
a. Balances with banks	671.13	357.38
b. Cash on hand	0.81	2.07
<b>Total</b>	<b>671.94</b>	<b>359.44</b>

**8. Bank Balances other than (ii) above**

Particulars	As at 31-March-2023 Rs. in Lakhs	As at 31-March-2022 Rs. in Lakhs
This includes:		
a. Term Deposits	6,586.12	6,219.19
b. Margin Money against Bank Guarantee	5.00	5.00
c. Interest Accrued on Term Deposits	195.32	154.16
d. Balance in Unpaid/Unclaimed Dividend Accounts	15.60	13.35
<b>Total</b>	<b>6,802.04</b>	<b>6,391.70</b>

**9. Other current assets**

Particulars	As at 31-March-2023 Rs. in Lakhs	As at 31-March-2022 Rs. in Lakhs
<b>Other Advances</b>		
Loans to Employees	25.50	39.38
Advance to Rawmaterials	7.64	5.56
Prepaid Expenses	10.97	10.97
Advance Income Tax	400.00	300.00
GST -ITC	228.09	191.77
TDS Receivable	40.16	37.41
<b>Total</b>	<b>712.36</b>	<b>585.10</b>

**10. Equity Share Capital**

Particulars	As at 31-March-2023		As at 31-March-2022	
	Number	Rs. in Lakhs	Number	Rs. in Lakhs
Authorised Equity Share Capital	1,10,00,000	1,100.00	1,10,00,000	1,100.00
Equity Shares of Rs. 10/- each Issued, Subscribed and Paid up Equity Shares of Rs. 10/- each	1,02,50,000	1,025.00	1,02,50,000	1,025.00
Less: Calls unpaid on 9,320 equity shares of Rs.5/-each	9,320	0.47	9,320	0.47
<b>Total</b>	<b>1,02,40,680</b>	<b>1,024.53</b>	<b>1,02,40,680</b>	<b>1,024.53</b>

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

Particulars	As at 31-March-2023		As at 31-March-2022	
	Number	Rs. in Lakhs	Number	Rs. in Lakhs
Shares outstanding at the beginning of the year	1,02,50,000	1025.00	1,02,50,000	1025.00
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	1,02,50,000	1025.00	1,02,50,000	1025.00

**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.

**Details of Share holders holding More than 5% shares in the Company**

Name of Shareholders	As at 31-March-2023		As at 31-March-2022	
	Number of Shares held	% of Holding	Number Shares held	% of Holding
1. G Ganesh Kumar	9,58,095	9.35%	14,08,095	13.74%
2. G.Sandeep	12,92,775	12.61%	8,42,775	8.22%
3. Silver Oak Technologies (P) Limited	19,78,879	19.31%	19,78,879	19.31%
4. Sri Indra Distillery (P) Limited	18,88,705	18.43%	18,88,705	18.43%
5. Plutus Tech Labs Pvt Ltd	6,56,086	6.40%	6,56,086	6.40%

**Details of Shareholding of Promoter**

Particulars	As at 31-March-2023			As at 31-March-2022		
	No. of Shares held	% of holding	% Change During the year	No. of Shares held	% of holding	% Change During the year
1.G Ganesh Kumar	9,58,095	9.35%	-4.39%	14,08,095	13.74%	0.00%
2.G.Sandeep	12,92,775	12.61%	4.39%	8,42,775	8.22%	0.00%
3.Silver Oak Technologies (P) Limited	19,78,879	19.31%	0.00%	19,78,879	19.31%	0.00%
4.Sri Indra Distillery (P) Limited	18,88,705	18.43%	0.00%	18,88,705	18.43%	0.00%
5.G RAMA RAJU	280	0.00%	0.00%	280	0.00%	0.00%
6.G VIJAYA KUMARI	1,600	0.02%	0.00%	1,600	0.02%	0.00%
7.U SATYA SRINIVAS	12,825	0.13%	0.00%	12,825	0.13%	0.00%
8.G SUBBA RAJU	280	0.00%	0.00%	28	0.00%	0.00%
9.Innag Project Pvt Ltd	1,87,057	1.82%	0.00%	1,87,057	1.82%	0.00%
10.Siri Cellars Pvt Ltd	31,000	0.30%	0.00%	31,000	0.30%	0.00%

**General Reserve**

The Company has transferred a portion of the net profit before declaring dividend to general reserve pursuant to the earlier provisions of the companies Act 1956.

Transfer to general reserve is not mandatorily required under the Companies Act. 2013

**Retained earnings**

Retained earnings are the profits that the company has earned till date, less any transfers to general reserve, dividends or other distribution paid to shareholders.

**Dividend**

The Board of Directors in its meeting held on 27th May, 2023 have recommended for approval of members a final dividend of Rs. 2 per equity share of Rs. 10/- each (20%) for the financial year 2022-23.

**12. Deferred Tax Liability:**

Particulars	As at 31-March-2023 Rs. in Lakhs	As at 31-March-2022 Rs. in Lakhs
Opening Deferred Tax Liability	136.14	144.73
On Account of Depreciation provided on Fixed Assets	(12.04)	(8.59)
<b>Deferred Tax Liability (Net)</b>	<b>124.10</b>	<b>136.14</b>



**13. Other Non Current Liability**

Particulars	As at 31-March-2023 Rs. in Lakhs	As at 31-March-2022 Rs. in Lakhs
Employees Gratuity (funded)	214.86	185.77
<b>Total</b>	<b>214.86</b>	<b>185.77</b>

**14. Trade Payable**

Rupees in Lakhs

Particulars	Outstanding for the following periods from due date of payment as on 31-03-2023					Outstanding for the following periods from due date of payment as on 31-03-2022				
	Less than 1Year	1 Year to 2 Years	2 Years to 3 Years	More than 3 Years	Total	Less than 1Year	1 Year to 2 Years	2 Years to 3 Years	More than 3 Years	Total
i) MSME	54.30	-	-	-	54.30	66.94	-	-	-	66.94
ii) OTHERS	1,149.00	4.33	30.41	0.15	1,183.89	492.42	30.41	-	-	522.84
III) Disputed Dues- MSME.	-	-	-	-	-	-	-	-	-	-
iv) Disputed Dues- Others	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1,203.29</b>	<b>4.33</b>	<b>30.41</b>	<b>0.15</b>	<b>1,238.19</b>	<b>559.36</b>	<b>30.41</b>	<b>-</b>	<b>-</b>	<b>589.77</b>

**15. Other Financial Liabilities**

<b>Particulars</b>	<b>As at 31-March-2023 Rs. in Lakhs</b>	<b>As at 31-March-2022 Rs. in Lakhs</b>
Expenses Payable	83.03	65.92
Unclaimed/Unpaid Dividend	15.60	13.35
<b>Total</b>	<b>98.64</b>	<b>79.27</b>

\* There are no Amount due and outstanding to be credited to Investor education and protection fund.

**16. Other Current Liabilities**

<b>Particulars</b>	<b>As at 31-March-2023 Rs. in Lakhs</b>	<b>As at 31-March-2022 Rs. in Lakhs</b>
(a) Advances from customers	149.97	176.69
(b) Other Payable Statutory Dues	37.03	34.56
<b>Total</b>	<b>187.00</b>	<b>211.25</b>

**17. Provisions**

<b>Particulars</b>	<b>As at 31-March-2023 Rs. in Lakhs</b>	<b>As at 31-March-2022 Rs. in Lakhs</b>
(a) Provision for employee benefits Due to employee Benefits	73.60	61.47
(b) Others (Specify nature) Provision for Current Tax	500.00	341.29
<b>Total</b>	<b>573.60</b>	<b>402.75</b>

**18. Revenue From operations**

<b>Particulars</b>	<b>for the year ended 31-March-2023 Rs. in Lakhs</b>	<b>for the year ended 31-March-2022 Rs. in Lakhs</b>
Sale of Products	7,532.76	6,198.52
Job work receipts	5.76	28.22
<b>Total</b>	<b>7,538.52</b>	<b>6,226.75</b>

**19. Other income**

Particulars	for the	for the
	year ended	year ended
	31-March-2023	31-March-2022
	Rs. in Lakhs	Rs. in Lakhs
Interest Income (In case of a company other than a finance company)	369.45	303.67
Foreign Exchange Gain/(loss)	91.87	32.19
Credit Balances written off	-	4.88
Export Incentives		
----- Sale of MEIS scrips	21.48	57.37
---- Other Incentives	-	17.49
<b>Total</b>	<b>482.80</b>	<b>415.60</b>

**20. Cost of Materials consumed**

Particulars	For the year ended		For the year ended	
	31-March-2023		31-March-2022	
	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
<b>Opening Stock</b>				
- Rawmaterials	465.51		686.22	
- Stores, Spares	33.91		41.51	
		499.42		727.73
<b>Add: Purchases</b>		4,028.65		2,801.83
Less: Closing Stock				
- Raw materials	912.94		465.51	
- Stores, Spares	40.88		33.91	
		953.82		499.42
<b>Total</b>		<b>3,574.25</b>		<b>3,030.14</b>

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

Particulars	for the year ended 31-March-2023 Rs. in Lakhs	for the year ended 31-March-2022 Rs. in Lakhs
Closing Stocks		
Work-in-process	834.90	621.38
Finished Goods	0.69	0.00
<b>Sub Total - A</b>	<b>835.60</b>	<b>621.38</b>
Opening Stocks		
Work-in-process	621.38	363.21
Finished Goods	-	0.73
<b>Sub Total - B</b>	<b>621.38</b>	<b>363.95</b>
<b>TotalTotal ( A - B )</b>	<b>(214.22)</b>	<b>(257.43)</b>

**22. Employee Benefit Expenses:**

Particulars	for the year ended 31-March-2023 Rs. in Lakhs	for the year ended 31-March-2022 Rs. in Lakhs
<b>Employee Benefit Expenses</b>		
(a) Salaries and other Benefits	616.60	596.03
(b) Contributions to -		
(i) Provident fund	29.91	30.49
(ii) ESI	6.64	6.90
(c) Gratuity fund contributions	15.93	13.65
(d) Staff welfare expenses	26.59	20.60
( e) Directors remuneration	210.60	137.46
<b>Total</b>	<b>906.27</b>	<b>805.13</b>

**23. Finance Costs**

Particulars	for the year ended 31-March-2023 Rs. in Lakhs	for the year ended 31-March-2022 Rs. in Lakhs
Bank charges	0.11	0.09
<b>Total</b>	<b>0.11</b>	<b>0.09</b>

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

<b>Particulars</b>	<b>for the year ended 31-March-2023 Rs. in Lakhs</b>	<b>for the year ended 31-March-2022 Rs. in Lakhs</b>
Manufacturing Wages	277.52	255.21
Lab Expenses	90.90	67.17
Power & Fuel	391.50	286.07
Consumption of chemicals, Packing & Stores Material	68.58	53.32
Plant Repairs and Maintenance	149.61	237.99
<b>Total</b>	<b>978.11</b>	<b>899.77</b>

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

<b>Particulars</b>	<b>for the year ended 31-March-2023 Rs. in Lakhs</b>	<b>for the year ended 31-March-2022 Rs. in Lakhs</b>
Rent	36.82	36.82
Rates and Taxes	29.69	9.17
Printing and Stationery	10.85	14.97
Postage & Telephone.	29.06	22.15
Insurance	18.11	13.96
Travelling and Conveyance	53.82	40.22
Legal and Professional Charges	67.39	56.28
Sales commission and Selling Expenses	252.71	298.87
General and Office Expenses	15.07	4.75
Vehicle Maintenance	15.13	8.55
Statutory Audit Fees	3.25	2.50
Tax Audit, Internal audit fees and Secretarial fees.	2.70	6.00
Cost Audit Fees	0.45	0.05
Listing Fees	3.83	4.03
Business Promotion Expenses	12.16	4.79
<b>Total</b>	<b>551.02</b>	<b>523.10</b>

**(c). Other Expenses**

<b>Particulars</b>	<b>for the year ended 31-March-2023 Rs. in Lakhs</b>	<b>for the year ended 31-March-2022 Rs. in Lakhs</b>
Donations	1.20	0.10
Advertisement Expenses	1.94	1.39
Books and Periodicals	0.13	1.66
Computer Maintenance	0.79	0.32
US FDA Expenses	44.02	43.32
CSR Expenditure	42.46	49.00
Sponsorship	5.56	-
Water Pipe Linde way leave Charges (SC Railway)	0.66	-
Other Administrative Expenses	31.32	35.99
<b>Total</b>	<b>128.07</b>	<b>131.77</b>

**25. Exceptional Items**

<b>Particulars</b>	<b>for the year ended 31-March-2023 Rs. in Lakhs</b>	<b>for the year ended 31-March-2022 Rs. in Lakhs</b>
<b>Expenses/Loss on account of the Fire Accident</b>		
Environmental Compensation paid	-	63.36
Compensation to employees	-	12.00
Loss of Fixed Assets	-	86.76
Expenses for calim	-	2.78
Water Pipe Line Way Leave Charges (SC Railway)	11.95	
Insurance Claim Received	-	(95.58)
<b>TOTAL</b>	<b>11.95</b>	<b>69.32</b>

**26. Other Comprehensive Income****A (i) Items that will not be reclassified to profit or loss.**

<b>Particulars</b>	<b>for the year ended 31-March-2023 Rs. in Lakhs</b>	<b>for the year ended 31-March-2022 Rs. in Lakhs</b>
Remeasurement of Gratuity	(13.16)	9.18
<b>Total</b>	<b>(13.16)</b>	<b>9.18</b>

**27. 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:**

<b>Particulars</b>	<b>for the year ended 31-March-2023 Rs. in Lakhs (Expect EPS)</b>	<b>for the year ended 31-March-2022 Rs. in Lakhs (Expect EPS)</b>
1) Net Profit as per the Profit and loss account available to Equity shareholders	1,407.30	940.12
2)Weighted Average Number of Equity shares	102.45	102.45
3) Basic earnings per share	13.74	9.18
4) Diluted Earnings Per share	13.74	9.18

**28. Managerial Remuneration:****(Rs . in Lakhs)**

<b>S.No</b>	<b>Name of the Key Managerial Person</b>	<b>Designation</b>	<b>2022-23</b>	<b>2021-22</b>
1.	G. Ganesh Kumar	Managing Director	105.30	68.73
2.	G. Sandeep	Whole time Director	105.30	68.73
3.	Y. Srinivas Rao	Chief Financial Officer	7.26	7.40
4.	Satya Ranjan Jena	Company Secretary	8.11	6.20



**29. 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 Lakhs)

S.No	Name of the Party	Nature of Relation	2022-2023	2021-2022
1.	G.Ganesh Kumar Managerial Remuneration Dividend Given	Managing Director	105.30 14.37	68.73 14.08
2.	Boosa Eshwar Director Sitting Fees	Independent Director	2.00	2.00
3.	Sai Sudhakar Panchakarla Director Sitting Fees	Independent Director	1.88	1.35
4.	P.Vijaya Lakshmi Director Sitting Fees	Independent Director	2.00	2.00
5	Venkata Raju Gupta Kollepalli Director Sitting Fees	Non- Executive Director	2.00	2.00
6.	Mr. G Sandeep Remuneration Rent Dividend Given	Director	105.30 31.00 19.39	68.73 31.00 8.42
7.	Y. Srinivas Rao Remuneration	Chief Financial Officer	7.26	7.40
8.	Satya Ranjan Jena Remuneration	Company Secretary	8.11	6.22
9.	Plutus Tech Labs Pvt Ltd Purchase Sales Dividend Given	Other Related Party	623.01 0.00 9.84	846.82 0.06 6.56
10	Sri Indra Distillery Pvt Ltd Purchase Dividend Given	Promoter Group	188.45 28.33	0.00 18.88
11	Siri Cellars Private Limited Dividend Given	Promoter Group	0.47	0.32
12	Innag Projects Private Limited Dividend Given	Promoter Group	2.81	1.87
13	Silver Oak Technologies Private Limited Dividend Given	Promoter Group	29.68	19.78
14	Sirona Life Sciences Private Limited Sale	Common Director	3.38	0.00

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

**30. 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.

i. The Contingent Liabilities of the Company as at 31-03-2023 are as under:

Financial years (Asst Year)	Nature	Amount Rs. In Lakhs as at 31-03-2022 (Previous year)	Forum where dispute is pending with	Status
2009-2010 (2010-2011)	Income Tax Demand	13.08 (13.08)	Representation for rectification filed with DCIT (Circle-2(2), Signature Towers, Hyderabad	Unsettled as on 27-05-2023
2011-2012 (2012-2013)	Income tax Demand	17.11 (17.11)	Appeal Lying with CIT (Appeals)-III, Hyderabad.	Unsettled as on 27-05-2023

(ii) Bank Guarantees issued by Bank of India on behalf of the company for Rs. 5 Lakhs to Andhra Pradesh Pollution Control Board (APPCB).

**31. Employee Benefits:**

As far as leave encashment, the eligible employees draw the same as per their personal needs. During the year, none of the employees have claimed any amount in this regard and consequently, the company has not provided for the same under accrual basis as in accordance of the management, the expenses in this regard is not material.



Rupees in Lakhs

32. Financial Instruments - Fair Value And Risk Management

Particulars	Notes	Carrying Amount								Fair Value	
		FVTPL		FVTOCI		Amortised cost		Total carrying amount		As at 31-03-2023	As at 31-03-2022
		As at 31-03-2023	As at 31-03-2022	As at 31-03-2023	As at 31-03-2022	As at 31-03-2023	As at 31-03-2022	As at 31-03-2023	As at 31-03-2022	As at 31-03-2023	As at 31-03-2022
Financial Assets Measured at Fair Value		-	-	-	-	-	-	-	-	-	-
<b>Total</b>		-	-	-	-	-	-	-	-	-	-
Financial assets not measured at fair value											
(i) Trade receivables	6	-	-	-	-	2,207.78	1,642.18	2,207.78	1,642.18.	-	-
(ii) Cash and cash equivalents	7	-	-	-	-	671.94	359.44	671.94	359.44	-	-
(iii) Bank Balances other than (ii) above	8	-	-	-	-	6,802.04	6,391.70	6,802.04	6,391.70	-	-
<b>Total</b>		-	-	-	-	<b>9,681.76</b>	<b>8,393.32</b>	<b>9,681.76</b>	<b>8,393.32</b>	-	-
Financial liabilities not measured at fair value											
(i) Trade payables	14	-	-	-	-	1,238.19	589.77	1,238.19	589.77	-	-
(ii) Other Financial Liabilities	15	-	-	-	-	83.03	65.92	83.03	65.92	-	-
<b>Total</b>		-	-	-	-	<b>1,321.22</b>	<b>655.69</b>	<b>1,321.22</b>	<b>655.69</b>	-	-

\*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 parties 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 ensure 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 31.03.2023 is as follows

Particulars	Amount in USD (as at 31-03-2023)	Amount in USD (as at 31-03-2022)
<b>Financial Assets</b>		
Trade Receivables	16,97,614	15,74,874
<b>Net Exposure in Financial Assets</b>	<b>16,97,614</b>	<b>15,74,874</b>
<b>Financial Liabilities</b>		
Trade payables	5,55,950	30,000
Net Exposure in Financial Liabilities	5,55,950	30,000
<b>Net Exposure in respect of recognised assets/(liabilities)</b>	<b>11,41,664</b>	<b>15,44,874</b>

**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.

**33. 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:

Rupees in Lakhs

Particulars	2022-2023		2021-22	
	DTA	EOU	DTA	EOU
Domestic	2,728.42	326.63	2,339.42	262.04
Export	1,413.00	3,070.47	1,910.05	1,715.24
<b>Total Income</b>	<b>4,141.42</b>	<b>3,397.10</b>	<b>4,249.47</b>	<b>1,977.28</b>
Expenses	3,842.18	2,012.72	3,735.45	1,339.88
Total Assets	11,418.69	2,899.28	10,354.61	2,062.63
Total Liabilities	1,425.38	803.55	1,798.98	217.86

**34. Forfeiture of shares:**

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

**35. Proposed Dividend:**

The Board of Directors have proposed a dividend of 20% which amounts Rs. 2.00 per equity share held & fully paid-up. The Same shall be adjusted from other equity upon the necessary approvals and payment.

**36. Ratio Analysis:**

	Particulars	As at 31-March-2023 Rs. in Lakhs	As at 31-March-2022 Rs. in Lakhs	Variance in %	Variance Remarks
<b>A</b>	<b>Current Ratio</b> Current Assets Current Liabilities <b>Ratio in times (No's)</b>	12,191 2,097 <b>5.81</b>	10,103 1,283 <b>7.87</b>	<b>(26%)</b>	Refer Note 1
<b>B</b>	<b>Debt Equity Ratio</b>	NA	NA	NA	
<b>C</b>	<b>Debt Service Coverage Ratio</b>	NA	NA	NA	
<b>D</b>	<b>Return on Equity Ratio</b> Net Profit after Tax Total Shareholders' Equity (Avg) <b>Ratio as a Percentage (%)</b>	1,407 11,049 <b>12.74%</b>	940 10,009 <b>9.39%</b>	<b>36%</b>	Refer Note 2
<b>E</b>	<b>Inventory Turnover Ratio</b> Cost of Goods Sold Average Inventory <b>Ratio in times (No's)</b>	3,360 1,461 <b>2.30</b>	2,773 1,110 <b>2.50</b>	<b>(8%)</b>	
<b>F</b>	<b>Trade Receivable Turnover Ratio</b> Revenue from Operations (Including Tax) Average Trade Receivable <b>Ratio in times (No's)</b>	8,088 1,925 <b>4.20</b>	6,695 1,678 <b>3.99</b>	<b>5%</b>	
<b>G</b>	<b>Trade Payables Turnover Ratio</b> Purchases (Including Tax) Average Trade Payable <b>Ratio in times (No's)</b>	4,178 850 <b>4.91</b>	3,633 538 <b>6.75</b>	<b>(27%)</b>	Refer Note 1
<b>H</b>	<b>Net Capital Turnover Ratio</b> Revenue from Operations Total Shareholders' Equity (Avg) <b>Ratio in times (No's)</b>	7,539 11,049 <b>0.68</b>	6,227 10,009 <b>0.62</b>	<b>10%</b>	
<b>I</b>	<b>Net Profit ratio</b> Net Profit after Tax Total Revenue <b>Ratio as a Percentage (%)</b>	1,407 8,021 <b>17.54%</b>	940 6,642 <b>14.15%</b>	<b>24%</b>	Refer Note 2
<b>J</b>	<b>Return on Capital Employed</b> EBIT less other Income Total Assets-Current Liability- Other Non Current Liabilities <b>Ratio as a Percentage (%)</b>	1,908 11,675 <b>16.35%</b>	1,264 10,422 <b>12.12%</b>	<b>35%</b>	Refer Note 2
<b>K</b>	<b>Return on Investment</b>	NA	NA	NA	

## Explanatory Notes:

Note 1: Decrease in ratio is on account of increase in level of current liabilities when compared to previous year.

Note 2: Net profit has gone up by Rs. 467 Lakhs as compared to previous year on account of increase in revenue by Rs. 1,312 Lakhs and also due to sale of products with a relatively higher contribution margin. Also, there was higher price realisation on sale of some of the products compared to the previous year.

**37. CSR Expenditure**

Particulars	FY 2022-23 (Rs in Lakhs)
Average net profit of the Company as per Section 135(5)	2122.89
Two percent of average net profit of the Company as per section 135(5)	42.46
Surplus arising out of CSR projects or programmes or activities of the previous financial years	Nil
Amount required to be set off for the financial year, if any	Nil
Total CSR obligation for the financial year	42.46
Total Amount Spent for the Financial Year	40.42
Unspent Amount transferred to Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act	2.04

**38. Additional Information****Foreign Exchange Earnings and out go**

(Rs. In Lakhs)

Particulars	As at 31-March-2023	As at 31-March-2022
(i) Foreign Exchange Earnings -- FOB Value of Exports (net of Freight & Insurance)	4,365.95	3379.00
(ii) Foreign Exchange out go (CIF)		
- Raw Materials	1498.72	311.00
- Capital Goods	0.00	0.00
- For Expenses	115.19	127.00

**39. Additional regulatory information required under Schedule III of Companies Act 2013:****i. Note on Benami Property held:**

There are no such cases in this regard and no proceedings have been initiated on or are pending against the company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

**ii. Regarding struck off companies:**

The company is in the continuous process of ascertaining the details as to whether any of the parties with whom the company is dealing, are appearing in the list of companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956. There are no transactions with struck off companies.

**iii. Compliance with number of layers of companies:**

The company has complied with the number of layers prescribed under the Companies Act, 2013

**iv. Compliance with approved scheme(s) of arrangements:**

The company has not entered into any scheme of arrangements which has an accounting impact on current and previous financial year.

**v. Details of Crypto Currency or Virtual Currency:**

The company has not traded or invested in crypto currency or virtual currency during the current year or previous year.

**vi. Undisclosed Income:**

There is no income surrendered/disclosed as income during Current/previous year in the tax assessment under the IT Act, 1961, that has not been recorded in the books of accounts.

**vii. Utilisation of borrowed funds and share premium:**

The company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:

- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

**40. Rounding of Amounts:**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III of the Companies Act, 2013, unless otherwise stated.

**41. Confirmation of Balances:**

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

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

**As per our Report of even date attached  
For M/s. P.S.N. Ravishanker & Associates**

Chartered Accountants

FRN No : 003288S

Sd/-

**(P. RAVI SHANKER)**

Partner

ICAI M.No: 025288

Place : Hyderabad

Date : 27.05.2023

**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

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