



ensō group

ENSO SECUTRACK LIMITED

(FORMERLY TYCHE PERIPHERAL SYSTEMS LIMITED)

**17th
ANNUAL REPORT
2007 - 2008**

BOARD OF DIRECTORS

Mr. Vinay Kumar Maloo
Mr. Ram Prasad Gadde Siva
Mr. Amit Majumdar
Mr. Pradeep Chauhan
Ms. Sabari S Kambli
Mr. Jagdish Mal Lodha
Mr. Naseem Ahmad
Mr. Rajiv Kumar Maheshwari

Director & Chairman
Director & Executive Vice Chairman
Managing Director
Wholetime Director
Wholetime Director
Director
Director
Additional Director

AUDITORS

M/s. S. Srinivasan & Co.
Chartered Accountants
H.No.8-2-293/82/W/93,
Plot No.93, Road No.7B,
Jubilee Hills,
HYDERABAD – 500 033.

BANKERS

State Bank of India
Commercial Branch,
Koti, Hyderabad.

SHAREHOLDERS' INFORMATION REGISTERED OFFICE

“TYCHE HOUSE”,
13-6-436/A/26,
Lakshminagar Colony,
Mehdipatnam,
Hyderabad – 500 028.

AUDIT COMMITTEE

Mr. J M. Lodha
Mr. Rajiv Maheshwari
Mr. Amit Majumdar

INVESTORS' GRIEVANCES COMMITTEE

Mr. J. M. Lodha
Mr. Rajiv Maheshwari
Mr. Amit Majumdar

LISTING

Bombay Stock Exchange Limited
Bangalore Stock Exchange Limited
Ahmedabad Stock Exchange Limited
The Calcutta Stock Exchange Association Ltd.
The Hyderabad Stock Exchange Limited

BOOK CLOSURE

25-09-2008 to 30-09-2008 (both days inclusive)

Date, Time and Venue of AGM

30-09-2008, 9.30 A.M.
At Taj Banjara
Road No.1, Banjara Hills,,
Hyderabad-500034.

REGISTRARS & SHARE TRANSFER AGENTS (Physical & Electronic)

M/s. XL Softech Systems Limited,
3, Sagar Society, Road No.2, Banjara Hills,
Hyderabad – 500 034.

ENSO SECUTRACK LIMITED
NOTICE

Notice is hereby given that the seventeenth Annual General Meeting of the members of 'Enso Secutrack Limited' will be held on Tuesday, September 30, 2008 at Hotel Taj Banjara, Road No.1, Banjara Hills, Hyderabad – 500 034 at 9:30 A.M. to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet of the Company as at March 31, 2008, the Profit & Loss Account and the Cash Flow Statement for the year ended as on that date and the report of the Board of directors and Auditors thereon.
2. To appoint a director in place of Mr. J.M.Lodha, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a director in place of Mr. Naseem Ahmad, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint M/s. S Srinivasan & Co, Chartered Accountants, as statutory auditors of the Company to hold office from the conclusion of this annual general meeting until the conclusion of the next annual general meeting and to authorize the Board of directors / audit committee to fix their remuneration.

SPECIAL BUSINESS

5. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED THAT Mr. Pradeep Chauhan who was appointed as an Additional Director by the Board of Directors on May 7th 2008 and who holds office upto the date of the ensuing Annual General Meeting under Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, is hereby appointed as a Director, liable to retire by rotation.

RESOLVED FURTHER THAT the terms and conditions of the appointment of Mr. Pradeep

Chauhan appointed as a Whole Time Director, shall remain same as that approved by the members in the Extra Ordinary General Meeting dated June 17th, 2008."

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

"RESOLVED THAT Mr. Amit Datta Majumdar who was appointed as an Additional Director and Managing Director by the Board of Directors on May 7th 2008 and who holds office upto the date of the ensuing Annual General Meeting under Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, is hereby appointed as a Director.

RESOLVED FURTHER THAT the terms and conditions of the appointment of Mr. Amit Datta Majumdar shall remain same as that approved by the members in the Extra Ordinary General Meeting dated June 17th, 2008."

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

"Resolved that in accordance with provisions of the Sections 198, 269, 309 and Schedule XIII and other applicable provisions, if any of the Companies Act, 1956 the consent of the Company be and is hereby accorded for the reappointment of Ms. Sabari S. Kambli, as Wholetime Director, liable to retire by rotation, on the terms and conditions as approved by the members in the Extra Ordinary General Meeting dated June 17th, 2008."

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

"RESOLVED THAT Mr. Rajeev Maheshwari who was appointed as an Additional Director by the Board of Directors on December 18th 2007 and who holds office upto the date of the ensuing Annual General Meeting under Section 260 of the Companies Act, 1956 and in respect of whom the

Company has received a notice in writing from a member proposing his candidature for the office of Director, is hereby appointed as a Director, liable to retire by rotation.

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

“RESOLVED THAT pursuant to the applicable provisions of the Foreign Exchange Management Act (“FEMA”), 1999, the Companies Act, 1956, and all other applicable rules, regulations, guidelines, laws (including any statutory modifications thereof) and subject to approval / consent of such appropriate authorities including that of the Central Government and Reserve Bank of India, where necessary, and subject to such conditions as may be prescribed by any of the concerned authorities while granting such approvals, permission and sanction, which may be agreed to by the board of directors of the Company, and/or duly authorized committee thereof or the time being exercising the powers conferred by the board of directors (hereinafter referred to as the “Board”), the consent of the Company be and is hereby accorded for investments by foreign institutional investors, including their sub-accounts (“FIIs”) in the Company upto 49% of the paid up equity share capital of the Company, by purchase or acquisition from the market under the portfolio investment scheme under FEMA, subject to the conditions as may be prescribed under applicable law.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters, and things and execute all documents or writings as may be necessary, proper, or expedient for the purpose of giving effect to this Resolution.”

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

RESOLVED THAT pursuant to the applicable provisions of the Foreign Exchange Management Act (“FEMA”), 1999, the Companies Act, 1956, and all other applicable rules, regulations, guidelines, laws (including any statutory modifications thereof) and subject to approval / consent of such appropriate authorities including that of the Central Government and Reserve Bank of India, where necessary, and subject to such conditions as may be prescribed by any of the concerned authorities while granting such approvals, permission and sanction, which may be agreed to by the Board of Directors of the Company, and/or duly authorized committee thereof or the time being exercising the powers conferred by the Board of Directors (hereinafter referred to as the “Board”), the consent of the Company be and is hereby accorded for investments by Non Resident Indians (“NRIs”) in the shares of the Company by purchase or acquisition from the market under the portfolio investment scheme under FEMA, subject to the condition that total holding of all NRIs put together shall not exceed 24% of the paid up equity share capital, subject to the conditions as may be prescribed under applicable law.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters, and things and execute all documents or writings as may be necessary, proper, or expedient for the purpose of giving effect to this Resolution.”

By order of the Board
For Enso Secutrack limited

Amit Datta Majumdar
Managing Director

Date: September 2, 2008
Place: Hyderabad

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies, in order to be effective must be received at the Company's Registered Office not less than 48 hours before the meeting. Proxies submitted on behalf of limited companies etc. must be supported by appropriate resolution/authority as applicable, issued on behalf of the nominating organization.
2. The Register of Members and Share Transfer Books of the Company will remain closed from September 25th 2008 to September 30th 2008 (both days inclusive), in terms of the provisions of the Companies Act, 1956 and the Listing Agreement with the stock exchanges where the shares of the Company are listed.
3. Information regarding particulars of the directors to be appointed / re-appointed in terms of the Listing Agreement and the explanatory statement pursuant to section 173 of the Companies Act, 1956, are annexed hereto. The committees considered for the purpose are those prescribed under clause 49(I)(C)(ii) of the Listing Agreement(s) viz. Audit Committee and Shareholders / Investors Grievance Committee of Indian public limited companies.
4. Corporate members are requested to send, a duly certified copy of the board resolution/ power of attorney authorising their representative to attend and vote at the annual general meeting.
5. Members/proxies are requested to bring duly filled admission/attendance slips sent herewith along with the copies of annual reports at the meeting.
6. For the security and safety of the shareholders, no article/baggage including water bottles- and tiffins will be allowed at the venue of the meeting. The members/attendees are strictly requested to not to bring any article/baggage etc. at the venue of the meeting.
7. Members are requested to send all correspondence concerning registration of transfers, transmissions, subdivision, consolidation of shares or any other share related matters and/or change in address, furnishing of details of their bank accounts or updation thereof to Company's Registrars and Transfers Agents.
8. Members desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 109A of the Companies Act, 1956, are requested to write to the Company's Registrars in the prescribed form.
9. Members whose shareholding is in the electronic mode, are requested to forward their requests for change of address and updation of bank account details to their respective depository participants.
10. The documents referred to in the accompanying notice and explanatory statement and statutory registers are open for inspection at the Registered Office of the Company on all working days (Monday to Friday) between 11.00 a.m. and 1.00 p.m. upto the date of annual general meeting and will also be available for inspection at the meeting.
11. Members having any questions on accounts are requested to send them ten days in advance to enable the Company to collect the relevant information.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

Item No. 5

The Board of Directors appointed Mr. Pradeep Chauhan, as an Additional Director and Whole time Director with effect from May 7, 2008 pursuant to the provisions of the Articles of Association of the Company read with Section 260 of the Companies Act, 1956. Mr. Pradeep Chauhan holds office up to the date of the ensuing Annual General Meeting.

The Company has received a notice in writing from a Member under Section 257 of the Companies Act, 1956 signifying his intention to propose the candidature of Mr. Pradeep Chauhan as a Director of the Company

liable to retirement by rotation, along with the prescribed deposit of Rs.500/-. The information relating to Mr. Pradeep Chauhan is given at the end of this notice.

The Board recommends the above resolution for members' approval to his appointment as a whole time director liable to retire by rotation.

None of the directors except Mr. Pradeep Chauhan, is interested or concerned in the proposed resolution.

Item No. 6

The Board of Directors appointed Mr. Amit Datta Majumdar, as an Additional Director and Managing Director with effect from May 7, 2008 pursuant to the provisions of the Articles of Association of the Company read with Section 260 and other relevant provisions of the Companies Act, 1956. Mr. Amit Datta Majumdar holds office up to the date of the ensuing Annual General Meeting.

The Company has received a notice in writing from a Member under Section 257 of The Companies Act, 1956 signifying his intention to propose the candidature of Mr. Amit Datta Majumdar as a Director of the Company, along with the prescribed deposit of Rs.500/-. The information relating to Mr. Amit Datta Majumdar is given at the end of this notice.

The Board recommends the above resolution for members' approval as a Managing Director not liable to retire by rotation.

None of the directors except Mr. Amit Datta Majumdar, is interested or concerned in the proposed resolution.

Item No. 7

Ms. Sabari S. Kambli was appointed as a Whole time director in the Annual General Meeting held on the 30th of September, 2006 for a period of two years. Accordingly her tenure as a whole time Director ends on the date of the ensuing Annual General Meeting i.e. 30th September, 2008. Considering the significant contribution made by her, the Board of Directors of the Company in their meeting held on September 2nd, 2008, resolved to re-appoint Ms. Sabari S. Kambli as

the Whole Time Director, liable to retire by rotation, on the existing terms and conditions approved by the members in the Extra Ordinary General meeting held on June 17th, 2008.

None of the Directors of your Company except Ms. Sabari S. Kambli is concerned / interested in the proposed Resolution.

The Board recommends the Resolution for your approval.

Item No. 8

The Board of Directors appointed Mr. Rajeev Maheshwari, as an Additional Director with effect from December 18, 2007 pursuant to the provisions of the Articles of Association of the Company read with Section 260 of the Companies Act, 1956. Mr. Rajeev Maheshwari holds office up to the date of the ensuing Annual General Meeting.

The Company has received a notice in writing from a Member under Section 257 of The Companies Act, 1956 signifying his intention to propose the candidature of Mr. Rajeev Maheshwari as a Director of the Company liable to retire by rotation, along with the prescribed deposit of Rs. 500/-. The information relating to Mr. Rajeev Maheshwari is given at the end of this notice.

The Board recommends the above resolution for members' approval as director liable to retire by rotation.

None of the directors except Mr. Rajeev Maheshwari, is interested or concerned in the proposed resolution.

Item No. 9

In conformity with the Foreign Exchange Management Act, 1999, the limit of investments by Foreign Institutional Investors ("FIIs") is proposed to be 49%, of the paid-up equity capital of the Company, subject to the approval of the members of the Company by way of special resolution.

The FII investment limit of 49% would result into incremental weightage of the Company's shares in

benchmark international stock market indices, which a large number of FIIs follow for their investments worldwide and hence, this increase in FII investment limit will be beneficial to the Company.

The Resolution set out in the Notice will enable the FIIs, who are considered to be prudent investors to acquire shares of the Company through the market. The proposed resolution is enabling in character.

The Board of Directors recommend the resolution for approval of the members.

None of the Directors are interested / concerned in the resolution.

Item No. 10

In conformity with the Foreign Exchange Management Act, 1999, the limit of investments by Non Resident Indians (“NRIs”) is proposed to be 24%, of the paid-up equity capital of the Company, subject to the approval of the members of the Company by way of special resolution.

The Resolution set out in the Notice will enable the NRIs to acquire shares through the market. The proposed resolution is enabling in character.

The Board of Directors recommend the resolution for approval of the members.

None of the Directors are interested / concerned in the resolution.

**By order of the Board
For Enso Secutrack limited**

Date: September 2, 2008
Place: Hyderabad

Amit Datta Majumdar
Managing Director

Additional Information on directors seeking appointment / reappointment at the Annual General Meeting (pursuant to clause 49 of the listing agreement)

Particulars	Mr. Pradeep Chauhan	Mr. Amit Datta Majumdar	Mr. Rajiv Maheshwari	Ms. Sabari S Kambli	Mr. J.M.Lodha	Mr. Naseem Ahmad
Date of Birth	15/12/1954	01/03/1961	08/05/1964	30/05/1960	24/08/1949	18/08/1941
Qualification	M.A. Economics	B.Tech (IIT)	M.Sc., B.G.L, M.B.A.-NMIMS, Bombay	Chartered Accountant	Chartered Accountant, M.Com, LL.B., PGD in Personnel Management	M.S, AMIETE
Experience & Expertise in specific Functional area	Technical & Management	Technical & Management	Management & Finance	Management & Finance	Management & Finance	Technical & Management
Date of first Appointment on the Board	15/04/1999	07/05/2008	18/12/2007	05/09/1999	19/10/2007	19/10/2007
Relationship with other directors	Nil	Nil	Nil	Nil	Nil	Nil
No. of Board meetings attended during the Previous year	9	Nil	Nil	10	1	2
Direct Shareholding in the Company	3860	Nil	Nil	3500	Nil	Nil
Directorships in other Indian Public Limited Companies (Other than the Company)	Nil	1. Enso Emnet Limited 2. Enso Technologies Limited	1. Win Securities & Finance Limited	Nil	1. Platinum Ocean Energy Limited 2. Enso Technologies Limited	Nil
Membership / Chairmanship of Committees In Public limited Companies in India (Other than the Company)	Nil	Nil	Nil	Nil	Platinum Ocean Energy Limited: Audit Committee Shareholders Grievance Committee	Nil

DIRECTORS' REPORT

Dear Members,

Your Directors take pleasure in presenting their 17th Annual Report and Audited Accounts for the Financial Year 2007-2008.

1. FINANCIAL HIGHLIGHTS

(Rs. in Lacs)

PARTICULARS	2007-08	2006-07
Income	6619.64	5023.60
Operating Profit	918.07	688.95
Provision for Taxation	330.15	248.37
Profit after tax	587.03	435.11
Retained Earnings	586.63	432.49

2. NAME CHANGE:

Your Company is pleased to inform you that the name of the company has been changed from TYCHE PERIPHERAL SYSTEMS LIMITED to ENSO SECUTRACK LIMITED.

With a view to have the Company signifying the absolute nature of existence and its expanding lines of businesses, the name of the company is changed to 'Enso Secutrack Limited'. The word 'Enso' means Circle in Japanese and is the symbol of the absolute, the true nature of existence and enlightenment and 'Secutrack' is a coined word, a combination of the word Security and Tracking, which is in furtherance of the company's line of business, as your Company operates in the Electronic Security and Tracking Business.

2. OVER VIEW OF PERFORMANCE DURING THE YEAR 2007-2008:

Your Company has clocked a turnover of Rs.66.19 Crores in the year 2007-08, which is 32% (approx.) more than the previous year's turnover. This is mainly due to orders received from the Banking Industry for DVSS and Queue Management Systems, etc. In addition to the above, earlier installations, during the 2003-04 onwards, have completed the warranty period and the service

income by way of AMC's has also increased. Both the above factors have contributed to the growth in top line. Your Company has also been able to foray into Solar products market, which segment has also contributed to the turnover during the year under review. The current year bottom line has shown a marginal improvement over previous year's percentage i.e. it has grown from 8.60% of sales in previous year to 8.86% of sales of current year.

3. UTILISATION OF FUNDS RAISED DURING THE YEAR 2007-08

Rs.28.59 Crores received upto 31.03.08 (including Rs. 22.65 Crores of Equity Share Warrants Application Money) have been utilized for capital expenditure, development of property and meeting increased working capital requirements.

4. DIVIDENDS:

The Directors do not recommend a dividend for the year, as the retained earnings have been kept in reserve for the proposed new products and towards R&D activities.

5. PUBLIC DEPOSITS:

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

6. DIRECTORS:

Mr. J. M. Lodha and Mr. Naseem Ahmad, retire by rotation at the forthcoming Annual General Meeting and being eligible to be reappointed, offer themselves for reappointment.

Since the last Directors' Report, Mr. Vinay Maloo, Mr. Vinod Kapur, Mr. J. M. Lodha, Mr. Ram PGS, Mr. Naseem Ahmad and Mr. Rajiv Maheshwari were appointed as additional directors during the year.

The Company has received notice from a member under Section 257 of the Companies Act, 1956 proposing the appointment of Mr. Amit Datta Majumdar, Mr. Pradeep Chauhan and Ms. Sabari

S. Kambli to be appointed as Whole time Directors of the Company and Mr. Rajeev Maheshwari as non-executive independent Director of the Company.

A brief profile of the directors, containing details of the Directors proposed to be appointed / reappointed under Clause 49 of the Listing Agreement with the Stock Exchanges is appended as an Annexure to the notice of the ensuing Annual General Meeting.

Mr. Balramkrishanaiah, Mr. K.M.Mannem, Mr. K.Muralidhar, Mr. Vinod Kapur and Ch. Vijay Kumar have resigned as directors from the Company. The Board acknowledges its appreciation for the services rendered by them during their tenure.

7. DIRECTORS' RESPONSIBILITY STATEMENT:

Your Directors' report that

- i. In the preparation of the Annual Accounts, the relevant and applicable accounting standards have been followed along with proper explanation relating to material discrepancies if any.
- ii. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent in order that the financial statements reflect a true and fair view of the state of the affairs of the Company at the end of the financial year and of the profit of the company for the year.
- iii. The Directors have taken proper and sufficient care for adequate internal control and maintenance of accounting records in accordance with the provisions of the companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. The Annual accounts have been prepared on a going concern basis.

8. REPORT ON CORPORATE GOVERNANCE:

Report of Corporate Governance pursuant to Clause 49 of the Listing Agreement entered into with the Stock Exchanges, is given as a separate statement in the Annual Report. A certificate from Auditors, confirming compliance with the requirements of corporate governance is also given separately in this report.

9. MANAGEMENT DISCUSSIONS AND ANALYSIS:

Management discussions and analysis of the Company for the year end review as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges is given as a separate statement (Annexure- A) in the Annual Report.

10. AUDITORS:

M/s S Srinivasan & Co., Chartered Accountants retire at the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. The Company has received a certificate from the Auditors to the effect that their appointment, if made will be in accordance with the provisions of Section 224(1B) of the Companies Act, 1956.

11. AUDITORS' OBSERVATIONS:

Your Directors noted for future guidance the observations of Auditors, at para 3 of Auditor's Report.

The individual balances of Sundry Debtors, Creditors, Loans & advances are many in number, in view of the nature of our transactions. Many of the customers are institutions like Banks, Govt. Departments / Undertakings, and similar organizations, as such confirmation from all the parties may not be practical. The Auditor's observations are noted by your Board.

12. INDUSTRIAL RELATIONS / HUMAN RESOURCES:

The Board desires to place on record its appreciation for the support and co-operation that the company received from suppliers, from retailers, from banks and others, associated with the Company. The Company has always looked upon them as partners in its progress and has happily shared with them the rewards of growth. It will be the Company's endeavour to build and nurture strong links with trade based on mutual respect and co-operation with each other.

The Directors wish to place on record their appreciation to employees at all levels, for their hard work, dedication and commitment. The enthusiasm and unstinting efforts of the employees have enabled the company to remain at the forefront of the industry, despite increased competition from several existing and new players.

13. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information required under Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988 with respect to conservation of energy, technology absorption and foreign exchange earnings/outgo is appended hereto and forms part of this Report under Annexure 1.

14. PARTICULARS OF EMPLOYEES:

During the year under review, none of the employees were in receipt of remuneration in excess of the limits prescribed under the Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

15. ACKNOWLEDGEMENTS:

The Directors would like to thank employees, shareholders, customers, dealers, suppliers, bankers and all other business associates for the continuous support given by them.

For and on behalf of the Board

Place: Hyderabad
Date: 02.09.2008

Ms Sabari S Kambli
Wholetime Director

Mr. Amit Majumdar
Managing Director

ANNEXURE TO THE DIRECTORS' REPORT:

ANNEXURE-1

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO AS PER SECTION 217(1) (e) OF THE COMPANIES ACT, 1956 AND THE RULES MADE THEREIN AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31st MARCH, 2008.

(A) CONSERVATION OF ENERGY:

The operations of Company are not energy intensive. However energy conservation is priority area for the Company & Company is taking various measures to make optimum use of the energy.

Various training programs were also conducted across the organization to increase the awareness for reduction in energy consumption.

(B) 1. TECHNOLOGY ABSORPTION & RESEARCH AND DEVELOPMENT

Technology absorption of your Company's products is on a continuous basis, based on the R&D efforts of your Company. Your Company makes special efforts to identify customer needs processes, etc. for developing innovative products and market the same. New technologically advanced products such as Touch Screen POSS, CPDT, Touch Screen Kiosks for the Rural Banking Sector, IVS, RS Kiosk Terminals, etc. are being offered to the ever dynamic markets.

2. IMPACT OF MEASURES TAKEN

The above measures have helped the Company in offering state-of-art technologically advanced products for transaction automation, which mainly happen in the Retail and Banking Sectors. Your Company has been able to judge the pulse of the market and been able to react very quickly by offering products, which are way ahead of its competitors. This has placed your Company in a pole point position.

(C) FOREIGN EXCHANGE EARNINGS/OUTGOINGS

Earnings in foreign currency	:	- Nil -
Expenditure in foreign Currency (Purchase of raw materials, goods, spares, foreign travel, R&D etc.)	:	Rs. 864.32 Lacs

For and on behalf of the Board

Place: Hyderabad
Date : 02.09 .2008

Ms. Sabari S Kambli
Wholetime Director

Mr. Amit Majumdar
Managing Director

ANNEXURE – A**MANAGEMENT DISCUSSION AND ANALYSIS REPORT:****A) Industry Structure and Development:**

Your Company has always been making continual efforts to develop new products and strategies in its core strength area viz. transaction automation. These products would be suitable for the Banking Sector and Retail Sector where present retail boom is happening globally and specifically in India.

In the Retail Segment, your Company's tie-up with NCR is beginning to take-off as MNCs are entering the Retail Segment in India in a big way. Your Company has also launched Touch Screen POSS with the latest state-of-art technology. This is one of the most sought after products in outlets like McDonald, Café Coffee Day, Star burls, etc., who are on an expansion spree in India.

In the Banking Sector, Touch Screen POSS, Self-service Terminals are very much in demand. Your Company has offered two Kiosks in this segment. As you are aware, DQM was developed by your Company and your Company has successfully marketed the same. Your Company has now come out with Touch Screen Kiosk, which is an advanced product in this segment. Your Company has also been successful in deploying low-cost Kiosk for Rural Banking Industry and expects a good chunk of business from this sector.

In the area of Surveillance and Security, your Company has tied-up with a U.K. based Company for industrial security products, which are mainly used for defense establishments, large establishments and complexes and critical infrastructures of State and Central Governments. The company has launched Tyche Secure Zone concept, which encompasses all market segments for security solutions, such as Retail, Banking and Home. These solutions have IVS, premises' alarm systems and Remote Surveillance solutions. In the ever-expanding space of the Banking as well as Retail Sectors, providing space for documents storage has become a nightmare for major banks, insurance and other documents processing industries. To cater to this segment, your Company has brought out yet another product, which uses the Barcode technology, wherein data is compressed and stored for future use. Transfer of such small compressed data also can be done from one place to another without use of much bandwidth. Encryption and decryption of data maintains the security level of such data. Major applications of this segment are banks, insurance companies and other document processing establishments.

(B) SWOT Analysis:**(i) Strengths:**

- (a) Strong brand presence in Transaction Automation Devices.
- (b) Certified ISO 9001-2000 Company.
- (c) Certified ISIO Company.
- (d) 81 Branch Offices and Service Centers across the country & still increasing.
- (e) Well experienced service personnel with on spot presence.
- (f) Excellent customer relationship across geographic spread including corporates and individuals.
- (g) Availability of latest state-of-art technology for all its products.
- (h) Strong software team to develop in-house customized software solutions for major corporates and individual customers.
- (i) Well equipped R&D Software development centers at Hyderabad with well experienced, skilled team in assembly languages and embedded software, etc.

(ii) Weaknesses:

- (a) High level of selling overheads for maintaining sales and service centers across the country.

(iii) Opportunities:

- (a) Retail boom happening globally and in India has created a sudden market for POSS, Cash Handling Devices, Surveillance products.
- (b) More security consciousness across the industrial segment has created a need for advanced surveillance products.
- (c) Space constraints, due to expanding businesses has created a need for products, which can save space and money.

(iv) Threats:

- (a) Competition from unorganized sectors of the market.
- (b) Adverse fluctuations in exchange rates / Government policies may affect the profitability / sales.
- (c) Intense price war, due to undercutting practices and increase in the number of small players at the entry level, in all its products.

(C) Product wise performance:
(Rs. in Lacs)

S.NO.	PRODUCT	VALUE	% TO TOTAL
A.	Retail Automation Products	2727.83	41.33
B.	Banking Automation Products	2649.05	40.13
C.	Service Income	1223.79	18.54

(D) Outlook for the Company:
GLOBAL SCENARIO:

As everybody knows that the growth scenario for India and world at large have drastically changed in past one year, with high inflation rate, increasing crude prices and subprime crisis being the prime reasons for this change in scenario. India's GDP forecast is predicted to be around 8.7% as compared to 9.6% in the previous year. But on the positive side, India's growth story as compared to global scenario remains intact. Domestic demand continues to show a buoyant trend. In this background company has initiated new activities and marketing initiatives and has consciously diversified its business activities. This scenario provides a unique challenging opportunity in particular for your Company.

Going forward the Company plans to realign its business activities by creating following business verticals:

Retail Banking & Automation:

- This vertical will broadly take care of existing peripheral business. With higher disposable incomes the growth story for Retail segment is intact and also with banks increasing their focus to rural areas for their growth, your Company is well positioned to leverage the opportunity in this vertical.
- The Company under this vertical has already entered in to an agreement with Check Point Systems Inc. USA for distribution of its products in various agreed territories. Under the agreement the Company has exclusivity in the agreed territories to distribute Electronic Article Surveillance (EAS) systems to combat pilferage, Hand Labeling Systems (HLS), and Merchandising Systems (MS). These systems are majorly used by retail industry

which at present is booming in India. The Company has already started the process of appointing Distributors in all the territories.

- Your Company has aggressively embarked in expansion of its service centers to B-Class and C-Class cities and plans to increase the overall network of 81 Centers in the coming years. This massive expansion assures the customers of your Company availability of service support for all its locations.
- Looking at this marketing opportunity your company has brought out new products like Touch Screen POSS, CDTs, CPDTs, Touch Screen DQMs, etc. Your Company's presence in the Retail Segment and its excellent service network across the country due to its presence PAN India will give it an edge over the competition for taking care of the Retail boom.

Tracking, Surveillance & Solar systems:

- Surveillance Systems: Under this vertical the Company plans to provide complete solution in terms of surveillance systems using intelligent CCTV systems including analog as well as IP Cameras, DVRs etc. The prospective customers would be Refineries, Oil Pipe Lines, power plants factories and similar large establishments.
- Traffic Management: The Company plans to provide Advanced Traffic management systems using cameras, vehicle flow measurement systems and automated traffic lights. Existing and potential customers include City Police, Municipalities and Security agencies.
- The Company plans to provide City Surveillance Solutions to local authorities and Police Department.

With the globalization of Indian concerns & changing face of the business, threats faced by business houses are also changing and range from pilferage to terrorism. Your Company being a pioneer in the area of security and surveillance has initiated many programs to bring awareness for safety and security solutions that are provided by the Company. Your Company is in a unique position to tap this opportunity and leverage its position in this vertical.

IT & ITES - Hardware & Networking Solutions

As a part of backward integration the vertical would provide all IT (Hardware, Software and Networking) solutions and will serve other verticals as well as provide similar solutions to other Project and Companies.

Video monitoring and Central monitoring

For City Surveillance and similar type of solutions the Company as back end plans to provide video and central monitoring solutions.

Smart Home solutions

The Company plans to provide for smart home security solutions to house holds. The solution will be analog as well as IP based.

Fire Solutions

Company plans to embark upon new line of activity and introduce latest fire fighting equipment with international standards which are fully automated and with minimum human interference.

(E) Internal Control System and Adequacy:

Adequate and effective internal control systems are in place. These are periodically reviewed and discussed for correction / implementation.

The internal control measures adopted reasonably assure;

- (i) Suitable recording and safeguarding of assets of the Company.
- (ii) Relevant accounting records give reliable financial information and give true and fair view.

(F) Financial Performance:

Discussion on Financial performance with respect to operational performance:

Certain important indicators:

Sl.No.		2007-08	2006-07	Remarks
(i)	PAT / Net Sales (%)	8.87	8.66	Increase in topline from Rs50.04 crores to 66.00 Crores due to increase in orders from Banking & retail Automation & marginal increase in service income
(ii)	PBIT / Interest (times)	11.04	10.40	Increase in profits 8.60% to the turnover of previous year to 8.86% to the turnover of the current year has been one of the reasons for improvement in this ratio.
(iii)	Working Capital Loan/Sales (%)	6.19	4.82	Prime reasons for increase in this ratio are: a) Increase in working capital requirements due to company's plans of expansion and diversification b) Increase in Receivables
(iv)	Current Ratio	2.83	2.28	Increase in the Current Assets has improved this ratio from 2.28 to 2.83. However for both the years this ratio is well above the Industry Benchmark of 1.33.
(v)	Return of Equity (ROE) = PAT / NW (%)	10.95	22.75	Company has raised capital during the year due to which the networth of the company has substantially increased from 19.13 crores to 53.58 crores & this further has led to a drop in ROE from 22.75% to 10.95%.
(vi)	Debt Equity Ratio = Total Debt/ Equity.	0.13	0.23	Increase in equity due to issue of shares coupled with a reduction in debt has been responsible for a reduction in this ratio.

(G) Material development in Human Resource / Industrial relations, including number of people employed:

The Company's strength in terms of number of employees in various locations and departments are given below:

Sl.No.	Location / Department	Ending of the Yr.	Beginning of the Yr.
1.	Corp. Office	78	74
2.	Logistics	24	24
3.	Branches	322	308
	TOTAL:	424	406

(H) Cautionary Statement:

Certain statements in the 'Management Discussion and Analysis' on expectation, prediction, etc. may be forward looking. Actual results could differ materially. This may be expressed or implied. Some of the factors that could influence the difference are pricing in the major market sector, change in Government regulation, tax implication, economic developments and other incidental factors. The Company may not take responsibility to amend or modify publicly any forward-looking statements; on the basis of any developments, or events occurring subsequently.

ANNEXURE – B

CORPORATE GOVERNANCE:

1. The Company's Philosophy:

The Company's philosophy is to implement and set best of the practices of Corporate Governance for the good of diverse group of people, who are the stakeholders of the Company viz. Shareholders, Customers, and Employees. In this context, the Company is thriving to set consistent practices to operate the Business of the Company efficiently and effectively, so that it can achieve long term mutually profitable partnership with all its stakeholders.

2. Board of Directors:

The Board of Directors of the Company comprises of a Managing Director, Whole time Directors and three independent Directors.

During the year ended 31st March 2008, ten Meetings of the Board of Directors were held on the following dates:

- | | |
|---------------------|-----------------------|
| 1. April 30, 2007 | 6. November 24, 2007 |
| 2. July 27, 2007 | 7. December 12, 2007 |
| 3. August 28, 2007 | 8. January 23, 2008 |
| 4. October 19, 2007 | 9. January 31, 2008 |
| 5. October 31, 2007 | 10. February 28, 2008 |

The Composition /Attendance / Directorships is as follows:

Sl. No.	Name of the Director	Category	No. of Board Meetings attended	Whether Attended AGM
1.	Mr. Pradeep Chauhan ^o	Wholetime Director	9	Yes
2.	Ms. Sabari S Kambli	Wholetime Director	10	Yes
3.	Mr. Balaramakrishnaiah [*]	Non Executive Director	5	No
4.	Mr. I Premkumar [*]	Non Executive Director	3	No
5.	Mr. K.M. Mannem [*]	Non Executive Director	3	No
6.	Mr. K S Muralidhar [*]	Non Executive Director	3	No
7.	Mr. Ch. Vijay Kumar [*]	Non Executive Director	6	No
8.	Mr. Vinay Maloo ^{&}	Non Executive Director – Chairman, Promoter	1	N.A.
9.	Mr. Ram P.G.S. ^{&}	Executive Vice Chairman	4	N.A.

10.	Mr. Vinod Kapur ^{&*}	Non Executive Director	5	N.A.
11.	Mr. J.M.Lodha ^{&}	Non Executive Director	1	N.A.
12.	Mr. Naseem Ahmad ^{&}	Non Executive Director	2	N.A.
13.	Mr. Rajiv Maheshwari ^{&}	Non Executive Director	1	N.A.
14.	Mr. Amit Datta Majumdar [#]	Managing Director	N.A.	N.A.

[%] Resigned as Managing Director and holds office as Wholetime Director w.e.f. May 7, 2008.

^{*} Ceased to be Directors due to resignation.

[&] Mr. Vinay Maloo, Mr. Ram PGS, Mr. J.M. Lodha, Mr. Naseem Ahmad, Mr. Vinod Kapur and Mr. Rajiv Maheshwari were appointed during the year.

[#] Mr. Amit Datta Majumdar appointed on the Board on May 7, 2008

3. Committee of the Board:

(i) Audit Committee:

Terms of reference of the audit committee *interalia* includes, compliance to establish, practices, mandatory requirements; ensure that Financial Statements reflect a true and fair view, recommend operating improvements; discussion with statutory and internal auditors; etc.

Composition and Attendance:

During the year ended 31st March 2008, 5 meetings of the Audit Committee, under Chairmanship of Mr. Balaramakrishnaiah, were held on 30.04.2007, 27.07.2007, 27.08.2007, 31.10.2007 and 31.01.2008.

Sl.No.	Name of the Director	Category	No. of Committee Meetings attended
1.	Mr. Balaramakrishnaiah	Director	5
2.	Mr. Vinod Kapoor	Director	2
3.	Mr. Ch. Vijay Kumar	Director	5

However, the Audit Committee has been reconstituted on July 31, 2008 and the present Audit committee consists of Mr. J.M. Lodha, Mr. Rajeev Maheshwari and Mr. Amit Datta Majumdar.

(ii) Investors grievances Committee:

The Committee constituted of five independent directors, viz. Mr. Balaramakrishnaiah, Mr. I. Premkumar, Mr. K.M. Mannem, Mr. K.S. Muralidhar and Mr. Ch. Vijay Kumar. During the year ended 31st March 2008 five meetings of the Investors Grievances Committee, under Chairmanship of Mr. Balaramakrishnaiah, were held on 30.04.2007, 27.07.2007, 27.08.2007, 31.10.2007 and 31.01.2008.

Sl.No.	Name of the Director	Category	No. of Committee Meetings attended
1.	Mr. Balaramakrishnaiah	Director	4
2.	Mr. I Premkumar	Director	4
3.	Mr. K.M. Mannem	Director	4
4.	Mr. K S Muralidhar	Director	3
5.	Mr. Ch. Vijay Kumar	Director	5

The Company attended to the investors' grievances / correspondences, expeditiously.

However, the Committee was reconstituted on July, 31 2008 and the present Investor grievance committee consists of Mr. J. M. Lodha, Mr. Rajeev Maheshwari and Mr. Amit Datta Majumdar.

Details of Investor Grievances for the period 01.04.2007 to 31.03.2008:

S.No	Description	Received	Resolved	Pending
1.	Non-receipt of shares certificates sent for transfer etc.	23	23	Nil
2.	Non-receipt of annual reports, right forms, bonus shares/interest on delayed receipt of refund order.	Nil	Nil	Nil

To redress investor grievances, the Company has a dedicated email id, investor@enso-secutrack.com to which investors may send complaints.

4. General Body Meetings:

The last three Annual General Meetings were held as per details given below:

S.No.	Year	Day	Date	Time	Location
1.	2004 - 2005	Friday	30.09.2005	10.00 A.M.	Hyderabad
2.	2005 - 2006	Saturday	30.09.2006	11.00 A.M.	Hyderabad
3.	2006 - 2007	Thursday	27.09.2007	9.30 A.M.	Hyderabad

Special Resolutions passed at the Annual General Meetings:

No special resolution was passed in the 16th Annual General Meeting held on 27 September, 2007. However, the following resolutions were passed in the AGMs held on September 30, 2005 and September 30, 2006 respectively:

- (a) Special resolutions pertaining to delisting of equity shares from the Stock Exchanges viz. the Hyderabad Stock Exchange Limited, Bangalore Stock Exchange Limited, Ahmedabad Stock Exchange Limited and the Calcutta Stock Exchange Association Ltd. & Special resolution altering the Objects Clause IIIA of Memorandum of Association of the Company were passed at the 14th Annual General Meeting (2004-2005), held on 30.09.2005.
- (b) Special resolution pertaining to change of name of the Company from Tyche Peripheral Systems Ltd., to Tyche Automation Systems Ltd. was passed at the 15th Annual General Meeting (2005-06), held on 30.09.2006.

The Company also held Extraordinary General Meetings during the financial year 2007-2008, as per details given below:

S.No.	Year	Day	Date	Time
1.	2007-2008	Monday	27.08.2007	10.00 A.M.
2.	2007-2008	Saturday	24.11.2007	10.00 A.M.
3.	2007-2008	Thursday	28.02.2008	10.30 A.M.

Postal Ballot and postal ballot process

During the previous year, the Company has passed Special Resolutions through postal ballot. A detailed procedure followed by Company is provided hereunder:

Person conducting the postal ballot exercise

Ms. Sabari S. Kambli, Whole time Director, Finance, was appointed as person responsible for the postal ballot voting process through a Board Resolution. Mr. P. Jagannatham, Partner of M/s Puttaparthi Jagannatham & Co., Company Secretaries, was appointed as scrutinizer for the postal ballot voting process. Mr. P. Jagannatham conducted the process and submitted the report.

Procedure followed

1. The Company issued the postal ballot notice dated October 19, 2007,
2. The draft resolution, together with the explanatory statement and the postal ballot forms and self-addressed envelopes were sent to the members and others concerned under certificate of posting.
3. Member were advised to read carefully the instructions printed on the postal ballot form and return the duly completed form in the attached self-addressed envelope, so as to reach the Scrutinizer on or before close of business hours on Friday, November 23, 2007.
4. After due scrutiny of all the postal ballot forms received to the close of working hours on November 23, 2007, Mr. P. Jagannatham, Practicing Company Secretary, (the Scrutinizer) submitted the report on November 24, 2007.
5. The results of the postal ballot were declared on November 24, 2007. The date of declaration of the results of the postal ballot was taken as the date of passing of the special resolutions.
6. The results of the postal ballot were published in the newspapers within 48 hours of the declaration of the results.

Details of voting pattern

After scrutinizing all the ballot forms received, the scrutinizer reported as under:

Date of declaration of results	Particulars of resolutions passed Votes (%)	Total valid (%)	In Favour (%)	In Against
November 24, 2007	Change in management and control of the Company in favour of Oriental Holdings Limited	2278138 (100%)	2277938 (99.99%)	200 (0.01%)
November 24, 2007	Issue of warrants under Section 81 (1A) of the Companies Act, 1956 to Oriental Holdings Limited on preferential basis	2278138 (100%)	2277938 (99.99%)	200 (0.01%)
November 24, 2007	Issue of warrants under Section 81 (1A) of the Companies Act, 1956 to Promoters and promoters group on preferential basis.	2278138 (100%)	2277721 (99.98%)	417 (0.02%)

November 24, 2007	Issue of warrants under Section 81 (1A) of the Companies Act, 1956 to Square Moon Consultancy Pvt. Limited on preferential basis.	2278138 (100%)	2277721 (99.98%)	417 (0.02%)
November 24, 2007	Approval for issue of FCCB's	2278138 (100%)	2278038 (99.99%)	100 (0.004%)
November 24, 2007	Increase of Authorized Capital of the Company from Rs.20 crores to Rs.50 crores	2278138 (100%)	2278038 (99.99%)	100 (0.004%)

Publication of the Result of Postal Ballot:

The result of Postal Ballot were published in Business Line (All India), Economic Times, Financial Express (Hyderabad) and in regional Newspaper Andhra Bhoomi (Telugu).

5. Disclosure:

(i) Related party transactions:

The following are the related party transactions undertaken by the Company during the year ended on March 31, 2008:

- (a) During the year the company paid Rs.2,76,218/- as rent for its leased premises at 13-6-436/A/26, Lakshminagar Colony, Mehdiapatnam, Hyderabad to Ms. G Riddhima who is a relative of Mr. Ram PGS, who was appointed as Director of the company on 19.10.2007. The lease for the premises commenced from 15.07.2005.
- (b) During the year the company paid Rs.1,12,050/- as rent for its leased premises at No:122, 1st Floor, Amrutha Ville, Somajiguda, Hyderabad to Ms. G Krishna Kumari who is a relative of Mr. Ram PGS, who was appointed as Director of the company on 19.10.2007. The lease for the premises commenced from 05.12.2007.
- (c) During the year the company paid Rs.9,00,000/- as rent for its leased premises at 8-2-293/82/L/298/A, Sri Venkateshwara Co.Op Housing Society, Road No: 12, Banjara Hills, Hyderabad to Ms. K. Haricharana Devi who is a relative of Mr. Ram PGS, who was appointed as Director of the company on 19.10.2007. The lease for the premises commenced from 23.03.2007.
- (d) During the year the company paid Rs.3,00,000/- as rent for its leased premises at 13-6-436/A/10, Laxmi Nagar Colony, Mehdiapatnam, Hyderabad to Mr. K Sasibhusan Rao who is a relative of Mr. Ram PGS, who was appointed as Director of the company on 19.10.2007. The lease for the premises commenced from 23.12.2007.

(ii) Compliance by the Company:

The Company complied with the requirements of Stock Exchanges, SEBI and other Statutory Authorities. No penalties or strictures have been imposed on the Company by Stock Exchanges, or SEBI or any other related Statutory Authorities.

6. Means of Communication:

- (i) The quarterly results are announced in the Business Line (All India), Financial Express (Hyderabad) and in regional Newspaper Andhra Bhoomi (Telugu). The information of quarterly results is sent to Stock Exchanges.
- (ii) The Management Discussions and Analysis Report forms part of the Annual Report.

7. Shareholders information:
(i) Annual General Meeting:

Date : September 30, 2008
 Time : 9.30 A.M.
 Venue : Taj Banjara, Road No.1, Banjara Hills, Hyderabad-500034.

(ii) The Profile of Directors retiring by rotation / reappointment

Additional Information on directors seeking appointment / reappointment at the Annual General Meeting (pursuant to clause 49 of the listing agreement)

Particulars	Mr. Pradeep Chauhan	Mr. Amit Datta Majumdar	Mr. Rajiv Maheshwari	Ms. Sabari S Kambli	Mr. J.M.Lodha	Mr. Naseem Ahmad
Date of Birth	15/12/1954	01/03/1961	08/05/1964	30/05/1960	24/08/1949	18/08/1941
Qualification	M.A. Economics	B.Tech (IIT)	M.Sc., B.G.L, M.B.A.-NMIMS, Bombay	Chartered Accountant	Chartered Accountant, M.Com, LL.B., PGD in Personnel Management	M.S, AMIETE
Experience & Expertise in specific Functional area	Technical & Management	Technical & Management	Management & Finance	Management & Finance	Management & Finance	Technical & Management
Date of first Appointment on the Board	15/04/1999	07/05/2008	18/12/2007	05/09/1999	19/10/2007	19/10/2007
Relationship with other directors	Nil	Nil	Nil	Nil	Nil	Nil
No. of Board meetings attended during the Previous year	9	Nil	Nil	10	1	2
Direct Shareholding in the Company	3860	Nil	Nil	3500	Nil	Nil
Directorships in other Indian Public Limited Companies (Other than the Company)	Nil	1. Enso Emnet Limited 2. Enso Technologies Limited	1. Win Securities & Finance Limited	Nil	1. Platinum Ocean Energy Limited 2. Enso Technologies Limited	Nil
Membership / Chairmanship of Committees In Public limited Companies in India (Other than the Company)	Nil	Nil	Nil	Nil	Platinum Ocean Energy Limited: Audit Committee Shareholders Grievance Committee	Nil

(iii) Financial Calendar – 2008 - 2009 (Tentative schedule subject to change):

Financial Year: April 1 to March 31

Adoption of Quarterly Results:

Period	Adoption of Quarterly results
For the Qtr. Ended 30 th June 2008	July 2008
For the Qtr. Ended 30 th Sept, 2008	October 2008
For the Qtr. Ended 31 st Dec, 2008	January 2009
For the Qtr. Ended 31 st March 2009	April 2009

(iii) Book Closure Date:

25/09/2008 to 30/09/2008 (Both dates inclusive).

(iv) List of stock exchanges where the shares of the company are listed along with their addresses:

Sl.No.	Name and Address of the Stock Exchange
1.	The Bombay Stock Exchange Ltd., Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001
2.	The Calcutta Stock Exchange Association Ltd 7, Lyons Range, Kolkata -700 001
3.	The Ahmedabad Stock Exchange Ltd., Kamadhenu Complex, Opp: Sahajanand College, Panjarapole, Ahmedabad – 380 015
4.	Bangalore Stock Exchange P.B. No.27024, No.51, Stock Exchange Towers, 1st Cross, J.C. Road, Bangalore – 560 027
5.	The Hyderabad Stock Exchange Limited Somajiguda, Hyderabad

Market price data:

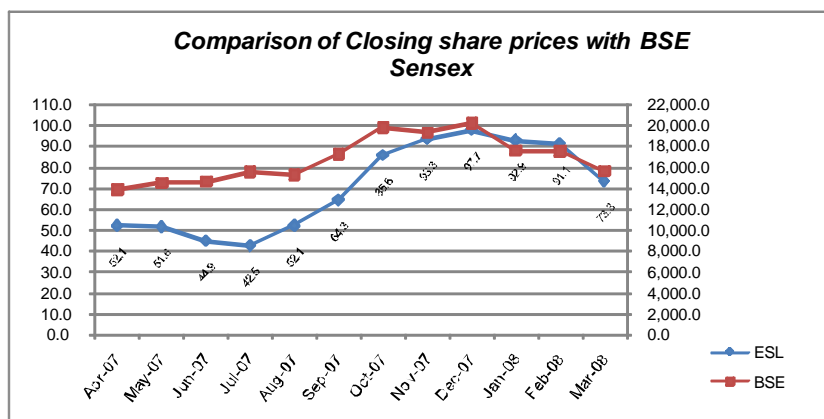
Your Company takes pleasure to inform you that from 18th June, 2008 shares of your company have been listed directly on Bombay Stock Exchange (BSE). Further pursuant to your approval in June 17th, 2008 Extraordinary General Meeting, the name of the Company has been changed from Tyche Peripheral Systems Limited to **Enso Secutrack Limited**. Accordingly, the name of the scrip has been changed in the Bombay Stock Exchange also, with effect from 7th August, 2008, the details of which are as under:

Scrip Code : 532984
 ISIN : INE969A01018
 Group : S (DIRECT LISTING)
 Scrip ID on BOLT System : ENSOSECUT
 Abbreviated name on BOLT System : ENSO SECUT

Share Prices during financial year 2007 - 2008

Month & Year	High (Rs.)	Low (Rs.)
April 2007	52.10	42.35
May 2007	55.25	44.05
June 2007	55.50	43.75
July 2007	50.60	40.20
August 2007	65.95	38.50
September 2007	71.25	50.80
October 2007	96.10	57.10
November 2007	97.75	77.45
December 2007	97.75	80.00
January 2008	116.40	84.35
February 2008	94.00	78.55
March 2008	91.00	54.05

(Source: BSE website)



source (BSE website)

(vi) Share Transfer System:

For both Physical and Electronic modes.

The Share Transfer Committee holds a meeting every fortnight to consider all matters concerning transfer and transmission of shares. The Company's shares of the Company are compulsorily traded in Demat Mode. The shares received for transfer in physical mode by the Company are transferred expeditiously and thereafter option letter is sent to the transferee(s) for dematerialization of his / her shares. Confirmation in respect of the request for dematerialization is sent to the respective depositories. In case the transferee(s) does / do not opt for dematerialization of the shareholding, the transfer is completed in the physical mode and the share certificates duly transferred are sent to the transferee(s).

The Company's shares are available for trading in the depository systems of both the National Securities Depository Ltd., (NSDL) and the Central Depository Services (India) Ltd. (CDSL). The Shareholders can hold our shares with any of the Depository participants registered with these depositories.

(vii) Shareholding Pattern as on 31-03-2008

S.No.	Category	No. of Shares	%
1.	Promoters	1505168*	13.49
2.	Mutual Funds	-	-
3.	Banks & Financial Institutions	6500	0.06
4.	Foreign Institutional Investors	-	-
5.	Bodies Corporate	2851118	25.55
6.	Indian Public	6704038	60.06
7.	NRIs / OCBs	74676	0.67
8.	Other (Clearing Members)	19598	0.17
	TOTAL	111610980*	100.00

* Including 5,20,000 shares pending listing approval from the Calcutta Stock Exchange.

(viii) Distribution of Shareholding as on 31-03-2008:

Nominal Value		No. of Shareholders		No. of Shares	
From	To	Number	% Total	Number	% Total
1	5000	6921	86.64	10115690	9.06
5001	10000	432	5.41	3684430	3.30
10001	20000	253	3.17	4169230	3.74
20001	30000	83	1.04	2170290	1.94
30001	40000	43	0.54	1561440	1.40
40001	50000	68	0.85	3285800	2.94
50001	100000	81	1.01	5981950	5.36
100001	and above	107	1.34	80642150	72.25
Total	7988	100.00	111610980*	100.00	

* Including 5,20,000 shares pending listing approval from the Calcutta Stock Exchange.

(ix) Address for Correspondence:

The Shareholders may address their communications/ suggestions / grievances / queries to:

Ms. Sabari S. Kambli
Whole Time Director
13-6-436/A/26, Lakshmi Nagar Colony, Mehdiapatnam, Hyderabad – 500 028
Tel. No.040 – 2352 5436 / 2352 5437, Email Address: investor@enso-secutrack.com

Registrar and Transfer Agent

M/s. XL Softech Systems Limited,
3, Sagar Society, Road No.2, Banjara Hills, Hyderabad – 500 034
Tel. No.040 – 2354 5912 - 15 , Email Address: xlfield@rediffmail.com

DECLARATION BY CHIEF EXECUTIVE OFFICER (CEO)

I, Amit Datta Majumdar, Managing Director of Enso Secutrack Limited, hereby declare that all the board members and senior managerial personnel have affirmed for the year ended 31st March 2008 compliance with the code of conduct of the company laid down for them.

Place : Hyderabad
Date : 02.09.2008

Sd/-
Amit Datta Majumdar
Managing Director

**CERTIFICATE BY CHIEF EXECUTIVE OFFICER (CEO) AND
CHIEF FINANCIAL OFFICER (CFO)**

We, Amit Datta Majumdar, Managing Director and Ms. Sabari S Kambli, Director (Finance) of Enso Secutrack Limited, certify;

1. That we have reviewed the financial statements and the cash flow statement for the year ended 31st March 2008 and that to the best of our knowledge and belief;
 - i. these statements do not contain any materially untrue statement nor omit any material fact nor contain statements that might be misleading, and
 - ii. these statements present a true and fair view of the company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
2. That 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 violative of the company's code of conduct;
3. That we accept responsibility for establishing and maintaining internal controls, we have evaluated the effectiveness of the internal control systems of the company and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps that we have taken or propose to take to rectify the identified deficiencies and
4. That we have informed the auditors and the audit committee of;
 - i. significant changes in internal control during the year;
 - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes of the financial statements; and
 - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system.

Place : Hyderabad
Date : 2.09.2008

Sd/-
Amit Datta Majumdar
Managing Director

Sd/-
Ms Sabari S Kambli
Director (Finance)

AUDITOR'S REPORT ON CORPORATE GOVERNANCE

To

The Members,
M/s Enso Secutrack Limited
HYDERABAD.

We have examined the compliance of conditions of Corporate Governance by Enso Secutrack Ltd (formerly Tyche Peripheral Systems Ltd) for the year ended March 31st 2008, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of condition of Corporate Governance is the responsibility of management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned listing agreement(s).

We state that as per the records maintained by the Company, no investor grievances is remaining unattended/ pending for a period exceeding one month.

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

For S SRINIVASAN & Co.
Chartered Accountants

Place : Hyderabad.
Date : 02.09.2008

S. SRINIVASAN

AUDITOR'S REPORT

To
The Members of
Enso Secutrack Limited

1. We have audited the attached Balance Sheet of M/s Enso Secutrack Limited (formerly Tyche Peripheral Systems Limited), Hyderabad (AP) as at 31st March, 2008 and also the attached Profit & Loss Account and Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Financial Statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Financial Statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall Financial Statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. *The Individual Balances of Sundry debtors, Sundry creditors, loans and advances are subject to confirmation by the parties concerned.*
4. The Company Secretary resigned on 07.12.2007. As per information provided to us the company is trying to fill the vacancy. So there is no Company Secretary since 08.12.2007. However, the company obtained a certificate of compliance from a qualified Company Secretary.
5. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956 of India (the Act) and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we set out in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
 - (i) Further to our comments in Annexure referred to above and subject to our comments in paragraph 3 above, we report that:
 - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.

In our opinion, the Company has kept proper books of account as required by law so far as appears from our examination of such books.

- (b) The Balance Sheet and the Profit & Loss Account referred to in this report are in agreement with the books of account.
- (c) In our opinion the Profit & Loss Account and the Balance Sheet dealt with by this report, comply with the Accounting Standards referred to in Sub-Sec (3C) of Sec.211 of the Companies Act, 1956.
6. On the basis of the written representation received from the Directors and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2008 from being appointed as Director in terms of Clause (g) of Subsection (1) of Section 274 of the Companies Act, 1956.
7. In our opinion and to the best of our information and according to the explanations furnished to us,

the said Balance Sheet and the Profit & Loss Account read together with the notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view:

- i. In so far as it relates to the Balance Sheet of the State of Affairs of the company as at 31st March, 2008 and
- ii. In so far it relates to Profit & Loss Account, of the profit of the company for the year ending on 31st March, 2008.

For S SRINIVASAN & Co.,
Chartered Accountants

Place : Hyderabad.
Date : 02.09.2008

S. SRINIVASAN

ANNEXURE TO AUDITOR'S REPORT

Statement referred to in paragraph 4 of our report of even date:

- (1) (a) This Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) We were informed that the assets have been physically verified by the management at reasonable intervals; No material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanations given to us, no substantial part of fixed assets has been disposed of by the Company during the year.
- (2) (a) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (b) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on

physical verification of inventory as compared to book records were not material.

- (3) The Company has neither granted nor taken any loans, secured or unsecured to / from companies, firms or other parties covered in the register maintained under section 301 of the Act.
- (4) i) During the year the company paid a lease amount of Rs.2,76,218/- to Ms. G Ridhima who is related to Mr. Ram PGS, who is the director of the company.
- ii) During the year the company paid a lease amount of Rs. 112050/- to Ms. G Krishna Kumari who is related to Mr. Ram PGS, who is the director of the company.
- iii) During the year the company paid a lease amount of Rs. 9,00,000/- to Ms. K Haricharana Devi who is related to Mr. Ram PGS, who is the director of the company.
- iv) During the year the company paid a lease amount of Rs. 3,00,000/- to Mr. K Sasibhusan Rao who is related to Mr. Ram PGS, who is the director of the company.

These transactions have been entered in the register maintained U/s 301 of the Act.

- (5) There is adequate internal control procedure commensurate with the size of the Company and the nature of its business.
- (6) The Company did not accept any deposits in violation of section 58A and 58AA of the Companies Act or in violation of the directions of the Reserve Bank of India.
- (7) The Company has its own internal audit system, commensurate with its size and nature of its business.
- (8) Maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act, for this Company.
- (9) The Company is generally regular in depositing statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales-Tax, Wealth Tax, Custom Duty, Excise Duty, cess and any other statutory dues with the appropriate authorities. However the company failed to pay advance income tax for the relevant year.
- (10) The Company has neither accumulated losses as at March 31, 2008, nor it has incurred any cash losses during the financial year ended on that date and the immediately preceding financial year.
- (11) The Company has not defaulted in repayment of dues to any financial institution or bank.
- (12) The Company did not grant any loans other than advances to its staff and workers.
- (13) The Company is not a Chit Fund or Nidhi Company.
- (14) The Company does not deal in shares or debentures.
- (15) The Company has not given any guarantee for loans taken by others from bank or financial institutions, the terms and conditions whereof are prejudicial to the interest of the Company.
- (16) During the year the Company has availed of term loan to the tune of Rs.149.38 lacs from State Bank of India..
- (17) The Company did not use the funds raised for short-term purposes for long-term purposes and vice-versa.
- (18) The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Act.
- (19) The Company has raised Rs.28.60 crores through preferential allotment of equity warrants/shares including a premium of Rs.4.40 crores.
- (20) The Company did not issue any debentures during the year.
- (21) No fraud on or by the Company has been noticed or reported during the year.

As per our Report of Even Date

For S SRINIVASAN & Co.,
Chartered Accountants

Place : Hyderabad
Date : 02.09.2008

S SRINIVASAN

BALANCE SHEET AS AT 31st MARCH 2008

PARTICULARS	SCHEDULE NO	AS AT 31.03.2008 Rs.	AS AT 31.03.2007 Rs.
I. SOURCES OF FUNDS			
Shareholders' funds			
a) Share Capital	1	340,210,980	98,250,980
b) Reserves and Surplus	2	195,679,311	93,016,100
		<u>535,890,291</u>	<u>191,267,080</u>
Loan funds			
a) Secured Loans	3	67,796,429	43,701,124
b) Unsecured Loans	4	7,109,935	4,585,217
		<u>74,906,364</u>	<u>48,286,341</u>
TOTAL		<u><u>610,796,655</u></u>	<u><u>239,553,421</u></u>
II. APPLICATION OF FUNDS			
Fixed Assets:			
a) Gross block	5	123,155,541	100,252,521
b) Less Depreciation		<u>61,227,461</u>	<u>52,811,159</u>
c) Net block		61,928,080	47,441,362
INVESTMENTS			
	6	-	1,200,000
Current assets, Loans and Advances			
a) Inventories	7	180,347,376	100,988,315
b) Sundry debtors	8	247,989,589	182,535,866
c) Cash and Bank balances	9	26,683,880	29,525,336
d) Other current assets	10	47,902,507	17,569,533
e) Loans and advances	11	<u>226,571,910</u>	<u>9,125,085</u>
		729,495,262	339,744,135
Less: Current Liabilities and Provisions 12			
a) Liabilities		115,286,981	115,751,697
b) Provisions		<u>63,630,898</u>	<u>30,564,576</u>
		178,917,879	146,316,273
Net Current Assets		550,577,383	193,427,862
Deferred Tax liability		(1,708,808)	(2,515,803)
TOTAL		<u><u>610,796,655</u></u>	<u><u>239,553,421</u></u>
Significant Accounting Policies	21		
Notes to Accounts	22		

The Schedules referred to above form part of the Balance Sheet as at 31.03.2008

As per our report attached

for **S SRINIVASAN & CO**
Chartered Accountants

for and on behalf of the Board

S.SRINIVASAN

PLACE: Hyderabad
DATE : 02.09.2008

Managing Director
Wholtime Director

PLACE: Hyderabad
DATE : 02.09.2008

Mr.Amit Majumdar
Ms.Sabari.S.Kambli

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH 2008

PARTICULARS	YEARENDED		YEAR ENDED	
	31.03.2008		31.03.2007	
		Rs.		Rs.
I INCOME				
Sales & Service Income	13	660,067,316		500,468,885
Others	14	1,897,538	661,964,854	1,891,351
Increase /(Decrease) in Stocks	15		71,010,375	12,666,399
TOTAL			732,975,229	515,026,635
II EXPENDITURE				
Material consumed & Cost of goods sold	16		524,337,813	348,010,273
Remuneration & benefits to employees	17		36,671,518	30,781,023
Manufacturing, Admn. & Selling expenses	18		60,322,144	50,845,505
Interest & Financial Charges	19		9,144,253	7,325,844
Loss on Sale of Investments			600,000	3,500,000
Depreciation	5		10,092,366	5,668,953
TOTAL			641,168,094	446,131,598
III PROFIT FOR THE YEAR			91,807,135	68,895,037
IV PROFIT BEFORE TAX			91,807,135	68,895,037
Less; Provision for Taxation				
Current Taxes		33,015,217		24,836,796
Fringe Benefit Tax		895,702		913,921
Deferred Taxes		(806,995)	33,103,924	(367,170)
V PROFIT AFTER TAX			58,703,211	43,511,490
Prior Period adjustments (Net)	20		(40,000)	(262,344)
VI PROFIT RETAINED			58,663,211	43,249,146
Profit brought forward from Previous year			72,874,100	29,624,954
VII BALANCE CARRIED TO BALANCE SHEET			131,537,311	72,874,100
Significant Accounting Policies	21			
Notes to Accounts	22			

The Schedules referred to above form part of the Profit & Loss Account for the period ended 31.03.2008

As per our report attached

for S SRINIVASAN & CO
Chartered Accountants

for and on behalf of the Board

S.SRINIVASAN

Managing Director
Wholetime Director

Mr.Amit Majumdar
Ms.Sabari.S.Kambli

PLACE: Hyderabad

PLACE: Hyderabad

DATE : 02.09.2008

DATE : 02.09.2008

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2008

(As required by Listing agreement)

PARTICULARS	YEAR ENDED		YEAR ENDED	
	31.03.2008		31.03.2007	
	Rs.		Rs.	
A CASH FLOW FROM OPERATING ACTIVITIES				
NET PROFIT BEFORE TAXATION, AND EXTRA-ORDINARY ITEMS		91,807,135		68,895,037
Adjustments:				
ADD:				
Depreciation		10,092,366		5,668,953
Interest & Financial charges	9,144,253		7,325,844	
Loss on Sale of Investment	<u>600,000</u>	19,836,619	<u>3,500,000</u>	16,494,796
LESS:				
Interest/Misc.income received	1,897,538		1,891,351	
Interest & Financial charges paid	8,709,791		6,827,422	
Income Tax paid	29,144,597		7,467,870	
Prior period adjustments (net)	<u>40,000</u>	39,791,926	<u>262,344</u>	16,448,987
Operating Profit before Working Capital changes		71,851,828		68,940,846
(Increase) / Decrease in Sundry Debtors	(65,453,723)		(34,798,506)	
(Increase) / Decrease in Loans & Advances	<u>(217,446,825)</u>		<u>393,281</u>	
(Increase) / Decrease in Other Current Assets		(1,026,665)		(5,684,303)
(Increase) / Decrease in Inventories	(79,359,061)		(16,069,286)	
Increase / (Decrease) in Current Liabilities	<u>(899,178)</u>	(364,185,452)	<u>(34,556,615)</u>	(90,715,429)
Cash flow before extra-ordinary items		<u>(292,333,624)</u>		<u>(21,774,582)</u>
Extra-ordinary items		-		-
Net Cash Flow from Operating Activities	A	(292,333,624)		(21,774,582)
B CASH FLOW FROM INVESTING ACTIVITIES				
(OUT FLOW)				
Purchase of fixed assets		(24,579,084)		(30,773,965)
Investments		<u>-</u>	(24,579,084)	<u>-</u>
INFLOW				
Interest/ Misc.Income received	891,229		1,241,239	
Investments	<u>600,000</u>	1,491,229	<u>7,000,000</u>	8,241,239
NET CASH USED IN INVESTING ACTIVITIES	B	(23,087,855)		(22,532,726)

C CASH FLOW FROM FINANCING ACTIVITIES

INFLOW

Proceeds from issuance of Share capital	285,960,000		37,540,800
Proceeds from long-term borrowings	2,857,001		17,739,457
Hire purchase loans received	4,534,157		537,552
Increase in Working Capital Loan	16,704,147		-
Increase in Unsecured Loans	<u>2,524,718</u>	<u>312,580,022</u>	<u>-</u>
			55,817,809

(OUTFLOW)

Repayment of Working Capital Loan/Term Loans	-		(16,884,921)
Hire Purchase loans repaid	-		-
Unsecured Loans repaid	-		(1,132,083)
Deferred Revenue expenditure	<u>-</u>	<u>-</u>	<u>-</u>
			(18,017,004)

NET CASH FLOW FROM FINANCING ACTIVITIES	C	312,580,022	37,800,805
Inflow/(Outflow)			

NET INCREASE IN CASH & CASH EQUIVALENTS (A+B+C)	(2,841,456)	(6,506,504)
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CASH & CASH EQUIVALENTS AT BEGINNING OF PERIOD	29,525,336	36,031,840
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CASH & CASH EQUIVALENTS AT END OF PERIOD	<u>26,683,880</u>	<u>29,525,336</u>
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for and on behalf of the Board

Managing Director
Wholetime Director

Mr.Amit Majumdar
Ms.Sabari S Kambli

PLACE : Hyderabad
DATE : 02.09.2008

We have examined the attached Cash Flow statement of ENSO SECUTRACK LIMITED, HYDERABAD for the year ended 31st March 2008. The statement has been prepared by the company in accordance with the requirements of Listing Agreement Clause 32 with Stock Exchanges and is based on and in agreement with the corresponding Profit & Loss Account and Balance Sheet covered by our report of 2nd September 2008, to the members of the Company.

As per our report attached

for S SRINIVASAN & CO
Chartered Accountants

S. SRINIVASAN
PLACE: Hyderabad
DATE : 02.09.2008

SCHEDULES FORMING PART OF THE ACCOUNTS

	AS AT 31.03.2008 Rs.	AS AT 31.03.2007 Rs.
SCHEDULE 1:		
SHARE CAPITAL		
Authorised Capital		
5,00,00,000 Equity Shares of Rs.10/-each	<u>500,000,000</u>	<u>120,000,000</u>
Issued,Subscribed & Paid up Capital		
1,11,61,098 Equity shares of Rs.10/- each fully Paid-up	111,610,980	96,210,980
Equity Share Warrants Application Money	<u>228,600,000</u>	<u>2,040,000</u>
	<u>340,210,980</u>	<u>98,250,980</u>

SCHEDULE 2
RESERVES & SURPLUS

Capital Reserve (Subsidy)	2,000,000	2,000,000
Share Premium	62,142,000	18,142,000
Profit & Loss A/c	131,537,311	72,874,100
	<u>195,679,311</u>	<u>93,016,100</u>

SCHEDULE 3:
SECURED LOANS.

From:

a) State Bank of India		
Working Capital Loan including	40,840,274	24,136,127
Foreign Currency Demand Loan		
Term Loans:		
b) State Bank of India	18,000,000	15,062,500
c) I C I C I Bank Ltd	2,596,458	2,676,957
d) Hire Purchase Loan	6,359,698	1,825,541
	<u>67,796,429</u>	<u>43,701,124</u>

NOTES:

- Working Capital borrowings as stated above from State Bank of India are secured by hypothecation of stock of Rawmaterials,Components,Spares,Stock-in-process, Finished goods wherever situated including Goods-in-transit, all present and future Book-Debts and are further secured by charge created on Fixed Assets of the Company and further secured by personal guarantees of Managing Director and two Directors of the Company. Foreign Currency Demand Loan was availed within the overall working capital limits sanctioned by State Bank of India.
- Term loan is taken for purchase of property for office premises at certain locations of the Company. The loan is secured by a charge/mortgage of the property with respective banks.
- Hire Purchase loans for purchase of vehicles are secured by Hypothecation of the respective vehicles

SCHEDULE 4:
UNSECURED LOANS

Sales Tax Deferment	3,409,935	4,585,217
Others	3,700,000	-
	<u>7,109,935</u>	<u>4,585,217</u>

**SCHEDULE 5:
FIXED ASSETS**

		GROSS BLOCK			DEPRECIATION				NET BLOCK	
S.NO	DESCRIPTION	ASAT 31.3.2007	ADDITIONS (DEDUCTIONS)	ASAT 31.03.2008	UPTO 31.3.2007	FOR THE PERIOD	Adj / (DEDUCTIONS)	UPTO 31.03.2008	ASAT 31.03.2008	ASAT 31.3.2007
1	LAND	200,004	-	200,004	-	-	-	-	200,004	200,004
2	BUILDING (FACTORY)	3,352,556	-	3,352,556	2,348,516	100,404	-	2,448,920	903,636	1,004,040
	BUILDING (OFFICE)	24,175,633	2,242,565	26,418,198	630,118	1,214,754	-	1,844,872	24,573,326	23,545,515
3	PLANT & MACHINERY	28,365,803	-	28,365,803	20,898,066	1,038,762	-	21,936,828	6,428,975	7,467,737
	TECHNICAL KNOW HOW	6,408,383	-	6,408,383	4,609,061	250,286	-	4,859,347	1,549,036	1,799,322
4	FURNITURE	10,514,513	540,038	11,054,551	5,327,008	1,005,675	-	6,332,683	4,721,868	5,187,505
5	VEHICLES	7,298,014	7,957,191 (2,617,441)	12,637,764	3,159,257	1,852,020	1,676,064	3,335,213	9,302,551	4,138,757
6	OFFICE EQUIPMENT	2,107,447	147,307	2,254,754	1,274,045	140,601	-	1,414,646	840,108	833,402
7	ELECTRICAL INSTALLATION	934,253	-	934,253	672,763	36,373	-	709,136	225,117	261,490
8	FACTORY EQUIPMENT	921,804	-	921,804	437,889	67,313	-	505,202	416,602	483,915
9	D G SET	265,673	-	265,673	214,545	7,112	-	221,657	44,016	51,128
10	COMPUTERS	9,385,896	417,436	9,803,332	8,517,361	459,639	-	8,977,000	826,332	868,535
11	AIR CONDITIONERS	702,605	86,950	789,555	364,588	47,018	-	411,606	377,949	338,017
12	COMMUNICATION EQUIPMENT	762,093	151,550	913,643	481,040	63,238	-	544,278	369,365	281,053
13	SERVICE EQUIPMENT	4,857,843	-	4,857,843	3,876,902	136,449	-	4,013,351	844,492	980,941
14	DIGITAL VIDEO RECORDERS	-	13,977,425	13,977,425	-	3,672,722	-	3,672,722	10,304,703	-
	TOTAL	100,252,520	22,903,021	123,155,541	52,811,159	10,092,366	1,676,064	61,227,461	61,928,080	47,441,362
	PREVIOUS YEAR	69,478,556	30,773,965	100,252,521	47,972,743	5,668,953	830,537	52,811,159	47,441,362	21,505,813

	AS AT 31.03.2008 Rs.	AS AT 31.03.2007 Rs.
SCHEDULE 6: INVESTMENTS		
In Companies	-	1,200,000
Investments in Fully paid-up Equity shares (unquoted shares at cost)	<u>-</u>	<u>1,200,000</u>
SCHEDULE 7: INVENTORIES. (As valued and certified by the Management)		
Stock-in-transit	733,093	1,248,132
Finished Goods at realisable value/cost w.e lower	131,034,114	59,508,700
Consumables & Spare Parts	<u>48,580,169</u>	<u>40,231,483</u>
	<u>180,347,376</u>	<u>100,988,315</u>
SCHEDULE 8: SUNDRY DEBTORS (Unsecured but Considered Good)		
Debts due over six months	60,518,025	12,054,550
Other debts	<u>187,471,564</u>	<u>170,481,316</u>
	<u>247,989,589</u>	<u>182,535,866</u>
	<u>247,989,589</u>	<u>182,535,866</u>
SCHEDULE 9: CASH & BANK BALANCES		
Cash In Hand		
With Head-office	142,122	97,305
With Branches	387,836	417,676
With Branches (for demo)	<u>1,381,000</u>	<u>1,856,500</u>
	<u>1,910,958</u>	2,371,481
with Scheduled Banks		
- In Current Accounts	5,336,521	4,155,690
- In Fixed Deposits (Margin Money)	2,688,933	2,688,933
- In Fixed Deposits (Others)	<u>16,747,467</u>	<u>20,309,232</u>
	<u>24,772,922</u>	<u>27,153,855</u>
	<u>26,683,880</u>	<u>29,525,336</u>
SCHEDULE 10: OTHER CURRENT ASSETS		
Deposits recoverable	6,048,369	4,522,365
Interest Accrued - F D	2,399,700	2,313,291
Advance Income Tax	<u>39,454,438</u>	<u>10,733,877</u>
	<u>47,902,507</u>	<u>17,569,533</u>

	AS AT 31.03.2008 Rs.	AS AT 31.03.2007 Rs.
SCHEDULE 11:		
LOANS AND ADVANCES		
(Unsecured, Considered good and Recoverable in cash or in kind or for value to be received)		
Advances for Capital Expenditure	222,980,000	6,500,000
Advances Others	2,000,000	1,863,000
Advances for Expenses	1,167,775	498,469
Advances to Staff	424,135	263,616
	<u>226,571,910</u>	<u>9,125,085</u>
SCHEDULE 12:		
CURRENT LIABILITIES & PROVISIONS		
A. Current Liabilities		
Sundry Creditors for Purchases		
i) Total outstanding due to Small Scale industrial Undertakings *	1,765,931	1,951,542
ii) Dues to Creditors Other than SSI undertakings	<u>99,977,311</u>	<u>100,196,594</u>
Sundry Creditors for Others (*Names of SSI UndertakingS Ref Sch.22 Notes to Accounts)	<u>101,743,242</u>	<u>102,148,136</u>
	<u>13,543,739</u>	<u>13,603,561</u>
	<u>115,286,981</u>	<u>115,751,697</u>
B. Provisions:		
For Taxation	<u>63,630,898</u>	<u>30,564,576</u>
	<u>63,630,898</u>	<u>30,564,576</u>
	Year Ended 31.03.2008	Year Ended 31.03.2007
SCHEDULE 13:		
SALES & SERVICE INCOME		
A. SALES		
Exports	-	2,149,875
Domestic	533,363,210	397,479,808
	<u>533,363,210</u>	<u>399,629,683</u>
B. SERVICE INCOME		
Service	58,423,312	47,671,689
Consumables Spares & Others	<u>68,280,793</u>	<u>53,167,513</u>
	<u>126,704,105</u>	<u>100,839,202</u>
	<u>660,067,316</u>	<u>500,468,885</u>
SCHEDULE 14:		
OTHER INCOME		
Interest Received	1,011,653	1,157,796
Misc.Income	885,885	733,555
	<u>1,897,538</u>	<u>1,891,351</u>

	Year Ended 31.03.2008	Year Ended 31.03.2007
SCHEDULE 15:		
INCREASE/DECREASE IN STOCKS		
A. Opening Stocks		
Stock-in-transit	1,248,132	2,442,539
Finished Goods/Traded goods	59,508,700	45,647,894
	<u>60,756,832</u>	<u>48,090,433</u>
B. Closing Stocks		
Stock-in-transit	733,093	1,248,132
Finished Goods/Traded goods	131,034,114	59,508,700
	<u>131,767,207</u>	<u>60,756,832</u>
Increase /(Decrease) in Stocks	71,010,375	12,666,399
SCHEDULE 16 :		
RAW MATERIALS AND STORES CONSUMED		
Opening Stock of Raw Material, Spares, Stores etc;	40,231,483	36,828,596
Add: Purchases	532,686,499	351,413,160
	<u>572,917,982</u>	<u>388,241,756</u>
Less: Closing Stock	48,580,169	40,231,483
	<u>524,337,813</u>	<u>348,010,273</u>
SCHEDULE 17:		
STAFF COSTS		
Salaries & Wages	32,383,477	27,093,894
Contribution to ESI fund	889,811	722,509
Provident Fund	1,439,955	1,310,270
Workers and Staff Welfare	1,449,310	1,179,077
Bonus	508,965	475,273
	<u>36,671,518</u>	<u>30,781,023</u>
SCHEDULE 18:		
MANUFACTURING, ADMIN & SELLING EXPENSES		
Power & fuel	41,454	42,539
Factory maintenance	66,841	49,217
Insurance	768,096	775,184
Printing & Stationery	1,350,081	1,332,477
Postage & Courier	1,068,544	992,302
Telephone & Fax	3,687,277	3,098,287
Rates, Taxes & Licenses	1,543,289	1,747,249
Advertisement & Business Promotion	1,975,002	2,350,373
Travelling & Conveyance	11,989,876	10,593,314
Freight Outwards	6,251,042	5,160,677
Auditors Remuneration	168,540	39,284
Audit fee	50,000	20,000
I T Representation fee	6,525	1,720
Other services	<u>225,065</u>	<u>61,004</u>
Repairs & Maintenance	5,054,582	4,968,427
Director's Remuneration	1,140,519	776,940

	Year Ended 31.03.2008	Year Ended 31.03.2007
Director's Travelling	575,614	230,624
Rents	4,354,615	2,711,734
Electricity & Water	1,035,008	838,830
Administrative expenses	3,354,554	840,652
Sales Commission, Discounts etc;	10,979,085	12,612,271
Donations	-	7,900
Legal and Professional Charges	2,108,134	421,035
Other Expenses	1,189,054	361,190
Octroi	694,309	424,163
R & D Expenses	10,446	182,830
Bad Debts Written Off	859,658	266,286
	<u>60,322,144</u>	<u>50,845,505</u>

SCHEDULE 19:

INTEREST & FINANCIAL CHARGES

Interest on Working Capital Loans	3,733,275	4,168,620
Interest on Term Loans	2,657,949	1,068,096
Others	2,753,029	2,089,128
	<u>9,144,253</u>	<u>7,325,844</u>

SCHEDULE 20 :

PRIOR PERIOD ADJUSTMENT (NET)

Income-tax earlier years (Interest etc)	-	262,344
Expenses Pertaining to Previous year	40,000	-
	<u>40,000</u>	<u>262,344</u>

SCHEDULE - 21 :

1 SIGNIFICANT ACCOUNTING POLICIES :

a. Basis of Accounting :

The company follows Mercantile System of Accounting, in compliance of sub-section (3c) of Sec.211 of the Companies Act 1956. However the AMC Charges, which are on annual renewal, numbering more than 1000 are being accounted as and when received as in earlier years.

b. Revenue Recognition :

Revenue from the sale of goods is recognised upon passage of title to the customers, which generally coincides with their delivery. Sales are net of taxes and duties.

c. Fixed Assets:

Fixed Assets are stated at cost less accumulated depreciation. The cost of an asset comprises of its purchase price and any directly attributable costs of bringing the asset to working condition for its intended use. Expenditure for additions, improvements and renewals are capitalized and expenditure for maintenance and repairs are charged to the Profit and Loss Account

d. Depreciation:

Depreciation on all the fixed assets has been provided on written down value method at the rates prescribed under Schedule XIV to the Companies Act, 1956.

e. Inventories:

Inventories are valued as follows:

Raw Materials, Stores and Spare Parts and Stock in process at cost, Finished goods at estimated total cost or market value whichever is lower.

f. Retirement benefits:

The periodical contributions to statutory provident fund is charged to revenue. The gratuity payable is covered by insurance policy on payment of the prescribed annual premium.

g. Equity warrants Application Money:

During the year 2007-08, an amount of Rs.23.25 crores has been received as Share Warrants Application money as follows:

No of Warrants	Application Money	Amount
3,10,00,000	@ 7.50	23,25,00,000.00

out of a total amount of Rs.23,45,40,000 lying in share application account, a sum of Rs.59.40 lacs has been adjusted towards 5,20,000 warrants converted to shares & 10,20,000 warrants converted to shares

h. The Company had purchased Digital Video Recorders during the financial year 2007-08 and had given the same on operating lease for 36 calendar months to State Bank of India (Various Branches). This, being an operating lease, the legal title does not pass on to the lessee till the end of the lease. The details of future minimum lease payments are as follows:

	(Amount in Rs.)	
	2007 - 08	2006 - 07
Lease rentals recognized during the period	43,24,654.00	-
Future minimum lease payment in aggregate	1,79,82,998.00	-
Lease payment receivable not later than one year	84,68,451.00	-
Lease payment receivable later than one year and not later than five years	95,14,547.00	-
Lease payment receivable later than five years	NIL	-
Total contingent rent recognized as income in the profit and loss for the period	NIL	-

SCHEDULE-22
NOTES ANNEXED TO AND FORMING PART OF ACCOUNTS
1 Contingent Liabilities not provided for :

Rs.Lakhs
2007-08 2006-07

A) Claims against the Company not acknowledged as debts:

i) Letters of Credit - FLC (Issued in favour of suppliers)	74.65	101.60
ii) Letters of Credit - ILC (Issued in favour of suppliers)	12.09	56.53
iii) Bank Guarantees (Issued in favour of customers towards performance guarantee)	55.32	55.34

All with SBI , Commercial Branch, Koti, Hyderabad

iv) The Commercial Tax Officer,II nd Circle, Kalamasserry, At Palarivattom assessed and demanded a sum of Rs.6,53,296.00 under Kerala General Sales Tax Act for the financial year 2003-04. The Company filed an appeal against the said order before the Deputy Commissioner (Appeals)-II ,Commercial Taxes, Ernakulam. The matter is pending disposal.	6.53	6.53
--	------	------

2 Balances of Debtors, Creditors, and Loans & Advances are subject to confirmation by parties concerned.

3 The Company is entitled for Sales-Tax Loan for a period of Ten years on ECR sales. The Sales-Tax payable by the Company as such is treated as Interest free unsecured Loan repayable to Sales-Tax authorities . The repayment of the same has commenced in the year 2005-06.

4 STOCKS, PURCHASES, CONSUMPTIONS etc :

Rs .in Lakhs / Qty in Nos.

PARTICULARS	OPENING STOCKS		PURCHASES		SALES		CLOSING STOCKS	
	QTY. Nos.	VALUE Rs.	QTY. Nos.	VALUE Rs.	QTY. Nos.	VALUE Rs.	QTY. Nos.	VALUE Rs.
I Retail Automation Products	2,995	251.14	25,333	630.15	25,369	827.62	2,959	313.62
	1,566	198.32	15,206	454.67	13,777	680.46	2,995	251.14
ii Banking Automation Products	1,582	206.51	6,151	624.91	5,719	1,228.14	2,014	185.53
	1,631	205.33	5,243	656.86	5,292	1,327.53	1,582	206.51
iii Others								
a) Retail Automation Products		110.15		1,720.49		1,900.21		530.55
		64.39		677.84		572.57		110.15
b) Banking Automation		39.77		1,391.17		1,420.91		288.17
		12.86		1,201.80		1,415.73		39.77
iv Service & Consumables		402.31		960.14		1,223.79		485.60
		368.29		522.96		1,008.39		402.31
TOTAL		1,009.88		5,326.86		6,600.67		1,803.47
		849.19		3,514.13		5,004.68		1,009.88

Previous year figures indicated in italics and regrouped wherever necessary to confirm to classification in the current year

5. CAPACITY & PRODUCTION

PARTICULARS	Unit	Licensed Capacity		Installed Capacity		Actual Production	
		31-Mar 2008	31-Mar 2007	31-Mar 2008	31-Mar 2007	31-Mar 2008	31-Mar 2007
Electronic Cash Registers	Nos	N.A.	N . A.	10,000	10,000	290	436

6 VALUE OF IMPORTED & INDIGENOUS RAWMATERIAL, SPARE PARTS CONSUMED & % THEREOF

	2007- 2008		Rs.in Lakhs 2006- 2007	
	Value	%	Value	%
RAWMATERIAL , GOODS etc				
Imported	819.55	20%	292.73	11%
Indigenous	<u>3,339.56</u>	80%	<u>2,457.82</u>	89%
TOTAL	<u>4,159.11</u>	100%	<u>2,750.55</u>	100%
SPARE PARTS				
Imported	199.23	18%	136.81	19%
Indigenous	<u>885.03</u>	82%	<u>592.74</u>	81%
TOTAL	<u>1,084.26</u>	100%	<u>729.55</u>	100%
GRAND TOTAL	5,243.37		3,480.10	

7 VALUE OF IMPORTS ON C I F BASIS

(As certified by the Management)

Raw material, Goods	819.55	292.73
Spare parts	<u>199.23</u>	<u>136.81</u>
	<u>1,018.78</u>	<u>429.54</u>

8 EXPENDITURE IN FOREIGN CURRENCY

Raw material & Spares, Goods	764.43	319.42
Leased Assets (DVR)	64.45	-
Foreign Travel	2.94	6.55
Others	0.06	0.68
Interest (Foreign Currency Demand Loan etc)	<u>32.44</u>	<u>39.67</u>
	<u>864.32</u>	<u>366.32</u>

9 EARNINGS IN FOREIGN CURRENCY

- -

10 DIRECTORS' REMUNERATION

Mr. Pradeep Chauhan	4.22	4.22
As. Managing Director		
Ms. Sabari.S.Kambli	3.55	3.55
As Wholetime Director		
Mr.Ram P G S	3.64	-
As Executive Vice Chairman		
	<u>11.41</u>	<u>7.77</u>

The remuneration is within prescribed norms as per Schedule XIII Part II Section II of The Companies Act,1956.

11 Current Assets-Fixed Deposits(Others) :

Fixed Deposits (others), shown under Grouping "Cash & Bank Balances", represent amounts held by customers in Banking sector, towards performance for warranty period.

12 Small Scale Industrial Undertakings Outstandings/Credits:

Small Scale Industrial Undertakings to whom the dues are for more than thirty days are: Sree Divya Industries ; Shakti Sales Corporation;K B Industries, Shalimar Comptech P Ltd; Sravanthi Electronics P Ltd Luminex Opto Devices P.Ltd., Bharati Enterprises; Cosmic Engineering Enterprises; Lampex Electronics (P) Ltd

SSI Undertakings to whom amounts are due were determined based on the information available with the Company.

The outstandings are within the agreed terms.

13 Related Party Disclosures :
RENT:

- a) During the year the company paid Rs.2,76,218/- as rent for its leased premises at 13-6-436/A/26, Lakshminagar Colony, Mehdiapatnam , Hyderabad to Ms. G Riddhima who is the daughter of Mr.Ram PGS, who was appointed as Director of the company on 19.10.2007. The lease for the premises commenced from 15.07.2005..
- b) During the year the company paid Rs.1,12,050/- as rent for its leased premises at No:122, 1st Floor, Amrutha Ville, Somajiguda, Hyderabad to Ms. G Krishna Kumari who is the wife of Mr. Ram PGS, who was appointed as Director of the company on 19.10.2007. The lease for the premises commenced from 05.12.2007.
- c) During the year the company paid Rs..9,00,000/- as rent for its leased premises at 8-2-293/82/L/298/A, Sri Venkateshwara Co.Op Housing Society, Road No: 12, Banjara Hills, Hyderabad to Ms.K. Haricharana Devi who is the Mother-in-law of Mr. Ram PGS ,who was appointed as Director of the company on 19.10.2007. The lease for the premises commenced from 23.03.2007.
- d) During the year the company paid Rs.3,00,000/- as rent for its leased premises at 13-6-436/A/10, Laxmi Nagar Colony, Mehdiapatnam, Hyderabad to Mr. K Sasibhusan Rao who is the Father-in-law of Mr. Ram PGS, who was appointed as Director of the company on 19.10.2007. The lease for the premises commenced from 23.12.2007.

14 Accounting for Taxes :

The Deferred Tax Liability, being effect of timing difference, on account of depreciation, is disclosed seperately as a net effect, in compliance with Accounting Standard-22 on Accounting for Taxes.

15 Earning Per Share :

Pursuant to Accounting Standard-20 basic earning per share has been calculated by dividing Net Profit after Tax by number of equity shares out standing at the end of the year.

	Current Year 2007-08	Previous Year 2006-07
Profit as per P & L Account	Rs. 58,703,211	43,511,490
Equity shares	No.s 11,161,098	9,621,098
Earning Per Share (Basic & Diluted) on Nominal value of Rs.10/- per Share.	Rs. - 5.26	4.52

16 Segment Reporting :

During the year the Company's operations are identified predominantly as only one ' Business Segment ' of related products, viz; Machines in Retail Automation, Banking Automation, related Spares & Service etc. As such separate segment report is not required to be given as per the requirement of Accounting Standard-17.

17 Additional information as required under Part IV of Schedule VI to The Companies Act, 1956 is furnished in Annexure A.

18 The previous year's figures have been regrouped and reclassified, wherever necessary, to conform to classification in the current year and make them comparable with current year figures.

As per our report attached
for **S SRINIVASAN & CO**
Chartered Accountants

S. SRINIVASAN
PLACE: Hyderabad
DATE : 02.09.2008

for and on behalf of the Board

Managing Director
Wholetime Director

PLACE: Hyderabad
DATE : 02.09.2008

Mr.Amit Majumdar
Ms.Sabari.S.Kambli

**BALANCE SHEET ABSTRACT AND GENERAL BUSINESS PROFILE ADDITIONAL INFORMATION AS
REQUIRED UNDER PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956.
ANNEXURE A (TO THE NOTES ON ACCOUNTS)**

I REGISTRATION DETAILS

Registration No.	13264
State Code	01
Balance Sheet Date	31 MARCH 2008

II CAPITAL RAISED DURING THE YEAR

	Rs.in'000
Public Issue	None
Rights Issue	None
Bonus Issue	None
Preferential Issue of Convertible Warrants	15,400

III POSITION OF MOBILISATION & DEPLOYMENT OF FUNDS

Total Liabilities	610,797
Total Assets	610,797

Sources of Funds

Paid-up Capital	111,611
Share Application	228,600
Reserves & Surplus	195,679
Secured Loans	67,796
Unsecured Loans	<u>7,110</u>

610,797

Application of Funds

Net Fixed Assets	-
Investments	-
Net Current Assets	550,577
Miscellaneous Assets	-
Deferred Tax Liability	(1,709)
Accumulated losses	<u>-</u>

548,869

IV PERFORMANCE OF THE COMPANY

Turnover	661,965
Expenditure	641,168
Profit / (Loss) before Tax	91,807
Profit / (Loss) after Tax	58,703
Earning Per Share (In Rupees)	5.26
-Do- Annualised	5.26
Divident Rate	-

**V GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES
OF THE COMPANY (As per monetary terms)**

Item Code No. (ITC CODE)	8470 & 8472
Product description	Electronic Cash Registers Currency Note Counting and Handling Devices Point of Sales Systems

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ENSO SECUTRACK LIMITED

‘Regd. Office: “Tyche House”, 13-6-436/A/26, Lakshminagar Colony, Mehdiapatnam, Hyderabad - 500028

ATTENDANCE SLIP

Shareholders attending the Meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

I/We hereby record my / our presence at the Annual General Meeting of the Company at the Hotel Taj Banjara, Road No.1, Banjara Hills, Hyderabad – 500 034 at 9:30 a.m. on Tuesday, September 30, 2008.

Name of the Member attending (in Block Letters)	Signature
---	-----------

Full Name of the First Joint-holder (To be filled-in if the first Named holder does not attend the meeting)	Signature
---	-----------

Name of the Proxy (To be filled-in if the Proxy Form has been duly deposited with the Company)

Membership Folio No. _____ DPID* _____

No. of Shares held _____ Client Id* _____

*Applicable for investors holding shares in electronic form.

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ENSO SECUTRACK LIMITED

Regd. Office: “Tyche House”, 13-6-436/A/26, Lakshminagar Colony, Mehdiapatnam, Hyderabad - 500028

PROXY FORM

I/We _____ of _____, being a Member(s) of the above named Company hereby appoint Shri/ Smt _____ of _____ or failing him Shri/Smt _____ of _____ as my / our proxy to vote for me/ us and on my / our behalf at the Annual General Meeting of the Company at the Hotel Taj Banjara, Road No.1, Banjara Hills, Hyderabad – 500 034 at 9:30 a.m. on Tuesday, September 30, 2008 and any adjournment thereof.

Membership Folio No. _____ DPID* _____

No. of Shares held _____ Client Id* _____

Stamp

Signed this _____ day of _____ 2008.

Affix
Re.I/-
Revenue

**PRINTED MATTER
BOOK-POST**

If undelivered, please return to:

ENSO SECUTRACK LIMITED
13-6-436/A/26,
LAKSHMI NAGAR COLONY,
MEHDIPATNAM,
HYDERABAD – 500 028.