PHYTO CHEM (INDIA) LIMITED
CIN : L24110TG1989PLC009500
Corporate Office : 8-3-229/23, First Floor, Thaherville
Yousufguda Checkpost, Hyderabad-500 045, Telangana
Tel : 040 - 23557712, 23557713, Fax 91-40-23557714
Email phytochem@phytochemindia.com

PCIL/CA/0209/2016-17

Date: 01-10-2016

To
The Secretary
Department of Corporate Services,
M/s Bombay Stock Exchange Limited,
Floor 25, PJ Towers, Dalal Street,
Mumbai – 400 001.

Scrip Code: BSE: 524808

Dear Sir,

Sub: Submission of Annual Report for the Financial year 2015-16 under Regulation 34 of Securities and Exchange Board of India (LODR), Regulations, 2015.

***

With reference to the subject cited, we hereby furnish the Annual Report for the financial year 2015-16 as per the Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This is for your information and record.

Thanking you

Your faithfully

For Phyto Chem (India) Limited

(Y. Janaki Ramaiah)
Executive Director
DIN: 06949910

PHYTO CHEM (INDIA) LTD. ★ HYD. ★

Encl: as above

Twenty Seventh Annual Report
2015-16

Phyto Chem (India) Limited

Phyto Chem (India) Limited

Factory Premises

Phyto Chem - Annual Report - 2015 - 16

Board of Directors

Dr. P. Sreemannarayana	-	Chairman
Mr. Y. Nayudamma	-	Managing Director
Mr. Y. Janaki Ramaiah	-	Executive Director
Dr. Y. Venkateswarlu	-	Director
Mr. P. Anjaneyulu	-	Director
Mr. C. N. Chary	-	Independent Director
Mr. T. A. Choudary	-	Independent Director
Mr. N. Sudhakar	-	Independent Director
Mr. M. Balarama Krishnaiah	-	Independent Director
Mrs. S. Kavitha Rani	-	Independent Director

Auditors

M/s. T. Adinarayana & Co.,
Chartered Accountants,
806, Raghava Ratna Towers,
Chirag Ali Lane,
HYDERABAD - 500 001.

Bankers

M/s. The Federal Bank Limited,
Hyderabad Branch, Bank Street,
HYDERABAD - 500 001.

Common Share Transfer Agents
(Physical & Electronic)

M/s. Bigshare Services Pvt. Limited,
306, 3rd Floor, Right Wing,
Amrutha Ville,
Opp: Yashoda Hospital,
Raj Bhavan Road,Somajiguda,
Hyderabad - 500 082.
Phone No : 040-23374967.

Corporate Office

No.8-3-229/23, First Floor,
Thaherville, Yousufguda Checkpost,
HYDERABAD - 500 045.
Phone No : 040-23557712, 23557713.

Registered Office & Factory

Survey No.628,Temple Street,
BONTHAPALLY - 502 313,
Jinnaram Mandal, Medak District,
Telangana State.

Notice

Notice is hereby given that the Twenty Seventh Annual General Meeting of the Members of M/s Phyto Chem (India) Limited (CIN: L24110TG1989PLC009500) will be held on Thursday, the 29th day of September, 2016 at 11:45 a.m. at the Registered Office of the Company at Survey No.628, Temple Street, Bonthapally - 502 313, Jinnaram Mandal, Medak District, Telangana State to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2016, Profit and Loss Account and Cash Flow Statement for the year ended on that date along with the Reports of the Board of Directors and Auditors thereon.

2. To appoint a Director in place of Dr. Yadlapalli Venkateswarlu (DIN: 00377568), who retires by rotation and being eligible, offers himself for reappointment.

3. To consider and if thought fit, to pass the following resolution, for ratification of the appointment of Auditors, with or without modification(s), as an Ordinary Resolution;

   "RESOLVED THAT pursuant to the provisions of Section 139 and all other applicable provisions,if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, the Company hereby ratifies the appointment of M/s.T. Adinarayana & Co., Chartered Accountants, Hyderabad (Firm Registration No : 000041S) as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company, on such remuneration as may be agreed upon by the Board of Directors and Auditors, in addition to reimbursement of out of pocket expenses in connection with the audit of the accounts of the Company".

SPECIAL BUSINESS:

4. Reappointment of Mr.Y.Nayudamma as Managing Director of the Company

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

"**RESOLVED THAT** in supersession of the resolutions passed in the 24th Annual General Meeting held on 30-09-2013 and pursuant to provisions of Sections 196 and 197 read with Schedule V and all other applicable provisions if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and as recommended by Nomination and Remuneration Committee, approval of the Company be and is hereby accorded to the reappointment of Mr.Y.Nayudamma, (DIN:00377721) as Managing Director of the Company for a period of 3 years w.e.f. 1st January, 2016 to 31st December, 2018 on the following revised terms and conditions."

i. Salary: Rs.1,50,000 per month in the scale of Rs.1,50,000 - Rs.75,000 - Rs.3,00,000
ii. Incentive Bonus: Equivalent to one months salary per annum

Perquisites:

i. P.F: 12% of the salary as per applicable rules,
ii. Gratuity: Half month salary per every year of completed service,
iii. Entitled to encashment of Leave at the end of tenure which will not be included in the computation of the ceiling on perquisites.

"RESOLVED FURTHER THAT the terms and conditions of the said reappointment may be altered and varied from time to time by the Board as it may, in its discretion, deem fit and remuneration payable to Mr. Nayudamma Yarlagadda, shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time including the remuneration payable to other Directors."

"RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, during his tenure as Managing Director, minimum remuneration

shall alone be paid as prescribed under provisions of the Companies Act, 2013 and Schedule V.

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts and deeds as may be necessary, proper or expedient to give effect to this resolution"

5. Adoption of new set of Memorandum of Association of the Company:

To consider and if thought fit, to pass with or without modification the following resolution as Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 4 and 13 of the Companies Act, 2013, read with Companies (Incorporation) Rules, 2014 and all other applicable provisions, if any, (including any statutory modification(s) or re-enactment thereof for the time being in force), the draft clauses contained in the Memorandum of Association as per new format based on the Form of Table A under the Companies Act, 2013, submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the clauses contained in the existing Memorandum of Association as new set of Memorandum of Association of the Company with immediate effect."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are severally authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. Adoption of new set of Articles of Association of the Company:

To consider and if thought fit, to pass with or without modification the following resolution as Special Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 5 and 14 of Companies Act, 2013, read with Companies (Incorporation) Rules, 2014 and all other applicable provisions, if any, (including any statutory modification(s) or re-enactment thereof for the time being in force), the draft regulations contained in the Articles of Association based on the Form of Table F under the Companies Act, 2013, submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association as new set of Articles of Association of the Company with immediate effect".

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are severally authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

7. Increase of Authorised Capital of the Company:

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

"RESOLVED THAT pursuant to the provisions of Sections 13, 61, 64 and all other applicable provisions, if any, of the Companies Act, 2013 (the 'Act') (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Authorised Share Capital of the Company be and is hereby increased from Rs. 4,75,00,000.00 (Rupees Four Crores Seventy Five Lakhs Only) divided into 47,50,000 (Forty Seven Lakh Fifty Thousands Only) Equity Shares of Rs.10.00 (Rupees Ten Only*)* each to Rs.13,50,00,000.00 (Rupees Thirteen Crores Fifty Lakhs Only) divided into 1,35,00,000 (One Crore Thirty Five Lakhs Only) Equity Shares of Rs.10.00 (Rupees Ten Only*)* each and consequently the existing Clause V of the Memorandum of Association of the Company be and is hereby altered by substituting the change."

"RESOLVED FURTHER THAT the existing Capital Clause of the Memorandum of Association of the Company be and is hereby substituted with the following new Clause V:

'The Authorised Share Capital of the Company is Rs.13,50,00,000.00 (Rupees Thirteen Crores Fifty Lakhs Only) divided into 1,35,00,000 (One Crore Thirty Five Lakhs Only) Equity Shares of Rs.10.00 (Rupess Ten only) each with power to the Company to increase or reduce the capital of the Company and to divide the shares in the capital for the time being into several classes with an option to convert from one class to another and to attach thereto respectively such preferential, qualified or special rights, privileges and / or conditions as may be determined by or in accordance with the provisions of the Companies Act, 2013."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to these resolutions."

8. Approval of Rights Issue not exceeding 90,00,000 Equity Shares of Rs.10.00 each to the existing Equity shareholders under Rights Issue and the issue of offer letter:

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

"RESOLVED THAT pursuant to provisions of Section 62(1) of the Companies Act, 2013 and all other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, the Board of Directors of the Company be and is hereby authorized to offer, issue and allot by way of Rights Issue upto 90,00,000 (Ninety Lakhs Only) Equity Shares of the face value of Rs.10.00 (Rupees Ten Only) each at such premium as may be deemed fit and that on non subscription of shares by the existing shareholders, the Board with its discretionary powers be and is hereby authorized to allot shares to the existing shareholders or others on their application to subscribe to unsubscribed Equity Share Capital."

RESOLVED FURTHER THAT Mr.Nayudamma Yarlagadda, Managing Director or any other Director of the Company be and is hereby authorized to do such acts and deeds as are necessary for giving effect to the resolution.

For and on behalf of the Board

Y. Nayudamma
Managing Director
DIN : 00377721

Place : Hyderabad
Date : 30th August, 2016

Notes

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on poll instead of himself/herself and a proxy need not be a member of the Company. The instrument of Proxy in order to be effective should be deposited at its Registered Office of the Company not later than forty eight hours before the commencement of the meeting.

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

2. The Register of Members and Share Transfer Books of the Company will remain closed from 27-09-2016 to 29-09-2016 (both days inclusive) for the purpose of the meeting.

3. The explanatory statement relating to ratification of appointment of Auditors is attached.

4. Members holding shares in physical form, in their own interest, are requested to dematerialise the shares to avail the benefits of electronic holding/ trading.

5. Electronic copy of the Annual Report and the Notice of the Annual General Meeting of the Company 'inter alia' indicating the process and manner of e-voting along with Attendance Slip and Proxy Form are being sent to all the members whose email IDs are registered with the Company / Depository Participants(s) for communication purposes, unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the above documents are being sent in the permitted mode.

6. Members are requested to notify any change in their addresses to the Company immediately. Members holding shares in electronic form are requested to advise change of address and their email IDs to their Depository Participants.

   The Members are aware that the Company's shares are tradable compulsorily in electronic form and your Company has established connectivity with Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL). In view of the numerous advantages offered by the depository system, the Members are requested to avail the facility of Dematerialisation of the Company's shares on NSDL or CDSL. The ISIN allotted to the Company's Equity shares is INE 037C01010.

7. Members are requested to affix their signatures at the space provided on the Attendance Slip annexed to Proxy Form and handover the Slip at the entrance of the meeting hall. Corporate members are requested to send a duly certified copy of the Board resolution / power of attorney authorising their representatives to attend and vote at the Annual General Meeting.

8. Members may also note that the Notice of the Annual General Meeting and the Annual Report will also be available on the Company's website for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office at Survey No.628, Temple Street, Bonthapally – 502 313, Jinnaram Mandal, Medak District, Telangana State for inspection during normal business hours on all working days. Even after registering for e-communication, members are entitled to receive such communication in physical form upon making a request for the same by post at free of cost.

9. The details of the unpaid/unclaimed dividend declared for F.Y 2012-13 as on 29th September, 2014 and for F.Y 2013-14 as on 24th September, 2015 (the dates of respective previous Annual General Meetings) are available on the Company's website www.phytochemindia.com and on the website of Ministry of Corporate Affairs at www.mca.gov.in.

10. Voting through Electronic means

a. The Company is pleased to provide members the facility to exercise their right to vote on the resolutions as set out in the Notice calling for the Annual General Meeting (AGM) by 'electronic means' and all the business may be transacted through e-Voting services provided by Central Depository Services (India) Limited (CDSL), in compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules 2014.

b. Voting rights are reckoned on the basis of the shares registered in the names of the members / beneficial owners as on the record date fixed for this purpose viz., 22-09-2016.

c. CS Puttaparthi Jagannatham, Corporate Advocate has been appointed as scrutinizer for conducting the e-Voting process in a fair and transparent manner.

d. Members are requested to read the instructions given below:

e. The E-Voting facility is available at the link:

EVSN (e – Voting Sequence Number)	Commencement of e-Voting	End of e-Voting
160827028	26-09 -2016	28-09-2016

In case of members receiving e-mail:

i. Log on to the e-voting website: **www.evotingindia.com**

ii. Click on "Shareholders" tab to cast your votes.

iii. Now, select the "EVSN" along with "PHYTO CHEM (INDIA) LIMITED" from the drop down menu and click on "SUBMIT"

iv. Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

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

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

v. Next enter the Image Verification as displayed and Click on Login.

vi. If you are holding shares in demat form and had logged on to **www.evotingindia.com** and voted on an earlier voting of any company, then your existing password is to be used.

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

	For Members holding shares in Demat Form and Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)· * Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field.· * In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB#	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio. * Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company. Please enter **the number of shares held by you as on the cut off date** in the **Dividend Bank details field**.

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

ix. Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password

Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting on the resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

xi. Click on the relevant EVSN on which you choose to vote.

xii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

xiii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

xiv. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

xv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

xvi. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

xvii. If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

* Institutional shareholders (i.e. otherthan Individuals, HUF, NRI etc.) are required to log on to **https://www.evotingindia.co.in** and register themselves as Corporates.

* They should email a scanned copy of the Registration Form bearing the stamp and sign of the entity to **helpdesk.evoting@cdslindia.com**.

* After receiving the login details, they have to create a compliance user using the admin login and password. The compliance user would be able to link the account(s) which they wish to vote on.

* The list of accounts should be mailed to **helpdesk.evoting@cdslindia.com** and on approval of the accounts they would be able to cast their vote.

* They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

A. Please follow all steps from S.No. i to S.No. xvii of notes 10 e above to cast vote.

B. The e-voting period begins from 9:00 am on Monday, the 26th September, 2016 and closes by 5:00 pm on Wednesday, the 28th September, 2016. During this period, shareholders' of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date (holding date) i.e Thursday, 22nd September, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

C. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at **www.evotingindia.co.in** under help section or write an email to **helpdesk.evoting@cdslindia.com**.

D. The Scrutinizer shall within a period not exceeding three working days from the conclusion of the e-Voting period unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast "in favour" or "against", if any, forthwith to the Chairman of the Company.

E. The Results declared along with the Scrutinizer's Report will be placed on the Company's website **www.phytochemindia.com** and on the website of CDSL within two days of passing of the resolutions at the AGM and communicated to the Stock Exchange.

F. All documents referred to in the accompanying Notice and the Explanatory Statement will be open for inspection at the Registered Office of the Company during normal business hours on all working days upto and including the date of the AGM.

Additional information about the Directors being appointed / reappointed as required under SEBI (Listing Obligations and Disclousure Requirements) Regulations, 2015.

Dr.Venkateswarlu Yadlapalli – Director

Dr. Venkateswarlu Yadlapalli, aged about 70 years, is a graduate in Medicine (M.B.B.S). He is presently practicing Medicine in Sultanate of Oman and he is the promoter Director of the Company. He holds 95,000 Equity Shares in the Company.

Mr.Y.Nayudamma- Managing Director

Mr.Y.Nayudamma, aged about 60 years, is a Graduate in Economics and is an Agriculturist. He has about 28 years experience in the field of marketing of Fertilisers and Pesticides. He is the promoter Director of the Company. Having been appointed initially as the Director of the Company in 1993, he was later in June, 1999 appointed as Managing Director and since then, he is continuing in the said position. He holds 338306 Equity Shares in the Company.

Explanatory Statement

Item No. 3

This explanatory statement is provided though not required as per Section 102 of the Act.

M/s. T. Adinarayana & Co., Chartered Accountants, Hyderabad (Firm Registration No: 000041S) were appointed as the Statutory Auditors of the Company for a period of three years at the Annual General Meeting (AGM) of the Company held on 29th September, 2014.

As per provisions of Section 139(1) of the Act, their appointment for the above tenure is subject to ratification by members at every AGM. Accordingly, ratification of members for the appointment of Auditors is being sought for the proposal contained in the Resolution set out at item no.3 of the Notice.

None of the Directors or Key Managerial Personnel (KMP) or relatives of Directors and KMPs is concerned or interested in the Resolution at Item No. 3 of the accompanying Notice.

The Board commends the Resolution at Item No.3 for approval by the Members.

Item No. 4

At the Annual General Meeting of the Company held on 30th September, 2013, the Members had approved for reappointment of Mr. Y. Nayudamma as Managing Director of the Company for a period of 3 years upto 31-12-2015 and for revision of remuneration.

The Board had considered for reappointment of Mr. Y. Nayudamma as Managing Director of the Company in its Meeting held on 14th November, 2015 for a period of 3 years from 01-01-2016 to 31-12-2018 as recommended by the Nomination and Remuneration Committee on the revised terms and conditions detailed in the resolution.

It is proposed to seek the members' approval for the reappointment of and remuneration payable to Mr.Y.Nayudamma as Managing Director of the Company in terms of Sections 196 and 197 read with Schedule V and other applicable provisions of the Companies Act, 2013 and rules made thereunder.

I. General Information:

1. Nature of Industry: Manufacturing of Pesticides
2. Date of commencement of commercial production : 30th October, 1993

3. Financial Performance (in lakhs)

	2013-14	2014-15	2015-16
Gross Revenue	3505.31	4920.55	2671.31
Total Expenditure	3249.68	4674.60	2482.32
Financial Expenses	162.69	164.01	171.77
Operating Profit/(Loss)	92.94	81.94	17.22
	2013-14	2014-15	2015-16
4. Export Performance	—	—	—

II. Information about the Appointee:

a. Name of the Director : Mr. Y. Nayudamma
b. Date of Birth : 8th July, 1956
c. Date of appointment : 1993
d. Experience : 28 years experience in the field of Marketing of Fertilizers and Pesticides
e. Qualifications : Graduation in Economics
f. Past Remuneration : Rs.1,50,000.00 per month
g. Remuneration proposed : Rs.1,50,000.00 per month in the scale of Rs.1,50,000.00 - Rs.75,000.00 - Rs. 3,00,000.00 as per the revised terms and conditions.

III. Other Information:

1. Reasons for inadequacy of Profits:

The Company has achieved a turnover of Rs.26.03 crores against Rs.48.80 crores of the corresponding period of previous year and could register relatively less turnovers. The factors which influenced the turnovers mainly are the following :

a. Insufficient / lack of rainfall during most of the season period and non availability of sufficient water in reservoirs.
b. Severe drought conditions in the Agri States of the Country.
c. Less crop acreage and less pesticides consumption.
d. Bad financial plight of farmers and dealers resulting delay in realisation of market dues.

Although the recession lead for reduction of prices of the products in the market and in spite of the unfavorable conditions, the Company could register reasonable turnovers.

The Company is in the process of consolidation of its operations and the Company expects to make adequate profits in the years to come.

2. Steps taken or proposed to be taken for improvement :

Restructuring of operations to optimize cost, expenses and improving revenues was undertaken during current financial year.

3. Expected increase in productivity and profits in measurable terms:

Expecting revenues to improve in the current financial year.

IV. Disclosures:

The remuneration pakage payable to the Managerial Personnel is provided in the Annual Report of the Company.

None of the Directors other than Mr. Y. Nayudamma is in any way concerned or interested in the resolutions.

Your Directors recommend the resolution for the approval of the Shareholders.

Item No.5 & 6

Your Company was incorporated on January 11th 1989 under the provision of the Companies Act, 1956. The existing Memorandum and Articles of Association ("MOA & AOA") were based on the Companies Act, 1956 and several clauses / regulations in the existing MOA & AOA contain references to specific sections of the Companies Act, 1956 and which are no longer in force.

The Existing regulations of the Articles of Association are replaced by the new set of regulations and adopted as new set of Articles of Association as per the requirements of Table F of First Schedule in the Companies Act, 2013. The new format of Memorandum of Association as per the Section 4 of the Companies Act, 2013, Schedule I, replaces all the existing clauses of Memorandum of Association of the Company. In view of changes in the "Object Clause" as per new format and the objects of the Company as per new proposition are consolidated and incorporated into "Main Objects" clause of the Memorandum. The modification in Articles of Association and Memorandum of Association are carried out to give effect to provisions of the Companies Act, 2013.

Consent of the Shareholders by way of a Special Resolution is required in this regard. The entire set of proposed Memorandum of Association and Articles of Association are available in the website of the Company.

Draft copy of the Memorandum of Association and Articles of Association are available for inspection by the members at the Registered Office of the Company between 10:00 A.M to 5:00 P.M. on all working days upto the date of Annual general meeting.

None of the Directors, Key Managerial Personnel and their relatives are in any way concerned or interested in the said resolutions.

The Directors recommend the aforesaid resolutions for the approval by the members as Special Resolutions.

Item No. 7

The Board considered the necessity for increase of Authorized Capital to enable the mobilization of funds that may be required for capital, development activities and for working capital requirements of the Company by issue of Securities, Equity or Preference shares.Therefore it is proposed to increase the Authorized Capital of the Company from Rs. 4,75,00,000.00 (Rupees Four Crores Seventy Five Lakhs Only) divided into 47,50,000 (Forty Seven Lakh Fifty Thousands Only) Equity Shares of Rs.10.00 (Rupees Ten Only*)* each to Rs.13,50,00,000.00 (Rupees Thirteen Crores Fifty Lakhs Only) divided into 1,35,00,000 (One Crore Thirty Five Lakhs Only) Equity Shares of Rs.10.00 (Rupees Ten Only*)* each.

The Board of Directors of the Company (Board), vide its resolution dated 30-08-2016 has proposed the increase of the Authorised Share Capital of the Company. Pursuant to Sections 61(1) (a) and 64(1) (a) of the Companies Act, 2013, the proposed increase of Authorised Share Capital and consequent alterations to the Memorandum of Association reflecting the proposed increase require the approval of the Shareholders in the General Meeting and hence the above resolution.

A copy of the Memorandum is available for inspection by members on all working days.

None of the Directors, Key Managerial Personnel and their relatives are concerned or interested in the said resolution.

The Board of Directors recommend the resolution for your approval.

Item No.8

In the back drop of present scenario, the existing resources are not sufficient to meet projected expenditure, and to meet the funds for expansion/ diversification of operations of the Company, hence it would be expedient to raise additional financial resources through further issue of shares or alternate means. It is proposed to issue upto 90,00,000 (Ninety Lakhs Only) Equity shares of nominal value of Rs.10.00 (Rupees Ten Only) each to the existing shareholders of the Company on Rights basis at such premium as may be deemed fit by the Board of Directors and allotment conditions shall be in the manner as may be decided by the Board in this behalf and as per guidlines.

None of the Directors, Key Managerial Personnel and their relatives are concerned or interested in the said resolution.

The Board of Directors recommend the resolution for your approval.

For and on behalf of the Board

Y. Nayudamma
Managing Director
DIN : 00377721

Place : Hyderabad

Date : 30th August, 2016

Directors' Report

Dear Shareholders,

Your Directors have pleasure to present the 27th Annual Report of the Company together with the Audited Accounts for the financial year ended 31st March, 2016 along with Auditors' Report thereon.

1. Financial Results :

The Financial Results for the year ended 31st March, 2016 are summarised as under:

(Rs. in lacs)

	Current Year 2015-16	Previous Year 2014-15
Sales / Income	2671.31	4920.55
Profit before Depreciation and Tax	47.87	114.17
Depreciation	30.65	32.23
Profit before Tax and prior period Adjustments	17.22	81.94
Provision for Tax: - Current Tax	5.57	26.81
- Deferred Tax	0.72	0.52
Profit after Tax	10.94	54.61
Prior Period Adjustments	0.70	(0.96)
Profit after Prior Period Adjustments	11.64	53.65

2. Performance:

Your Company achieved a turnover of Rs.2671.31 lakhs during the year 2015-16 as against turnover of Rs.4920.55 lakhs during the previous year. The Company could make profit Rs.17.22 lakhs before taxes as against Rs.81.94 lakhs during the previous year. After providing for prior period adjustments and taxes, the Company could make net profit of Rs.11.64 lakhs during 2015-16 as against net profit of Rs.53.65 lakhs during 2014-15. The profitability of the Company is nominal in the light of decreased turnovers and failure of agriculture season in major parts of the Country which resulted in cut down of the prices of the products in the market.

During the year 2015-16, the turnover decreased by 45.71% as compared to the turnover of 2014-15. The ratio of Manufacturing Expenses to the Sales during the year 2015-16 is 74.17% as against 80.96% during 2014-15. The ratio of Administrative, Selling and other expenses to the total expenditure is 19.86% during the year 2015-16 as against 14.24% during 2014-15.

3. Review of Operations:

a. Brief about Activities and Operations of the Company:

Your Company is mainly into the business of manufacturing & marketing of pesticides for agriculture sector and presently carrying on the business in two segments i.e. Pesticides Formulations and Real Estate Activities. The main focus is on the Pesticides Business and the following manufacturing facilities for various pesticides formulations are available at the Factory:

i. Liquid & SC Formulations
ii. Weedcide Formulations
iii. Wettable & Powder Formulations
iv. Granule Formulations

Presently, the Company has Production Capacity of 90,00,000 Ltrs/Kgs per annum to manufacture various pesticide formulations and has established its marketing network in the states of Andhra Pradesh, Telangana, Maharashtra, Gujarat and Karnataka. The products are marketed with its own brands through dealers & distributors network. The Company is also into Real Estate Activity in a small way in Bengaluru for the last few years.

b. Performance of the Company:

Your Company achieved a turnover of Rs.2603.05 lakhs during the year 2015-16 as against turnover of Rs.4880.29 lakhs during the previous year. The turnover of the Company has decreased due to failure of agri season in major parts of country resulting in cut down of prices of the products and heavy competition in the market. Apart from this, the profits of the Company were also effected on account of finance cost and employees' cost.

c. Prospects for the Financial Year 2016-17:

The Company estimates a turnover of Rs.58.97 crores during the current year 2016-17. Since the Primary business of the Company is Agri related, monsoon conditions play major role in achieving the estimated turnovers. With the established marketing network, the Company is hopeful of improving turnovers. As on date, the Company's deployment of funds in Real estate is Rs. 96.79 lakhs and hopes to encash the opportunities available in the real estate field at Bengaluru with good margins.

4. Dividend:

Your Board of Directors could not recommend any Dividend for the financial year 2015-16 as the profits of the Company are nominal.

5. Details of Subsidiary / Joint Ventures / Associate Companies:

The Company does not have any Subsidiaries or Joint Ventures or Associate Companies.

6. Finance:

Cash and cash equivalents as at 31st March, 2016 was Rs.23.58 lakhs. The Company continues to focus on judicious management of its working capital, receivables, inventories and other working capital parameters and they were kept under strict check through continuous monitoring at all levels.

7. Material changes and Commitments, affecting the Financial Position of the Company:

There were no material changes and commitments affecting the financial position of the Company from the year ended 31st March 2015 to till the date of this report.

8. Details of Significant and Material Orders passed by the Regulators / Courts / Tribunals impacting the going concern status and the Company's operations in future:

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status, growth and operations of the Company in future.

9. Share Capital:

The authorised share capital of the Company is Rs.4,75,00,000 which is divided into 47,50,000 equity shares of Rs.10/- each and paid up share capital is Rs.4,30,02,000 divided into 43,00,200 equity shares of Rs.10/- each. There is no change in the Share Capital of the Company during the year. Further details of share capital are mentioned at Notes - 2 of the Annual Report.

10. Reserves:

The Reserves in Profit & Loss account as per last Balance Sheet is Rs.3,48,46,862 and the Company transferred the profits of Rs.11,63,974 for the financial year 2015-16 to Reserves & Surplus account. The balance reserves available at the end of the year, 2015-16 is Rs.3,60,10,836. Further details of Reserves & Surplus are mentioned at Notes - 3 of the Annual Report.

11. Details in respect of adequacy of internal financial controls with reference to the financial statements :

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors including audit of internal financial controls over financial reporting by the statutory auditors, and the reviews performed by management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls are adequate and effective during the period ended on 31st March, 2016.

12. Corporate Social Responsibility (CSR) :

The Company is not covered under the criteria mentioned in the provisions of Companies Act, 2013.

13. Deposits :

The Company has not accepted any fixed deposits from the public during the year.

14. Particulars of Loans, Guarantees or Investments under Section 186 of the Companies Act, 2013:

The Company has not provided any Loans, given Guarantees or made any Investments in any other Companies during the year under Section 186 of the Companies Act, 2013.

15. Particulars of Contracts or Arrangements with Related Parities under Section 188 of the Companies Act, 2013 :

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. However, particulars of these transactions are given at Notes 40 to Accounts in compliance of AS No.18.

16. Risk Management Policy :

The Company has formulated effective risk management policy and through a Steering Committee oversees the Risk Management process including risk identification, impact assessment, effective implementation of the mitigation plans and risk reporting. Major risks identified in the Company are systematically addressed through justifying actions on a continuing basis. In addition to this, the audit committee has additional oversight in the area of financial risks and controls. The details of Risk Management as practiced by the Company is provided as part of Management Discussion and Analysis Report attached to this Report.

17. Disclosures under Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013 :

There are no cases filed / complaints lodged in the Company during the year pursuant to the Sexual Harassment of Women at workplace (Prevention, Prohibition & Redressal) Act, 2013:

18. Extract of Annual Return :

The extract of Annual Return of the Company is given in Annexure - I in the prescribed Form MGT-9, which forms part of this Report as required under Section 92(3) of the Companies Act, 2013.

19. Directors and Key Managerial Personnel:

Pursuant to provisions of Section 149 and other applicable provisions of the Companies Act, 2013 read with Rules thereon, the following Directors were appointed as Independent Directors of the Company at the Annual General Meeting held on 29-09-2014 for a period of three years effective from the meeting date.

a. Mr.C.N.Chary - DIN: 00625684

b. Mr.T.A.Choudary - DIN: 00036470

c. Mr.N.Sudhakar- DIN: 00426897

d. Mr.M.Balarama Krishnaiah - DIN: 00036506

e. Mrs.S.Kavitha Rani - DIN: 06942657

Mr.Anjaneyulu Prathipati (DIN:00377635) who retired by rotation was reappointed as Directors liable to retire by rotation at the Annual General Meeting held on 29-09-2014. Dr.Sreemannarayana Prathipati (DIN:00377472) who retired by rotation was reappointed as Directors liable to retire by rotation at the Annual General Meeting held on 24-09-2015. In accordance with the provisions of Section152 of the Companies Act, 2013, Dr.Venkateswarlu Yadlapalli (DIN:00377568) will retire by rotation at this Annual General Meeting and being eligible, has offered himself for re-appointment. During the year, the non-executive and Independent Directors of the Company had no pecuniary relationship or transactions with the Company. During the year, Mr.K.Srinivasa Rao, Alternate Director to Dr.Y.Venkateswarlu has since ceased to be so and was reappointed in the same position on 30th May, 2015.

20. Declaration by the Independent Directors of the Company that they meet the criteria of independence as provided in Sec 149(6) of the Companies Act, 2013 :

All the independent Directors have given declarations that they meet the requisite criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

21. Formal evaluation statement by the Board of its own performance, it's committees and individual Directors :

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015., the Board has formulated a policy for evaluation of its Board, Board Committees, Directors and their performances and carried out evaluation of them. The manner in which the evaluation was carried out and has been explained in the Corporate Governance Report.

22. Number of Meetings of the Board :

Five meetings of the Board were held during the year. The details of the meetings of the Board are given in the Corporate Governance Report.

23. Audit committee :

Four meetings of the Audit Committee were held during the year. The details pertaining to composition of Audit Committee are included in the Corporate Governance Report.

24. Directors' Responsibility Statement :

As required under section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

a. In the preparation of the annual accounts for the year ended 31st March, 2016, the applicable accounting standards have been followed.

b. The Directors have selected such accounting policies and applied them consistently and made Judgements 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, 2016 and of the profit of the Company for the year ended on that date.

c. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

d. The Directors have prepared the annual accounts of the Company for the Financial Year ended 31st March, 2016 on a going concern basis.

e. 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

f. 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.

25. CO and CFO Certification :

In accordance with the Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Managing Director and Chief Financial Officer of the Company have submitted a certificate for the year ended 31st March, 2016 to the Board of Directors.

26. Auditors & Observations :

M/s. T. Adinarayana & Co., Chartered Accountants, Hyderabad (Firm Registration No: 000041S) were appointed as the statutory auditors of the Company for a period of three years at the Annual General Meeting(AGM) of the Company held on 29th September, 2014. Their appointment for the above tenure is subject to ratification by the members at every AGM. They have given their willingness to accept the reappointment and intimated that they are not disqualified for reappointment as per Section 139 of the Companies Act, 2013. The ratification for reappointment as Auditors of the Company is recommended to the members of the Company in the ensuing AGM.

The Auditors' Report does not contain qualification, reservation or adverse remark on the accounts and related matters of the Company.

27. Declaration from Independent Directors on Annual Basis :

The Company has received the necessary declarations from all the independent Directors of the Company on annual basis during the year.

28. Policy on Directors' Appointment and Remuneration and other details :

Policy laid down by the Nomination and Remuneration Committee for Remuneration of Directors, KMP & other Employees and the criteria formulated by the Committee for determining Qualifications, Positive Attributes, Independence of a Director.

The Company's policy on Directors' Appointment and Remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the Corporate Governance Report.

29. Depository System :

As the Members are aware, your Company's shares are tradable compulsorily in electronic form and your Company has established connectivity with Central Depository Services (India) Limited (CDSL) & National Securities Depository Limited (NSDL). In view of the numerous advantages offered by the

depository system, the Members are requested to avail the facility of Dematerialization of the Company's shares on CDSL or NSDL. The ISIN allotted to the Company's Equity shares is **INE 037C01010.**

The Company is pursuing the shareholders, including the promoters, holding the shares in physical form for dematerialization of their shares.

30. Vigil Mechanism / Whistle Blower Policy :

Pursuant to Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Board of Directors had approved the Policy on Vigil Mechanism / Whistle Blower and the same is posted on the official website of the Company. This Policy inter-alia provides a direct access to the Chairman of the Audit Committee.

Your Company hereby affirms that no Director / employee has been denied access to the Chairman of the Audit Committee and that no complaints were received during the year.

31. Secretarial Audit Report :

Pursuant to provisions of Section 204 of the Companies Act, 2013, the Company has appointed M/s Puttaparthi Jagannatham & Co., Company Secretaries to undertake the secretarial audit of the Company. The Secretarial Audit Report received is annexed herewith as Annexure-II.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

32. Particulars of Employees

The Company has not employed any individual whose remuneration falls within the purview of the limits prescribed under the provisions of Section 197 of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Particulars of Remuneration

Disclosures with respect to the remuneration of Directors and employees as required under Section 197(12) of Companies Act, 2013 and Rule 5 (1) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

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

i. Executive Directors :

Executive Directors	Ratio
Mr.Y.Nayudamma	11.41
Mr.Y.Janaki Ramaiah	5.71

ii. Non-Executive Directors :

Name of the Director	Ratio
Dr.P.Sreemannarayana	0.10
Dr.Y.Venkateswarlu	0.08
Mr.P.Anjaneyulu	0.06
Mr.C.N.Chary	0.06
Mr.T.A.Choudary	0.13
Mr.N.Sudhakar	0.15
Mr.M.Balarama Krishnaiah	0.13
Mrs.S.Kavitha Rani	0.14

The Company has not paid any remuneration to the Non-Executive Directors except Sitting Fee.

b. The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year:

There is no increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year.

c. Percentage increase in the median remuneration of employees in the financial year: 4.19%

d. The number of permanent employees on the rolls of Company: 90

e. The explanation on the relationship between average increase in remuneration and Company performance:

The Company's performance for the year was Rs.2301.57 lakhs against Rs.4309.70 of previous year 2014-15. However, as per the Company's practice, annual increments to the Employees were sanctioned. Hence there is increase in the remuneration of the employees.

f. Variations in the market capitalisation of the Company as at the closing date of the current financial year and previous financial year:

Particulars	As at 31-03-2016	As at 31-03-2015
Closing rate of share at BSE (Rs.)	30.15	26.75
EPS (Rs.)	0.27	1.25
Market Capitalization (Rs in Lakhs)	1296.51	1150.30

g. Percentage increase or decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:

The Company made an Initial Public Offer in the year 1995 at par price of Rs.10/- per each equity share. As on 31st March, 2016, the Market quotation for the Company's Equity shares at BSE Limited is Rs.30.15.

h. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration:

There is no increase in the managerial remuneration and the increase in the salaries of the employees is about 4.00% which is due to sanction of annual increments to the employees. There are no increase in the managerial remuneration and there are no exceptional circumstances for the year.

i. Comparison of each remuneration of the Key Managerial Personnel against the performance of the Company:

Name of the Person	Remuneration (Rs.in Lakhs)	Total Revenue (Rs.in Lakhs)	Remuneration as a % of total revenue
Mr.Y.Nayudamma	19.50	2301.57	0.85
Mr.Y.Janaki Ramaiah	9.75	2301.57	0.42
Mr.Ashok Kumar Pipalwa	3.00	2301.57	0.13

j. The key parameters for any variable component of remuneration availed by the Directors: Nil

k.The ratio of the remuneration of the highest paid director to that of the employees who are not Directors but receive remuneration in excess of the highest paid director during the year : None.

l. Affirmation that the remuneration is as per the remuneration policy of the Company:

The Company affirms remuneration paid to Key Managerial Personnel is as per the remuneration policy of the Company.

33. Corporate Governance :

The Company is committed to maintain and adhere to the good standards of Corporate Governance. As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Report on Corporate Governance forming part of this Report, together with the Auditors' Certificate regarding the compliance of the conditions of Corporate Governance is given in a separate section in the Annual Report.

34. Particulars regarding Energy Consumption, Technology Absorption and Foreign Exchange Earning and Outgo:

The particulars prescribed under Section 134 of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014, relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are furnished in Annexure - III to this Report.

35. Payment of Listing fee :

The shares of the Company are listed at Bombay Stock Exchange Limited, which has nationwide trading terminals and the listing fee has been paid by the Company upto date.

36. Prevention of Insider Trading :

The Company has adopted a code of conduct for prevention of insider trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The code requires pre clearance for dealing in the Company's shares and prohibits the purchase or sale of Company's shares by the Directors and designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the trading window is closed. The Board is responsible for implementation of the code.

All the Board Members and the designated employees have confirmed compliance with the Code.

Acknowledgements :

The Directors wish to express their appreciation for the assistance and continued co-operation received from the Central and State Governments, Banks, Financial Institutions, Customers, Dealers and Suppliers and also the Directors wish to thank all the employees for their dedicated contribution, support and continued co-operation throughout the year at all levels.

For and on Behalf of the Board

Y. Nayudamma
Managing Director
DIN : 00377721

Place : Hyderabad
Date : 30th August, 2016

Management Discussion and Analysis

M/s.Phyto Chem (India) Limited has been carrying on the business in two segments i.e. Pesticides Formulations and the Real Estate Activities.

Pesticides plays a key role in the Agricuture and has been continuing to contribute to the growth of the Agriculture Sector. The Manufacturing facilities in the Company for pesticides formulations helped in producing good quality products and helped in resonable turnovers even during the unfavourable Agri conditions. The growth in Real Estate activity across the Country is improving steadily.

The SWOT Analysis is as follows :

Strengths:

- Brand building with quality, customized marketing approach, encouragement of the Government and new areas with irrigation facilities.
- Progressive growth in Real Estate and Infrastructure sectors.

Weakness:

- Insufficient rainfall & unfavourable climatical conditions and severe competition from the big players.
- Inflation related Economy and non consistency of demand in Real Estate Business.

Opportunities:

- Supportive policies from the Government in Agriculture Sector and increased product range.
- Government policies and enhanced purchasing power sparks good demand in the Real Estate.

Threats:

- Heavy competition, Change in Government policies and Bank rates.
- Inflation and interest rates influence the demand in Real Estate activities.

Financial Analysis:

The Financial Analysis of the Company have been detailed in Directors' Report under para Review of Operations.

Future Outlook:

- Continue to focus on products and quality development and to gain key market segments.
- Company ventures into diversification of new business areas.

Internal Control Procedures:

The Company has Audit Committee and has the mechanism to review the Internal Audit Control procedures. Periodic Audits of the Accounts are carried out internally to attain the object of internal procedures. The Company has also appointed M/s R.B.Associates, Chartered Accountants as Auditors to conduct internal audit on the Accounts and procedural Complainces.

Human Resources:

The Company enjoys a good team of able and experienced staff and dedicated executives and the relation with the employees continue to be cordial. In house training is given to the employees to motivate and contribute to the enhanced productivity. The Company always considers human resources as an invaluable asset of the organisation.

Cautionary Statement:

The statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates or expectations may be "forward-looking" statements within the meaning of applicable Securities, Laws and Regulations. Actual results could differ materially from those expressed or implied and the achievement of results is subject to risks, uncertainities, economic conditions, demand / supply and price conditions, which may influence the operations of the Company.

For and on behalf of the Board

Y.Nayudamma
Managing Director
DIN:00377721

Place : Hyderabad
Date : 30th August, 2016

Annexure-I

Phyto Chem (India) Limited

EXTRACT OF ANNUAL RETURN

Form No.MGT - 9

as on the financial year ended on 31st March, 2016

(Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014

1. REGISTRATION AND OTHER DETAILS

i.	Company Identification Number (CIN)	L24110TG1989PLC009500
ii.	Registration Date	11-01-1989
iii.	Name of the Company	M/s Phyto Chem (India) Limited
iv.	Category / Sub-Category of the Company	Limited Company by shares / Indian Non-Government Company
v.	Address of the Registered office and contact details	Survey No.628, Temple Street, Bonthapally - 502 313, Jinnaram madal, Medak District,Telangana State. Tel : 08458-275236, Fax : 040-23557714 E-Mail ID: info@phytochemindia.com
vi.	Whether Listed Company	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s Bigshare Services Pvt. Limited, 306, 3rd Floor, Right Wing, Amrutha Ville, Opp : Yashoda Hospital, Raj Bhavan Road, Somajiguda, Hyderabad - 500 082. Phone No.040-23374967, Fax : 040-23370295. E-Mail ID: info@phytochemindia.com

2. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10% or more of the total turnovers of the Company shall be stated)

S.No.	Name and Description of main products / services	NIC Code of the Product / Service	% to total turnover of the Company
1	Pesticides Formulations	20211	100 %

3. Particulars of Holding, Subsidiary and Associate Companies: Not Applicable

4. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Shareholding

Category of Shareholders	No.of Shares held at the beginning of the Year (As on 31st March, 2015)				No.of Shares held at the end of the Year (As on 31st March, 2016)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1. Indian	-	-	-	-	-	-	-	-	-
a. Individual / HUF	1616640	20982	1637622	38.08	1627916	9682	1637598	38.08	-
b. Central Govt.	-	-	-	-	-	-	-	-	-
c. State Govt.	-	-	-	-	-	-	-	-	-
d. Bodies Corp.	-	-	-	-	-	-	-	-	-
e Banks / FI.	-	-	-	-	-	-	-	-	-
f. Any other	-	-	-	-	-	-	-	-	-
Sub Total = A - 1	1616640	20982	1637622	38.08	1627916	9682	1637598	38.08	-
2. Foreign									
a. Individuals (Non-Resident Individuals / Foreign Individuals)	-	-	-	-	-	-	-	-	-
b Bodies Corporate	-	-	-	-	-	-	-	-	-
c. Institutions	-	-	-	-	-	-	-	-	-
d. any other	-	-	-	-	-	-	-	-	-
Sub Total = A - 2	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter = A - 1+2	1616640	20982	1637622	38.08	1627916	9682	1637598	38.08	-
B. Public Shareholding									
1. Institutions	-	-	-	-	-	-	-	-	-
a. Mutual Funds	-	8500	8500	0.20	-	8500	8500	0.20	-
b. Banks / FI.	-	-	-	-	-	-	-	-	-
c. Central Govt.	-	-	-	-	-	-	-	-	-
d. State Govt(s).	-	-	-	-	-	-	-	-	-
e. Venture Capital Fund	-	-	-	-	-	-	-	-	-
f. Insurance Companies	-	-	-	-	-	-	-	-	-
g. FIIs.	-	-	-	-	-	-	-	-	-
h. Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i. Others	-	-	-	-	-	-	-	-	-
Sub Total = B - 1	-	8500	8500	0.20	-	8500	8500	0.20	-
2. Non-Institutions									
a. Bodies Corp.	350172	11800	361972	8.42	303195	9700	312895	7.28	(1.14)
i. Indian	-	-	-	-	-	-	-	-	-
ii. Overseas	-	-	-	-	-	-	-	-	-
b. Individulas	-	-	-	-	-	-	-	-	-
i. Individul as Shareholders holding nominal share capital upto Rs.2.00 Lakhs	790923	852234	1643157	38.21	928708	805234	1733942	40.32	2.11
ii. Individul as Shareholders holding nominal share capital in excess of Rs.2.00 Lakhs	320048	51000	371048	8.63	257537	82100	339637	7.90	(0.73)
c. Others	-	-	-	-	-	-	-	-	-
d. Non Resident Indians	10067	256200	266267	6.19	6979	256200	263179	6.12	(0.07)
e. Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
f. Foreign Nationals	-	-	-	-	-	-	-	-	-
g. Clearing Members	11634	-	11634	0.27	4449	-	4449	0.10	(0.17)
h. Trusts	-	-	-	-	-	-	-	-	-
i. Foreign Bodies	-	-	-	-	-	-	-	-	-
Sub Total = B - 2	1482844	1171234	2654078	61.72	1500868	1153234	2654102	61.72	-
Total Public Shareholding = B - 1 + 2	1482844	1179734	2662578	61.92	1500868	1161734	2662602	61.92	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total = (A+B+C)	3099484	1200716	4300200	100	3128784	1171416	4300200	100	-

4. ii. Shareholding of Promoters:

S. No.	Shareholder's Name	Shareholding at the beginning of the year as on 01-04-2015			Shareholding at the end of the year as on 31-03-2016			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares pledged / encumbered to total shares	
1	Mr.Y. Nayudamma	338306	7.87	-	338306	7.87	-	-
2	Mrs.U. Ramadevi	162400	3.78	-	162400	3.78	-	-
3	Dr.P. Sreemannarayana	125100	2.91	-	125100	2.91	-	
4	Mr.Y. Janakiramaiah	97372	2.26	-	97372	2.26	-	-
5	Dr.Y.Venkateswarlu	95000	2.21		95000	2.21	-	-
6	Mrs.P. Akkamma	84400	1.96	-	84400	1.96	-	-
7	Mrs.M. Nagendram	75800	1.76	-	75800	1.76	-	-
8	Mr.P. Nagaraja	70500	1.64	-	70500	1.64	-	-
9	Mr.Y. Prabhakara Rao	65200	1.52	-	65200	1.52	-	-
10	Mr.P. Anjaneyulu	64400	1.50	-	64400	1.50	-	-
11	Mrs.Y. Lakshmi Prasanna	55078	1.28	-	55078	1.28	-	-
12	Mrs.A. Ranga kumari	46000	1.07	-	46000	1.07	-	-
13	Mrs.T. Rajanee Devi	40500	0.94	-	40500	0.94	-	-
14	Mrs.J. Anjana Devi	39700	0.92	-	39700	0.92	-	-
15	Mrs.K. Subhashini	32700	0.76	-	32700	0.76	-	-
16	Mrs.M. Sreelakshmi Bhavani	32500	0.76	-	32500	0.76	-	-
17	Mrs.P. Umadevi	31000	0.72	-	31000	0.72	-	-
18	Mrs.Y. Nirmala Devi	30000	0.70	-	30000	0.70	-	-
19	Mr.K.R.Choudary	26300	0.61	-	26300	0.61	-	-
20	Mr.K.Srinivasa Rao	20000	0.47	-	20000	0.47	-	-
21	Mrs.K. Lakshmi Devi	18300	0.43	-	18300	0.43	-	-
22	Mr.Y. Anil Choudary	17600	0.41	-	17600	0.41	-	-
23	Mr.Y. Venkateswarlu	14400	0.33	-	14400	0.33	-	-
24	Mrs.R.Jyotsna	12500	0.29	-	12500	0.29	-	-
25	Mrs.K.Ramasasi	12000	0.28	-	12000	0.28	-	-
26	Mr.K.Koteswara Rao	8300	0.19	-	8300	0.19	-	-
27	Mrs.R.Vijaya Sasi	8200	0.19	-	8176	0.19	-	-
28	Mr.T.Venkateswarlu	8000	0.19	-	8000	0.19	-	-
29	Mr.P.Nageswara Rao	2500	0.06	-	2500	0.06	-	-
30	Mr.N.Sudhakar	1000	0.02	-	1000	0.02	-	-
31	Mr.K.Srinivasu	1000	0.02	-	1000	0.02	-	-
32	Mr.U.Venkateswara Rao	900	0.02	-	900	0.02	-	-
33	Mr.Y.Venkateswara Rao	200	0	-	200	0	-	-
34	Mrs.T.Ankamma Choudary	184	0	-	184	0	-	-
35	Mr.B.Srinivasa Rao	182	0	-	182	0	-	-
36	Mr.C.N.Chary	100	0	-	100	0	-	-
	TOTAL	**1637622**	**38.08**		**1637598**	**38.08**	-	-

4. iii. Change in Promoters' Shareholding (please specify, if there is no change)

S.No.		Shareholding at the beginning of the year as on 01-04-2015		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	At the beginning of the year date wise Increase / Decrease in	1637622	38.08	1637622	38.08
2	Promoters: a. Increase by transfer b. Decrease by transfer c. Increase by transfer	(24)	-	1637598	38.08
3	At the end of the year	1637598	38.08	1637598	38.08

4. iv. Shareholding Pattern of top ten Shareholders:
(otherthan Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year 01-04-2015		Shareholding at the end of the year 31-03-2016	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	Andhra Pradesh Industrial Development Corporation Limited	199000	4.63	199000	4.63
2	Mr.Syam Prasad Babu Kunam	120000	2.79	120000	2.79
3	Mr.K.Rajesh Choudary	123911	2.88	69411	1.61
4	Mr.Venkateswarlu Chunduru	51000	1.19	51000	1.19
5	Mr. Shyam P Kunam	40600	0.94	40600	0.94
6	M/s Moneywise Financial Services Pvt Ltd	70935	1.65	40357	0.93
7	Mrs. P. Himabindu	38021	0.88	38021	0.88
8	Mr. Rasilaben Deepkbhai Gaudani	29626	0.69	29626	0.69
9	Mr. Kashyap Mukeshabhai Prajapati	-	-	29544	0.69
10	Mr.Bhaskar R.Ravi	24000	0.56	24000	0.56

4. v. Shareholding of the Directors and Key Managerial Personnel:

S. NO	Shareholding of each Director and each Key Managerial Personnel	Shareholding at the beginning of the year 01-04-2015		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	**Dr. P. Sreemannarayana**				
	a. At the beginning of the year	125100	2.91	125100	2.91
	b. Datewise Increase/Decrease	-	-	-	-
	c. At the end of the year	125100	2.91	125100	2.91
2	**Mr. Y. Nayudamma**				
	a. At the beginning of the year	338306	7.87	338306	7.87
	b. Datewise Increase/Decrease	-	-	-	-
	c. At the End of the year	338306	7.87	338306	7.87
3	**Mr. Y. Janaki Ramaiah**				
	a. At the begiming of the year	97372	2.26	97372	2.26
	b. Datewise Increase/Decrease	-	-	-	
	c. At the end of the year	97372	2.26	97372	2.26
4	**Mr. P. Anjaneyulu**				
	a. At the begiming of the year	64400	1.50	64400	1.50
	b. Datewise Increase/Decrease	-	-	-	-
	c. At the end of the year	64400	1.50	64400	1.50
5	**Mr. C.N. Chary**				
	a. At the beginning of the year	100	0.002	100	0.002
	b. Datewise Increase/Decrease	-	-	-	-
	c. At the end of the year	100	0.002	100	0.002
6	**Dr. Y. Venkateswarlu**				
	a. At the beginning of the year	95000	2.21	95000	2.21
	b. Datewise Increase/Decrease	-	-	-	-
	c. At the end of the year	95000	2.21	95000	2.21
7	**Mr. T.A. Choudary**				
	a. At the beginning of the year	184	0.004	184	0.004
	b. Datewise Increase/Decrease	-	-	-	-
	c. At the end of the year	184	0.004	184	0.004
8	**Mr. N. Sudhakar**				
	a. At the beginning of the year	1000	0.02	1000	0.02
	b. Datewise Increase/Decrease	-	-	-	-
	c. At the end of the year	1000	0.02	1000	0.02
9	**Mr. M. Balarama Krishnaiah**				
	a. At the beginning of the year	-	-	-	-
	b. Datewise Increase/Decrease	-	-	-	-
	c. At the end of the year	-	-	-	-
10	**Mrs. S. Kavitha Rani**				
	a .At the beginning of the year	-	-	-	-
	b. Datewise Increase/Decrease	-	-	-	-
	c. At the end of the year	-	-	-	-

5. INDEBTEDNESS: **(in Rs.)**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (01-04-2015)				
i. Prinicipal Amount	141063165	1561685	-	142624850
ii. Interest due but not paid	-	-	-	-
iii.Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	141063165	1561685		142624850
Change in Indebtedness during the financial year - 2015-16				
* Addition	-	10542730	-	10542730
* Reduction	9100614	-	-	9100614
Net Change	9100614	10542730		1442116
Indebtedness at the end of the financial year (31-03-2016)	-	-	-	-
i. Prinicipal Amount	131962551	12104415	-	144066966
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	131962551	12104415	-	144066966

6. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. ***Remuneration to Managing Director, Whole-Time Directors and/or manager***:

S.No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount (in Rs.)
		Y.Nayudamma	Y.Janaki Ramaiah	
		Managing Director	Executive Director	
1	Gross Salary			
	a. Salary as per provisions contained in section 17(1) of the Income -Tax Act, 1961	19,49,940	9,74,970	29,24,910
	b. Value of perquisites u/s 17(2) Income -Tax Act, 1961	-	-	-
	c. Profits in lieu of Salary under section 17(3) Income - Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity		-	-
4	Commission -as % of profit -others, specify….	 - -	 - -	 - -
5	Others, please specify		-	-
	Total -A	19,49,940	9,74,970	29,24,910
	Ceiling as per the Act	**Rs. 30,00,000 p.a.**	**Rs. 30,00,000 p.a.**	

B. Remuneration to other Directors : in.Rs.

S.No	Particulars of Remuneration	Name of Directors					
		C.N. Chary	N.Sudhakar	T.A. Choudary	M.Balarama Krishnaiah	S.Kavitha Rani	Total Amount
1	Independent Directors						
	a. Fee for attending Board, Committee meetings	10,000	26,000	23,000	22,500	24,500	1,06,000
	b. Commission	-	-	-	-	-	
	c. Others, please specify	-	-	-	-	-	
	Total -1	10,000	26,000	23,000	22,500	24,500	1,06,000
	Particulars of Remuneration	Name of Directors					
2	Other Non-Executive Directors	P. Sreemannarayana	P. Anjaneyulu	Y. Venkateswarlu			
	a. Fee for attending Board, Committee meetings	17,500	10,500	14,000	-	-	42,000
	b. Commission	-	-	-	-	-	
	c. Others, please specify	-	-	-	-	-	
	Total -2	17,500	10,500	14,000	-	-	
	Total -B =1+2	27,500	36,500	37,000	22,500	24,500	1,48,000
	Overall Ceiling as per the Act	Not exceeding Rs.1.00 lakh each meeting per member					
	Total Managerial Remuneration = A+B						30,72,910

C. Remuneration to Key Managerial Personnel other than MD/WTD/Manager in.Rs.

S.N	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CFO	CS	Total
1	Gross salary				
a.	Salary as per provisions Contained in Section 17(1) of the Income-tax Act, 1961	-	-	3,00,000	3,00,000
b.	Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
c.	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	others, please specify	-	-	-	-
	Total	-	-	3,00,000	3,00,000

Note: Mr. Y.Nayudamma is the Managing Director as well as CEO of the Company and his remuneration particulars are given in Table 6.A. above Remuneration Particulars of Mr. Y.Janaki Ramaiah, CFO as well as Executive Director are also given in Table 6.A. above.

7. Penalities / Punishments / Compounding of Offences: None

Secretarial Audit Report

Annexure - II

Form No. MR-3

for the Financial Year ended on 31st March, 2016

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To
The Members,
M/s Phyto Chem (India) Limited,
Survey No. 628, Temple Street,
Bonthapally - 502 313,
Jinnaram Mandal, Medak District,
Telangana State.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s Phyto Chem (India) Limited (CIN: L24110TG1989PLC009500)** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the 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 authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2016 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s Phyto Chem (India)Limited ("the Company") for the financial year ended on 31st March, 2016 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder;
ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
v. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz :-
   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
   d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
   e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
   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; and
   h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

VI. And other applicable laws applicable to the Company

i. Insecticides Act, 1968
ii. Factories Act, 1948
iii. The Petroleum Rules 2002

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

i. Secretarial Standards issued by The Institute of Company Secretaries of India to the extent applicable under the Companies Act 2013.
ii. The Listing Agreement(s) entered into by the Company with Stock Exchange(s)
iii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

We further report that 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.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below.

i. During the period covered under audit, 2(Two) Forms CHG-1 and DIR-12 were filed late with the additional fee with the MCA

We 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. Board decisions are carried out with unanimous consent and therefore, no dissenting views were required to be captured and recorded as part of the minutes.

We 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.

For M/s Puttaparthi Jagannatham & Co.
Company Secretaries

Rama Bandaru
Partner
COP No.: 7739
ACS No: 19456

Place : Hyderabad
Date : 30th August, 2016

Note: This report is to be read with our letter of even date which is annexed as "Annexure A" and forms integral part of this report.

Secretarial Audit Report

Annexure: A

To
The Members,
M/s Phyto Chem (India) Limited,
Survey No.628, Temple Street,
Bonthapally - 502 313,
Jinnaram Mandal, Medak District,
Telangana State.

Our report of event date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We 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. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Where ever required, we 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. Our 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.

For M/s Puttaparthi Jagannatham & Co.
Company Secretaries

Rama Bandaru
Partner
COP No.: 7739
ACS No: 19456

Place : Hyderabad
Date : 30th August, 2016

Annexure – III

Conservation of Energy, Technology Absorption, Foreign Exchange and Outgo.

Information under Section 134 of the Companies Act, 2013 read with rule 8 of the Companies (Accounts) Rules, 2014 and forming part of Board's Report for the year ended 31st March,2016.

A. Conservation of Energy:

The Company has been putting regular efforts to improve Energy efficiency through Energy Conservation Measures.

i. Energy conservation measures taken:
- * The Company has carried out various measures to optimize energy consumption.
- * The Company has replaced conventional electrical cables, MCBs etc. with latest Electrical items.

ii. Impact of measures taken:
- * Reduction in annual Diesel oil consumption.
- * Continuous alertness of power saving.

iii. Steps taken for utilizing alternate sources of the energy:
- * Company is evaluating the economic viability for installation of Solar Street Lights and Solar panels for Plant Lighting.

iv. Capital investment on Energy conservation equipments:
- * Capital Expenditure has not been accounted for separately.

B. Technology Absorption:

Research and Development (R&D):

i. Effects in brief made towards Technology Absorption:
- * The Company has adopted Indigenous Technology for manufacture of Pesticides Formulations and no imported technology is involved.
- * The Company has an In-house R&D division for improving the quality, productivity and for developing the new viable products.

ii. Benefits derived as a result of the above efforts:
- * Improvement in product quality and productivity.
- * Enhanced products range to address emerging market opportunities.

iii. Imported technology (imported during the last three years reckoned from the beginning of the financial year):
- * Not applicable as no technology was imported during the last three years.

iv. Expenditure incurred on Research and Development:
- * R & D Expenditure has not been accounted for separately.

C. Foreign Exchange Earnings and Outgo:

During the year, there were no exports. The export market for pesticide formulation is not encouraging due to thin margins and heavy competition from Technical Pesticide Manufacturers.

i. Total Foreign Exchange outflow:
Equivalent to Rs.768.83 lakhs (USD 11.81 lakhs) towards Raw materials.

ii. Total Foreign Exchange inflow:
Equivalent to Rs. Nil (USD Nil) towards Exports of Pesticides Formulations.

For and on Behalf of the Board

Y. Nayudamma
Managing Director
DIN : 00377721

Place : Hyderabad
Date : 30th August, 2016

Corporate Governance Report

1. Company's Philosophy on Corporate Governance:-

The Board lays strong emphasis on attainment of high levels of Transparency, Accountability and Integrity and the corporate actions, which balance the interest of the stakeholders. The Company has adopted a code of conduct for Members of the Board and Senior Management, who have all affirmed in writing their adherence to the Code.

2. Board of Directors:-

The Board of Directors comprises of 10 Directors of which 3 are Promoter Directors. viz. Dr.P.Sreemannarayana, Mr.Y.Nayudamma and Dr.Y.Venkateswarlu. Five Board Meetings were held during the period from April, 2015 to March, 2016 on the following dates:

29th May, 2015, 06th August, 2015, 24th September, 2015,14th November, 2015 and 10th February, 2016.

The attendance of the Directors at Meetings, Number of other Directorships:

Sl. No.	Name of the Director	Designation	Category	Number of Board Meetings attended	Attendance at last AGM (Yes/No)	Other Directorships
1.	Dr.P. Sreemannarayana	Chairman	NE&NI	5	Yes	2
2.	Mr.Y. Nayudamma	M.D	E&NI	5	Yes	2
3.	Mr.Y.Janaki Ramaiah	E.D	E&NI	5	Yes	1
4.	Dr.Y. Venkateswarlu	Director	NE&NI	4	Yes	-
5.	Mr.P. Anjaneyulu	Director	NE&NI	3	No	3
6.	Mr.C.N. Chary	Director	NE&I	2	No	-
7.	Mr.T.A. Choudary	Director	NE&I	4	Yes	2
8.	Mr.N. Sudhakar	Director	NE&I	4	Yes	-
9.	Mr.M. Balarama Krishnaiah	Director	NE&I	4	No	7
10.	Mrs.S.Kavitha Rani	Director	NE&I	5	Yes	-

* NE = Non-Executive I = Independent E = Executive NI = Non - Independent

None of the Directors on the Board is a member of more than 10 Committees and Chairman of more than 5 Committees across all the Companies in which they are Directors.

3. Code of Conduct :-

Pursuant to SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and erstwhile Clause 49 of the Listing Agreements with Stock Exchanges, the Board has suitably modified the 'Code of Conduct for Board of Directors and Senior Management' ("Code of Conduct") and is available on the Company's website. The Directors and senior management personnel have affirmed their compliance with the Code of Conduct as at 31st March, 2016.

4. Audit Committee:-

The Company has a qualified and independent Audit Committee comprising five non-executive independent Directors, constituted in accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered with the Stock Exchange and Section 177 of the Companies Act, 2013. The role, terms of reference and authority and powers of the Audit Committee are in conformity with the requirements of Companies Act, 2013 and Listing Agreement. The Committee held Four meetings during the year 2015-16 i.e on 29th May, 2015, 06th August, 2015, 14th November, 2015 and 10th February, 2016 and the attendance at the meetings was as under :

S.No.	Name of the Member	Attendance Particulars	Category
1.	Mr.N.Sudhakar	3	Chairman
2.	Mr.C.N.Chary	2	Member
3.	Mr.T.A.Choudary	3	Member
4.	Mr.M.Balarama Krishnaiah	4	Member
5.	Mrs.S.Kavitha Rani	4	Member

The Audit Committee discusses with the Statutory Auditors on the "Limited Review" of the quarterly / half-yearly / yearly accounts, the audit plan for the year, matters relating to compliance with accounting standards, the Auditors observations arising from the Annual Audit of the Company's accounts and other related matters. Mr N.Sudhakar, Chairman, Audit Committee was present in the last Annual General Meeting.

5. Nomination and Remuneration Committee:-

The Nomination and Remunaration Committee comprises of Mr. C.N. Chary as Chairman and Mr. T.A.Choudary, Mr.N.Sudhakar & Mr.M.Balarama Krishnaiah as its Members and considers the remuneration of Executive Directors. The Committee has met once on 14-11-2015 during the year 2015-16 and except Mr.C.N.Chary, all other members attended the meeting.

Remuneration Policy :

Remuneration Policy of the Company is summarised as follows :

i. Policy for Selection and Appointment of Directors and their Remuneration :

The Remuneration Committee has adopted a Charter which, inter alia, deals with the manner of selection of Board of Directors and Executive Directors and their remuneration.

ii. Criteria of selection of Non Executive Directors :

The Non Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, laws, governance and general management.

In case of appointment of Independent Directors, the Remuneration Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.

The Remuneration Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013. The Remuneration Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director.

a. Qualification, expertise and experience of the Directors in their respective fields;
b. Personal, Professional or business standing;
c. Diversity of the Board.

In case of reappointment of Non Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

iii. Remuneration :

a. For Managing Director and Executive Director :

The total remuneration payable to Managing Director and Executive Director is subject to Share-holders' approval and consists of Salary, allowances. Perquisites and benefits are in line with the Company's rules for Senior Managerial Personnel.

b. For Non-Executive Directors:

Sitting Fees is paid as per applicable provisions of the Companies Act, 2013 and rules made thereunder and the Articles of Association of the Company for attending meetings of the Board or any committees of the Board. The Directors are also reimbursed actual travel costs & incidental expenses incurred for attending such meetings or in connection with the Company's business. The Chairman of the Company is reimbursed the cost of travel and expenses incurred for attending Board and General Meetings.

The details of Remuneration of Directors during the period under review are as follows:

Sl. No	Name of the Director	Relationship with other Directors	Sitting Fees Rs.	Commission on Profits Rs.	Salary & Allowances Rs.	Perquisites Rs.	Total Rs.
1.	Dr. P. Sreemannarayana	Relative	17500.00	—	—	—	17500.00
2.	Mr. Y. Nayudamma	Relative	—	—	1949940.00	—	1949940.00
3.	Mr.Y.Janaki Ramaiah	Relative	—	—	974970.00	—	974970.00
4.	Dr. Y. Venkateswarlu	Relative	14000.00	—	—	—	14000.00
5.	Mr. P. Anjaneyulu	Relative	10500.00	—	—	—	10500.00
6.	Mr. C.N. Chary	—	10000.00	—	—	—	10000.00
7.	Mr. T.A. Choudary	—	23000.00	—	—	—	23000.00
8.	Mr. N. Sudhakar	—	26000.00	—	—	—	26000.00
9.	Mr. M. Balarama Krishnaiah	—	22500.00	—	—	—	22500.00
10.	Mrs.S.Kavitha Rani	—	24500.00	—	—	—	24500.00

Sitting fee to Non-executive Directors is Rs.3,500/- per each Board meeting, Rs.1500/- per each Audit Committee, Nomination & Remuneration Committee meetings and Rs.1000/- per each Performance Evaluation Committee, Risk Management Committee, Independent Directors Meeting and Share Transfer Committee meetings.

6. Performance Evaluation Committee :-

The Company has formed a Performance Evaluation Committee consisting of the following members and the committee has met once on 10-02-02016 during the financial year 2015-16. The attendance record of the members at the meeting were as follows:

Sl.No.	Name of the Member	Designation	No. of Meetings Attended
1.	Mr. N. Sudhakar	Chairman	1
2.	Mr. T. A. Choudary	Member	1
3.	Mr. C. N. Chary	Member	-

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligatios and Disclosure Requirments) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Appointment and Remuneration Committees.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of Judgement, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department.

Directors Performance Evaluation:

On evaluation of the performance of the Board, it has been evaluated that

a. Mr. Y. Nayudamma as Managing Director and Mr.Y.Janaki Ramaiah as Executive Director of the Company have been playing key role in the overall operations of the Company and their contribution has been rated as good.

b. The Non Executive Directors have extended their suggestions and esteemed guidance in the smooth running of the Company and their contribution has been rated as good.

c. Mrs. S. Kavitha Rani, Independent Director - Women is looking after the general welfare of the employees including women employees and her contribution has been rated as good.

d. All other Independent Directors with their visionary guidance and profeciency in their respective fields have contributed for proper compliance of the provisions of the Act and there contribution has been rated as good.

The Directors expressed their satisfaction with the evaluation process and the ratings.

7. Risk Management Committee :-

The Company has formed a business risk management committee consisting of the following members and met on 10-02-2016 during the financial year 2015-16.

Sl.No.	Name of the Member	Designation	No.of Meetings Attended
1.	Mr. Y. Nayudamma	Managing Director	1
2.	Mr. N. Sudhakar	Member	1
3.	Mr. T.A. Choudary	Member	1

Business Risk and Management is ongoing process within the Organization. The Company has proper risk management framework to identify, monitor and minimise risks and also identify business opportunities.

The objectives and scope of the Risk Management Committee broadly comprise of :

a. Oversight of risk management performed by the Executive Management;

b. Reviewing the Business Risk and Management Policy and framework in line with local legal requirements and SEBI guidelines;

c. Reviewing risks and evaluate treatment including initiating mitigation actions and ownership as per a predefined cycle;

d. Defining framework for identification. assessment, monitoring, mitigation and reporting of risks; Within its overall scope as aforesaid, the Committee shall review risks, trends, exposure and potential impact analysis and mitigation plan.

8. Independent Directors' Meeting :-

During the year under review, the Independent Directors met on 10-02-2016 inter alia, to discuss:

a. Evaluation of the performance of the Non Independent Directors and the Board of Directors as a Whole;

b. Evaluation of the performance of the Chairman of the Company taking into account the views of the ` Executive and Non Executive Directors;

c. Evaluation of the quality, contents 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.

Except Mr. C.N.Chary, all other Independent Directors were present in the meeting.

9. a. Stakeholders Relationship Committee :-

The Stakeholders Relationship Committee comprises of Mr. T. A. Choudary as Chairman, Mr. C.N. Chary, Mr. N. Sudhakar and Mr.Y.Nayudamma as its Members. All the complaints were redressed and no complaints received during the year were pending either in the beginning or ending of the year. The details are given below :-

Sl. No	Nature of Complaints	No. of Letters Received	No. of Letters Resolved / Replied	Pending / Remarks
1.	No. of requests for Change of Address	9	9	0
2.	Non-receipt of Share Certs./ Bonus Shares	0	0	0
3.	Issue of Duplicate Share Certificates	2	2	0
4.	Non-receipt of Demat Confirmations / Rejections	0	0	0
5.	Revalidation of Refund Orders/ Dividend Warrants	16	16	0
6	Non - receipt of dividend warrant	10	10	0
7.	Other Letters	38	38	0

During the year, there are no other investors grievances pending in respect of transfers, letters from SEBI & Stock Exchange

b. Share Transfer Committee :-

The Share Transfer Committee comprises of Mr. Y Nayudamma as Chairman, Mr.N.Sudhakar as Member and Mr.Y.Janaki Ramaiah, CFO as Convenor.

10. General Body Meetings:-

The last three Annual General Meetings of the Company were held at the Registered Office of the Company at Survey No.628, Temple Street, Bonthapally - 502313, Jinnaram Mandal, Medak District, Telangana.

i 30th September, 2013 at 12:30 P.M.

ii 29th September, 2014 at 11:45 A.M

iii 24th September, 2015 at 11:45 A.M. respectively

No postal ballots were used / invited for voting at these meetings in respect of the Special Resolutions required to be passed, nor they are proposed at the ensuing Annual General Meeting.

11. Dematerialisation of Shares :-

As on 31st March 2016, 72.76% Equity Shares have been dematerialised and 27.24% Equity Shares have not yet been dematerialised and they are in physical form. The shareholders are advised to contact the depository participants i.e., National Securities Depository Services Ltd. (NSDL) or Central Depository Services (India) Ltd. (CDSL) for dematerialising the shares of the Company (ISIN-INE 037C01010).

12. Disclosures :-

Pecuniary disclosure with regard to interested Directors:-

a. Disclosures on materially significant related party transactions of the Company of material nature, with its Promoters, the Directors or the Management, their Subsidiaries or Relatives, that may have potential conflict with the interests of the Company at large:-

None of the transactions with any of related parties was in conflict with interest of the Company.

b. Details of non-compliance by the Company and the penalties, strictures imposed on the Company by Stock Exchange or SEBI or any Statutory Authority, on any matter related to Capital Markets during the last three years:-

There were no instances of non-compliance of any matter related to Capital Market during the last three years and no penalties or times imposed by any Statutory Authorities.

c. Compliance Certificate of the Auditors:

Certificate of the Statutory Auditor's has been obtained on the compliance of the conditions of Corporate Governance in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with stock exchanges and the same is annexed.

d. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause:

The Company has fully complied with the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the Stock Exchange. Further, the Company has adopted non-mandatory requirement of Listing Agreement viz., Remuneration Committee of the Board which has been constituted to determine the remuneration package of the Executive Directors.

e. The Management Discussion and Analysis is a part of this Annual Report.

13. Means of Communication:-

a. The Company publishes its quarterly, half yearly and annual results in the Business Standard and Andhra Prabha (Telugu).These results are submitted to the Stock Exchange in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Management Discussion and Analysis Report forms part of Directors' report.

b. Website : **www.phytochemindia.com**

c. Email Id : **investorsrelations@phytochemindia.com**

14. General information for members :-

a. Twenty Seventh Annual General Meeting :

Date, Time & Venue : Thursday, the 29 th day of September, 2016 at 11:45 A.M
M/s Phyto Chem (India) Limited, Regd. Office : Survey No.628, Temple Street, Bonthapally - 502 313, Jinnaram Mandal, Medak District, Telangana State.

b. Financial Calender:

Results	For 2015-16 were announced on	For 2016-17 will be announced by
First Quarter	06th August, 2015	14th August, 2016
Second Quarter/Half year	14th November, 2015	14th November, 2016
Third Quarter	10th February, 2016	14th February, 2017
Yearly - Audited Results	30th May, 2016	30th May, 2017

c. Dates of Book Closure :

27th September, 2016 to 29th September, 2016 both days inclusive.

d. Dividend Payment Date : Not Applicable

e. i. Stock Exchanges where listed :

Bombay Stock Exchange Limited, P.J. Towers, Dalal Street, MUMBAI - 400 001.

ii. Stock Code (BSE) : 524808

f. Market Price Data :

The market price data High/Low during each month in the last financial year (2015-16) at the Bombay Stock Exchange Limited, Mumbai is as follows:-

Period	Bombay Stock Exchange Limited		
	High-in Rs.	Low-in Rs.	Volume - No.of Shares
April, 2015	33.55	27.00	212877
May, 2015	35.40	26.75	153670
June, 2015	36.80	23.30	389724
July, 2015	42.00	30.40	382717
August, 2015	39.85	28.20	288077
September, 2015	33.60	28.00	129556
October, 2015	32.50	26.15	99368
November, 2015	30.90	24.15	113844
December, 2015	37.00	27.00	56913
January, 2016	40.00	26.00	86834
February, 2016	31.40	22.50	81949
March, 2016	32.00	23.00	70140

g. Share Transfer Agent :

M/s Bigshare Services Private Limited, 306, 3rd Floor, Right Wing, Amrutha Ville,
Opp : Yashoda Hospital, Somajiguda, Rajbhavan Road, Hyderabad - 500 082, Ph.No. 040-23374967

h. Distribution of Shareholding by ownership as on 31-03-2016

Sl.No.	Shareholding Pattern	Shares	Shareholding %
1.	Promoters	1637598	38.08
2.	Indian Public	2073579	48.22
3.	Mutual Funds	8500	0.20
4.	Body Corporates	312895	7.28
5.	NRI - Non Promoters	263179	6.12
6.	Clearing Member	4449	0.10
	Total :	4300200	100.00

i. Distribution of Shareholding by size as on 31-03-2016:

Range of Shares	No.of Shareholders	No.of Shares	% of Shareholders	% of Holding
Upto 500	6428	858449	92.88	19.96
501-1000	220	188573	3.18	4.39
1001-2000	98	155490	1.42	3.62
2001-3000	41	99536	0.59	2.31
3001-4000	15	52806	0.22	1.23
4001-5000	17	78844	0.24	1.83
5001-10000	37	268635	0.53	6.25
10001 and above	65	2597867	0.94	60.42
Total:	6921	4300200	100.00	100.00

j . Your Company has not issued any GDRs/ADRs/Warrants or any convertible instruments or ESOPS

k. Plant Location :

Survey No.628, Temple Street, Bonthapally - 502 313. Jinnaram Mandal, Medak District, Telangana State.

l. Compliance with the Regulation 39(4) read with Schedule VI of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirments) Regulations, 2015 :

There are no shares issued pursuant to Public Issue or any other issue which remain unclaimed.

m. Address for Correspondence :

Shareholders Correspondence may be made with the Company's Share Transfer Agents at the address given at (g) above. In case of any difficulty, shareholders may contact Mr. Ashok Kumar Pipalwa, Compliance Officer at the Corporate Office at No.8-3-229/23, First Floor, Thaherville, Yousufguda Checkpost, Hyderabad - 500 045, Telangana / at **email : compliances@phytochemindia.com**.

The Report has not covered the non-mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**.**

Declaration by M.D. (CEO) of the Company on Code of Conduct

DECLARATION

As provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchange, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the year ended 31st March, 2016.

Place : Hyderabad,
Date :30th August, 2016

Y. Nayudamma
Managing Director & CEO
DIN : 00377721

Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification

To

The Board of Directors

M/s. Phyto Chem (India) Limited

We certify that :

We have reviewed the financial statements and the cash flow statement of M/s. Phyto Chem (India) Limited for the year ended March 31, 2016 and that to the best of our knowledge and belief:

a. i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;

ii. These statements together present a true and fair view of the Company's affairs and are in compliance with current accounting standards, applicable laws and regulations.

b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.

c. 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 and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, and the steps taken or proposed to be taken to rectify these deficiencies.

d. We have indicated to the Auditors and the Audit committee:

i. Significant changes, if any, in internal control over financial reporting during the year;

ii. Significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

iii. That there were no instances of significant fraud of which we have become aware and involvement therein, if any of management or other employees having a significant role in the Company's internal control system over financial reporting.

Place : Hyderabad,	**Y. Nayudamma**	**Y.Janaki Ramaiah**
Date : 30th August, 2016	**Chief Executive Officer**	**Chief Financial Officer**

Auditors' Report on Corporate Governance

To
The Members of
M/s Phyto Chem (India) Limited,

We have examined the compliance of conditions of Corporate Governance by M/s. Phyto Chem (India) Limited, for the year ended 31st March, 2016 as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the said Company with Stock Exchange.

The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance as stipulated in the said Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Director and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

For M/s T. Adinarayana & Co.,
Chartered Accountants
Firm Regn. No. 000041S

Y.P. Rao
Proprietor
M.No.25266

Place: Hyderabad,
Date : 30th August, 2016

Independent Auditors' Report

To
The members
M/s. Phyto Chem (India) Limited

Report on the Financial Statements

We have audited the accompanying Standalone financial statements of **M/s. PHYTO CHEM (INDIA) LIMITED (**"the Company") which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these Standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its Profit/Loss and its Cash Flow for the year ended on that date.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, 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.

2. As required by section 143(3) of the Act, we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

   d. In our opinion, the aforesaid (Standalone) financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   e. On the basis of written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.

   f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B**".

   g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company does not have any pending litigations which would impact its financial position.

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For M/s T.ADINARAYANA & Co.
Chartered Accountants
Firm Regn.No.000041S

Y.P. RAO
Proprietor
M.No.25266

Place: Hyderabad
Date: 30th May, 2016

ANNEXURE - A

(Annexure referred to in paragraph 1 of Independent Audit Report on the Financial Statements for the year ended 31st March, 2016)

i. In respect of Company's Fixed Assets:

a.The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;

b.The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.

c.The title deeds of immovable properties are held in the name of the Company.

ii. In respect of its inventory:

a. The management has conducted the physical verification of inventory at reasonable intervals.

b. The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.

iii. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and I86 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.

v. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

vi. We have broadly reviewed the cost records maintained by the company pursuant to the companies (Cost Accounting Records and audit) Rules, 2011 as amended prescribed by the central Government under sub-section (1) of section 148 of the Companies Act, 2013, and are of the opinion that prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determining whether they are accurate or complete.

vii. a. According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2016 for a period of more than six months from the date on when they become payable.

b. Details of dues of income tax ,sales tax, wealth tax, service tax, custom duty, excise duty, VAT and cess which have not been deposited as on 31st March,2016 on account of dispute are given below:

S.No.	Statue	Nature of dues	Amount (Rs.)	Period	Forum where dispute is pending
1.	Sales Tax	Improper addition of turnover	Rs.10.22 lacs	2010-11 2011-12 & 2012-13	Appeal filed by the Company was remanded back by the Appellate Authority and the matter is pending before the regular CTO

viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to Banks and other Financial Institutions. The Company has not taken any loan from the government and has not issued any debentures.

ix. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.

x. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.

xi. Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act 2013;

xii. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.

xiii. In our opinion, all transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

xiv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the order are not applicable to the Company and hence not commented upon.

xv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

xvi. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For M/s T.ADINARAYANA & Co.
Chartered Accountants
Firm Regn. No.000041S

Y.P. RAO
Proprietor
M.No.25266

Place: Hyderabad
Date: 30th May, 2016

"Annexure B" to the Independent Auditors' Report

[Referred to in paragraph 2(f) under "Report on other legal and regulatory requirements" of our Report of even date]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of

Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of M/s Phyto Chem (India) Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the

Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For M/s T.ADINARAYANA & Co.
Chartered Accountants
Firm Regn. No.000041S

Y.P. RAO
Proprietor
M.No.25266

Place: Hyderabad
Date: 30th May, 2016

Balance Sheet as at 31-03-2016

Particulars	Notes	AS AT 31-03-2016	AS AT 31-03-2015
		Rs.	Rs.
Equity and liabilities			
Shareholders' Funds:			
Share Capital	2	43002000.00	43002000.00
Reserves and Surplus	3	36010836.00	34846862.00
		79012836.00	77848862.00
Non-current Liabilities			
Long term borrowings	4	15363739.00	16223782.00
Deferred Tax Liability	5	5187864.00	5115754.00
Trade payables	6	1157524.00	0.00
Other long term liabilities	7	4965977.00	3120000.00
Long term provisions		0.00	0.00
		26675104.00	24459536.00
Current Liabilities			
Short term borrowings	8	140909423.00	139856512.00
Trade payables	9	32454272.00	91403963.00
Other Current Liabilities	10	16032487.00	21744555.00
Short term provisions	11	541377.00	1655748.00
		189937559.00	254660778.00
Total		295625499.00	356969176.00
Assets			
Non-current Assets			
Fixed Assets			
Tangible assets	12	34972237.00	36774768.00
Intangible assets		0.00	0.00
Capital work-in-progress		0.00	0.00
Non-current investments	13	3165828.00	3215668.00
Long term loans and advances	14	3195404.00	3529848.00
Trade receivables		0.00	0.00
Other non-current assets	15	25000.00	25000.00
		41358469.00	43545284.00
Current Assets			
Current Investments		0.00	0.00
Inventories	16	98440341.00	128693003.00
Trade receivables	17	147899291.00	174716221.00
Cash and Cash equivalents	18	2357960.00	4628551.00
Short term loans and advances	19	5569438.00	5386117.00
		254267030.00	313423892.00
Total		295625499.00	356969176.00

Statement on Significant Accounting Policies 1

The accompanying Notes are an integral part of the Financial Statements.

Per our Report of even date annexed.

For M/s T.Adinarayana & Co.,
Chartered Accountants
Firm Regn. No. 000041S

For and on behalf of the Board of Directors

Y.P.Rao
Proprietor, M.No.25266
Place : Hyderabad
Date : 30th May, 2016

P.Ashok Kumar
Company Secretary
M.No : A37314

Y.Janaki Ramaiah
Executive Director & CFO
DIN : 06949910

Y.Nayudamma
Managing Director
DIN : 00377721

Statement of Profit and Loss for the year ended 31st March 2016

Particulars	Notes	Year Ended 31-03-2016	Year Ended 31-03-2015
		Rs.	Rs.
Continuing Operations			
Income			
Revenue from operations (gross)	20	260304985.00	488029095.00
Less: Excise Duty		30148105.00	57058994.00
Revenue from operations (net)		230156880.00	430970101.00
Other Income	21	6826109.00	4025926.00
Total Revenue -I		236982989.00	434996027.00
Expenses			
Cost of raw material and components consumed	22	140588882.00	328614530.00
Purchase of traded goods		0.00	0.00
(Increase) / Decrease in Inventories of Finished Goods, Work-in-Progress and Traded Goods	23	7091490.00	(17284978.00)
Employee Benefit Expenses	24	25653563.00	25541639.00
Other Expenses	25	41684339.00	67592129.00
Exceptional Items	26	0.00	2714994.00
Total Expenses-II		215018274.00	407178314.00
Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA) = I - II		21964715.00	27817713.00
Depreciation and Amortisation Expenses		3064875.00	3223380.00
Financial Costs	27	17177392.00	16400574.00
Profit Before Tax		1722448.00	8193759.00
Tax Expenses			
- Current Tax		556640.00	2681036.00
- Deferred Tax		72110.00	52060.00
Total Tax Expenses		628750.00	2733096.00
Profit for the year from continuing operations		1093698.00	5460663.00
Extraordinary Items	28	70276.00	(96093.00)
Profit for the year		1163974.00	5364570.00

Statement on Significant Accounting Policies: 1
The accompanying Notes are an integral part of the Financial Statements.

Per our Report of even date annexed.

For M/s T.Adinarayana & Co.,
Chartered Accountants
Firm Regn. No. 000041S

For and on behalf of the Board of Directors

Y.P.Rao
Proprietor, M.No.25266
Place : Hyderabad
Date : 30th May, 2016

P.Ashok Kumar
Company Secretary
M.No : A37314

Y.Janaki Ramaiah
Executive Director & CFO
DIN : 06949910

Y.Nayudamma
Managing Director
DIN : 00377721

	For the year ended 31st March, 2016 Rs.	For the year ended 31st March, 2015 Rs.
Earnings Per Equity Share		
Annualised earning per Equity Share have been calculated based on the net profit after tax and prior period adjustments of Rs.11.64 lacs (Previous year Rs.53.65 lacs) and number of Equity Shares in issue during the year of 43,00,200 (Previous year 43,00,200)	0.27	1.25
Basic and diluted earning per share		
Basic earnings per Equity Share have been computed by dividing net profit after tax and prior period adjustments by the number of Equity Shares outstanding for the period. Diluted earning per Equity Share does not arise since there is no additions to Equity Share Capital during the period.	—	—

Statement on significant Accounting Policies and Notes forming part of the Financial Statements for the year ended 31st March, 2016.

Notes - 1
Significant Accounting Policies:

a. Basis of Accounting: The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

b. Use of Estimates**:** The preparation of financial statements is in conformity with generally accepted accounting principles, which requires management to make estimates and assumptions that affect the reported amounts of such assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from the estimates and assumptions and such differences are recognised in the period in which the results are known / materialised / crystalised.

c. Fixed Assets **:** Fixed Assets are stated at cost less depreciation and cost of assets includes acquisition and installation expenses which are directly attributable for bringing the assets into working condition.

d. Depreciation**:** Depreciation is calculated on straight line method basis in accordance with useful life of assets in the manner prescribed in Schedule II of the Companies Act,2013 read with Section 123 of the "Act".

e. Inventories **:** i. Stocks of raw materials, packing materials, house plots and consumables are valued at lower of cost and net realisable value. Rates are determined on FIFO basis. ii. Finished goods are valued at cost of conversion and other cost incurred in bringing the inventories to their present location and condition (plus other overheads) or net realisable value, whichever is lower.

f. Revenue Recognition**:** Revenue from sales of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the customer, which generally coincides with their delivery to customer. Sales are stated including sales tax and excise duty excluding returns.

g. Borrowing Costs **:** Borrowing Costs are charged to profit & loss account, except in cases where the borrowings are directly attributable to the acquisition, construction or production of the qualifying asset.

h. Cenvat **:** Cenvat benefit is accounted for by reducing from the purchase cost of raw materials and adjusted against the excise duty liability.

i. Excise Duty**:** Excise Duty in respect of goods manufactured by the Company and lying in the Factory is accounted on accrual basis.

j. Investments **:** Investments are stated at cost. All the investments are long term and diminution in market value is not considered unless diminution is permanent.

k. Foreign Currency Transaction **:** Foreign currency transactions are recorded at the exchange rates prevailing as on the date of transaction. Earning or losses due to fluctuations in exchange rates are recorded as income or expenditure in the year of settlement and charged to Profit & Loss A/c.

l. **Employees Benefits :**

I. Short term employee Benefits **:** All employee benefits payable within twelve months of rendering services are classified as short term benefits. Such benefits include salaries, wages, bonus, short term compensated absences, awards exgratia, performance pay etc., and the same are recognized in the period in which the employee renders the related service.

II. Post Employment Benefits **:**
1. Defined Contribution Plans **:** Central Government Provident Fund Scheme is defined Contribution plan of the Company. The contributions paid or payable under the schemes are recognized during the period in which the employee renders the related service.

2. Defined Benefit Plans **:** The employees' gratuity scheme is defined benefit plan of the Company. The present value of the obligations under such defined benefit plan is determined based on the actuarial valuation provided by LIC of India at the date of Balance Sheet. Necessary disclosures as required under AS15 are furnished in Notes to Financial Statements.

m. **The Company has taken into consideration the Provisions AS28- Impairment of assets.** The Company assets at the each Balance sheet date whether there is any indication that an asset may be impaired. If any such indication is there, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs. If recoverable amount is less than its carrying amount, the carrying amount is reduced to its recoverable amount.

n. **Cash and Cash Equivalent:** Cash and cash equivalent in the cash flow statement comprises cash at bank and on hand and term deposits with an original maturity of three months or less.

o. **Income Taxes :** Tax expense comprises current and deferred tax. Provisions for current tax is made after taking into consideration benefits admissable under the provisions of the Income Tax Act, 1961. Deferred tax resulting from timing difference between taxable and accounting income as accounted for using the tax rules and laws that are enacted or substantively enacted as on the Balance Sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficiant future taxable income will be available against which deferred tax assets can be realised.

p. **Provisions, Contingent Liabilities and Contingent Assets :** Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likely hood of outflow or resources is remote, no provision or disclosure is made. Contingent Assets are neither recognised nor disclosed in the financial statements.

q. **Cash Flow Statement :** Cash Flow statement is prepared in accordance with the "Indirect Method" as explained in the Accounting Standard (AS) 3 - Cash Flow Statements.

Notes forming part of Financial Statements

		AS AT 31-03-2016 Rs.	AS AT 31-03-2015 Rs.
Notes - 2			
Share Capital			
a. Authorised Capital			
47,50,000 of equity shares of Rs.10/- each		47500000.00	47500000.00
(Previous year 47,50,000 equity shares)			
b. Issued, subscribed and paid up capital of Rs.10/-			
each 43,00,200 of equity shares (fully paid)		43002000.00	43002000.00
(Previous year 43,00,200 equity shares)		43002000.00	43002000.00
c. List of shareholders holding more than			
5% of aggregate shares in the Company	:	7.87%	7.87%
i. Mr.Y.Nayudamma: No.of shares - 338306			
d. The reconciliation of the number of Equity shares			
at the beginning of the year	:	4300200	4300200
Add : Equity Shares Issued during the year	:	Nil	Nil
Less : Equity Shares cancelled during the year	:	Nil	Nil
Equity shares at the end of the year	:	4300200	4300200
e. Rights, preferences and restrictions attached to shares:		--	--

Equity shares: The Company has one class of equity shares having a par value of Rs.10/- per share. Each shareholder is eligible for one vote per share held. Except in case of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

	AS AT 31-03-2016 Rs.	AS AT 31-03-2015 Rs.
Notes - 3		
Reserves & Surplus		
a. Surplus balance in P/L account	34846862.00	31159115.00
as per last balance sheet		
Less: Depreciation on expired Assets	0.00	2426661.00
Add : Deferred Tax Income thereon	0.00	749838.00
	0.00	1676823.00
	34846862.00	29482292.00
b. Add: Profit for the year	1163974.00	5364570.00
	36010836.00	34846862.00
Notes - 4		
Long Term Borrowings		
Deferment of sales tax liability (Unsecured)		
(Commercial Taxes Department)	15363739.00	16223782.00
	15363739.00	16223782.00

Notes forming part of Financial Statements

	AS AT 31-03-2016 Rs.	AS AT 31-03-2015 Rs.
Notes - 5		
Deferred Tax Asset / Liability (Net)		
Deferred Tax Liability - Opening Balance	5115754.00	5813532.00
Deferred Tax Asset	0.00	749838.00
Deferred Tax Liability	72110.00	-52060.00
Deferred Tax Liability (Net)	72110.00	-697778.00
Deferred Tax Liability - Closing Balance (Refer Note 41)	5187864.00	5115754.00
Notes - 6		
Trade Payables		
Sundry Creditors - More than 12 months	1157524.00	0.00
	1157524.00	0.00
Notes - 7		
Other Long Term Liabilities		
1. Security Deposits	4370040.00	3120000.00
2. Vehicle Loan from Financial Institutions	595937.00	0.00
	4965977.00	3120000.00
Notes - 8		
Short Term Borrowings		
a. Loans repayable on demand		
- From Federal Bank (Secured Loans) - C.C	29945427.00	139856512.00
- From Federal Bank (Secured Loans) - Demand Loan (Secured by hypothecation of stock in Trade & Book debts and further guaranteed by Managing Director in his personal capacity)	100963996.00	0.00
b. Loan from the Director - Related Party (Unsecured)	10000000.00	0.00
	140909423.00	139856512.00
Notes - 9		
Trade payables		
Sundry Creditors - Less than 12 months		
- Amounts outstanding to SME (Refer Note 35)	0.00	0.00
- Outstanding to others	32454272.00	91403963.00
	32454272.00	91403963.00
Notes - 10		
Other Current Liabilities		
a. Term Loan (Secured) - Federal Bank Ltd	0.00	1206654.00
b. Term Loans (Unsecured) - From Financial Institutions - Current maturity	2104415.00	1561685.00
c. Amount due to vehicle loans - Current maturity of Long Term Loan	457191.00	0.00
d. Sales Tax - Deferrment Liability - Current maturity of long term loan	1003767.00	1081405.00
e. Advances Received from Customers	4079179.00	5252064.00
f. Unclaimed Dividends F.Y 2012-13 & 2013-14 (Refer Foot Note)	1311161.00	1362590.00
g. Other Current Liabilities	0.00	2313548.00
h. Outstanding Liabilities	7076774.00	8966609.00
	16032487.00	21744555.00
Foot Note : There are no amounts that have fallen due for transfer to Investor Education and Protection Fund.		
Notes - 11		
Short Term Provisions		
a. Income Tax - F.Y. 2015-16	556640.00	
Less: TDS	15263.00	541377.00	0.00
b. Income Tax - F.Y.2014-15	0.00	2681036.00
Less : Advance Tax Paid	0.00	1025288.00
	541377.00	1655748.00

Notes - 12 Non Current Assets

Notes forming part of Financial Statements

a. Tangible Assets — **Fixed Assets**

Sl No.	Assets	Gross Block				Depreciation				Net Block as on 31-03-2016 (Rs.)	Net Block as on 31-03-2015 (Rs.)
		As on 01-04-2015 (Rs.)	Additions (Rs.)	Deductions (Rs.)	As on 31-03-2016 (Rs.)	As on 01-04-2015 (Rs.)	For the Period (Rs.)	Deductions (Rs.)	As on 31-03-2016 (Rs.)		
1	Land	730705.00	0.00	0.00	730705.00	0.00	0.00	0.00	0.00	730705.00	730705.00
2	Buildings	21085417.00	0.00	0.00	21085417.00	6638772.00	668461.00	0.00	7307233.00	13778184.00	14446645.00
3	Plant & Machinery	18243592.00	0.00	176358.00	18067234.00	3364131.00	1193116.00	176358.00	4380889.00	13686345.00	14879461.00
4	Furniture	1294087.00	15114.00	0.00	1309201.00	306837.00	143487.00	0.00	450324.00	858877.00	987250.00
5	Vehicles	5375117.00	1758621.00	1365222.00	5768516.00	1708945.00	620332.00	677214.00	1652063.00	4116453.00	3666172.00
6	Office Equipment	167857.00	176617.00	0.00	344474.00	47246.00	48427.00	0.00	95673.00	248801.00	120611.00
7	Generator	43532.00	0.00	0.00	43532.00	0.00	0.00	0.00	0.00	43532.00	43532.00
8	Electrical Equipment	1316624.00	0.00	0.00	1316624.00	469916.00	102360.00	0.00	572276.00	744348.00	846708.00
9	Lab Equipment	1635320.00	0.00	0.00	1635320.00	653437.00	277281.00	0.00	930718.00	704602.00	981883.00
10	Computers	353925.00	0.00	269706.00	84219.00	282124.00	11411.00	269706.00	23829.00	60390.00	71801.00
	Total	50246176.00	1950352.00	1811286.00	50385242.00	13471408.00	3064875.00	1123278.00	15413005.00	34972237.00	36774768.00
	Previous Year	74788379.00	361837.00	24904040.00	50246176.00	32725407.00	3223380.00	24904040.00	13471408.00	36774768.00	42062972.00

Notes - 13

Non-current Investments

a. Investments in Equity shares (Trade)			
170	HDFC Bank	15045.00	15045.00
500	Accelya Kale Solutions Ltd. of Rs.10/- each	0.00	49840.00
500	Hindustan Unilever Ltd. of Rs.10/- each	85440.00	85440.00
48	Nextgen Animation Media Ltd &		
120	Silverline Technologies	333359.00	333359.00
3700	Anjani Portland Cement Ltd.	42540.00	42540.00
1000	Trident Limited	37291.00	37291.00
1000	Alok Industries Ltd.	70700.00	70700.00
5000	Computech International	65942.00	65942.00
1000	Ginni Filaments Ltd.	22830.00	22830.00
70000	Bheema Cements Ltd. of Rs.10/- each	2377281.00	2377281.00
	Aggregate Book Value of Quoted Investments :	3050428.00	3100268.00
	(Aggregate Market Value : Rs. 18,95,894.00)		
	Previous Year Market Value : Rs. 22,40,680.00)		
b. Investments in Government Shares		65400.00	65400.00
c. Investments in Equity Shares (Non-Trade)		50000.00	50000.00
500	Jeedimetla Effluent Treatment Ltd., of Rs.100/- each		
		3165828.00	3215668.00

Notes forming part of Financial Statements

Notes - 14 Long Term Loans & Advances	AS AT 31-03-2016 Rs.	AS AT 31-03-2015 Rs.
a. Security Deposits	589494.00	589494.00
b. Other Advances (Unsecured) (Refer Foot Note)	2605910.00	2940354.00
Foot Note: Other advances do not include any amount due from Directors or other officers of the Company		
	3195404.00	3529848.00
Notes - 15 **Other Non Current Assets**		
Security Deposit with Federal Bank	25000.00	25000.00
	25000.00	25000.00
Notes - 16 **Inventories**		
a. Raw materials	27673461.00	50597659.00
b. Finished Goods	44071899.00	51163389.00
c. Packing Materials	17015981.00	17252955.00
d. House Plots	9679000.00	9679000.00
	98440341.00	128693003.00
Valuation		
a. Raw Materials, Packing Materials and House Plots are valued at lower of cost or net realisable value.		
b. Finished goods are valued at cost of conversion and other costs incurred in bringing the inventories to their present location and condition or net realisable value whichever is lower.		
Notes - 17 **Trade Receivables (Unsecured considered good)**		
a. Debts outstanding for more than 6 months	54343848.00	79105131.00
b. Other Debts	93555443.00	95611090.00
	147899291.00	174716221.00
Notes - 18 **Cash and Cash Equivalents (As per AS-3 Cash Flow Statement)**		
1.a. Balances in Banks :		
- In Current Accounts	371669.00	240036.00
- In Deposit Account (margin money with banks, the maturity period of which is less than 3 months)	650000.00	1550000.00
b. Cash on Hand	25130.00	222925.00
2. Other Bank balances		
a. In deposit account (margin money with banks, the maturity period of which is more than 3 months and less than 6 months)	0.00	1253000.00
b. In earmarked accounts		
Balances held for Unclaimed Dividend	1311161.00	1362590.00
	2357960.00	4628551.00
Notes - 19 **Short Term Loans & Advances (Unsecured considered good)**		
a. Advance for Raw Materials	5187293.00	4363897.00
b. Others (Refer Foot Note)	382145.00	1022220.00
Foot Note: Other advances do not include any amount due from any Directors or other officers of the Company		
	5569438.00	5386117.00

Notes forming part of Financial Statements

		For the year ended 31st March, 2016 Rs.	For the year ended 31st March, 2015 Rs.
Notes - 20			
Revenue from operation			
a. Sale of Products		260304985.00	486029095.00
Less: Excise Duty		30148105.00	57058994.00
		230156880.00	428970101.00
b. Sale of House Plots		0.00	2000000.00
		230156880.00	430970101.00
Notes - 21			
Other Income			
a. Interest		113161.00	250912.00
b. Discounts		2903724.00	2796424.00
c. Profit on Sale of Investments		449179.00	0.00
d. Price Variation		2636355.00	0.00
e. Exchange Fluctuations (Net)		0.00	593611.00
f. Sale of Expired Assets (Plant & Machinery)		85000.00	0.00
g. Job Work Charges		0.00	384979.00
h. Excise Duty Difference in Opening & Closing of Finished Goods		638690.00	0.00
		6826109.00	4025926.00
Notes - 22			
Cost of Material Consumed:			
a. Raw Materials Consumed			
Opening Stock		50597659.00	37932383.00
Add: Purchases		107757700.00	324043760.00
		158355359.00	361976143.00
Less:Closing Stock		27673461.00	50597659.00
		130681898.00	311378484.00
b. Packing Materials Consumed			
Opening Stock		17252955.00	13655070.00
Add: Purchases		9670010.00	20833931.00
		26922965.00	34489001.00
Less: Closing Stock		17015981.00	17252955.00
		9906984.00	17236046.00
		140588882.00	328614530.00
Notes - 23			
Changes in Inventories of Finished Goods			
Opening Stock		60842389.00	43557411.00
Closing Stock		53750899.00	60842389.00
Net (increase) / decrease		7091490.00	(17284978.00)
in Pesticides :	7091490.00		
in House Plots :	0.00		
	7091490.00		
Notes - 24			
Employee Benefits Expense			
a. Salaries and wages			
Factory Salaries & Wages		3350433.00	3582659.00
Office Staff - Salaries		2232995.00	2079093.00
Salaries - Marketing		9137913.00	8801855.00
Office and Marketing Staff TA & DA		3981339.00	4207769.00
		18702680.00	18671376.00

Notes forming part of Financial Statements

	For the year ended 31st March, 2016 Rs.	For the year ended 31st March, 2015 Rs.
b. Directors' Remuneration		
Directors' Remuneration	2700000.00	2400000.00
Bonus	224910.00	199920.00
Directors' TA & DA	546104.00	401681.00
Directors' Sitting Fee	148000.00	146000.00
	3619014.00	3147601.00
c. Contribution to PF and ESI		
Provident Fund	1348193.00	1275658.00
ESI	448457.00	434509.00
Earn Leaves	0.00	250000.00
Staff Welfare	673891.00	937415.00
Bonus	657198.00	625080.00
Gratuity	204130.00	200000.00
	3331869.00	3722662.00
	25653563.00	25541639.00
Notes - 25		
Other Expenses		
Customs Duty	4767987.00	13841877.00
Consumption of Stores & Spares	76584.00	60048.00
Power & Fuel	799285.00	1015625.00
Rent	1107840.00	1132348.00
Factory Maintainance	1067094.00	1064141.00
Insurance - mfg	243279.00	201491.00
Rates & Taxes	78281.00	39672.00
Audit Fee - Statutory Audit & Tax Audit	60000.00	50000.00
Audit Fee - Internal Audit	60000.00	45000.00
Selling & Distribution Expenses	10981414.00	18455959.00
Net Loss on foreign currency transaction & translation	2515321.00	0.00
Freight Charges Inward	1805268.00	2850643.00
Import Clearing Charges	512020.00	1862211.00
Safety Devices	95289.00	155715.00
First Aid & Medical Expenses	13974.00	4026.00
ED, EC & SHEC on difference in Opening & Closing of Finished goods	0.00	442614.00
Loss on Sale of Vehicles	138008.00	0.00
Administration Expenses	4845523.00	4698981.00
Sales Taxes	12517172.00	21671778.00
	41684339.00	67592129.00
Notes - 26		
Exceptional Items		
Bad Debts	0.00	2714994.00
	0.00	2714994.00
Notes - 27		
Financial Cost		
Interest paid to Banks	16169189.00	15149614.00
Other borrowing costs	1008203.00	1250960.00
	17177392.00	16400574.00
Notes - 28		
Extraordinary Items		
Prior Period Adjustments	-70276.00	96093.00
	-70276.00	96093.00

Notes forming part of Financial Statements

Notes - 29

Contingent Liabilities:

Claims against the Company not acknowledged as debt.

The Company has appealed against the decision of CTO for the improper addtion of turnovers for the Financial Years 2010-11, 2011-12 & 2012-13. Appeal filed by the Company was remanded back by the Appellate Authority in favour of the Company and the matter is pending before the regular CTO. The disputed tax in respect of this appeal is Rs.10,21,615/-. Since the management is hopeful to get favourable decision, no provision is made in the books of accounts.

Notes - 30	**For the year ended 31st March, 2016 Rs.**	**For the year ended 31st March, 2015 Rs.**
a. Remuneration - Managing Director	19,49,940	19,49,940
b. Remuneration - Executive Director	9,74,970	6,49,980
	29,24,910	25,99,920

Notes - 31

Auditors Remuneration:

a. Audit Fee (Statutory & Internal)	1,10,000	90,000
b. Tax Audit Fee	10,000	5,000
c. Service Tax	17,400	11,742
	1,37,400	1,06,742

Notes - 32

The Sales Tax Deferment Liability of Rs.1,63,67,506/- relates to the amount accumulated in view of sanction of deferment by the Government of Andhra Pradesh. Out of the total amount, Rs.1,53,63,739/- is shown under unsecured loans (Long Term Borrowings) and current maturity of Rs.10,03,767/- is shown in other Current Liabilities.

Notes - 33

Confirmation of balances of certain parties for amounts due to them / due from them as per the accounts of the Company have not been received. However the values in the book of accounts are final as it is indicated that the balances will be treated as final if balance confirmation is not made before particular date.

Notes - 34

In the opinion of Board of Directors of the Company, current assets, loans and advances and deposits are approximately of the value stated in the accounts, if realized in ordinary course of business, unless otherwise stated. The provisions for all known liabilities are adequate and not in excess of the amounts reasonably necessary.

Notes - 35

Disclosure in respect of principal and interest pertaining to the Micro, Small and Medium Enterprises Dev. Act, 2006 based on available details is as under

Particulars	**Amount in Rs.**
Principal amount due as on 31-03-2016	—
Interest on above and unpaid interest	—
Interest paid	—
Payment made beyond the appointed date	—
Interest due and payable for the period of delay	—
Interest accrued and remaining unpaid at the year end	—
Amount of further interest due and payable in succeeding year	—

Note : There are no oustanding amounts to MS & ME as on 31-03-2016

Notes - 36

The Company has suffered a loss of Rs.25,15,321.00 (net) due to fluctuations in foreign exchange rate and the same is debited to P&L A/c.

Notes - 37

No provision has been made in the books of accounts for the diminution in the market value of quoted shares as it is felt that the diminution is not permanent in nature.

Notes forming part of Financial Statements

Notes - 38

Disclosure pursuant to Accounting Standards 15 (Revised 2005)

Employee Benefits:

A. Defined Contribution Plan:

Contribution to defined contribution plan recognized as expenditure in profit and loss account is as under: The provident fund contributions are remitted to Regional Provident Fund Commissioner, Hyderabad.

B. Defined Benefit Plan:

The Company has Employees Group Gratuity Fund through a policy with LIC and contributes to the fund through annual premium determined based on actuarial valuation using projected unit credit method as on 31-03-2016. The Company has funded current service cost obligation and contribution made are recognized as expenses. The disclosure in respect of funded defined benefit obligation as by Accounting Standard 15 is given below:

		Rs.
i.	**Table showing changes in present value of obligation as on 31-03-2016 :**	
	Present value of obligation as at beginning of the year	1584019.00
	Interest cost	126722.00
	Current service cost	167789.00
	Benefits paid	(154443.00)
	Actuarial (gain) / loss on obligations	150474.00)
	Present value of obligations as at end of year	1874561.00
ii.	**Table showing changes in fair value of plan assets as on 31-03-2016 :**	
	Fair value of plan assets as at beginning of the year	1088950.00
	Expected return on plan assets	85956.00
	Contributions	181042.00
	Benefits paid	(154443.00)
	Actuarial (gain)/ loss on plan assets	NIL
	Fair value of plan assets as at end of year	1201505.00
iii.	**Table showing in fair value of plan assets**	
	Fair value of plan assets as at beginning of the year	1088950.00
	Actual return on plan assets	85956.00
	Contributions	181042.00
	Benefits paid	(154443.00)
	Fair value of plan assets as at end of year	1201505.00
	Funded status	(673056.00)
	Excess of actual over estimated return on plan assets	NIL
	(Actual rate of return = Estimated rate of return as ARD falls on 31st March, 2016)	
iv.	**Actuarial (gain) / loss recognized as on 31-03-2016**	
	Actuarial (gain) / loss on obligations	(150474.00)
	Actuarial (gain) / loss for the year- plan assets	NIL
	Total (gain) / loss for the year	(150474.00)
	Actuarial (gain) / loss recognized in the year	(150747.00)
v.	**a. Financial Assumptions**	
	Discount rate	8.00%
	Salary Escalation	4.00%
	b. Demographic Assumption	
	Retirement age of the employees of the Company is assumed at 58 years.	

Notes forming part of Financial Statements

Notes - 39

Segment Reporting as per Accounting Standard 17:-

The Company has identified Geographical as primary segment. The Company is manufacturing pesticide formulations and operating its activity in Telangana, Andhra Pradesh and few other states in India. The details of Segment Revenue, Expenditure, Assets and Liabilities are as under.

A. Primary Segment Information (Geographical Segment Reporting)

Particulars	For the year 2015-16 (Rs. in Lacs)					For the year 2014-15 (Rs. in Lacs)			
	AP	TS	Maharastra	Others	Total	A.P&TS	Maharastra	Others	Total
Sales	901.49	1196.50	384.99	120.07	2603.05	4181.07	466.38	232.84	4880.29
Segment Expenses	668.66	887.48	285.56	89.06	1930.75	3370.96	376.02	187.73	3934.70
Segment Revenue	232.83	309.02	99.43	31.01	672.30	810.11	90.36	45.11	945.59
Unallocated									
Corporate Expenses					551.56				739.91
					120.74				205.68
Interest expenses					171.77				164.01
Operating profit					-51.03				41.67
Add : Other Income					68.26				40.26
					17.23				81.93
Less : Income Tax					6.29				27.33
Profit from ordinary Activity					10.94				54.60
Priod Period Adjustment					0.70				-0.96
Profit after tax					11.64				53.64
Segment Assets	651.76	1313.55	199.23	298.86	2463.40	2499.91	202.15	332.02	3034.09
Unallocated									
Corporate Assets					492.85				537.03
Total					2956.25				3571.12
Segment Liabilities	5.27	369.16	1.87	0.61	376.91	964.52	1.18	0.86	966.56
Unallocated Corporate Liabilities					2579.34				2604.56
Total					2956.25				3571.12

B. Information about Secondary Segment (Business Segment) :-

The main activity of the Company is to manufacture pesticide formulations and to market in various places in India. It has no reportable secondary segment.

Notes forming part of Financial Statements

Notes - 40

Related party disclosures : The Company has the transactions with the following related parties on account of shareholdings by key management personnel and their relatives .

A. Particulars of Associate Company : Not Applicable.

B. Key Management Personnel :

Name of the Related Party		Nature of Relationship
Dr.P.Sreemannarayana	...	Chaiman
Mr.Y.Nayudamma	...	Managing Director
Mr.P.Anjaneyulu	...	Director
Mr.Y.Janaki Ramaiah	...	Director

C. Details of Transactions relating to persons referred to in Item No. (B) above.

Mr.P.Anjaneyulu, Director - Unsecured Loan	1,00,00,000.00	Nil

D. Details of Remuneration/Sitting Fee paid to persons referred to in Item No.(B) above.

1. Mr.Y.Nayudamma - Remuneration	19,49,940.00	19,49,940.00
2. Mr.Y.Janaki Ramaiah - Remuneration	9,74,970.00	6,49,980.00
3. Dr.P.Sreemannarayana - Sitting Fee	17,500.00	21,000.00
4. Mr.P.Anjaneyulu - Sitting Fee	10,500.00	3,500.00

Notes - 41

The Company follows Accounting Standard (AS22) "Accounting for Taxes on Income" as notified by Companies Accounting Standard Rules, 2006. The Company has deferred tax liability with difference in depreciation in block of fixed assets as per tax books and financial books. The calculations of deferred tax liability is as under.

			2015-16 (In Rs.)
Deferred Tax Liability (opening balance)			51,15,754.00
Add: Deferred Tax Liability for the year :			
Depreciation as per Companies Act	30,64,875.00		
Depreciation as per IT Act.	32,98,241.00	2,33,366.00	
Deferred Tax Liability (Net)			72,110.00
Deferred Tax Liability as on 31-03-2016			51,87,864.00

Notes - 42

Impairment of Fixed Assets:

As stipulated in AS -28, the Company assessed potential generation of economic benefits from the business assets and is of the view that assets employed in continuning business are capable of generating adequate returns over their useful lives in the usual course of business, there is no indication to the contrary and accordingly, the management is of the view that no Impairment provision is called for in the accounts.

Notes forming part of Financial Statements

Notes - 43

Pending Legal Matters:

The Company has filed several cheque bouncing suits against its customers and the matters are pending at various levels in the Hon'ble Courts. No suit against the Company which creates financial commitment to the Company was filed.

Notes - 44

A. Value of Imports calculated on CIF basis by the Company:

		Year ended 31-03-2016 (Rs. in lacs)	Year ended 31-03-2015 (Rs. in lacs)
i.	Raw materials :	440.13	1258.32
ii.	Components and spare parts :	Nil	Nil
iii.	Capital Goods :	Nil	Nil

B. Expenditure in foreign currency during the Financial year on account of royalties, knowhow, professional, consultation and other matters : NIL

C. Total value of imported raw material consumed during the Financial year and the total value of indigenous raw materials and the percentage of each to the total consumption:

I. Raw Material Consumption (Product wise):

	Year ended 31-03-2016 (Rs. in lacs)	Year ended 31-03-2015 (Rs. in lacs)
a. Technicals	1192.30	2872.03
b. Solvents, Emulsifiers & others	114.52	241.75
Total	1306.82	3113.78

II. Raw Material Consumption (Percentage)

	Year ended 31-03-2016			Year ended 31-03-2015		
	Qty. (Kgs)	Rs. in Lacs	Percentage of Consumption	Qty. (Kgs)	Rs. in Lacs	Percentage of Consumption
a Imported	115165	507.99	9.97	290631	1240.78	13.72
b Indigeneous	1040423	798.83	90.03	1828319	1873.00	86.28
Total	1155588	1306.82	100.00	2118950	3113.78	100.00

D. Earnings in foreign exchange : Nil

Notes forming part of Financial Statements

Notes - 45

		31-03-2016	31-03-2015
A.	**Particulars of capacity, Production and sales**		
i.	**Installed Capacity (Ltrs)**	90,00,000.00	90,00,000.00
ii.	**Production (Ltrs)**		
	Pesticides Formulations	10,20,281.00	18,97,766.00

iii. Sales	(Ltrs/Kgs)	Rs. (in Lacs)	(Ltrs/Kgs)	Rs. (in Lacs)
1. Pesticides Formulations	10,53,496.00	2603.05	18,24,665.00	4860.29
2. Real Estate (Sft.)	--	--	1640	20.00
		2603.05		4880.29

B. Details of Opening and Closing Stock:

Finished Goods	**Qty. (Ltrs/Kgs)**	**Rs. (in lacs)**	**Qty (Ltrs/Kgs)**	**Rs. (in lacs)**
Pesticides Formulations				
Opening Stock	2,53,611.000	511.63	1,80,510.000	335.50
Closing Stock	2,20,397.000	440.72	2,53,611.000	511.63
Land				
Opening Stock	48,395.00 (Sft)	96.79	50,035.00 (Sft)	100.07
Closing Stock	48,395.00 (Sft)	96.79	48,395.00 (Sft)	96.79

Notes - 46

Previous year figures have been regrouped / rearranged / reclassified wherever necessary.

Per our Report of even date annexed

For T. Adinarayana & CO.,
Chartered Accountants
Firm Regn. No. 000041S

For and on behalf of the Board of Directors

Y.P. Rao
Proprietor
M.No.25266

P. Ashok Kumar
Company Secretary
M.No : A37314

Y. Janaki Ramaiah
Executive Director & CFO
DIN : 06949910

Y. Nayudamma
Managing Director
DIN : 00377721

Place : Hyderabad
Date : 30th May, 2016

Cash flow statement for the year 2015-16

	2015-16 (Rs. In Lacs)	2014-15 (Rs. In Lacs)
A. Cash flow from operating activities:		
Profit before Tax and Extraordinary item after adjusting depreciation transferred to retained earnings	17.22	57.67
Adjustment for:		
Depreciation	30.64	32.23
Depreciation on expired assets (Tfd to retained earnings)	---	24.27
Interest paid	171.77	151.50
Less : Other Income	(68.26)	(40.26)
Operating Profit before working capital changes	151.37	225.41
Adjustment for:		
Trade and other receivables	266.33	(67.61)
Inventories	302.53	(335.48)
Trade Payables and Other Liabilities & short term provisions	(577.93)	143.85
Cash generated from operations	142.30	(33.83)
Interest paid	(171.77)	(151.50)
Direct Taxes paid & provided	(6.29)	(19.83)
Cash flow before extraordinary items	(35.76)	(205.16)
Decreasing in deferred tax liability	0.72	(7.00)
Extraordinary items (prior period adjustments)	0.70	(0.96)
Net cash flow from operating activities	(34.34)	(213.12)
B. Cash flow from investing activities:		
Purchase of Fixed Assets	(19.50)	(3.62)
Sale of Vehicles	5.50	---
Sale of Investments and other Fixed Assets (Expired)	1.90	---
Add : Other Income	68.26	40.26
Increase in Non-Current deposits	3.35	(4.53)
Net cash used in investing activities	59.51	32.11
C. Cash flow from financing activities:		
Proceeds from issue of share capital (State Subsidy)	---	---
Proceeds from short term borrowings	(57.74)	204.59
Proceeds from long term borrowings	9.86	(25.86)
Net cash used in financing activities	(47.88)	178.73
Net increase in cash and cash equivalents (A+B+C)	(22.71)	(2.28)
Cash and Cash equivalents (Opening Balance)	46.28	36.29
Cash and Cash equivalents (Closing Balance)	23.57	34.01

Cash flow statement for the year 2015-16

	2015-16 (Rs. In Lacs)	2014-15 (Rs. In Lacs)
Cash and cash equivalents as above	23.57	34.01
Balances with banks (In deposit accounts whose maturity period is more than 3 months)	0.00	12.27
Cash & Bank balances (Closing)	23.57	46.28

Notes : 1. The Cash Flow statement has been prepared under Indirect Method as set out in the Accounting Standard -3 on "Cash Flow statements" notified by Companies Accounting Standards Rules, 2006 (as amended).

2. Comparative figures have been regrouped / rearranged / reclassified whereever necessary.

Per our Report of even date annexed.

For M/s T.Adinarayana & Co.,
Chartered Accountants
Firm Regn. No. 000041S

For and on behalf of the Board of Directors

Y. P.Rao	**P. Ashok Kumar**	**Y. Janaki Ramaiah**	**Y. Nayudamma**
Proprietor, M.No.25266	**Company Secretary**	**Executive Director & CFO**	**Managing Director**
	M.No : A37314	**DIN : 06949910**	**DIN : 00377721**

Place : Hyderabad
Date : 30th May, 2016

Phyto Chem (India) Limited

(CIN: L24110TG1989PLC009500)

Survey No.628, Temple Street, Bonthapally - 502 313,
Jinnaram Mandal, Medak District., Telangana State.

Attendance Slip

The Company does not have the practice of providing gifts to Members at the Annual General Meeting

27th Annual General Meeting on September 29, 2016

1. Name & Registered Address of the Sole / first named Shareholder :

2. Name(s) of the Joint Shareholder(s) (if any) :

3. Registered Folio No./ DP ID / Client ID No. :

4. Number of Shares held :

I certify that I am a member / Proxy for the member of the Company. I hereby record my presence at the 27th Annual General Meeting of the Company at Registered Office of the Company at Survey No.628, Temple Street, Bonthapally-502 313, Jinnaram Mandal, Medak District, Telangana on Thursday, 29th September, 2016 at 11.45 A.M.

Member's / Proxy's Name in Block Letters

Member's / Proxy's Signature

SUBJECT : E-VOTING

In terms of the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (hereinafter called "the Rules") and Regulation 44 of the SEBI (LODR) Regulations, 2015, the Company is providing facility to exercise votes on the items of business given in the Notice through electronic voting system, to members holding shares as on 22nd September, 2016 (End of Day) being the cut-off date (i.e. record date for the purpose of Rule 20(3)(vii) of the Rules) fixed for determining voting rights of members, entitled to participate in the e-voting process, through the e-voting platform provided by Central Depository Services Limited (CDSL).

The e-voting particulars are set out below:

EVSN (E-Voting Sequence Number)	USER ID	PASSWORD
160827028	Please refer Notes No.10 d & 10 e of e-voting instructions in the Notice.	

The e-voting period commences from 9:00 a.m. on 26th September, 2016 and ends on 28th September, 2016 by 5:00 p.m. The members of the Company, holding shares either in physical or demat form, as on the cut-off date of 22nd September, 2016, may cast their vote electronically.

For instructions on e-voting, please read the attached Notice of the Annual General Meeting. This communication forms an integral part of the Notice for convening the Annual General Meeting of the Company to be held on 29th September, 2016.

Phyto Chem (India) Limited

(CIN: L24110TG1989PLC009500)

Survey No.628, Temple Street, Bonthapally - 502 313,
Jinnaram Mandal, Medak District., Telangana State.

Proxy Form

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

CIN	L24110TG1989PLC009500
Name of the Company	Phyto Chem (India) Limited
Corporate office	No.8-3-229/23, First Floor, Thaherville, Yousufguda Checkpost, Hyderabad - 500 045, Telangana State.
Registered office	Survey No.628, Temple Street, Bonthapally-502 313, Jinnaram Mandal, Medak District, Telangana State.
Name of the Member(s)	
Registered Address	
Email Id	
Folio No / Client ID	DP ID:

I/ We, being the member(s) of ——————————shares of the above named Company, hereby appoint

1	Name			
	Address		Signature	
	E- Mail ID			
	or failing him			
2	Name			
	Address		Signature	
	E- Mail ID			
	or failing him			
3	Name			
	Address		Signature	
	E- Mail ID			
	or failing him			

As my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 27th Annual General meeting of the Company, to be held on the 29th day of September, 2016 at 11:45 A.M. at the Registered Office of the Company at Survey No.628, Temple Street, Bonthapally-502 313, Jinnaram Mandal, Medak District, Telangana State and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions	For	Against
1. Consider and adopt the Audited Financial Statements, Reports of the Board of Directors and Auditors		
2. Re-appointment of Dr. Venkateswarlu Yadlapalli who retires by rotation		
3. Ratification of the Appointment of Statutory Auditors		
4. Re-appointment of Mr.Y.Nayudamma as Managing Director of the Company		
5. Adoption of New set of Memorandum of Association of the Company		
6. Adoption of New set of Articles of Association of the Company		
7. Increase of Authorised Capital of the Company		
8. Approval of Rights Issue to existing Shareholders		

Affix Revenue Stamp

Signed this ……..day of ..……2016

Signature of Shareholder……

Signature of Proxy holder(s)……....

Laboratory and Factory

Phyto Chem (India) Limited

Range of Products

Manufacturers of Quality Pesticides

Enriching The Nation with Green Fields for Golden Harvest

Printed Matter

If undelivered, Please return to :

Phyto Chem (India) Limited

CIN : L24110TG1989PLC009500

Survey No. 628, Temple Street, Bonthapally - 502 313,
Jinnaram Mandal, Medak District, Telangana State.

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