



Twenty Fifth Annual Report 2013-14



Phyto Chem (India) Limited



Phyto Chem (India) Limited

Factory



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Board of Directors

Dr.P.Sreemannarayana	-	Chairman
Mr.Y.Nayudamma	-	Managing Director
Dr.Y.Venkateswarlu	-	Director
Mr.P.Anjaneyulu	-	Director
Mr.C.N.Chary	-	Director
Mr.T.A.Choudary	-	Director
Mr.N.Sudhakar	-	Director
Mr.M.Balarama Krishnaiah	-	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.

Notice

Notice is hereby given that the Twenty Fifth Annual General Meeting of the Members of M/s Phyto Chem (India) Limited (CIN: L24110TG1989PLC009500) will be held on Monday, the 29th day of September, 2014 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 to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014, 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 Declare Dividend on Equity Shares for the financial year 2013-14.
3. To appoint a Director in place of Dr. Venkateswaralu Yadlapalli (DIN: 00377568), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Anjaneyulu Prathipati (DIN: 00377635), who retires by rotation and being eligible, offers himself for re-appointment.
5. To consider and if thought fit, to pass the following resolution, with or without modification(s), as an Ordinary Resolution;

"RESOLVED THAT pursuant to the provisions of Section 139, 141 and 142 and all other applicable provisions of the Companies Act, 2013, M/s. T. Adinarayana & Co., Chartered Accountants, Hyderabad (Firm Registration No: 000041S) be and are hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this Meeting for a period of three years, subject to ratification by the members at every Annual General Meeting, 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:

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

"RESOLVED THAT pursuant to provisions of Sections 149, 150, 152 and 160 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) **Mr. Narasimha Chary Chakravarthula (DIN: 00625684)**, Independent Director of the Company who under the provisions of the Companies Act, 1956 was liable to retire by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, for a period of three consecutive years from this Annual General Meeting, not liable to retire by rotation."

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

"RESOLVED THAT pursuant to provisions of Sections 149, 150, 152 and 160 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) **Mr. Ankamma Choudary Thotakura (DIN: 00036470)**, Independent Director of the Company who under the provisions of the Companies Act, 1956 was liable to retire by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, for a period of three consecutive years from this Annual General Meeting, not liable to retire by rotation."

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

"RESOLVED THAT pursuant to provisions of Sections 149, 150, 152 and 160 read with Schedule

IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) **Mr. Balarama Krishnaiah Mandava (DIN: 00036506)**, Independent Director of the Company who under the provisions of the Companies Act, 1956 was liable to retire by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, for a period of three consecutive years from this Annual General Meeting, not liable to retire by rotation."

9. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **ordinary resolution**:

"RESOLVED THAT pursuant to provisions of Sections 149, 150, 152 and 160 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) **Mr. Sudhakar Nadendla (DIN: 00426897)**, Independent Director of the Company who under the provisions of the Companies Act, 1956 was liable to retire by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, for a period of three consecutive years from this Annual General Meeting, not liable to retire by rotation."

10. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **ordinary resolution**:

"RESOLVED THAT Pursuant to provisions of Sections 149, 150, 152 and 160 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory

modification(s) or re-enactment thereof for the time being in force) **Mrs. Kavitha Rani Sakhamuri (DIN:06942657)**, who was appointed as an Additional Director pursuant to provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, for a period of three consecutive years from this Annual General Meeting, not liable to retire by rotation."

11. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **ordinary resolution**:

"RESOLVED THAT pursuant to provisions of Sections 149 and 152 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), **Mr. Janaki Ramaiah Yarlagadda (DIN: 06949910)**, who was appointed as an Additional Director pursuant to provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company liable to retire by rotation."

12. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **ordinary resolution**:

"RESOLVED THAT 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,



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approval of the Company be and is hereby accorded to the appointment of **Mr. Janaki Ramaiah Yarlagaadda (DIN: 06949910)**, as Executive Director of the Company for a period of 5 years w.e.f. 29th July, 2014 on the following terms and conditions mentioned below.

- a. Salary: Rs.75,000.00 per month in the scale of Rs.75,000.00 to Rs.1,25,000.00.
- b. Incentive Bonus: Equivalent to one month salary per annum.
- c. P.F. : 12% of the salary as per applicable Rules.
- d. Gratuity: Half month salary per every year of completed service.
- e. Entitled to encashment of Leave at the end of tenure. which will not be included in the computation of the ceiling on perquisites.

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

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

"RESOLVED THAT pursuant to Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to the Board of Directors to borrow moneys in excess of the aggregate of the paid up share capital and free reserves of the Company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained/to be obtained from the Company's bankers or from any person or persons, Firms, Bodies, Corporate or Financial Institutions in the ordinary course of business, shall not be in excess of Rs. 45 Crores (Rupees Forty

Five Crores) over and above the aggregate of the paid up share capital and free reserves of the Company.

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

"RESOLVED THAT pursuant to Section 180(1)(a) and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to authorise the Board to mortgage and /or create charge to the extent of Borrowing limits of the Board of Directors, of all or any of the movable or immovable properties both present and future or the whole or substantially the whole of the undertakings of the Company to or in favour of any Financial Institutions, Banks, NBFCs, (any Person or Persons, Firms, or any other Agencies to secure the term loans and / or other financial assistance that has been or may in future be granted by them to the Company from time to time."

For and on behalf of the Board

Y. Nayudamma
Managing Director

Place: Hyderabad
Date : 29th July, 2014

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 27-09-2014 to 29-09-2014 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the meeting.
3. The Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the meeting is annexed hereto.
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 addresses and their email IDs to their Depository Participants.

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) 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 Dematerialization of the Company's shares on NSDL & CDSL. The ISIN allotted to the Company's Equity shares is **INE 240401013**.

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 for inspection during normal business hours on 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. 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 businesses 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., 29-08-2014.
- c. Mr. P. 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 e-Voting instructions given below:

The E-Voting facility is available at the link :

EVSN (e-Voting Sequence Number)	Commencement of e-Voting	End of e-Voting
140826099	23-09-2014	25-09-2014

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*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)-</p> <p>* 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.</p> <p>* 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.</p>
DOB#	<p>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.</p>
Dividend Bank Details#	<p>Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.-</p> <p>* 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.</p>

- 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 for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
 - xi. Click on the 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. other than 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 xvii of Notes-9 d above to cast vote.
- b. The voting period begins on Tuesday, 23rd September, 2014(9:00 am) and ends on Thursday, 25th September, 2014 (6:00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date (record date) of Friday, 29th August, 2014, 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 Exchanges.



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- 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 10.00 am to 12.00 noon on all working days upto and including the date of the AGM.

Additional information about the Directors being appointed / re-appointed as required under clause 49 of the Listing Agreement

Dr. Venkateswaralu Yadlapalli - Director

Dr. Venkateswarlu Yadlapalli, aged about 68 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. Anjaneyulu Prathipati - Director

Mr. Anjaneyulu Prathipati aged about 62 years, is a Graduate in Telecommunications Engineering. He has rich experience in Real Estate operations. He holds 64,400 equity shares in the Company and he is on the Boards of M/s Rasasri Developers Private Ltd., M/s Rasasri Infrastructures Private Ltd and M/s Prathipati Projects Pvt Ltd.

Mr. Narasimha Chary Chakravarthula - Director.

Mr. Narasimha Chary Chakravarthula aged about 76 years, is a Chemical Engineer. He has worked for more than four decades in several Chemical related institutions. He holds 100 equity shares in the Company. He is Member of Audit Committee and Chairman of Remuneration Committee of our Company.

The Board considers that his continued association would be immense benefit to the Company and it is desirable to continue to avail the service of Mr. Narasimha Chary Chakravarthula as an Independent Director.

Mr. Ankamma Choudary Thotakura - Director.

Mr. Ankamma Choudary Thotakura aged about 68 years, is a B.E. in Electrical Engineering and

also a Post Graduate in Business Management. He has versatile experience of over 30 Years in the fields of Project Management, Finance and he has retired as Chief General Manager from APIDC, Government of A.P. Undertaking. He holds 184 equity shares in the Company. He is Director on the Boards of M/s. Green Way Infratech (India) Pvt Ltd. and M/s. Green Way Solar Pvt. Ltd. He is Member of Audit Committee, Remuneration Committee and Chairman of Investors Grievance & Redressal Committee of our Company.

The Board considers that his continued association would be immense benefit to the Company and it is desirable to continue to avail the service of Mr. Ankamma Choudary Thotakura as an Independent Director.

Mr. Balarama Krishnaiah Mandava - Director.

Mr. Balarama Krishnaiah Mandava, Chartered Accountant, aged about 63 years, worked for more than three decades in M/s. Andhra Pradesh Industrial Development Corporation Limited (APIDC), Government of A.P. Undertaking in different Departments like Finance, Accounts, Project Appraisal, Monitoring, Rehabilitation, etc. After taking voluntary retirement as General Manager (Finance), he worked as Officer on Special Duty in M/s. Share Medical Care, a Society running Hospitals, Medical College and Nursing Colleges. Presently working as Director-Finance in M/s.EBC Bearings (India) Limited, Hyderabad. He also has Directorships in M/s Venture East Trustee Company Pvt Ltd, M/s Ogene Systems India Ltd, M/s BRS Enterprises & Trading Ltd, M/s CTIL Ltd, M/s Indo Metals Press Pvt Ltd, M/s Venkatadri Securities and Trading Pvt Ltd, and M/s Ragam Mines Pvt Ltd. He is also Member of Audit Committee and Remuneration Committee of our Company.

The Board considers that his continued association would be immense benefit to the Company and it is desirable to continue to avail the service of Mr. Balarama Krishnaiah Mandava as an Independent Director.

Mr. Sudhakar Nadendla - Director.

Mr. Sudhakar Nadendla aged about 56 years, is a Post Graduate in Commerce and has over 26 years experience in Accounting and Industrial