



***Twenty Sixth Annual Report
2014-15***



Phyto Chem (India) Limited

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Factory Premises



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Board of Directors

Dr. P. Sreemannarayana	-	Chairman
Mr. Y. Nayudamma	-	Managing Director
Mr. Y. Janaki Ramaiah	-	Executive Director (w.e.f 29-07-2014)
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 (w.e.f 29-07-2014)

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.

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Notice

Notice is hereby given that the **Twenty Sixth Annual General Meeting of the Members of M/s Phyto Chem (India) Limited (CIN: L24110TG1989PLC009500)** will be held on **Thursday, the 24th day of September, 2015 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, 2015, 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. Sreemannarayana Prathipati (DIN: 00377472), who retires by rotation and being eligible, offers himself for re-appointment.
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”.

For and on behalf of the Board

**Y. Nayudamma
Managing Director
DIN : 00377721**

**Place : Hyderabad
Date : 06th August, 2015**

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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 22-09-2015 to 24-09-2015 (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 & 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 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. The details of the unpaid/unclaimed dividend declared for F.Y 2012-13 as on 29th September, 2014 (the date of previous Annual General Meeting) are available on the Company's website www.phytochemindia.com and on the website of Ministry of Corporate Affairs at www.mca.gov.in.

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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 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., 17-09-2015.
- 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
150819036	21-09-2015	23-09-2015

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

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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 S.No. (xvii) of notes 10 e above to cast vote.
- B. The e-voting period begins from 9:00am on Monday, the 21st September, 2015 and closes by 5:00 pm on Wednesday, the 23rd September, 2015. 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, 17th September, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting there after.
- 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.

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- 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 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. Sreemannarayana Prathipati

Dr. Sreemannarayana Prathipati, aged about 67 years, is a Post-Graduate in Medicine, Non-Resident Indian and he has worked for more than 30 years in U.S.A. He has been the Chairman of the Company since 1995.

The Board considers that his association has been of immense benefit to the Company and it is desirable to continue to avail the services of Dr. Sreemannarayana Prathipati as Director.

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.

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

For and on behalf of the Board

Y. Nayudamma
Managing Director
DIN : 00377721

Place: Hyderabad

Date : 06th August, 2015

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Directors' Report

Dear Shareholders,

Your Directors have pleasure to present the 26th Annual Report of the Company together with the Audited Accounts for the financial year ended 31st March, 2015.

1. Financial Results :

The Financial Results for the year ended 31st March, 2015 are summarised as under:

(Rs. in lacs)

	Current Year 2014-15	Previous Year 2013-14
Sales / Income	4920.55	3505.31
Profit before Depreciation and Tax	114.17	128.21
Depreciation	32.23	35.27
Profit before Tax	81.94	92.94
Provision for Tax:		
- Current Tax	26.81	27.74
- Deferred Tax	0.52	3.71
Profit after Tax	54.61	61.49
Prior Period Adjustments	0.96	--
Profit after Prior Period Adjustments	53.65	61.49

2. Performance:

The financial year 2014-15 has been very important year for the Company. Your Company achieved a good turnover of Rs.4920.55 lakhs during the year 2014-15 as against turnover of Rs.3505.31 lakhs during the previous year. The Company could make profit Rs.81.94 lakhs before taxes as against Rs.92.94 lakhs during the previous year. After providing for prior period adjustments and taxes, the Company could make net profit of Rs.53.65 lakhs during 2014-15 as against net profit of Rs.61.49 lakhs during 2013-14. Though the turnovers have increased, the profitability of the Company has come down because of heavy competitive prices for the products and failure of agriculture season in some parts of the Country which resulted in cut down of the prices of the products in the market.

During the year 2014-15, the turnover increased by 40.37% as compared to the turnover of 2013-14. The ratio of Manufacturing Expenses to the Sales during the year 2014-15 is 84.51% as against 77.88% during 2013-14. The ratio of Administrative, Selling and other expenses to the total expenditure is 14.24% during the year 2014-15 as against 17.26% during 2013-14.

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

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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:

The Company has achieved good turnovers during the year 2014-15 compared to previous year and the profits have decreased due to failure of agri season in some parts of country resulting in cut down of prices of the products and heavy competition in the market. Apart from this, finance cost and employee's cost have effected the profits. Though the sales are less in the real estate activity, good profit is recorded.

c. Prospects for the Financial Year 2015-16:

The Company estimates a turnover of Rs.61.07 crores during the current year 2015-16. 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 reaching its target. 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 2014-15 as the Company proposes to plough back its profits for the internal use keeping in view the long term growth of the Company.

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, 2015 was Rs.46.54 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.

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 2014 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.