



Twenty Ninth Annual Report
2017-18



Phyto Chem (India) Limited

Factory Premises



Phyto Chem - Annual Report - 2017-18

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. T. A. Choudary	-	Independent Director
Mr. N. Sudhakar	-	Independent Director
Mr. M. Balarama Krishnaiah	-	Independent Director
Mrs. S. Kavitha Rani	-	Independent Director
Mr. G.S.R. Anjaneyulu	-	Independent Director

Auditors

M/s. R.B.Associates,
Chartered Accountants
Flat No.103B/B1 & 103/B2, 1st Floor
Pancom Business Centre, Ameerpet,
HYDERABAD - 500 073.

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,
Gummadidala Mandal, Sangareddy District,
Telangana State.

Notice

Notice is hereby given that the Twenty Ninth Annual General Meeting of the Members of M/s Phyto Chem (India) Limited (CIN:L24110TG1989PLC009500) will be held on Saturday, the 29th day of September, 2018 at 12:15 P.M. at the Registered Office of the Company at Survey No.628, Temple Street, Bonthapally - 502 313, Gummadidala Mandal, Sangareddy District, Telangana State to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2018, 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 reappointment.
3. To appoint M/s S. T. Mohite & Co, Chartered Accountants (Firm Registration No. 011410S), Hyderabad as Statutory Auditors of the Company in place of Statutory Auditors, M/s. R. B. Associates, Chartered Accountants, (Firm Registration No. 009112S).

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

“RESOLVED THAT pursuant to the provisions of Section 139, 141, 142 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, and as recommended by the Audit Committee, consent of the Members of the Company be and is hereby accorded to the appointment of M/s S. T. Mohite & Co, Chartered Accountants (Firm Registration No. 011410S), Hyderabad, who have offered their eligibility in terms of the provisions of Section 141 of the Companies Act, 2013 and the Rules, as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the Thirty Forth Annual General Meeting at such remuneration plus applicable taxes, out of pocket, travelling expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

“RESOLVED FURTHER THAT pursuant to provisions of Section 140 and all other applicable provisions, if any, of Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and subject to the provision of Articles of Association of the Company, the consent of the Members of the Company be and is hereby accorded to relieve M/s. R. B. Associates, Chartered Accountants, (Firm Registration No. 009112S) from the office of the Statutory Auditors, who have expressed their unwillingness to continue as Statutory Auditors of the Company from the conclusion of 29th Annual General Meeting.”

SPECIAL BUSINESS:

4. Approval of Rights Issue

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

In modification and continuation of the resolution(s) passed in the last two Annual General Meetings held on 29th September, 2016 and 25th September, 2017, it is hereby

“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 45,00,000 (Forty Five 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 under Rights Issue.”

RESOLVED FURTHER THAT Mr.Y.Nayudamma, Managing Director (DIN:00377721) or Mr.Y.Janaki Ramaiah, Executive Director (DIN:06949910) of the Company be and is hereby severally authorized to do such acts and deeds as are necessary for giving effect to the resolution.

For and on behalf of the Board

**Place : Hyderabad
Date : 13th August, 2018**

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

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 27-09-2018 to 29-09-2018 (both days inclusive) for the purpose of the meeting.
3. Members holding shares in physical form are requested to convert their shares to dematerialised form in any designated Depository on or before 04-12-2018 otherwise the Shareholding in physical form shall not be allowed to transfer them beyond such date as per the recent SEBI Circular dt: 08-06-2018. A separate intimation to the all Shareholders is being sent.
As per the SEBI Circular No. SEBI/HO/MIRSD/ DOP1/CIR/P/2018/73 dt: 20-04-2018, the Shareholders whose shares are in physical form are requested to provide PAN and Bank details to the Registrar and Transfer Agent of the Company for the purpose of payment of dividend, interest etc. A separate communication is being sent in this regard.
4. 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.

5. Members are requested to notify any change in their addresses to the Company or Registrar and Transfer Agent immediately. Members holding shares in electronic form are requested to advise change of address, email IDs and Bank details to their Depository Participants.

The Members are aware that the Company's shares are tradeable 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.

6. 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.
7. 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, Gummadidala Mandal, Sangareddy 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.

8. 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.

9. Voting through Electronic means:

- 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.
- 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., 22-09-2018.
- CS Puttaparthi Jagannatham, Corporate Advocate has been appointed as scrutinizer for conducting the e-Voting process in a fair and transparent manner.
- Members are requested to read the 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
180829073	26-09 -2018	28-09-2018

In case of members receiving e-mail:

- Log on to the e-voting website: www.evotingindia.com
- Click on "Shareholders" tab to cast your votes.
- Now, select the "EVSN" along with "PHYTO CHEM (INDIA) LIMITED" from the drop down menu and click on "SUBMIT"
- Now Enter your User ID
 - 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.

- Next enter the Image Verification as displayed and Click on Login.
- 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.
- 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 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 is 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.9.e. above to cast vote.
- B. The e-voting period begins from 9:00 am on Wednesday, the 26th September, 2018 and closes by 5:00 pm on Friday, the 28th September, 2018. 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 Saturday, 22nd September, 2018, 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



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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 Disclosure Requirements) Regulations, 2015.

Item No.1

Dr. Sreemannarayana Prathipati-Director

Dr. Sreemannarayana Prathipati (DIN:00377472), aged about 71 years, is a Post-Graduate in Medicine, Non-Resident Indian and he had worked for more than 30 years in U.S.A. He has been the Chairman of the Company since 1995. He is presently residing in India.

Explanatory Statement

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

Item No.3

The Statutory Auditors, M/s. R. B. Associates, Chartered Accountants, (Firm Registration No. 009112S) the exiting auditors who were appointed on 25-09-2017 to hold office for a period of five years till conclusion of 33rd Annual General Meeting have expressed their unwillingness to continue as Statutory Auditors of the Company from the conclusion of 29th Annual General Meeting. A special notice under the provisions of Section 140(4)(i) read with Section 115 of the Companies Act, 2013 and Rule 23 of the Companies (Management and Administration) Rules, 2014 has been received from a Member proposing the appointment of M/s S. T. Mohite & Co, Chartered Accountants (Firm Registration No. 011410S), Hyderabad as the Statutory Auditors in place of M/s. R. B. Associates, Chartered Accountants (FRN.009112S). A copy of the special notice has been sent to M/s. R.B. Associates.

M/s S. T. Mohite & Co, have confirmed that the appointment, if made, would be acceptable to them and would be in compliance with the statutory requirements under the Companies Act, 2013.

The Audit Committee has recommended to the Board of Directors, the appointment of M/s S. T. Mohite & Co, as the Statutory Auditors as their qualifications and experience have been found to be commensurate with the size and requirements of the Company. The Board of Directors considered the matter and has recommended, to the Members, the appointment of M/s S. T. Mohite & Co, as the Statutory Auditors in place of M/s. R. B. Associates, who have expressed their unwillingness to continue as Statutory Auditors. The Directors recommend the Resolution for the approval of the Members.

None of the Directors, of the Company and their relatives, are in any way, whether financially or otherwise, concerned or interested in this Resolution.

Special Business:

Item No.4

The approval of the shareholders was taken in the last two Annual General Meetings held on 29-09-2016 and 25-09-2017 respectively. As about two years have elapsed since then, it is proposed to seek fresh approval from the Shareholders and hence this resolution. It is proposed to issue upto 45,00,000 (Forty Five Lakhs Only) Equity shares of nominal value of Rs.10.00 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 guidelines.

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

The Board recommends the Ordinary Resolutions set forth in Item No.4 for approval of the shareholders.

For and on behalf of the Board

Y. Nayudamma
Managing Director
DIN : 00377721

Place : Hyderabad

Date : 13th August, 2018

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Directors' Report

Dear Shareholders,

Your Directors have pleasure to present the 29th Annual Report of the Company together with the Audited Accounts for the financial year ended 31st March, 2018 along with Auditors' Report thereon.

1. Financial Results :

The Financial Results for the year ended 31st March, 2018 are summarised as under:

(Rs. in lacs)

	Current Year 2017-18	Previous Year 2016-17
Net Sales	6966.48	5370.15
Other Income	154.62	27.13
Total Income	7121.10	5397.28
Profit before Finance Cost, Depreciation & Amortisation	370.05	314.04
Finance Cost	213.28	166.65
Profit before Depreciation & Amortisation	156.77	147.39
Depreciation & Amortisation	35.93	31.17
Profit/(Loss) Before Tax	120.84	116.22
Taxation: Provision For:		
- Current Tax	41.70	39.34
- Deferred Tax	12.68	7.69
Net Profit/(Loss) for the period	91.82	84.57
EPS (Basis) Rs.	2.14	1.97

2. Indian Accounting Standards:

The Ministry of Corporate Affairs (MCA) on 16th February, 2015, notified that Indian Accounting Standards (Ind AS) are applicable to certain classes of Companies from 1st April, 2016 with a transition date of 1st April, 2015. Ind AS has replaced the previous Indian GAAP prescribed under section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014. Ind AS is applicable to the Company from 1st April, 2016.

The reconciliation and description of the effect of the transition from previous GAAP to Ind AS have been set out in Notes-25 in the notes to accounts in the Standalone Financial Statements.

3. Performance:

The Financial Year 2017-18 was very significant to the Company, your Company has registered a good turnover of Rs. 7121.10 lakhs during the year 2017-18 as against the turnover of Rs. 5397.28 lakhs during the previous year. The Company could make profit Rs. 120.84 lakhs during the financial year 2017-18 before taxes as against Rs.116.22 lakhs during the previous year. After providing for prior period adjustments and taxes, the Company could make net profit of Rs. 91.82 lakhs during the financial year 2017-18 as against net profit of Rs. 84.57 lakhs during the financial year 2016-17. The profitability of the Company is good in the light of increased turnover and established market network in many parts of Telangana, Andhra Pradesh, Maharashtra and Karnataka States in the Country.

During the year 2017-18, the turnover increased by 31.94 % as compared to the turnover of 2016-17. The ratio of manufacturing expenses to the Sales during the year 2017-18 is 85.53% as against 80.21% during 2016-17. The ratio of Administrative, Selling and other expenses to the total expenditure is 10.37% during the year 2017-18 as against 14.79% during 2016-17.



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4. 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 pesticides formulations and has established its marketing network in the states of Telangana, Andhra Pradesh, Maharashtra and Karnataka. The products are marketed with its own brands through dealers & distributors network. The Company is continuing Real Estate activity in a small way in Bengaluru for the last few years.

b. Performance of the Company :

The Company has achieved a good turnover of Rs. 7121.10 lakhs during the year 2017-18 as against turnover of Rs. 5397.28 lakhs during the previous year, it is a result of strategic business restructuring of the Company to fulfill the market requirement. The Company has taken steps such as establishing new sales divisions and continuous introduction of new products in accordance with current needs of the farmers.

c. Prospects for the Financial Year 2018-19 :

The Company estimates a turnover of Rs. 75.19 crores during the current year 2018-19. 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 during the financial year 2018-19.

5. Dividend:

In order to conserve its financial resources to meet its growth plan, your Board could not recommend any dividend for the year under review.

6. Change in the nature of Business :

During the year under review, there has been no change in the nature of business of the Company.

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

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

8. Finance:

Cash and cash equivalents as at 31st March, 2018 was Rs.16.38 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.

9. 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 2017 to till the date of this report.

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10. 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.

11. Share Capital:

The authorised share capital of the Company is Rs.13,50,00,000, divided into 1,35,00,000 equity shares of Rs.10/- each. The paid up share capital is Rs. 4,30,02,000, divided into 43,00,200 equity shares of Rs.10/- each. There were no other changes that have been made in the share capital of the Company during the year under review. Details of Share Capital are mentioned at Notes-9 of the Financial Statements.

12. Reserves:

The Reserves in Profit & Loss account as per last Balance Sheet is Rs.3,60,10,836 and the Company transferred the profits of Rs.91,52,866.93 for the financial year 2017-18 to Reserves & Surplus account. The balance in reserves and surplus available at the end of the year, 2017-18 is Rs. 4,51,63,702.93. Further details of Reserves & Surplus are mentioned at Notes-10 of the Financial Statements.

13. 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, 2018.

14. Corporate Social Responsibility (CSR) :

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

15. Deposits :

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

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

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

17. 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.

18. Secretarial Auditors and 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 is annexed as Annexure-II.

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

19. Particulars of Contracts or Arrangements with Related Parties 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 has taken an Unsecured Loan amount of Rs. 2,50,55,359.00 (Rupees Two Crores Fifty Lakhs Fifty Five Thousands Three Hundred and Fifty Nine Only) from Mr Y.Nayudamma, Managing Director of the Company and Rs. 55,73,202.00 (Rupees Fifty Five Lakhs Seventy Three Thousands Two Hundred and two Only) from Mr Y.Janaki Ramaiah, Executive Director of the Company on an arm's length basis. Disclosures as required under form AOC-2 are annexed as Annexure – III and also contained in Notes-16 to Financial Statements and the Company has not entered into any other related party transactions. The Loans provided by the Directors with their own resources.

20. 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 under to the Sexual Harassment of Women at workplace (Prevention, Prohibition & Redressal) Act, 2013:

21. 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 25-09-2017 for a period of three years effective from the meeting date.

- | | |
|--------------------------------|-----------------|
| i. Mr.T.A. Choudary | - DIN: 00036470 |
| ii. Mr.N. Sudhakar | - DIN: 00426897 |
| iii. Mr.M. Balarama Krishnaiah | - DIN: 00036506 |
| iv. Mrs.S. Kavitha Rani | - DIN: 06942657 |
| v. Dr.G.S.R. Anjaneyulu | - DIN: 01874325 |

In accordance with the provisions of Section 152 of the Companies Act, 2013, Dr.Sreemannarayana Prathipati (DIN:00377472) 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.

Pursuant to the provisions of Section 203 of the Companies Act, 2013, Mr.Pawan Kumar Tiwary (ACS No. 52934) an Associate Member of the Institute of Company Secretaries of India, was appointed as Company Secretary of the Company during the year.

22. 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.

23. 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 has been explained in the Corporate Governance Report.

24. Number of Meetings of the Board :

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

25. Audit Committee :

Five 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.

26. 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. The 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.

27. Stakeholders Relationship Committee:

The Committee focuses on shareholders' grievances and strengthening of investor relations. The Committee looks after the services of the Registrars and Share Transfer Agents and recommends measures for providing efficient services to investors. The Committee specifically looks into investor complaints like transfer/transmission/transposition of shares and other related issues. There were no complaints pending for redressal as at 31st March, 2018. The details pertaining to composition of Stakeholders Relationship Committee is given in the Corporate Governance Report.

28. 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, 2018, the applicable accounting standards have been followed including Ind AS Accounting Standards as notified by the Ministry of Corporate Affairs (MCA) on 16th February, 2015.
- b. The Directors have selected such accounting policies and applied them consistently and made Judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2018 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, 2018 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.

29. CEO and CFO Certification :

In accordance with the Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Managing Director (C.E.O.) and Chief Financial Officer of the Company have submitted a certificate for the year ended 31st March, 2018 to the Board of Directors which forms part of the Annual Report.

30. Auditors & Observations :

M/s. R. B. Associates, Chartered Accountants, Hyderabad (FRN: 009112S) have expressed their unwillingness to continue as Statutory Auditors of the Company from 2018-19 to 2021-22. Hence M/s S.T.Mohite & Co., Chartered Accountants, Hyderabad (FRN: 011410S) are proposed to be appointed as the statutory auditors of the Company at the ensuing Annual General Meeting (AGM) for a period of five years from the conclusion of 29th Annual General Meeting till the Conclusion of 34th Annual General Meeting of the Company. It is further informed to the members that they have given their willingness to accept the appointment and intimated that they are not disqualified for appointment as per Section 139 of the Companies Act, 2013.

The Auditors' Report for the year ended 31st March, 2018 does not contain any qualification, reservation or adverse remarks on the accounts and related matters of the Company.

31. Internal Auditor :

M/s T. Adinarayana & Co., Chartered Accountants (FRN: 000041S), Hyderabad are the Internal Auditors for the year 2017-18. They have submitted quarterly reports for the financial year 2017-18 to the Board and there are no material adverse comments.

32. Cost Accountant for Cost Accounting Records :

Pursuant to the provisions of Section 148 of the Companies Act, 2013, as amended by the Companies Amendment Act, 2017 read with Rule 6 of Companies (Cost Records and Audit) Rules, 2014, the Company has to maintain Cost Accounting Records for the financial year 2017-18. M/s Sreshti & Associates, Cost Accountants (FRN - 100644) are appointed on the recommendation of the Audit Committee to review and certify that Cost accounting records of the Company for the financial year 2017-18.

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

The Nomination and Remuneration Committee has laid down the policy for Remuneration of Directors, KMP & other Employees and the criteria has been formulated by the Committee for determining Qualifications, Positive Attributes and 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.

34. Depository System :

As the Members are aware, your Company's shares are tradeable 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 Dematerialisation 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 dematerialisation of their shares on or before 04-12-2018 as per SEBI Circular dated 08-06-2018.

35. 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.

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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.

36. 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	12.90
Mr.Y.Janaki Ramaiah	9.23

ii. Non-Executive Directors :

Name of the Director	Ratio
Dr.P.Sreemannarayana	0.14
Dr.Y.Venkateswarlu (Mr K.Srinivasa Rao - Alternate Director)	0.09
Mr.P.Anjaneyulu	0.09
Mr.T.A.Choudary	0.24
Mr.N.Sudhakar	0.36
Mr.M.Balarama Krishnaiah	0.16
Mrs.S.Kavitha Rani	0.21
Mr G.S.R. Anjaneyulu	0.11

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 increase in remuneration of Executive Director which is 43.08% in comparison to previous financial year and no increase in remuneration of other Director, Chief Executive Officer, Chief Financial Officer and Company Secretary of the Company.

c. Percentage increase in the median remuneration of employees in the financial year : 19.83%

d. The number of permanent employees on the rolls of Company: 92

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

The increase in remuneration is in line with market trends. In order to ensure that the remuneration reflects Company's performance, the performance pay is linked to organizational performance. 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 31-03-2018 (Rs. in Lakhs)	As at 31-03-2017 (Rs. in Lakhs)
Closing rate of share at BSE (Rs.)	59.20	52.60
EPS (Rs.)	2.14	1.97
Market Capitalization (Rs in Lakhs)	2545.72	2261.90

- 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, 2018, the Market quotation for the Company's Equity shares at BSE Limited is Rs.59.20.

- 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 has been increase of 43.08% (Rs.4.20 Lakhs) increase in the managerial remuneration of Executive Director and 19.83 % of increase in the salaries to employees of the Company.

- 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 - Managing Director	19.50	7121.10	0.27
Mr. Y. Janaki Ramaiah - Executive Director	13.95	7121.10	0.20
Mr. Pawan Kumar Tiwary - Company Secretary *	0.55	7121.10	0.008

* Mr. Pawan Kumar Tiwary has joined as Company Secretary in the Company on 12-02-2018.

- 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.

37. 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.

38. Management Discussion and Analysis Report:

Management Discussion and Analysis Report, pursuant to Regulation 34 (2) of SEBI (LODR) Regulations, 2015 a Report on Management Discussion and Analysis is annexed hereto as Annexure - IV.

39. 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-V to this Report.

40. 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 the compliance with the Code.

41. 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.

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

Place : Hyderabad
Date : 13th August, 2018

Y. Nayudamma
Managing Director
DIN : 00377721



Phyto Chem (India) Limited

Annexure-I

Phyto Chem (India) Limited

EXTRACT OF ANNUAL RETURN

Form No.MGT - 9

as on the financial year ended on 31st March, 2018

(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 | Company Limited by shares /
Indian Non-Government Company |
| v. Address of the Registered office and
contact details | Survey No.628, Temple Street,
Bonthapally - 502 313, Gummadidala Mandal,
Sangareddy 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: bsshyd1@bigshareonline.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

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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, 2017)				No. of Shares held at the end of the Year (As on 31st March, 2018)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1. Indian	-	-	-	-	-	-	-	-	-
a. Individual / HUF	1626916	9682	1636598	38.06	1659416	9682	1669098	38.81	0.75
b. Central Govt.	-	-	-	-	-	-	-	-	-
c. State Govt.	-	-	-	-	-	-	-	-	-
d. Bodies Corp.	-	-	-	-	-	-	-	-	-
e. Banks / FI.s	-	-	-	-	-	-	-	-	-
f. Any other	-	-	-	-	-	-	-	-	-
Sub Total = A - 1	1626916	9682	1636598	38.06	1659416	9682	1669098	38.81	0.75
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	1626916	9682	1636598	38.06	1659416	9682	1669098	38.81	0.75
B. Public Shareholding									
1. Institutions	-	-	-	-	-	-	-	-	-
a. Mutual Funds	-	8500	8500	0.20	-	8500	8500	0.20	-
b. Banks / FI.s	-	-	-	-	-	-	-	-	-
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.	290019	9700	299719	6.98	261919	9700	271619	6.32	(0.67)
i. Indian	-	-	-	-	-	-	-	-	-
ii. Overseas	-	-	-	-	-	-	-	-	-
b. Individuals	-	-	-	-	-	-	-	-	-
i. Individual as Shareholders holding nominal share capital upto Rs.2.00 Lakhs	1013408	816934	1830342	42.56	1100286	773934	1874220	43.58	1.02
ii. Individual as Shareholders holding nominal share capital in excess of Rs.2.00 Lakhs	213606	210600	424206	9.86	276872	0	276872	6.44	(3.42)
c. Others	-	-	-	-	-	-	-	-	-
d. Non Resident Indians	9356	81500	90856	2.11	114309	66400	180709	4.20	2.09
e. Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
f. Foreign Nationals	-	-	-	-	-	-	-	-	-
g. Clearing Members	9979	-	9979	0.23	19182	0	19182	0.45	0.22
h. Trusts	-	-	-	-	-	-	-	-	-
i. Foreign Bodies	-	-	-	-	-	-	-	-	-
Sub Total = B - 2	1536368	1118734	2655102	61.74	1772568	850034	2622602	60.99	(0.75)
Total Public Shareholding = B - 1 + 2	1536368	1127234	2663602	61.94	1772568	858534	2631102	61.18	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total = (A+B+C)	3163284	1136916	4300200	100	3431984	868216	4300200	100	-

4. ii. Shareholding of Promoters:

S. No.	Shareholder's Name	Shareholding at the beginning of the year as on 01-04-2017			Shareholding at the end of the year as on 31-03-2018			% 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	Mr.Y.Sreemannarayana	-	-	-	32600	0.76	-	0.76
17	Mrs.M. Sreelakshmi Bhavani	32500	0.76	-	32500	0.76	-	-
18	Mrs.P. Umadevi	31000	0.72	-	31000	0.72	-	-
19	Mrs.Y. Nirmala Devi	30000	0.70	-	30000	0.70	-	-
20	Mr.K.R.Choudary	26300	0.61	-	26300	0.61	-	-
21	Mr.K.Srinivasa Rao	20000	0.47	-	20000	0.47	-	-
22	Mrs.K. Lakshmi Devi	18300	0.43	-	18300	0.43	-	-
23	Mr.Y. Anil Choudary	17600	0.41	-	17600	0.41	-	-
24	Mr.Y. Venkateswarlu	14400	0.33	-	14400	0.33	-	-
25	Mrs.R.Jyotsna	12500	0.29	-	12500	0.29	-	-
26	Mrs.K.Ramasasi	12000	0.28	-	12000	0.28	-	-
27	Mr.K.Koteswara Rao	8300	0.19	-	8300	0.19	-	-
28	Mrs.R.Vijaya Sasi	8176	0.19	-	8176	0.19	-	-
29	Mr.T.Venkateswarlu	8000	0.19	-	8000	0.19	-	-
30	Mr.P.Nageswara Rao	2500	0.06	-	2500	0.06	-	-
31	Mr.K.Srinivasu	1000	0.02	-	1000	0.02	-	-
32	Mr.U.Venkateswara Rao	900	0.02	-	900	0.02	-	-
33	Mr.B.Srinivasa Rao	182	0.004	-	182	0.004	-	-
34	Mr.N.Sudhakar	100	0.002	-	100	0.002	-	-
35	Mr.C.N.Chary	100	0.002	-	100	0.002	-	-
36	Mr.Y.Venkateswara Rao	100	0.002	-	100	0.002	-	-
37	Mr.T.Ankamma Choudary	184	0.004	-	84	0.002	-	0.002
	TOTAL	1636598	38.06		1669098	38.81	-	-

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

S.No.		Shareholding at the beginning of the year as on 01-04-2017		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	1636598	38.06	1636598	38.06
2	Promoters: a. Increase by transfer b. Decrease by transfer	32600 (100)	0.76 (0.002)	1669198 1669098	38.82 38.81
3	At the end of the year - 31-03-2018	1669098	38.81	1669098	38.81

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 01-04-2017		Shareholding at the end of the year 31-03-2018	
		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	Mrs Kunam Jhansi Lakshmi	159600	3.71	103098	2.40
3	Mr Anitha Gupta	24506	0.57	87015	2.02
4	Mr K.Rajesh Choudary	69411	1.61	69411	1.61
5	Mrs P. Himabindu	38021	0.88	38021	0.88
6	Mr Kashyap Mukeshabhai Prajapati	29544	0.69	29693	0.69
7	Mr Rasilaben Deepkbhai Gaudani	29626	0.69	29626	0.69
8	Mr.Bhaskar R.Ravi	24000	0.56	24000	0.56
9	Mr Jigarkumar Subhaschandra Shah	22498	0.52	23106	0.54
10	Mr Chilakapti Kodanda Rama Prasad	-	-	15100	0.35

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 01-04-2017		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. Date wise 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. Date wise Increase/Decrease	-	-	-	-
	c. At the End of the year	338306	7.87	338306	7.87
3	Mr. Y. Janaki Ramaiah				
	a. At the beginning of the year	97372	2.26	97372	2.26
	b. Date wise Increase/Decrease	-	-	-	-
	c. At the end of the year	97372	2.26	97372	2.26
4	Mr. P. Anjaneyulu				
	a. At the beginning of the year	64400	1.50	64400	1.50
	b. Date wise Increase/Decrease	-	-	-	-
	c. At the end of the year	64400	1.50	64400	1.50
5	Dr. Y. Venkateswarlu				
	a. At the beginning of the year	95000	2.21	95000	2.21
	b. Date wise Increase/Decrease	-	-	-	-
	c. At the end of the year	95000	2.21	95000	2.21
6	Mr. T.A. Choudary				
	a. At the beginning of the year	184	0.004	184	0.004
	b. Date wise Increase/Decrease	100	0.002	84	0.002
	c. At the end of the year	84	0.002	84	0.002
7	Mr. N. Sudhakar				
	a. At the beginning of the year	100	0.002	100	0.002
	b. Date wise Increase/Decrease	-	-	-	-
	c. At the end of the year	100	0.002	100	0.002
8	Mr. M. Balarama Krishnaiah				
	a. At the beginning of the year	-	-	-	-
	b. Date wise Increase/Decrease	-	-	-	-
	c. At the end of the year	-	-	-	-
9	Mrs. S. Kavitha Rani				
	a. At the beginning of the year	-	-	-	-
	b. Date wise Increase/Decrease	-	-	-	-
	c. At the end of the year	-	-	-	-
10	Mr. G.S.R Anjaneyulu				
	a. At the beginning of the year	-	-	-	-
	b. Date wise Increase/Decrease	-	-	-	-
	c. At the end of the year	-	-	-	-
11	Mr. Pawan Kumar Tiwary				
	a. At the beginning of the year	-	-	-	-
	b. Date wise Increase/Decrease	-	-	-	-
	c. At the end of the year	-	-	-	-

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5. INDEBTEDNESS:

(in Rs.)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (01-04-2017)				
i. Principal Amount	160035527	10000000	-	170035527
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	160035527	10000000	-	170035527
Change in Indebtedness during the financial year - 2017-18				
* Addition	11940550	30628561	-	42569111
* Reduction	-	-10000000	-	-10000000
Net Change	11940550	20628561		32569111
Indebtedness at the end of the financial year (31-03-2018)				
i. Principal Amount	171976077	30628561	-	202604638
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	171976077	30628561	-	202604638

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/WT/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	13,94,970	33,44,910
	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	13,94,970	33,44,910
	Ceiling as per the Act	Rs. 30,00,000 p.a.	Rs. 30,00,000 p.a.	-

6. B. Remuneration to other Directors :

in.Rs.

S.No	Particulars of Remuneration	Name of Directors						
		N.Sudhakar	T.A. Choudary	M.Balarama Krishnaiah	S.Kavitha Rani	G.S.R.Anjaneyulu	Total Amount	
1	Independent Directors							
	a. Fee for attending Board, Committee meetings	54,000	37,000	24,500	31,500	16,500	1,63,500	
	b. Commission	-	-	-	-	-		
	c. Others, please specify	-	-	-	-	-		
	Total -1	54,000	37,000	24,500	31,500	16,500	1,63,500	
	Particulars of Remuneration	Name of Directors						
2	Other Non-Executive Directors	P. Sreemannarayana	P. Anjaneyulu	Y. Venkateswarlu				
	a. Fee for attending Board, Committee meetings	21,000	14,000	14,000	-	-	49,000	
	b. Commission	-	-	-	-	-		
	c. Others, please specify	-	-	-	-	-		
	Total -2	21,000	14,000	14,000	-	-		
	Total -B =1+2	75,000	51,000	38,500	31,500	16,500	2,12,500	
	Overall Ceiling as per the Act	Not exceeding Rs.1.00 lakh each meeting per member						
	Total Managerial Remuneration = A+B							35,57,410

6. C. Remuneration to Key Managerial Personnel otherthan 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	-	-	55,714	55,714
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	-	-	55,714	55,714

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 and Remuneration Particulars of Mr. Y.Janaki Ramaiah, Executive Director as well as CFO are also given in Table 6.A. above.

** Mr. Pawan Kumar Tiwary was appointed as Company Secretary of the Company on 12-02-2018 and his remuneration is given above. However Mr. Mohammad Firoj was the Company Secretary of the Company till 13-12-2017 and remuneration paid to him is Rs.2,84,096.00 during the year under review.

7. Penalties / Punishments / Compounding of Offences: None

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Secretarial Audit Report

Annexure - II

Form No. MR-3

for the Financial Year ended on 31st March, 2018

[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,

Gumadidala Mandal, Sangareddy District,

Telangana State.

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, 2018 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 Phyto Chem (India)Limited ("the company") for the financial year ended on 31st March, 2018 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, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulation, 2014;
 - 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;
 - i. The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015
- VI. and other applicable laws applicable to the company
 - i. Insecticides Act, 1968
 - ii. Legal Metrology Act, 2009
 - iii. The Petroleum Rules 2002



Phyto Chem (India) Limited

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)

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 MGT-14 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 Puttaparthi Jagannatham & Co.

Place: Hyderabad

Date: 13-08-2018

**Navajyoth Puttaparthi
Partner**

ACS No: 28843; C P No.: 16041

Note: This report is to be read with our letter of even date which is annexed as "Annexure" 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,
Gummadidala Mandal, Sangareddy 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 Puttaparthi Jagannatham & Co.

Place: Hyderabad
Date: 13-08-2018

Navajyoth Puttaparthi
Partner
ACS No: 28843; C P No.: 16041



Phyto Chem (India) Limited

Annexure – III

FORM NO. AOC – 2

[Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8 (2) of the Companies (Accounts) Rules, 2014]

Form for Disclosure of particulars of Contracts / Arrangements entered into by the Company with the related parties referred to in Section 188 of the Companies Act, 2013.

1. Details of contracts or arrangements or transactions not at arm's length basis: Nil
2. Details of material contracts or arrangements or transactions at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ Transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Dates of approval by the Board, if any	Amount in Rs.
Mr. Y. Nayudamma Managing Director	Unsecured Loan	3 years	Repayable with interest	30-05-2016	2,50,55,359.00
	Remuneration & Perquisites	-	-	-	19,49,940.00
Mr. Y. Janaki Ramaiah Executive Director	Unsecured Loan	3 years	Repayable with interest	30-05-2016	55,73,202.00
	Remuneration & Perquisites	-	-	-	13,94,970.00
M/s. Rasasri Infrastructures Pvt Ltd.,	Purchase of Office Premises	10 years	Premises purchased at market value which is at arms length basis	11-02-2017	1,12,81,500.00

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 are vital in the Agriculture sector and has been contributing to the growth of the Agriculture Sector over several years. The Manufacturing facilities in the Company for pesticides formulations has helped the Company in producing good quality products and achieving good turnovers even during the testing Agri conditions. The Real Estate activity across the Country is improving steadily.

The SWOT Analysis is as follows :

1. Strengths:

- The Company is a Brand known for quality, customized marketing approach, Encouraging Government policies and development of irrigation facilities in the country.
- Positive growth in Real Estate and Infrastructure sectors.

2. Weakness:

- Vagaries in Rainfall & un-favorable climatic conditions and severe competition from the big players.
- Inflation related Economy and oscillations in demand for Real Estate related projects.

3. Opportunities:

- Supportive policies of the Government in Agriculture Sector and increased product range.
- Government policies and enhanced purchasing power is auguring well for good demand in the Real Estate.

4. Threats:

- Heavy competition.Change in Government policies and Bank interest rates.
- Inflation and interest rates have bearing on the demand for Real Estate activities. Price wars triggered by big players and other competitors in the market.

5. Financial Analysis:

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

6. Future Outlook:

The Company tries to continue its focus on product and its quality development and also to penetrate into key markets.

- Company exploring new opportunities for diversification into new business areas.

7. 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 T.Adinarayana & Co., Chartered Accountants as Internal Auditors of the Company to conduct internal audit on the Accounts and procedural Compliances.

8. Human Resources:

The Company has able and experienced staff and dedicated executives. The human relations with the staff continue to be good. In house training is given to the employees to motivate and contribute to the enhanced productivity. The human resources are considered invaluable resources of the Company.

9. 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, uncertainties, 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 : 13th August, 2018

Annexure – V

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, 2018.

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.1625.24 lakhs (USD 25.28 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

Place : Hyderabad

Date : 13th August, 2018

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

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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. Six Board Meetings were held during the period from April, 2017 to March, 2018 on the following dates:

30th May, 2017, 04th August, 2017, 26th August, 2017, 25th September, 2017, 13th December, 2017 and 12th February, 2018.

The Attendance of the Directors at Meetings and 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	6	Yes	2
2.	Mr. Y. Nayudamma	M.D	E&NI	6	Yes	4
3.	Mr. Y. Janaki Ramaiah	E.D	E&NI	6	Yes	1
4.	Dr. Y. Venkateswarlu	Director	NE&NI	4	Yes	-
5.	Mr. P. Anjaneyulu	Director	NE&NI	4	No	3
6.	Mr. T.A. Choudary	Director	NE & I	6	Yes	4
7.	Mr. N. Sudhakar	Director	NE & I	6	Yes	-
8.	Mr. M. Balarama Krishnaiah	Director	NE & I	4	No	6
9.	Mrs. S. Kavitha Rani	Director	NE & I	6	Yes	-
10.	Mr. G.S.R. Anjaneyulu	Director	NE & I	3	Yes	1

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, 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, 2018.

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 Five meetings during the year 2017-18 i.e on 30th May, 2017, 04th August, 2017, 06th November, 2017, 13th December, 2017 and 12th February, 2018 and the attendance at the meetings was as under :

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

The Audit Committee discussed 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 Remuneration Committee was reconstituted in the Board of Directors meeting held on 26-08-2017 and the Committee held three meetings during the year 2017-18 i.e., 30-05-2017, 04-08-2017 and 26-08-2017 with the following members.

Sl.No	Name of he Member	Attendance	Category
1.	Mr.T.A.Choudary	3	Chairman
2.	Mr.M.Balarama Krishnaiah	3	Member
3.	Mr.N.Sudhakar	3	Member
4.	Mr.S.Kavitha Rani	-	Member
5.	Mr.G.S.R. Anjaneyulu	-	Member

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 functions 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.

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

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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 Shareholders' 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	21000.00	—	—	—	21000.00
2.	Mr. Y. Nayudamma	Relative	—	—	1949940.00	—	1949940.00
3.	Mr.Y.Janaki Ramaiah	Relative	—	—	1394970.00	—	1394970.00
4.	Dr. Y. Venkateswarlu	Relative	14000.00	—	—	—	14000.00
5.	Mr. P. Anjaneyulu	Relative	14000.00	—	—	—	14000.00
6.	Mr. T.A. Choudary	—	37000.00	—	—	—	37000.00
7.	Mr. N. Sudhakar	—	54000.00	—	—	—	54000.00
8.	Mr. M. Balarama Krishnaiah	—	24500.00	—	—	—	24500.00
9.	Mrs. S.Kavitha Rani	—	31500.00	—	—	—	31500.00
10.	Dr. G.S.R.Anjaneyulu	—	16500.00	—	—	—	16500.00

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

6. Performance Evaluation Committee :-

The Performance Evaluation Committee was reconstituted in the Board of Directors meeting held on 26-08-2017 with the following members and the committee met once on 12-02-2018 during the year 2017-18. The attendance record of the members at the meeting were as follows:

Sl.No.	Name of the Member	Attendance	Designation
1.	Mr.M.Balarama Krishnaiah	-	Chairman
2.	Mr. N. Sudhakar	1	Member
3.	Mr. T. A. Choudary	1	Member
4.	Mrs. Kavitha Rani	1	Member
5.	Dr. G.S.R.Anjaneyulu	1	Member

7. Risk Management Committee :-

The Risk Management Committee was reconstituted in the Board of Directors meeting held on 26-08-2017 with the following members and the committee met once on 12-02-2018 during the year 2017-18. The attendance record of the members at the meeting were as follows:

Sl.No.	Name of the Member	Designation	Attendance
1.	Mr. Y. Nayudamma	Chairman	1
2.	Mr. N. Sudhakar	Member	1
3.	Mr. T.A.Choudary	Member	1
4.	Mr. M. Balaramakrishnaiah	Member	-
5.	Mrs S.Kavitha Rani	Member	1
6.	Dr G.S.R.Anjaneyulu	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 comprises of :

- Oversight of risk management performed by the Executive Management;
- Reviewing the Business Risk and Management Policy and framework in line with local legal requirements and SEBI guidelines;
- Reviewing risks and evaluate treatment including initiating mitigation actions and ownership as per a predefined cycle;
- 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, Independent Directors Committee was reconstituted in the Board of Directors meeting held on 26-08-2017 and the Committee comprises of Mrs S.Kavitha Rani as Chairperson, Mr T.A.Choudary, Mr. Balarama Krishnaiah, Mr N.Sudhakar and Dr G.S.R.Anjaneyulu as its members. The members met once on 12-02-2018 inter alia, to discuss the following items of business:

- Evaluation of the performance of the Non - Independent Directors and the Board of Directors as a whole.
- Evaluation of the performance of the Chairman of the Company taking into account the views of the Executive and Non Executive Directors;
- 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 M. Balarama Krishnaiah, all other Independent Directors were present in the meeting.

9. a. Stakeholders Relationship Committee :-

The Stakeholders Relationship Committee was reconstituted in the Board of Directors meeting held on 26-08-2017 and the Committee comprises of Mr G.S.R .Anjaneyulu as Chairman, Mr. T.A. Choudary, Mr. N. Sudhakar, Mr M. Balarama Krishnaiah, Mrs S.Kavitha Rani and Mr.Y.Nayudamma as its Members. The Committee met once on 30-05-2017 during the year 2017-18.

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	1	1	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	1	1	0
6.	Non - receipt of Dividend Warrant	0	0	0
7.	Other Letters	18	18	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, Mr.Y.Janaki Ramaiah, CFO as Convenor and Mr. Pawan Kumar Tiwary as Compliance Officer.

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, Gummadidala Mandal, Sangareddy District, Telangana State.

- i 24th September, 2015 at 11:45 A.M
- ii 29th September, 2016 at 11:45 A.M
- iii 25th September, 2017 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 2018, 79.81% of Equity Shares have been dematerialised and 20.19% of 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 fines 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.

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



Phyto Chem (India) Limited

13. Means of Communication:-

- 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.
- Website : www.phytochemindia.com
- Email Id : investorsrelations@phytochemindia.com

14. General information for members :-

a. Twenty Ninth Annual General Meeting :

Date, Time & Venue : Saturday, the 29th day of September, 2018 at 12:15 P.M

M/s Phyto Chem (India) Limited, Regd. Office : Survey No.628, Temple Street, Bonthapally - 502 313, Gummadidala Mandal, Sangareddy District, Telangana State.

b. Financial Calendar:

Results	For 2017-18 were announced on	For 2018-19 will be announced by
First Quarter	04th August, 2017	14th August, 2018
Second Quarter/Half year	13th December, 2017	14th November, 2018
Third Quarter	12th February, 2018	14th February, 2019
Yearly - Audited Results	30th May, 2018	30th May, 2019

c. Dates of Book Closure :

27th September, 2018 to 29th September, 2018 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 (2017-18) 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, 2017	85.00	49.00	145949
May, 2017	71.70	50.80	81510
June, 2017	66.00	55.60	66598
July, 2017	62.90	50.00	39678
August, 2017	66.50	40.60	106868
September, 2017	60.00	44.00	67941
October, 2017	69.90	48.45	80213
November, 2017	64.80	54.00	84365
December, 2017	75.00	49.00	377692
January, 2018	80.70	69.25	456677
February, 2018	74.00	58.40	117557
March, 2018	66.80	57.60	74479

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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 31-03-2018

Sl.No.	Shareholding Pattern	Shares	Shareholding %
1.	Promoters	1669098	38.81
2.	Indian Public	2151092	50.02
3.	Mutual Funds	8500	0.20
4.	Body Corporates	271619	6.32
5.	NRI - Non Promoters	180709	4.20
6.	Clearing Member	19182	0.45
Total :		4300200	100.00

i. Distribution of Shareholding by size as on 31-03-2018:

Range of Shares	No. of Shareholders	No. of Shares	% of Shareholders	% of Holding
Upto 500	6711	910230	92.18	21.16
501-1000	273	230593	3.75	5.36
1001-2000	126	196946	1.73	4.58
2001-3000	42	104596	0.58	2.43
3001-4000	19	68678	0.26	1.60
4001-5000	16	7224	0.22	1.68
5001-10000	40	283785	0.55	6.60
10001 and above	53	2433132	0.73	56.59
Total:	7280	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. Gummadidala Mandal, Sangareddy 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 Requirements) 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. Pawan Kumar Tiwary, 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, 2018.

Place : Hyderabad,

Date : 13th August, 2018

Y. Nayudamma
Managing Director & CEO
DIN : 00377721



Phyto Chem (India) Limited

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

To

The Board of Directors

M/s Phyto Chem (India) Limited,
Survey No. 628, Temple Street,
Bonthapally - 502 313,
Gumadidala Mandal, Sangareddy District,
Telangana State.

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, 2018 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,
Date : 13th August, 2018

Y. Nayudamma
Chief Executive Officer
DIN: 00377721

Y. Janaki Ramaiah
Chief Financial Officer
DIN: 06949910

Auditors' Report on Corporate Governance

To

The Members of

M/s Phyto Chem (India) Limited,

Survey No. 628, Temple Street,

Bonthapally - 502 313,

Gumadidala Mandal, Sangareddy District,

Telangana State.

We have examined the compliance of conditions of Corporate Governance by M/s Phyto Chem (India) Limited, for the year ended 31st March, 2018 as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46 (2) and para C and D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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 R.B.Associates
Chartered Accountants
Firm Regn. No.009112S**

**Place: Hyderabad,
Date : 13th August, 2018**

**K.Ramesh Babu
Partner
M.No.028304**



Phyto Chem (India) Limited

R. B. Associates
Chartered Accountants

H.No.8-3-945, Flat No. 103/B2,
1st Floor Pancom Business Centre,
Ameerpet, Hyderabad - 500 073.

Independent Auditors' Report

To

The Members

M/s Phyto Chem (India) Limited

Report on the Financial Statements

We have audited the accompanying financial statements of M/s. Phyto Chem (India) Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss (including other comprehensive income), Cash Flow Statement and the statement of changes in equity for the year ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility:

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. We have taken into account the provisions of the Act and Rules made there under including 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 there under and the Order issued under Section 143 (11) of the Act.

We conducted our audit of the Ind AS Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. 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 Ind AS 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 Ind AS financial statements.

Opinion:

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 31st March, 2018, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

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Other Matter:

The comparative financial information of the Company for the year ended 31st March, 2017 is based on the previously issued statutory Financial Statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended 31st March, 2017 dated 30th May, 2017 expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have been audited by us. These adjustments reconcile the net profit for the year ended 31st March, 2017 under the previously applicable generally accepted accounting principles with the total comprehensive Income as reported in the Financial Results under Ind AS. Our report is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2016, ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
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 purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the statement of changes in equity dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the Directors as on 31st March, 2018 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2018 from being appointed as a Director in terms of Section 164 (2) of the Act.
 - f. With respect to 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. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.
 - 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 information and explanations given to us:
 - i. The Company does not have any pending litigations which would impact on 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 are no funds, required to be transferred, to the Investor Education and Protection Fund by the Company during the year.

**For M/s R.B.Associates
Chartered Accountants
Firm Regn. No.009112S**

**Place: Hyderabad
Date: 30th May, 2018**

**K.Ramesh Babu
Partner
M.No.028304**

ANNEXURE - A

Referred to in paragraph 1 of the Independent Auditors' Report of even date to the members of M/s Phyto Chem (India) Limited on the Ind AS Financial Statements as of and per the year ended 31st March, 2018.

1. In Respect of 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 at reasonable intervals, and according to the information and explanations given to us, no material discrepancies were noticed on such verification. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
 - c. According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the Company.
2. The Inventory has been physically verified during the year by the management. In our opinion, the frequency of the verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material.
3. 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 Companies Act, 2013 during the year. Thus paragraphs 3 (iii) (a), 3 (iii) (b) and 3 (iii) (c) are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, during the year, the Company has not given any loans, made investments, given guarantees or provided security to parties covered under the provisions of section 185 and 186 of the Companies Act, 2013. Thus paragraph 3 (iv) is not applicable to the Company.
5. During the year, the Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Companies Act, 2013 and the rules framed there under.
6. 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 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.
7. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is 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, Goods and Services Tax, Cess and any other statutory dues to the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Goods and Services Tax, Cess and any other statutory dues were in arrears as at 31st March, 2018, for a period of more than six months from the date they became payable.

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8. According to the information and explanations given to us and based on our examination of the Books of Accounts, we are of the opinion that the Company has obtained term loans from Banks and Non Banking Financial Institutions and paying installments and interest regularly.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.
10. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of the Section 197 read with Schedule V to the Companies Act, 2013.
12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.
15. According to the information and explanations given to us and based on our examination of records of the Company, the Company has not entered into non-cash transactions with Directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For M/s R.B.Associates
Chartered Accountants
Firm Regn. No.009112S**

**Place: Hyderabad
Date: 30th May, 2018**

**K.Ramesh Babu
Partner
M.No.028304**

"Annexure B" to the Independent Auditors' Report

[Referred to in paragraph 2 (f) of the Independent Auditors' Report of even date to the members of M/s Phyto Chem (India) Limited on the Ind AS Financial Statements for the year ended 31st March, 2018.]

Report on the Internal Financial Controls over financial reporting 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 31st March, 2018 in conjunction with our audit of the 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 the Institute of Chartered Accountants of India 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 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 31st March, 2018, 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 R.B.Associates
Chartered Accountants
Firm Regn. No.009112S**

**Place: Hyderabad
Date: 30th May, 2018**

**K.Ramesh Babu
Partner
M.No.028304**



Phyto Chem (India) Limited

Phyto Chem (India) Limited

CIN:L24110TG1989PLC009500

Balance Sheet As At 31st March 2018

All amounts in Indian Rupees except share data or otherwise stated

Particulars	Notes	As at 31 st March 2018	As at 31 st March 2017	As at 1 st April 2016
Assets:				
Non-Current Assets				
Property , Plant and Equipment	1	41,012,160	32,512,484	34,972,237
Investment Property		-	-	-
Capital Work In Progress		913,577	-	-
Intangible Assets		-	-	-
Financial Assets				
i. Investments	2	2,460,187	2,417,286	2,011,294
ii. Loans and Advances	3	3,726,432	2,499,556	2,823,340
iii. Other Non Current Assets		2,547,268	1,498,321	397,064
		50,659,624	38,927,647	40,203,935
Current Assets				
Inventories	4	145,219,951	112,638,513	98,440,341
Financial Assets				
i. Trade Receivables	5	378,188,211	259,206,558	144,380,382
ii. Cash and cash equivalents	6	327,776	473,070	1,046,796
iii. Balance in Banks	7	1,310,561	1,310,561	1,311,161
iv. Loans and Advances	8	1,063,624	7,455,283	5,569,438
Other Current Assets		-	-	-
		526,110,123	381,083,985	250,748,118
Total Assets		576,769,747	420,011,632	290,952,053
Equity & Liabilities:				
Equity				
Equity Share Capital	9	43,002,000	43,002,000	43,002,000
Other equity	10	45,163,703	40,030,650	33,980,660
		88,165,703	83,032,650	76,982,660
Non-Current Liabilities				
Financials Liabilities				
Borrowings	11	26,668,248	15,119,955	16,367,505
Other financial liabilities	12	7,936,966	6,084,588	4,965,977
Provisions		-	-	-
Deferred tax liabilities - Net	13	122,367	1,777,955	2,544,596
		34,727,581	22,982,498	23,878,078
Current Liabilities				
Financial Liabilities				
Borrowings	14	155,983,050	169,529,137	140,909,423
Trade Payables	15	221,434,321	114,568,466	33,611,796
Other Liabilities	16	72,190,723	26,184,715	15,028,719
Provisions	17	4,268,370	3,714,166	541,377
		453,876,464	313,996,484	190,091,315
Total Equity & Liabilities		576,769,747	420,011,632	290,952,053

Per our Report of even date annexed.

For M/s R.B. Associates
Chartered Accountants
Firm Regn. No. 009112S

For and on behalf of the Board of Directors

K. Ramesh Babu
Partner, M.No.028304
Place : Hyderabad
Date : 30th May, 2018

Pawan Kumar Tiwary
Company Secretary
M.No: 52934

N.Sudhakar
Director
DIN : 00426897

Y.Nayudamma
Managing Director
DIN : 00377721

Phyto Chem - Annual Report - 2017-18

Phyto Chem (India) Limited

CIN:L24110TG1989PLC009500

Statement of Profit and Loss for the year ended 31st March 2018

All amounts in Indian Rupees except share data or otherwise stated

Particulars	Notes	Year Ended 31 st March 2018	Year Ended 31 st March 2017
I. Revenue from operations	18	696,647,779	537,015,379
II. Other income	19	15,461,993	2,713,006
III. Total revenue (I + II)		712,109,772	539,728,385
IV. Expenses			
Cost of materials consumed	20	453,049,081	335,600,991
Changes in inventories of finished goods and work in progress	21	(6,452,671)	(7,595,554)
Employee benefit expenses	22	29,177,903	25,583,964
Finance costs	23	21,327,897	16,665,337
Depreciation and Amortization expenses	1	3,592,562	3,117,245
Other expenses	24	199,331,031	154,734,716
Total expenses		700,025,803	528,106,699
V. Profit before tax (III - IV)		12,083,969	11,621,687
VI. Tax expense:			
a. Current tax		4,169,826	3,934,264
b. Deferred tax		1,268,097	768,798
VII. Profit for the period (V-VI)		9,182,240	8,456,221
VIII. Other comprehensive income Items that will not be reclassified to statement of profit and loss			
a. Remeasurement of defined employee benefit plans		(1,305,995)	(237,262)
b. Fair valuation of Investments		42,901	405,992
c. Deferred tax relating to item (a & b) above		431,801	78,446
Items that may be reclassified to statement of profit and loss			
a. Change in Fair Value of FVOCI Financial Liabilities		134,023	243,783
b. Remeasurement of defined employee benefit plans		-	-
c. Deferred tax relating to item (a & b) above		(44,312)	(80,602)
Other comprehensive income (net of tax)		(741,582)	410,357
IX. Total comprehensive income for the year		8,440,658	8,866,578
X. Earning per equity share attributable to owners of Phyto Chem (India) Limited:			
1. Basic		2.14	1.97
2. Diluted			

Per our Report of even date annexed.

For M/s R.B. Associates
Chartered Accountants
Firm Regn. No. 009112S

For and on behalf of the Board of Directors

K.Ramesh Babu
Partner, M.No.028304
Place : Hyderabad
Date : 30th May, 2018

Pawan Kumar Tiwary
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Managing Director
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Phyto Chem (India) Limited

Phyto Chem (India) Limited

CIN:L24110TG1989PLC009500

Statement of Changes in Equity for the Year Ended 31st March, 2018

A. EQUITY SHARE CAPITAL

(Rs. In Lakhs)

Balance at the beginning of the reporting period i.e. 1st April, 2016	Changes in equity share capital during the year 2016-17	Balance at the end of the reporting period i.e. 31st March, 2017	Changes in equity share capital during the year 2017-18	Balance at the end of the reporting period i.e. 31st March, 2018
430.02	-	430.02	-	430.02

B. OTHER EQUITY - Reserves & Surplus / Other Comprehensive Income

Particulars	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings	Equity Instruments Through OCI	Remeasurement of Defined Benefit Plan	Debt Instruments through OCI	Total
As on 31st March, 2016								
Balance at the beginning of the reporting period i.e., 1st April, 2016	-	-	360.10	(8.75)	(11.54)	-	-	339.81
Profit for the Year	-	-	-	84.56	-	-	-	84.56
Total Comprehensive Income for the year	-	-	-	0.04	4.05	-	-	4.09
Transfer to/(from) Retained Earnings	-	-	-	(28.16)	-	-	-	(28.16)
Dividend Paid on Equity Shares	-	-	-	-	-	-	-	-
Tax on Dividend Paid on Equity Shares	-	-	-	-	-	-	-	-
Balance at the end of the reporting period i.e 31st March, 2017	-	-	360.10	47.69	(7.49)	-	-	400.30
As on 31st March, 2018								
Balance at the beginning of the reporting period i.e., 1st April, 2017	-	-	360.10	47.69	(7.49)	-	-	400.30
Profit for the Year	-	-	-	91.82	-	-	-	91.82
Total Comprehensive Income for the year	-	-	-	(7.84)	0.43	-	-	(7.41)
Transfer to/(from) Retained Earnings	-	-	-	(33.07)	-	-	-	(33.07)
Dividend Paid on Equity Shares	-	-	-	-	-	-	-	-
Tax on Dividend Paid on Equity Shares	-	-	-	-	-	-	-	-
Balance at the end of the reporting period i.e 31st March, 2018	-	-	360.10	98.60	(7.06)	-	-	451.64

Per our Report of even date

For M/s R.B. Associates
Chartered Accountants
Firm Regn. No. 009112S

For and on behalf of the Board of Directors

K.Ramesh Babu
Partner, M.No.028304
Place : Hyderabad
Date : 30th May, 2018

Pawan Kumar Tiwary
Company Secretary
M.No: 52934

N.Sudhakar
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Managing Director
DIN : 00377721

Phyto Chem - Annual Report - 2017-18

Phyto Chem (India) Limited

CIN:L24110TG1989PLC009500

Cash Flow Statement for the year 2017-18

Particulars	Year Ended 31 st March 2018	Year Ended 31 st March 2017
A. Cash flows from Operating activity:		
Net profit before Tax	12,083,969	11,621,687
Adjustments for :		
Depreciation and Amortization Expenses	3,592,562	3,117,245
Interest Paid	21,327,897	16,665,337
Other Income	(15,461,993)	(2,713,006)
Fair Value Gains	(1,129,073)	412,513
Operating profit before working capital changes	20,413,362	29,103,776
Adjustments for Changes in Working Capital		
Inventories	(32,581,438)	(14,198,172)
Trade and Other Recievables	(112,589,994)	(116,712,021)
Trade payables and Other Current Liabilities	136,572,375	121,088,580
	(8,599,057)	(9,821,613)
Direct Taxes Paid	4,169,826	3,934,264
Net Cash flow from operating Activities (A)	7,644,479	15,347,899
B. Cash flow from Investing Activities.		
Purchase of Fixed Assets	(13,005,815)	(657,492)
Purchase of Investment	(42,901)	(405,992)
Other Income	15,461,993	2,713,006
Dividend Received	-	-
Net Cash flow from Investing Activities (B)	2,413,277	1,649,522
C. Cash flow from financing Activity		
Proceeds from ShareCapital		
Proceeds from Borrowings	11,548,293	(1,247,550)
Proceeds from loans and advances	(2,275,823)	(777,473)
Other Longterm liabilities	1,852,378	1,118,611
Interest paid	(21,327,897)	(16,665,337)
Net Cash flow From Financing Activity (C)	(10,203,049)	(17,571,749)
Net Increase/ Decrease in Cash and Cash equivalent	(145,293)	(574,328)
Add: Opening cash and cash equivalent	1,783,631	2,357,959
Closing Cash and cash equivalent	1,638,338	1,783,631

Notes: 1. The Cash Flow Statement has been prepared under Indirect Method as sent out in the Ind AS-7 on - "Cash Flow Statements" notified by Ministry Of Corporate Affairs on 16th Feb, 2015.

CERTIFICATE

The above Cash Flow Statement has been prepared on the basis of Audited Accounts approved by the Board of Directors and is in agreement with the Statement of Profit and Loss and Balance Sheet as at 31st March, 2018.

Per our Report of even date

For M/s R.B. Associates
Chartered Accountants
Firm Regn. No. 009112S

For and on behalf of the Board of Directors

K.Ramesh Babu
Partner, M.No.028304
Place : Hyderabad
Date : 30th May, 2018

Pawan Kumar Tiwary
Company Secretary
M.No: 52934

N.Sudhakar
Director
DIN : 00426897

Y.Nayudamma
Managing Director
DIN : 00377721

Notes to Financial Statements

(All amounts in Rs.)

Notes- 1 Property, Plant & Equipment

PARTICULARS	Land	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Generator	Electrical Equipment	Lab Equipment	Computers	Total
Closing gross carrying amount as at 31st March, 2016	730,705	21,085,417	18,067,234	1,309,201	5,768,516	344,474	43,532	1,316,624	1,635,320	84,219	50,385,242
Carrying amount											
Gross carrying amount											
Deemed cost as at 1st April, 2016	730,705	21,085,417	18,067,234	1,309,201	5,768,516	344,474	43,532	1,316,624	1,635,320	84,219	50,385,242
Additions	-	-	389,046	-	104,802	23,440	77,700	8,000	54,503	-	657,491
Disposals	-	-	-	-	-	-	-	-	-	-	-
Closing gross carrying amount as at 31st March, 2017	730,705	21,085,417	18,456,280	1,309,201	5,873,318	367,914	121,232	1,324,624	1,689,823	84,219	51,042,733
Additions	-	11,281,500	380,150	-	143,138	83,931	-	-	-	203,520	12,092,239
Disposals	-	-	-	-	-	-	-	-	-	-	-
Closing gross carrying amount as at 31st March, 2018	730,705	32,366,917	18,836,430	1,309,201	6,016,456	451,845	121,232	1,324,624	1,689,823	287,739	63,134,972
Accumulated Depreciation											
As at 1st April, 2016	-	7,307,233	4,380,889	450,324	1,652,063	95,673	-	572,276	930,718	23,829	15,413,005
Depreciation charge during the year	-	668,461	1,217,756	143,487	630,288	52,881	7,382	103,120	282,459	11,411	3,117,245
Disposals	-	-	-	-	-	-	-	-	-	-	-
Closing Accumulated depreciation as on 31st March, 2017	-	7,975,694	5,598,645	593,811	2,282,351	148,554	7,382	675,396	1,213,177	35,240	18,530,250
Depreciation charge during the year	-	1,025,709	1,241,832	143,487	643,886	68,828	7,382	103,120	282,459	75,859	3,592,562
Disposals	-	-	-	-	-	-	-	-	-	-	-
Closing Accumulated depreciation as on 31st March, 2018	-	9,001,403	6,840,477	737,298	2,926,237	217,382	14,764	778,516	1,495,636	111,099	22,122,812
Net carrying value as at 31st March, 2016	730,705	13,778,184	13,668,345	858,877	4,116,453	248,801	43,532	744,348	704,602	60,390	34,972,237
Net carrying value as at 31st March, 2017	730,705	13,109,723	12,857,635	715,390	3,590,967	219,360	113,850	649,228	476,646	48,979	32,512,483
Net carrying value as at 31st March, 2018	730,705	23,365,514	11,995,953	571,903	3,090,219	234,463	106,468	546,108	194,187	176,640	41,012,160

Phyto Chem - Annual Report - 2017-18

CAPITAL WORK IN PROGRESS:

Particulars	Civil work in progress	Machinery under erection	Total
As at 1st April, 2016	-	-	-
As at 31st March, 2017	-	-	-
As at 31st March, 2018	913,577	-	913,577

Note: 1. For Property, Plant and Equipment that are existing on the date of transition i.e 1st April, 2016, the company has used carrying values as per previous Indian GAAP as deemed Costs.

2. Property, Plant and Equipment and the Properties are subjected to first charge in favour of lending Bank for the loans taken .

Notes- 2 Non-current Investments

a. Investments in Equity shares (Fully Paid Up and Quoted) At Fair Value

Particulars		As at 31 st March 2018	As at 31 st March 2017	As at 31 st March 2016
170	HDFC Bank 170 (Previous years 2016-17: 170 & 2015-16 : 170 Equity Shares)	321546.50	245191.00	182104.00
500	Hindustan Unilever Ltd. of Rs.10/- each 500 (Previous years 2016-17: 500 & 2015-16 : 500 Equity Shares of Rs.10 each)	667950.00	454875.00	434750.00
3700	Anjani Portland Cement Ltd. 3700 (Previous years 2016-17 : 3700 & 2015-16 : 3700 Equity Shares)	629000.00	839900.00	570910.00
1000	Trident Limited 1000 (Previous years 2016-17 : 1000 & 2015-16 : 1000 Equity Shares)	59400.00	86300.00	51350.00
1000	Alok Industries Ltd. 1000 (Previous years 2016-17 : 1000 & 2015-16 : 1000 Equity Shares)	2990.00	2970.00	4520.00
1000	Ginni Filaments Ltd. 1000 (Previous years 2016-17 : 1000 & 2015-16 : 1000 Equity Shares)	26900.00	35650.00	15260.00
70000	Bheema Cements Ltd. of Rs.10/- each 70000 (Previous years 2016-17 : 70000 & 2015-16 : 70000 Equity Shares)	637000.00	637000.00	637000.00
b. Investments in Government Shares unquoted fully paid up:		2344786.50	2301886.00	1895894.00
		65400.00	65400.00	65400.00
c. Investments in Equity Shares (unquoted fully paid up) :		50000.00	50000.00	50000.00
500 Jeedimetla Effluent Treatment Ltd., of Rs.100/- each		2460187.50	2417286.00	2011294.00

Notes forming part of Financial Statements

1.1 Corporate Information

Phyto Chem (India) Limited ("the Company") having its registered office at Bonthapally, Telangana State, India. The Company is engaged in manufacturing of Pesticides from 11-01-1989. The shares of the Company are listed on the Bombay Stock Exchange Limited, Mumbai.

The principal accounting policies applied in the preparation of the financial statements are set out below:

1.2 Basis of Preparation and Presentation of Financial Statements

The financial statements of Phyto Chem (India) Limited ("the Company") for the year ended 31st March, 2018 have been prepared and presented in accordance with the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. For all periods up to and including the year ended 31st March 2017, the Company prepared its financial statements in accordance with accounting standards notified under Section 133 of the Companies Act 2013, read with Rule 7 of Companies (Accounts) Rules, 2014. These are the Company's first annual financial statements prepared in accordance with Indian Accounting Standards (Ind AS). The Company has adopted all applicable standards and the adoption was carried out in accordance with Ind AS 101 – 'First Time Adoption of Indian Accounting Standards'. An explanation of how the transition to Ind AS has affected the reported financial position, financial performance and cash flows of the Company are provided in Notes-25 First Time Adoption.

The Financial Statements for the year ended 31st March, 2017 and the opening Balance sheet as at 1st April, 2016 have been restated in accordance with Ind AS for comparative information. Reconciliations and explanations of the effect of the transition from previous GAAP to Ind AS on the Company's Balance Sheet, Statement of Profit and Loss and Statement of Cash Flows are provided in notes.

1.3 Basis of Measurement

These financial statements have been prepared on the historical cost convention and on an accrual basis, except for the following material items in the balance sheet:

All assets and liabilities are classified into current and non-current based on the operating cycle of less than twelve months or based on the criteria of realisation/settlement within twelve months period from the balance sheet date.

1.4 Accounting Estimates

The preparation of the financial statements, in conformity with the recognition and measurement principles of Ind AS, requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognised in the period in which they are determined.

- A. Depreciation and amortization:** Depreciation and amortization in respect of future useful lives of property, plant and equipment and intangible assets is based on schedule II of the Companies Act, 2013.
- B. Provisions and contingencies:** Provisions and contingencies are based on the Management's best estimate of the liabilities based on the facts known at the balance sheet date.
- C. Fair valuation:** Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset

or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows: Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and Level 3: Inputs are unobservable inputs for the asset or liability. For assets and liabilities that are recognised in the Financial Statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. At each reporting date, the Company analysis the movements in the values of assets and liabilities which are required to be re-measured or reassessed in line with the Company's Accounting Policies. For this analysis, the Company verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

1.5 Functional and presentation currency:

These financial statements are presented in Indian rupees, which is also the functional currency of the Company. All financial information presented in Indian rupees.

1.6 Property Plant & Equipment:

A. Transition to Ind AS:

The Company has elected to continue with the net carrying value of all its property, plant and equipment recognized as of 1st April, 2016 (transition date) as per the previous GAAP and use that carrying value as its deemed cost.

B. Recognition and measurement:

Property, Plant and Equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment loss, if any. Cost includes expenditures that are directly attributable to the acquisition of the asset i.e., freight, duties and taxes applicable and other expenses related to acquisition and installation. The cost of self-constructed assets includes the cost of materials and other costs directly attributable to bringing the asset to a working condition for its intended use. Borrowing costs that are directly attributable to the construction or production of a qualifying asset are capitalized as part of the cost of that asset.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses upon disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognized net within in the statement of profit and loss.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of repairs and maintenance are recognized in the statement of profit and loss as incurred.

Items of property, plant and equipment acquired through exchange of non-monetary assets are measured at fair value, unless the exchange transaction lacks commercial substance or the fair value of either the asset received or asset given up is not reliably measurable, in which case the asset exchanged is recorded at the carrying amount of the asset given up.

C. Depreciation:

Depreciation is recognized in the statement of profit and loss on straight line basis over the estimated useful lives of property, plant and equipment based on Schedule-II to the Companies Act, 2013 ("Schedule"), which prescribes the useful lives for various classes of tangible assets. For assets acquired or disposed off during the year, depreciation is provided on prorata basis. Land is not depreciated. Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted prospectively, if appropriate.

1.7 Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A. Financial Assets:

I. Initial Recognition

In the case of financial assets, not recorded at fair value through profit or loss (FVPL), financial assets are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

II. Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in the following categories:

- a. **Financial Assets at Amortised Cost:** Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.
- b. **Financial Assets Measured at Fair Value:** Financial assets are measured at fair value through OCI if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss.

Investment in Equity Instruments are designated as Financial Assets measured at fair value through OCI and Investments in Mutual Funds are designated as Financial Assets measured at fair value through statement of Profit & Loss on date of transition.

- c. **Impairment of Financial Assets:** In accordance with Ind AS 109, expected credit loss (ECL) model for measurement and recognition of impairment loss on the trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18. As Company trade receivables are realised within normal credit period adopted by the company, hence the financial assets are not impaired.
- d. **De-recognition of Financial Assets:** The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

B. Financial Liabilities

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

I. Initial Recognition

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings and payables as appropriate. All financial liabilities are recognised initially at fair value and in the case of loans and borrowings and payables, net of directly attributable transaction costs.

II. Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

a. Financial Liabilities at FVPL

Financial liabilities at FVPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

III. De-recognition of Financial Liabilities

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

1.8 Impairment of non-financial assets

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generated Units (CGU) to which the asset belongs. If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

1.9 Cash and Cash Equivalents

Cash and Bank balances comprise of cash balance in hand, in current accounts with banks and Bank Fixed Deposits with maturity of 3 months or less than 3 months.

1.10 Employee Benefits

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

- B. Defined Contribution Plan:** Employee State Insurance is a defined contribution scheme of the Government of India under which both the employer and employee contribute on a monthly basis at a pre-determined rate and the Company has no further obligation.
- C. Defined Contribution Benefits:** The Company has an obligation towards gratuity, a defined benefit plan covering eligible employees. The plan provides for lump sum payment on retirement, death while in employment or on separation.

1.11 Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of obligation. Provisions (excluding gratuity and compensated absences) are determined based on management's estimate required to settle the obligation at the Balance Sheet date. In case the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

1.12 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and is recognised when it is probable that the economic benefits associated with the transaction will flow to the Company and the amount of income can be measured reliably. Revenue is net of returns and is reduced for rebates, trade discounts, refunds and other similar allowances. Revenue includes excise duty but is net of service tax, sales tax, value added tax and other similar taxes and GST from 1st July, 2017.

- A. Sale of goods:** Revenue is recognized when it is probable that economic benefits associated with a transaction flows to the Company in the ordinary course of its activities and the amount of revenue can be measured reliably. Revenue is recognised, when the significant risks and rewards of the ownership have been transferred to the buyers and there is no continuing effective control over the goods or managerial involvement with the goods. Sales include Job work charges received on contract manufacturing operations and lease rentals from the leasing of its factories.
- B. Other Income:** Other income includes Dividend, Interest, Profit / (Loss) on sale of Investments and other miscellaneous receipts if any. Dividend income from investments is recognized when the Company's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably). Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on time proportionate basis, by reference to the principle outstanding and at the effective interest rate applicable.

1.13 Income Tax

- A. Current Tax:** Current income tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.
- B. Deferred Tax:** Deferred tax is determined by applying the Balance Sheet approach. Deferred tax assets and liabilities are recognised for all deductible temporary differences between the financial statements carrying amount of existing assets and liabilities and their respective tax base. Deferred tax assets and liabilities are measured using the enacted tax rates or tax rates that are substantively enacted at the Balance Sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the period that includes the enactment date. Deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against

which the temporary differences can be utilised. Such assets are reviewed at each Balance Sheet date to reassess realisation. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

1.14 Earnings Per Share

The Company presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

1.15 Recently issued accounting pronouncements

Ind AS 115, Revenue from contracts with customers

In March 2018, the Ministry of Corporate Affairs has notified Ind AS 115, 'Revenue from Contracts with Customers', which is effective for accounting periods beginning on or after 1st April 2018. This comprehensive new standard will supersede existing revenue recognition guidance, and requires an entity to recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The new standard also will result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively (for example, service revenue and contract modifications) and improve guidance for multiple-element arrangements.

Ind AS 115 is effective for annual reporting periods beginning on or after 1st April, 2018.

The Company intends to adopt Ind AS 115 effective 1st April, 2018, using the modified retrospective method. The adoption of Ind AS 115 is not expected to have a significant impact on the Company's recognition of revenues.

1.16 Other amendments to Indian Accounting Standards

The Ministry of Corporate Affairs (MCA), on 28th March, 2018, issued certain amendments to Ind AS. The amendments relate to the following standards:

Ind AS 21, The Effects of Changes in Foreign Exchange Rates - The amendment lays down the principle regarding advance payment or receipt of consideration denominated or priced in foreign currency and recognition of non-monetary prepayment asset or deferred income liability.

Ind AS 12, Income Taxes - The amendment explains that determining temporary differences and estimating probable future taxable profit against which deductible temporary differences are assessed for utilization are two separate steps and the carrying amount of an asset is relevant only to determining temporary differences. Ind AS 28, Investments in Associates and Joint Ventures - The amendment clarifies when a venture capital, mutual fund, unit trust or similar entities elect to initially recognize the investments in associates and joint ventures.

Ind AS 112, Disclosure of Interests in Other Entities – The amendment clarifies that disclosure requirements for interests in other entities also apply to interests that are classified as held for sale or discontinued operations in accordance with Ind AS 105.

Ind AS 40, Investment Property

The amendments are effective from 1st April, 2018. The Company believes that the aforementioned amendments will not materially impact the financial position, performance or the cash flows of the Company.

Notes forming part of Financial Statements

	As at 31 st March 2018	As at 31 st March 2017	As at 1 st April 2016
Notes-3 Loans - Non-Current			
Non-Current Loans			
Security Deposits – Unsecured considered good	1,314,494.00	1,114,494.00	614,494.00
Total Non-Current Loans	1,314,494.00	1,114,494.00	614,494.00
Current Balance of Loans			
Other Loans & Advances	2,411,937.59	1,385,062.00	2,208,846.00
Other Non Current Assets	2,547,268.00	1,498,321.00	397,064.00
Total Current Balance of Loans	4,959,205.59	2,883,383.00	2,605,910.00
Total Loans	6,273,699.59	3,997,877.00	3,220,404.00
Notes-4 Inventories			
1 Raw materials	57,016,831	30,882,390	27,673,461
2 Finished Goods	58,120,125	51,667,453	44,071,899
3 Packing Materials	20,403,995	20,409,670	17,015,987
4 House Plots	9,679,000	9,679,000	9,679,000
Total	145,219,951	112,638,513	98,440,341
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-5 Trade Receivables-Current			
Unsecured, considered good unless otherwise stated			
Outstanding for a period exceeding six months from the date they become due for payment.			
1 Considered good	135,740,960	116,216,822	65,517,630
Considered doubtful	-	-	-
2 Other Debts-Debts due for less than six months			
Considered good	252,090,354	149,325,234	82,381,662
Less: Provision for Doubtful Debts	(9,643,103)	(6,335,498)	(3,518,910)
	378,188,211	259,206,558	144,380,382
Notes-6 Cash and Cash Equivalents			
a. Balances in Banks :			
- In Current Accounts	206,389	254,263	371,669
- In Deposit Account (margin money with banks, the maturity period of which is less than 3 months)	-	-	650,000
b. Cash on Hand	121,387	218,806	25,130
	327,776	473,070	1,046,796
Notes-7 Balances in Bank			
a. In deposit account (margin money with banks, the maturity period of which is more than 3 months and less than 12 months)	-	-	-
b. In earmarked accounts			
Balances held for Unclaimed Dividend	1,310,561	1,310,561	1,311,161
	1,310,561	1,310,561	1,311,161
	1,638,338	1,783,631	2,357,959
Notes-8 Loans-Current-Assets			
1 Advance for Raw Materials	280,005	3,335,005	5,187,293
2 Deposits and Other Advances etc	783,619	4,116,278	382,145
	1,063,624	7,455,283	5,569,438

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Notes forming part of Financial Statements

Notes-9 Share Capital

Share Capital	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
a. Authorised Capital 1,35,00,000 of equity shares of Rs.10/- each (Previous year 47,50,000 equity shares)	135000000.00	135000000.00	47500000.00
b. Issued, subscribed and paid up capital of Rs.10/- each 43,00,200 of equity shares (fully paid) (Previous year 43,00,200 equity shares)	43002000.00 43002000.00	43002000.00 43002000.00	43002000.00 43002000.00
c. List of shareholders holding more than 5% of aggregate shares in the Company i. Mr.Y.Nayudamma: No.of shares - 338306	7.87%	7.87%	7.87%
d. The reconciliation of the number of Equity shares at the beginning of the year	4300200	4300200	4300200
Add : Equity Shares Issued during the year	Nil	Nil	Nil
Less : Equity Shares cancelled during the year	Nil	Nil	Nil
Equity shares at the end of the year:	4300200	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. Company declares and pays dividend in Indian rupees to the share holders as per the share holdings. 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.			

Notes-10 Other Equity

Surplus in the statement of profit and loss At 31st March 2018	36,010,836.00	36,010,836.00	36,010,836.00
Retained Earnings	9,858,508.43	47,68,356.39	(2,030,176.22)
Other Comprehensive Income	(705,641.50)	(748,542.00)	-
Total	4,51,63,702.93	4,00,30,650.39	3,39,80,659.78

Notes-11 Borrowings-Financial Liabilities-Non Current

a. Secured Term Loan From Banks Secured by Hypothecation of two Flats.	13156609.48	0.00	0.00
b. Unsecured Sales Tax Deferment Loan (Commercial Tax Department)	7874475.00	9071044.00	9975339.26
Deferred Revenue Grant - Sales Tax Deferment	5637164.00	6048911.00	6392165.74
Total	26,668,248	15119955.00	16367505.00

Notes-12 Other Financial Liabilities-Non Current

Security Deposits	7936965.84	5995041.00	4370040.00
Vehicle Loan from Financial Institutions (Secured by Vechiles)	0.00	89546.96	595937.30
Total	7936965.84	6084587.96	4965977.30

Notes-13 Deferred Tax

As at 01-04-2017	1777954.62	2544597.00	0.00
(Charged) /Credited to statement of profit and loss	(1268094.80)	(768798.41)	2544597.00
Other Comprehensive Income	(387489.10)	2156.04	0.00
As at 31-03-2018	122366.72	1777954.62	2544597.00

Notes forming part of Financial Statements

Notes-14 Borrowings -

Current Liabilities

	As at 31 st March 2018	As at 31 st March 2017	As at 1 st April 2016
Loans repayable on demand			
- From Banks (Secured Loans) - C.C	155983050.10	159529136.93	130909423.25
(Secured by hypothecation of stock in Trade & Book debts and further guaranteed by Managing Director in his personal capacity)			
Loan from the Director - Related Party (Unsecured)	0.00	10000000.00	10000000.00
Total	155983050.10	169529136.93	140909423.25

Notes-15 Trade Payables-Other Financial Liabilities-Current

Sundry Creditors - Less than 12 months -			
Amounts outstanding to SME	221434321.15	114568465.74	33611796.40
- Outstanding to others	-	-	-
Total	221434321.15	114568465.74	33611796.40

Notes-16 Other Liabilities- Current

(Current maturities of long term loan)			
a. Term Loan - Kotak Mahindra Bank (Secured)	2746872.00	0.00	0.00
b. Term Loans (Unsecured) - From Financial Institutions	0.00	0.00	2104415.00
c. Vehicle Loan from Financial Institutions	89546.96	506390.34	457190.66
d. Advances from Customers	3981051.63	6869123.98	4079178.77
e. Unclaimed Dividends F.Y 2012-13 & 2013-14	1310561.00	1310561.00	1311161.00
f. Other Current Liabilities (Unsecured loans from Directors)	30628561.00	4516267.00	0.00
g. Outstanding Liabilities	33434130.02	12982372.78	7076773.99
Total	72190722.61	26184715.10	15028719.42

Notes-17 Provisions-Current

Income Tax for the FY 2016-17	4268369.64	3934263.87	556640.00
Less: TDS Receivable	0.00	220098.00	15263.00
Provision for Income Tax	4268369.64	3714165.87	541377.00
Total	4268369.64	3714165.87	541377.00

Notes-18 Revenue from Operations

	As at 31 st March 2018	As at 31 st March 2017
a. Sale of Pesticides (Gross)	696647778.85	537015378.73
b. Sale of House Plots	-	-
Total	696647778.85	537015378.73

Notes-19 Other Income

Discounts	2183000.00	2124196.88
Interest Received	260339.00	-
Exchange Fluctuation	6015712.00	-
Misc. Income	7002941.58	273669.59
Price Variation	-	315140.00
Total	15461992.58	2713006.47

Notes-20 Cost of Materials Consumed

Raw Materials Consumed:

Opening Stock	30882389.95	27673461.30
Add : Purchases	461190822.68	318996081.16
	492073212.63	346669542.46
Less : Closing Stock	57016830.76	30882389.95
	435056381.87	315787152.51

Packing Materials Consumed:

Opening Stock	20409670.03	17015980.94
Add : Purchases	17987024.00	23207528.00
	38396694.03	40223508.94
Less : Closing Stock	20403995.30	20409670.03
	17992698.73	19813838.91
Total	453049080.60	335600991.42

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Notes forming part of Financial Statements

Notes-21 Changes in Inventories of Finished Goods, Land and Work-in-progress

	As at 31 st March 2018	As at 31 st March 2017
Opening Inventory:		
Finished goods	51667453.40	44071899.00
House Plots	9679000.00	9679000.00
	61346453.40	53750899.00
Closing Inventory:		
Finished goods	58120124.54	51667453.00
House Plots	9679000.00	9679000.00
	67799124.54	61346453.00
Total (A-B)	(6452671.14)	(7,595,554)

Notes-22 Employee Benefit Expenses

a. Salaries & wages		
Factory salaries	4819870.00	3904258.00
Office Staff- Salaries	259896.00	2395991.00
Marketing - Salaries	10892357.00	9165681.00
Office and Marketing Staff TA & DA	4001204.00	3664497.00
	22499433.00	19130427.00
b. Directors' Remuneration		
Directors' Remuneration	3120000.00	2700000.00
Bonus - Managing Director & Executive Director	259896.00	224910.00
Directors' TA & DA	553593.00	338775.00
Directors' Sitting Fee	212500.00	185000.00
	4145989.00	3448685.00
c. Contribution to PF and ESI		
Provident Fund	1578295.00	1360070.00
ESI	549771.00	427403.00
Staff Welfare	788948.00	674332.00
Bonus	751790.00	598755.00
Gratuity	169672.00	181554.00
	3838476.00	3242114.00
	30,483,898.00	25,821,226.00

Notes-23 Financial Cost

Interest paid to Banks	20596614.10	16242245.34
Other borrowing costs	731283.16	423091.34
	21327897.26	16665336.68

Notes-24 Other Expenses

Customs Duties	26982861.00	20158805.00
Excise Duty	105687243.20	67590290.00
Consumption of Stores & Spares	51783.00	82544.00
Power & Fuel	1043247.00	1007663.00
Rent	1296832.00	1273503.00
Factory Maintanance	3328376.60	1368987.00
Insurance - MFG	311444.00	217606.00
Rates & Taxes	630037.00	72897.00
Audit Expenses - Statutory Audit & Tax Audit	0.00	60000.00
Audit Expenses - Internal Audit	0.00	60000.00
Selling & Distribution Expenses	36528906.00	23765473.00
Net Loss / (Gain) on foreign currency transaction & translation	0.00	1796808.00
Freight Charges Inward	2951699.00	4006006.00
Import Clearing Charges	3817110.00	2349955.00
Safety Devices	128480.00	81113.00
First Aid & Medical Expenses	112356.00	5333.00
E.D., E.C. & SHEC on difference in Opening & Closing of Finished Goods	0.00	155301.00
Social Welfare Surcharge	326834.00	0.00
Administration Expenses	6304499.65	5677400.00
Sales Taxes	1949088.00	24859667.00
Bad Debts	7732967.98	145364.75
Prior Period Adjustments - I.T. 2015-16 & 2016-17	147267.00	0.00
	199331031.43	154734715.75

Notes forming part of Financial Statements

Notes- 25 First-time adoption of Ind AS

These financial statements, for the year ended 31st March, 2018, are the first set of financial statements the Company has prepared in accordance with Indian Accounting Standards (Ind AS). For periods up to and including the year ended 31st March, 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

The Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31st March, 2018, together with the comparative period data as at and for the year ended 31st March, 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1st April, 2016, i.e., the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1st April, 2016 and the financial statements as at and for the year ended 31st March, 2017.

A. Exemptions Applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

The Company adopted not to measure any item of property, plant and equipment at its fair value at the transition date. Accordingly, on the transition date, the net carrying value of the property, plant and equipment and intangible assets shall be considered as deemed cost for Ind AS purposes.

B. Estimates

The estimates at 1st April, 2016 and at 31st March, 2017 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:

- FVTOCI – Equity Instruments

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at 1st April, 2016, the date of transition to Ind AS and as of 31st March, 2017.

Reconciliation of equity as previously reported under Previous GAAP and that computed under Ind AS for the year ended 31st March, 2017

Particulars	Equity as at 31 st March, 2017 Rs. In Lakhs	Equity as at 1 st April, 2016 Rs. In Lakhs
Equity as per Previous GAAP	435.86	360.10
Fair value Measurement of Investments in Equity Instruments	(7.49)	(11.54)
Fair value Measurement of Investments in Other than Equity Instruments	-	-
Impact on account of deferred Tax	35.28	26.43
Elimination of Provision related to Receivables on Account of Fair Value of Investments	(63.35)	(35.18)
Equity as per Ind AS	400.30	339.81

Reconciliation between financial results as previously reported under Previous GAAP and Ind AS for the year ended 31st March, 2017

Particulars	Year ended 31 st March, 2017 Rs. In Lakhs
Net profit as per Previous GAAP	75.75
Impact on account of measuring investments at fair value through profit and loss	2.37
Impact on account of deferred tax	6.44
Net profit as per Ind AS	84.56
Impact on account of measuring investments at fair value through OCI	4.10
Total Comprehensive Income under Ind AS	88.66

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FVTPL Financial assets

Under Indian GAAP, the Company accounted for long term investments in quoted equity shares as investments measured at cost. Under Ind AS, the Company has designated such investments as FVTPL investments. Ind AS requires FVTPL investments to be measured at fair value. At the date of transition to Ind AS, difference between the instruments fair value and Indian GAAP carrying amount has been recognized as a separate component of equity, in the retained earnings.

Deferred tax

Indian GAAP requires deferred tax accounting using the statement of profit and loss approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.

Notes-26 Auditors Remuneration

Particulars	For the year ended 31st March, 2018 Rs.	For the year ended 31st March, 2017 Rs.
Audit fee	80,000.00	60,000.00
Reimbursement of out of pocket expenses	--	--
TOTAL	80,000.00	60,000.00

Notes-27 Earnings per Share

Particulars	For the year ended 31st March, 2018 Rs.	For the year ended 31st March, 2017 Rs.
Earnings		
Profit attributable to equity holders	91,82,240.00	84,56,221.00
Shares		
Number of shares at the beginning of the year	43,00,200	43,00,200
Add: Equity Shares issued	-	-
Less: Buy back of Equity shares	-	-
Total number of equity shares outstanding at the end of the year	43,00,200	43,00,200
Weighted average number of equity shares outstanding during the year – Basic	43,00,200	43,00,200
Add: Weighted average number of equity shares arising out of outstanding stock options (net of the stock options forfeited) that have dilutive effect on the EPS	-	-
Weighted average number of equity shares outstanding during the year – Diluted	43,00,200	43,00,200
Earnings per share of par value Rs.10/- – Basic	2.14	1.97
Earnings per share of par value Rs.10/- – Diluted	2.14	1.97

Notes-28 Related Parties

In accordance with the provisions of Ind AS 24 "Related Party Disclosures" and the Companies Act, 2013, Company's Directors, members of the Company's Management and Key Management Personnel are considered. List of related party of the Company is as below:

S.No.	Name of the Related Party	Nature of Relationship
1	Dr. P. Sreemannarayana	Chairman
2	Mr. Y. Nayudamma	Managing Director
3	Mr. Y. Janaki Ramaiah	Executive Director
4	Mr. Y.Venkateswarlu	Director
5	Mr. P. Anjaneyulu	Director
6	Mr. T. A. Choudary	Independent Director
7	Mr. M. Balarama Krishnaiah	Independent Director
8	Mrs. S. Kavitha Rani	Independent Director
9	Mr. N. Sudhakar	Independent Director
10	Dr. G.S.R. Anjaneyulu	Independent Director
11	Mr. Pawan Kumar Tiwary	Company Secretary

Related Party Transactions

S. No.	Nature of Transaction	FY 2017-18 Rs.	Total Rs.	FY 2016-17 Rs.	Total Rs.
1	Directors Remuneration / Salary and Perquisites (Managing Director & CEO)	19,49,940.00	19,49,940.00	19,49,940.00	19,49,940.00
2	Directors Remuneration / Salary and Perquisites (Executive Director & CFO)	13,94,970.00	13,94,970.00	9,74,970.00	9,74,970.00
3	Fee for attending Board/ Committee meeting Mr T.A. Choudary Mr M. Balarama Krishnaiah Mrs S. Kavitha Rani Mr N. Sudhakar Dr G.S.R. Anjaneyulu	37,000.00 24,500.00 31,500.00 54,000.00 16,500.00	37,000.00 24,500.00 31,500.00 54,000.00 16,500.00	17,000.00 28,000.00 28,000.00 38,000.00 0.00	17,000.00 28,000.00 28,000.00 38,000.00 0.00
4	Salary (Company Secretary)	3,39,810.00	3,39,810.00	2,35,833.00	2,35,833.00
5	Unsecured Loan taken from : Mr Y.Nayudamma (Managing Director) Mr Y.Janaki Ramaiah (Executive Director)	2,50,55,359.00 55,73,202.00	2,50,55,359.00 55,73,202.00	0.00 0.00	0.00 0.00
6	Company has purchased office premises for Rs.1,12,81,500 from M/s. Rasasri Infrastructures Private Limited, in which Mr.Y.Nayudamma, Managing Director and Mr.P.Anjaneyulu, Director are also Directors in that Company.				

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Notes- 29 Segment Reporting

Ind AS 108 establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services. Based on the 'Management' approach as defined under Ind AS108, the Chief Operating Decision Maker (CODM) evaluates the performance on a periodical basis and allocates resources based on an analysis of the performance of various Businesses. The CODM is the Managing Director. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments and are as set out in the Significant Accounting Policies. Since the Company operates mainly in one segment i.e. Manufacturing and Marketing of pesticides formulations, segment results and segment revenue details are not separately given.

Notes- 30 Employee benefits

a. Defined Benefit Plans:

The Company operates defined contribution schemes like Employee State Insurance Scheme. For this scheme contributions are made by the company and employees at a predetermined rate based on current salaries.

b. Defined Benefit Plans:

i. Gratuity:

The Company has provided gratuity liability to its employees as per the actuarial valuation finalised by actuarial values. The benefits are determined and carried out at each Balance Sheet date.

ii. Leave Encashment:

The Company has created provision for leave encashment liability for eligible employees. The benefits are determined and carried out at each Balance Sheet date.

Notes- 31 Income Taxes

a. Income tax expense / (benefit) recognized in the statement of profit and loss:

Income tax expense/ (benefit) recognized in the statement of profit and loss consists of the following:

Particulars	(Rs.)	
	For the Year Ended 31 st March	
	2018	2017
Current taxes expense		
Domestic	41,69,826	39,34,264
Deferred taxes expense/(benefit)	--	--
Domestic	(12,68,097)	(7,68,798)
Total income tax expense/(benefit) recognized in the statement of profit and loss	29,01,729	31,65,466

b. Reconciliation of tax expenses and the accounting profit multiplied by tax rate

Profit before Income Tax Expense	12083968.78	11621686.88
Tax at the Indian tax rate of 33.063% (2016-17: 33.063%)	3995322.60	3842478.33
Effect of Non-Deductible Expense	274682.78	60027.20
Effect of Allowances for Tax Purpose	(100179.73)	31758.33
	4169825.65	3934263.86
Effect of Deferred Tax	(1655585.90)	(766642.38)
Income Tax Expense	2514239.75	3167621.48

b. Deferred Tax Assets & Liabilities:

The tax effects of significant temporary differences that resulted in deferred tax assets and liabilities and a description of the items that created these differences is given below:

Particulars	For the Year Ended 31 st March	
	2018	2017
Deferred tax assets/(liabilities):		
Property, plant and equipment - Liability	17,77,955	25,44,597
Others - Asset	16,55,586	7,66,642
Net deferred tax assets/(liabilities)	1,22,367	17,77,955

c. Movement in Deferred Tax Assets and Liabilities during the year ended 31st March, 2018 & 2017:

Particulars	As at 1 st April, 2016	Recognized in statement of profit and loss	Recognized in equity	As at 31 st March, 2017
Deferred Tax Assets/(Liabilities)				
Property, plant and equipment	36,31,940	2,22,477	-	38,54,417
Others	(10,87,343)	(9,91,275)	2,156	(20,76,462)
Net deferred tax assets/(liabilities)	25,44,597	(7,68,798)	2,156	17,77,955

Particulars	As at 1 st April, 2017	Recognized in statement of profit and loss	Recognized in equity	As at 31 st March, 2018
Deferred tax assets/(liabilities)				
Property, plant and equipment	38,54,417	1,00,179	-	39,54,596
Others	(20,76,462)	(13,68,276)	(3,87,489)	(38,32,228)
Net deferred tax assets/(liabilities)	17,77,955	(12,68,097)	(3,87,489)	1,22,367

Notes - 32 Investments

Investments consist of investments in Mutual funds, Bonds, Preference Shares and Debentures measured at Fair value through Profit & Loss Account and investment in equity instruments measured at Fair Value through Other Comprehensive Income. The election made at the time of transition to Ind AS is irrevocable.

Particulars	Cost	Gain recognized directly in equity	Gain recognized directly in profit and loss account	Fair value
Non-current Investments	31,65,828	(7,48,542)	-	24,17,286
Investments in Equity	-	-	-	-
Total	31,65,828	(7,48,542)	-	24,17,286

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The details of such Investments in Equity of 31st March, 2017 are as follows:

Particulars	Cost	Gain recognized directly in equity	Gain recognized directly in profit and loss account	Fair value
Non-current Investments	31,65,828	(7,05,641)	-	24,60,187
Investments in Equity	-	-	-	-
Total	31,65,828	(7,05,641)	-	24,60,187

Financial Instruments

Set out below, is a comparison by class of the carrying amounts and fair value of the financial instruments, other than those with carrying amounts that are reasonable approximations of fair values

Particulars	Carrying value			Fair value		
	Mar-18	Mar-17	Apr-16	Mar-18	Mar-17	Apr-16
Financial Assets						
Cash and cash equivalents	16.38	17.84	23.58	16.38	17.84	23.58
Non-Current Assets-Loans and Advances	62.74	39.98	32.20	62.74	39.98	32.20
Current Assets-Loans and Advances	10.64	74.55	55.69	10.64	74.55	55.69
Total	89.76	132.37	111.47	89.76	132.37	111.47
Financial Liabilities						
Non-Current Liabilities-Other Financial Liabilities	79.37	60.85	49.66	79.37	60.85	49.66
Borrowings	1559.83	1695.29	1409.09	1559.83	1695.29	1409.09
Trade payables	2214.34	1145.68	336.12	2214.34	1145.68	336.12
Other financial liabilities	721.91	261.85	150.29	721.91	261.85	150.29
Total	4575.45	3163.67	1945.16	4575.45	3163.67	1945.16

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 — Inputs are other than quoted prices included within Level 1 that are observable for the Asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3 — Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Notes- 33 Financial Risk Management

The Company's activities expose it to a variety of financial risks, including credit risk, liquidity risk and Market risk. The Company's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the Audit Committee is responsible for overseeing the Company's risk assessment and management policies and processes.

a. Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business.

Trade Receivables - The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses Expected Credit Loss (ECL) model for assessing the impairment loss. As Company trade receivables are realised within normal credit period adopted by the company, hence the financial assets are not impaired.

Financial assets that are neither past due nor impaired - None of the Company's cash equivalents, including deposits with banks, were past due or impaired as at 31st March, 2018.

b. Liquidity Risks

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

As of 31st March, 2018 and 2017, the Company had unutilized credit limits from banks of Rs. NIL and Rs. NIL respectively.

As of 31st March, 2018, the Company had working capital (current assets less current liabilities) of Rs. 7,22,33,660/- including cash and cash equivalents of Rs. 16,38,338/-, As of 31st March, 2017, the Company had working capital of Rs. 6,70,87,501/- including cash and cash equivalents of Rs. 17,83,631/-.

c. Market Risks

Market risk is the risk that changes in market prices such as commodity prices risk, foreign exchange rates and interest rates which will affect the Company's financial position. Market risk is attributable to all market risk sensitive financial instruments.

Notes- 34 Capital Management

The Company's objective for capital management is to maximize shareholder wealth, safeguard business continuity and support the growth of the Company. The Company determines the capital management requirement based on annual operating plans and long term plans. The funding requirements are met through equity, borrowings and operating cash flows required.

Notes - 35

No amount is due or payable by any of the directors, firms, private companies in which any Director is a partner / director / manager or companies under the same management towards sundry debtors / loans and advances in the Company. Maximum amount outstanding from the above - Nil (Nil).

Notes - 36

The company has no amount due to suppliers under the Micro, Small and Medium Enterprises Development Act, 2006 as at 31st March, 2018.

Notes - 37

The Financial Statements were approved for issue by the Board of Directors on 30th May, 2018.

Notes - 38 Contingent Liabilities

a. Claims against the Company not acknowledged as debt:

The Company has appealed against the decision of CTO for the improper addition of turnovers for the Financial Years 2010-11, 2011-12 & 2012-13. The 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.

b. Bank Guarantees: Nil

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Notes forming part of Financial Statements

Notes - 39

Amount payable to Sales Tax Department towards Deferment of Rs.1,38,89,445.40.

In view of Ind AS adjustment, the said amount is shown as under:

Amount payable to Sales Tax Department:	13889445.40
Less: Amount Transferred to Fair Value:	377806.40
Total	13511639.00
Unsecured Sales Tax Deferment Loan:	53,21,079.77
Deferred Revenue Grant - Sales Tax Deferment	5637164.00
Current Maturity value during the year 2018-19	25,53,395.23
Total	13511639.00

Notes - 40

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 - 41

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 - 42

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

<u>Particulars</u>	<u>Amount in Rs.</u>
Principal amount due as on 01-04-2017	—
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 outstanding amounts to MS & ME as on 31-03-2018

Notes - 43

The Company has gained Rs.60,15,712.00 (net) due to fluctuations in foreign exchange rate and the same is credited to P&L A/c.

Notes forming part of Financial Statements

Notes- 44

Disclosure pursuant to Ind AS 19 (Accounting Standards 15- Revised 2005)

I. Employee Benefits:

a. Leave Obligations:

The leave obligation covers the Company's liability for earned leave which is unfunded.

b. Defined Contribution Plan:

The Company had defined contribution plans namely Provident Fund. Contributions are made to provident fund at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the Government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the year towards defined contributions plan is as follows: 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.

II. Post-employment obligations

a. Gratuity:

The Company provides for gratuity for employees as per the payment of Gratuity Act, 1972. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The Company operates post retirement gratuity plan with LIC of India. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service giving rise to additional unit of employees benefit entitlement and measures each unit separately to build up the final obligation.

The following table sets out the amounts recognised in the financial statements in respect of gratuity plan.

The following table sets out the amounts recognised in the financial statements in respect of gratuity plan

Particulars	Year ended March 31, 2018
Change in defined benefit obligations:	
Obligation at the beginning of the year	2,419,400
Current service cost	168,345
Interest cost	193,552
Remeasurement (gains)/losses	1,045,870
Past service cost	-
Benefits paid	-
Obligation at the end of the year	3,827,167
Change in plan assets:	
Fair value of plan assets at the beginning of the year	1,274,406
Investment income	101,772
Employer's contributions	66,946
Benefits paid	-
Return on plan assets , excluding amount recognised in net interest expense	-
Fair value of plan assets at the end of the year	1,443,124
Expenses recognised in the statement of profit and loss consists of:	
Employee benefits expense:	168,345
Current service costs	-
Past service cost	193,552
Net interest expenses	361,897
Other comprehensive income:	
(Gain)/Loss on plan assets	(101,772)
Actuarial (gain)/loss arising from changes in financial assumptions	856,905
Actuarial (gain)/loss arising from changes in experience adjustments	188,965
	944,098
Expenses recognised in the statement of profit and loss	1,305,995

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Notes forming part of Financial Statements

Notes- 45

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- 46

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

	Year ended 31-03-2018 (Rs. in lacs)	Year ended 31-03-2017 (Rs. in lacs)
i. Raw materials :	2840.47	1536.09
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, know how, 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 31-03-2018 (Rs. in lacs)	Year ended 31-03-2017 (Rs. in lacs)
a. Technicals	3484.29	2973.73
b. Solvents, Emulsifiers & others	150.33	184.14
Total	3634.62	3157.87

II. Raw Material Consumption (Percentage)

	Year ended 31-03-2018			Year ended 31-03-2017		
	Qty. (Kgs)	Rs. in Lacs	Percentage of Consumption	Qty. (Kgs)	Rs. in Lacs	Percentage of Consumption
a. Imported	439579	2705.41	23.85	288481	1482.66	15.57
b. Indigeneous	1403234	1645.15	76.15	1564124	1675.21	84.43
Total	1842813	4350.56	100.00	1852605	3157.87	100.00

d. Earnings in foreign exchange : Nil



Phyto Chem (India) Limited

Notes forming part of Financial Statements

Notes - 47

Notes - 47		31-03-2018		31-03-2017
a. Particulars of capacity, Production and sales				
i. Installed Capacity (Ltrs)		90,00,000.000		90,00,000.000
ii. Production (Ltrs)				
Pesticides Formulations		13,34,843.400		14,42,368.000
iii. Sales				
	(Ltrs/Kgs)	Rs.	(Ltrs/Kgs)	Rs.
		(in Lacs)		(in Lacs)
1. Pesticides Formulations	13,05,660.00	6966.48	14,20,718.00	5370.15
2. Real Estate (Sft.)	--	--	--	--
		<u>6966.48</u>		<u>5370.15</u>
b. Details of Opening and Closing Stock:				
	Qty.	Rs.	Qty	Rs.
Finished Goods	(Ltrs/Kgs)	(in lacs)	(Ltrs/Kgs)	(in lacs)
i. Pesticides Formulations				
Opening Stock	2,42,047.000	516.67	2,20,397.000	440.72
Closing Stock	2,71,230.000	581.20	2,42,047.000	516.67
ii. Land - Real Estate				
Opening Stock	48,395.00 (Sft)	96.79	48,395.00 (Sft)	96.79
Closing Stock	48,395.00 (Sft)	96.79	48,395.00 (Sft)	96.79

Notes - 48

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

Per our Report of even date annexed.

For M/s R.B. Associates
Chartered Accountants
Firm Regn. No. 009112S

For and on behalf of the Board of Directors

K.Ramesh Babu
Partner, M.No.028304
Place : Hyderabad
Date : 30th May, 2018

Pawan Kumar Tiwary
Company Secretary
M.No: 52934

N.Sudhakar
Director
DIN : 00426897

Y.Nayudamma
Managing Director
DIN : 00377721

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Phyto Chem (India) Limited

(CIN: L24110TG1989PLC009500)

Survey No.628, Temple Street, Bonthapally - 502 313,
Gummadidala Mandal, Sangareddy District, Telangana State.

Attendance Slip

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

29th Annual General Meeting on 29th September, 2018

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 29th Annual General Meeting of the Company at Registered Office of the Company at Survey No.628, Temple Street, Bonthapally-502 313, Gummadidala Mandal, Sangareddy District, Telangana State on Saturday, 29th September, 2018 at 12:15 P.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, 2018 (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
180829073	Please refer Notes No.9 d & 9 e of e-voting instructions in the Notice.	

The e-voting period commences from 9:00 a.m. on 26th September, 2018 and ends on 28th September, 2018 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, 2018, 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, 2018.



Phyto Chem (India) Limited



Phyto Chem (India) Limited

(CIN: L24110TG1989PLC009500)

Survey No.628, Temple Street, Bonthapally - 502 313,
Gummadidala Mandal, Sangareddy 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, Gummadidala Mandal, Sangareddy 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		
	E- Mail ID	Signature	
	or failing him		
2	Name		
	Address		
	E- Mail ID	Signature	
	or failing him		
3	Name		
	Address		
	E- Mail ID	Signature	
	or failing him		

As my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 29th Annual General meeting of the Company, to be held on Saturday the 29th day of September, 2018 at 12:15 P.M. at the Registered Office of the Company at Survey No.628, Temple Street, Bonthapally-502 313, Gummadidala Mandal, Sangareddy District, Telangana State and at any adjournment thereof in respect of such resolutions as are indicated below:

Phyto Chem - Annual Report - 2017-18

Item No.	Resolutions	For	Against
1.	Adoption of the Audited Financial Statements, Reports of the Board of Directors and Auditors.		
2.	Re-appointment of Dr. Sreemannarayana Prathipati as Director who retires by rotation		
3.	Approval for the appointment of Statutory Auditors of the Company		
4.	Approval of Rights Issue		

Affix
Revenue
Stamp

Signed thisday of2018

Signature of Shareholder.....

Signature of Proxy holder(s).....

Dear Shareholder ,

Date: 30th August, 2018

Sub : Transfer of equity shares in demat form - Time Limitation - Regarding

Ref : **Unit : M/s Phytochem India Limited. (Company)**

This is to inform you that pursuant to amendment to Regulation 40 of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Gazette notification issued by SEBI on June 8, 2018, any request for transfer of securities (except transmission or transposition) in physical form shall not be processed unless the securities are held in the dematerialised form with effect from December 5, 2018.

In order to comply with the above amendment, the Company and its Registrar and Transfer Agent M/s Bigshare Services Pvt Ltd. will not register/effect any transfer of equity shares of the Company in physical form received on and after December 5, 2018. We therefore advise you to take immediate steps for dematerialising your shares. As you may be aware that holding shares in dematerialised form offers benefits like ease of handling, faster transfers, exemption from stamp duty, eliminating bad deliveries and enhanced security. In view of the above, we request you to take steps for dematerialisation the shares on or before 4th December, 2018.

Please feel free to contact us in case of further queries or any assistance in this regard at the following address of the RTA:

M/s Big share Services Pvt. Ltd
306, Right Wing, 3rdFloor,
Amrutha Ville, Opp. Yashoda Hospital
Somajiguda, Rajbhavan Road,
Hyderabad – 500082 (India)
Tel. No. +9140 23374967; e-mail id: bsshyd@bigshareonline.com

Thanking you,

Yours sincerely
For Phyto Chem (India) Ltd.

Y.Janaki Ramaiah
Executive Director
DIN: 06949910

Date : 30th August, 2018

Dear Shareholder,

Sub : Mandatory update of PAN and Bank details - Request for submission of documents - Regarding

Ref : Unit : M/s Phyto Chem (India) Limited

Pursuant to SEBI circular SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April, 2018, shareholders holding shares in physical form whose folio do not have/have incomplete details with respect to PAN and Bank particulars are mandatorily required to furnish the PAN and bank details to the Registrar & Transfer Agent(RTA) for registration under their folio.

Hence we request all the shareholders whose shares do not have / have incomplete details with respect to PAN and Bank particulars to submit the following documents within 21days of receipt of this communication:

1. Enclosed form duly filled in and signed by the shareholder (including joint holders)
2. Self-attested copy of PAN card of the shareholder (including joint holders)
3. Original cancelled cheque, leaf with the name of first / sole shareholder printed on it and in absence of personalized cheque copy of bank passbook showing name & account details of the account holder attested by bank
4. Address proof (self-attested copy of Aadhar-card /voter id / electricity bill/ telephone bill)

In case if you have any queries or need any assistance in this regard, please contact us at the following address of the RTA:

M/s Big share Services Pvt. Ltd
306, Right Wing, 3rdFloor,
Amrutha Ville, Opp. Yashoda Hospital
Somajiguda, Rajbhavan Road,
Hyderabad – 500082 (India)

Tel. No. +9140 23374967; e-mail id: bsshyd@bigshareonline.com

On receipt above document, we will update the same in our records.

Thanking you,

Yours faithfully,

For Phyto Chem (India) Ltd.

Y.Janaki Ramaiah
Executive Director
DIN: 06949910

FORM FOR FURNISHING PAN AND BANK DETAILS

M/s Big share Services Pvt. Ltd

306, Right Wing, 3rd Floor, Amrutha Ville ,Opp. Yashoda Hospital
Somajiguda, Rajbhavan Road, Hyderabad – 500082.

Dear Sir/Madam,

Unit: M/s PHYTO CHEM (INDIA) LIMITED

I/we hereby furnish our PAN and bank mandate details for updating in your records. I/we am/are enclosing herewith:

- 1) Self-attested copy of PAN card of the shareholder (including joint holders)
- 2) Original personalized cancelled cheque leaf /First page of bank pass book
- 3) Address proof (self-attested copy of Aadhar-card/voter id/electricity bill/telephone bill)

Folio No.	
Mobile No.	
E-Mail id	

Bank Account Details :(for electronic credit of dividends)

Name of the Bank												
Name of the Branch												
Account Number (as appearing cheque book)												
Account Type (Please tick as applicable)	Saving			Current			Cash Credit					
9 Digit MICR Number (as appearing on the MICR cheque issued by the bank) Please enclose a photo copy of a cheque for verification												
11 Digit IFSC Code												

	Name	PAN	Signature (as per specimen registered with the Company / RTA)
First Holder:			
Joint Holder1:			
Joint Holder2:			

Date :

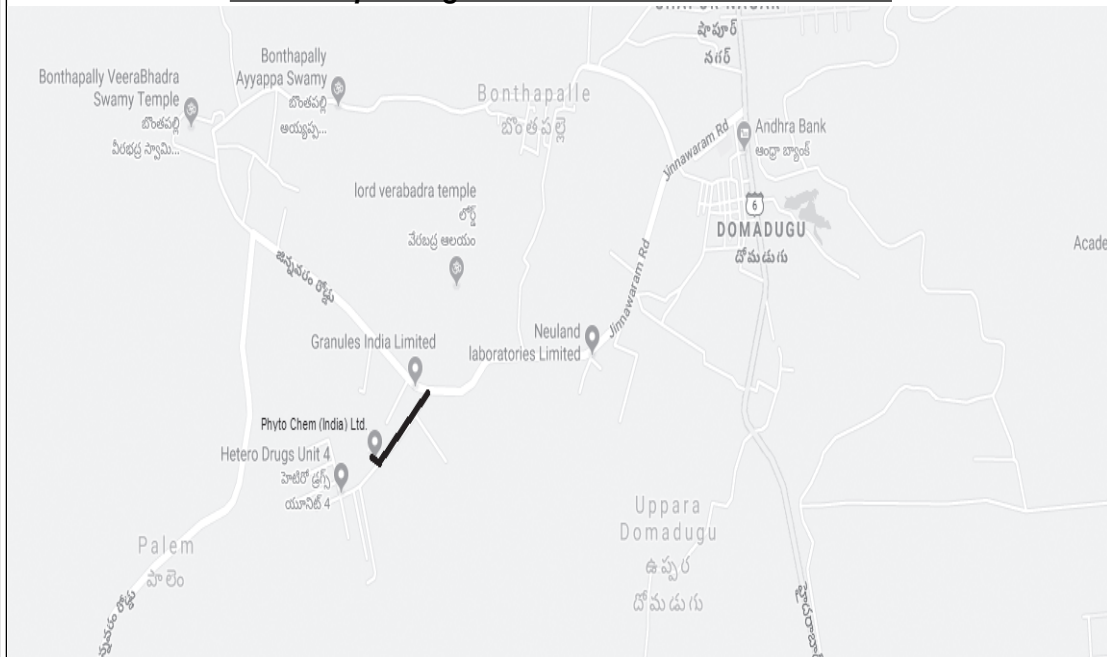
Place :

Note : 1. Please detach this form and return it to the Registrar and Transfer Agent duly filled in along with the supporting documents.

2. The above details will not be updated if the supporting documents are not attached and / or not duly signed by the shareholder (including joint holders).

Phyto Chem - Annual Report - 2017-18

Route Map to Registered Office - AGM on 29-09-2018



Printed Matter

If undelivered, Please return to :



Phyto Chem (India) Limited

CIN : L24110TG1989PLC009500

Survey No. 628, Temple Street, Bonthapally - 502 313,
Gummadidala Mandal, Sangareddy, District, Telangana State.

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