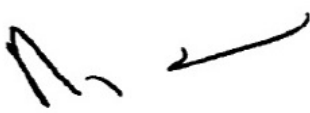







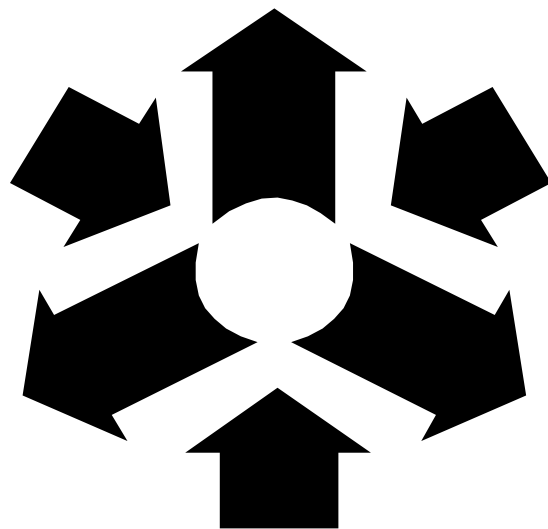
# TRANSCHEM LIMITED

## FORM A

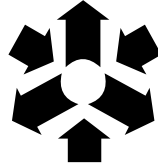
Format of covering letter of the annual audit report to be filed with the Stock Exchange

1.	Name of the company	TRANSCHEM LIMITED
2.	Annual financial statements for the year ended	31 <sup>st</sup> March 2013
3.	Type of Audit observation	Un-qualified / <del>Matter of Emphasis</del>
4.	Frequency of observation	<del>Whether appeared first time...../ repetitive...../ since how long period</del>  NOT APPLICABLE
5.	To be signed by-	
	CEO/Managing Director	
	CFO (Head of Accounts Department)	
	Auditor of the company	
	Audit Committee Chairman	

# **TRANSCHEM LIMITED**



**36TH ANNUAL REPORT 2012-2013**



## TRANSCHEM LIMITED

**BOARD OF DIRECTORS**

MR. RAJEN K. DESAI  
MR. DILIP SHINDE  
MRS. BINA SHAH  
MR. NEERAV MERCHANT

*Chairman*  
*Executive Director*

**COMPANY SECRETARY**

MRS. NEERAJA KARANDIKAR

**AUDITORS**

M/S. L. T. JADAV & CO.

**BANKERS**

HDFC BANK

**REGISTERED OFFICE**

304, Ganatra Estate, Pokhran Road No. 1,  
Khopat, Thane (W) – 400 601.

**PLANTS**

Gat No. 379, Village Bebadohol,  
Taluka Maval, Dist. Pune – 410 506.

**REGISTRAR & SHARE  
TRANSFER AGENT**

M/s. Adroit Corporate Services Pvt. Ltd.  
19, Jaferbhoy Industrial Estate, 1st Floor,  
Makwana Road, Marol Naka, Andheri (E),  
Mumbai – 400 059.

## **TRANSCHEM LIMITED**

---

### **NOTICE**

**NOTICE** is hereby given that the Thirty Sixth Annual General Meeting of the members of **TRANSCHEM LIMITED** will be held on Monday the 30th day of September, 2013 at Hotel Royal Inn, Gokul Nagar, Thane (W) - 400 601 at 09.30 a.m. to transact the following business:

#### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March 2013 and Profit & Loss Account for the year ended on that date along with the reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Bina Shah, Director who retires by rotation and being eligible offers herself for re-appointment.
3. To appoint Auditor for the financial year 2013-14 and to fix their remuneration. The retiring Auditors M/s. L.T. Jadav & Co are eligible for re-appointment

#### **SPECIAL BUSINESS:**

4. **TO CONSIDER AND, IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION:**

“RESOLVED THAT pursuant to Section 269, 309 and other applicable provisions, if any, read with Schedule XIII of the Companies Act, 1956 the re-appointment of Mr. Dilip S Shinde, as Executive Director as made by the Board of Directors of the Company in its meeting held on 14th February 2013 for further period of five years effective 1st March 2013 be and is hereby confirmed.

For **TRANSCHEM LIMITED**

PLACE : THANE  
DATE : 04.09.2013

**(NEERAJA KARANDIKAR)**  
COMPANY SECRETARY

#### **NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies in order to be effective must be filed with the Company at its Registered Office not later than forty-eight hours before the commencement of the meeting.
2. The Register of members and Share Transfer books of the Company shall remain closed from 30th September 2013 to 4th October 2013 (both days inclusive).
3. The explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of Special business to be transacted in the meeting is annexed hereto.

**ANNEXURE TO THE NOTICE:**

Explanatory Statement in respect of the businesses specified as special in the notice pursuant to Section 173(2) of the Companies Act, 1956.

**ITEM NO. 4:**

Mr. Dilip Shinde, Executive Director who is a Commerce & Law Graduate and holding Diploma in Labour Law & Welfare & Masters Degree in Personal Management was reappointed as Executive Director by the Board of Directors of your Company for further period of five years effective 1st March 2013 on conclusion of his previous tenure of appointment on 14th February 2013.

As per the terms of his appointment Mr. Dilip Shinde shall devote his whole time and attention to the business and affairs of the Company and discharge the duties assigned to him by the Board of Directors of the Company and under the various statutes governing the day-to-day business of the Company.

During his tenure of appointment Mr. Shinde shall be entitled for salary not exceeding Rs. 25,000/- per month with liberty to the Board / Remuneration Committee to grant such annual increments effective 1st April each year as it may in its absolute discretion determine provided that the basic salary should remain within the ceiling as stipulated above. He shall also be entitled for other perquisites and benefits like House Rent Allowance, Medical Allowance and Special Allowances as per the Company's rules subject to a maximum of his basic salary. He shall also be entitled for ex-gratia payment as payable to other employees of the Company.

Except Mr. Dilip Shinde no other Director is interested in the resolution. Your Directors recommend the resolution for your approval.

For **TRANSCHEM LIMITED**

PLACE : THANE  
DATE : 04.09.2013

**(NEERAJA KARANDIKAR)**  
COMPANY SECRETARY

**INFORMATION REQUIRED TO BE FURNISHED UNDER THE LISTING AGREEMENT:**

As required under the Listing Agreement, the particulars of Director who is proposed to be appointed/re-appointed are as follows:

1. Mrs. Bina Shah:  
Name : Mrs. Bina Shah  
Age : 44 years  
Qualification : B.Com, FCS  
Expertise : Having expertise in Company Laws, Finance and Accounts  
Other Directorship : NIL
2. Mr. Dilip Shinde:  
Name : Mr. Dilip Shinde  
Age : 52 years  
Qualification : B.Com, LLB  
Expertise : Labour Laws & Welfare, Personal Management  
Other Directorship : Nil

## **TRANSCHEM LIMITED**

### **DIRECTORS REPORT**

Dear Members,

Your Directors are pleased to submit their Thirty Sixth Annual Report, together with the Audited Statement of Accounts of your Company for the financial year ended 31st March 2013.

#### **FINANCIAL RESULTS :**

(Rs. In lacs)

<b>Particulars</b>	<b>Current year ended 31-03-2013</b>	<b>Previous year ended 31-03-2012</b>
Income	246.61	214.67
Gross Profit before Depreciation & Taxation	27.05	(223.17)
Depreciation	153.55	152.96
Provision for Current Tax	NIL	NIL
Provision for Deferred Tax / Adjustment	5.11	(42.44)
Profit / (Loss) after Depreciation & Taxation	(131.61)	(333.69)

#### **OPERATION:**

During the year your company could not commence any business activity. Various business options to revive the Mushroom Division of the Company were considered however due to national and international economic scenario none of them appeared feasible. In view thereof your board decided to dispose off that plant. Your directors are looking out for economic feasibility to set-up a unit for research of new pharmaceutical molecules.

#### **DIVIDEND:**

In view of losses your Directors have not recommended any dividend to the equity shareholders.

#### **PERSONNEL:**

During the financial year 2012-13, there was no employee drawing salary exceeding or equal to the limit as prescribed under the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (particulars of employees) Rules, 1975.

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS/ OUTGO u/s. 217 (1) (e) OF THE COMPANIES ACT 1956:**

- a) **Conservation of Energy:**  
Your company is not carrying out any manufacturing activity, except prudent use of energy resources not taking any specific step towards conservation of energy.
- b) **Technology Absorption:**  
Your company is not using any specific technology.
- c) **Research & Development:**  
Your company is not carrying out any specific research.
- d) **Foreign Exchange Earnings and Outgo:**  
During the year there was no Foreign Exchange earning. Foreign Exchange equivalent to Rs. 6.50 Lacs was expended towards travelling.

#### **DIRECTORS:**

There was no change in directors during the year.

Mr. Dilip Shinde, whose tenure of appointment as Executive director was concluded during the year was reappointed by the Board as Executive director for further period of five years effective 1st March 2013.

Mrs. Bina Shah, Director, shall retire by rotation in the ensuing Annual General Meeting and being eligible offers herself for re-appointment.

**DEPOSITS:**

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

**INDUSTRIAL RELATIONS:**

The industrial relations continued to be cordial throughout the year.

**CORPORATE GOVERNANCE:**

The Board has been committed to adopt, besides any obligations under applicable laws or regulations, relevant best practices for Corporate Governance. Further, the Company is regular in submitting compliance reports on Corporate Governance to the Stock Exchange wherein its securities are listed and has fully implemented all the requirements of Clause 49 of the Listing Agreement.

**AUDIT COMMITTEE:**

Pursuant to the Companies Act, 1956 and Clause 49 of the Listing agreement Board of Directors has constituted an audit Committee. The present constitution of Audit Committee is of three Non-Executive Directors, majority of them being Independent Directors. Mrs. Bina Shah, a Fellow member of the Institute of Company Secretaries of India, an expert in the financial matter, is the Chairperson of the said committee. Mr. Neerav Merchant, Independent Director and Mr. Rajen Desai, Non executive promoter director are the other members of the Audit committee.

**DIRECTORS RESPONSIBILITY STATEMENT:**

Pursuant to section 217(2AA) of the Companies (Amendment Act) 2000, the Directors of the Company state as under that:

- (i) in the preparation of annual accounts, applicable Accounting Standards have been followed.
- (ii) the Directors had selected such accounting policies and consistently applied them and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit/loss for the year.
- (iii) the Directors had taken proper and sufficient care for the maintenance of adequate 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 Directors had prepared annual accounts on a going concern basis.

**AUDITORS:**

M/s. L.T. Jadav & Co., Chartered Accountants of Mumbai, will retire as Auditors of the Company at the conclusion of the ensuing Annual General Meeting and being eligible have expressed their willingness for re-appointment.

**ACKNOWLEDGEMENT:**

Your Directors wish to place on record their appreciation of the support and co-operation received from the Government authorities and the Company's Bankers. Yours Directors also commend the contribution made by the employees.

PLACE : THANE  
DATE : 04.09.2013

By order of the Board of Directors  
For **TRANSCHEM LIMITED**  
(RAJEN DESAI)  
CHAIRMAN

**MANAGEMENT DISCUSSION & ANALYSIS**

The Mushroom Division of the Company that was operated as 100% EOU is non operational for several years. The Company is having a large chunk of land and building near Pune, Maharashtra where the Mushroom division is located.

The management of the Company considered various options to revive the Mushroom Division of the Company, however due to national and international economic scenario none of them appeared feasible. In view thereof your board decided to dispose off that plant. Presently Board is looking for a prospective buyer. Your directors plans to start a research unit of pharmaceutical molecules with the proceed that Company may realize from sale of mushroom plant.

Your directors are considering the economic feasibility to set-up a unit for research of new pharmaceutical molecules.



## CORPORATE GOVERNANCE REPORT

The detailed report on Corporate Governance as per the format prescribed by SEBI and incorporated in Clause 49 of the Listing Agreement is set out below :

### A. MANDATORY REQUIREMENTS :

#### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE :

The Company's Philosophy on Corporate Governance envisages the attainment of the high level of transparency and accountability in the functioning of the Company and assist the top management of the Company in the efficient conduct of its business internally and externally, including its inter-action with employees, shareholders, creditors, consumers and other stakeholders and places due emphasis on regulatory compliance.

The Company believes that its systems and actions must be dovetailed for enhancing corporate performance and maximizing shareholders value in the long term.

#### 2. BOARD OF DIRECTORS :

##### COMPOSITION AND CATEGORY AS ON DATE :

- 1 Promoter, Non-Executive Director.
- 1 Professional Executive Director.
- 2 Independent, Non-Executive Directors.

Independent Directors are Directors, who apart from receiving sitting fees do not have any other material pecuniary relationship or transactions with the Company.

The composition of the Board of Directors during the financial year and also the number of other Board of Directors or Board Committees of which the director is a member / Chairman are as under:

Sr. No.	NAME OF DIRECTOR	CATEGORY OF DIRECTORSHIP	NUMBER OF OTHER DIRECTORSHIPS (#1)	TOTAL NUMBER OF MEMBER- SHIP(S) IN OTHER BOARD COMMITTEES (#2)
1	Mr. Rajen K. Desai, Chairman	Promoter, Non-Executive	2	NIL
2	Mrs. Bina Shah	Independent, Non-Executive	NIL	NIL
3	Mr. Neerav Merchant	Independent, Non-Executive	NIL	NIL
4	Mr. Dilip Shinde	Executive Director	NIL	NIL

#1 Excludes directorships in Indian Private Limited Companies, Membership of Managing Committee of various bodies.

#2 Includes Chairmanships, memberships of Audit Committee & Shareholders Grievance Committee only.

#### ATTENDANCE OF EACH DIRECTOR AT THE BOARD MEETINGS AND THE LAST ANNUAL GENERAL MEETING:

During the financial year ended 31st March 2013, Six Board Meetings were held respectively on 11th April 2012, 23rd May 2012, 14th August 2012, 3rd September 2012, 12th November 2012 and 14th February 2013. The attendance of each Director at Board Meeting and the last Annual General Meeting (AGM) is as under :

## **TRANSCHEM LIMITED**

<b>Sr. No.</b>	<b>NAME OF DIRECTOR</b>	<b>Number of Board Meetings Attended</b>	<b>Attendance at last AGM held on 28-09-12</b>
1	Mr. Rajen K. Desai	6	Present
2	Mrs. Bina Shah	6	Present
3	Mr. Neerav Merchant	6	Absent
4	Mr. Dilip Shinde	6	Absent

### **3. AUDIT COMMITTEE :**

#### **BROAD TERMS OF REFERENCE :**

The terms of reference of this Committee cover the matters specified for Audit Committee under Clause 49 of the Listing Agreement as well as in Section 292A of the Companies Act, 1956.

The terms of reference of the Audit Committee include the following :

- Reviewing the Company's financial reporting process and the disclosure of its financial information.
- Recommending the appointment and removal of statutory auditors, fixation of Audit fees and also to approve payment to auditors for other services.
- Reviewing the quarterly and annual financial statements with primary focus on accounting policies and practices, compliance with accounting standards and legal requirement concerning financial statements.
- Reviewing the adequacy of internal control systems and its function, ensuring compliance of internal control systems and reviewing the Company's financial and risk management policies.
- Reviewing the reports furnished by the statutory auditors and to ensure suitable follow-ups thereon.

#### **COMPOSITION OF AUDIT COMMITTEE :**

The Audit Committee comprises of three Non-Executive Directors, majority of them being Independent Directors. The head of Finance & Accounts and the representative of the Statutory Auditors are permanent invitees to the Audit Committee. Mrs. Bina Shah the present Chairperson of the Committee is a Non-Executive Independent Director having expertise in accounting and financial matters.

#### **MEETINGS AND ATTENDANCE :**

During the financial year ended 31st March 2013, five Audit Committee Meetings were held on 23rd May 2012, 14th August 2012, 3rd September 2012, 12th November 2012 and 14th February 2013.

The attendance of members at the Audit Committee Meetings is as under :

<b>Sr. No.</b>	<b>Member</b>	<b>No. of meetings attended</b>
1.	Mrs. Bina Shah	5
2.	Mr. Neerav Merchant	5
3.	Mr. Rajen Desai	5

The minutes of the Audit Committee Meetings are being noted by the Board of Directors at the subsequent Board Meetings.

#### **INTERNAL AUDITORS :**

The Company has in-built system of internal checks to review the internal control systems of the Company and to report thereon. The reports of such reviews are being submitted to the Audit Committee on regular basis.

**4. REMUNERATION COMMITTEE :****BRIEF DESCRIPTION OF TERMS OF REFERENCE :**

- To review, assess and recommend the appointment and remuneration of whole-time / Executive Directors.
- To periodically review the remuneration package of whole-time Directors and to recommend suitable revision to the Board.

**COMPOSITION :**

The Remuneration Committee comprises of three Directors, of which, one is promoter, Non-Executive Director and two are independent, Non-Executive Directors. The Chairman of the Committee is a Non-Executive, Promoter Director nominated by the Board.

The present constitution of the Remuneration Committee is as follows :

1. Mr. Rajen Desai : Chairman, Promoter, Non-Executive
2. Mrs. Bina Shah : Member, Independent, Non-Executive
3. Mr. Neerav Merchant : Member, Independent, Non-Executive

During the financial year 2012-13, One meeting of Remuneration Committee was held on 14th February 2013.

**REMUNERATION POLICY :****REMUNERATION TO EXECUTIVE DIRECTORS AND / OR WHOLE-TIME DIRECTOR :**

Remuneration to Executive Directors and / or Whole-time Directors is reviewed and recommended by the Remuneration Committee to the Board and thereafter, if required, approved by shareholders in General Meeting.

The remuneration policy is directed towards rewarding performance based on review of achievements. It is aimed at attracting and retaining high caliber talent.

The Company does not currently have any stock option plan or performance linked incentives for its Directors.

**DETAILS OF REMUNERATION TO ALL DIRECTORS FOR THE YEAR ENDED 31st MARCH 2013 :**

The details of remuneration paid to all the Directors during the financial year are as follows :

Name of the Director	Salary	Benefits	Commission	Sitting Fees	Total (Rs.)	Service Contract / Notice Period
Mr. Rajen K. Desai	NIL	NIL	NIL	18000	18000	Retirement by rotation
Mrs. Bina Shah	NIL	NIL	NIL	18000	18000	Retirement by rotation
Mr. Neerav Merchant	NIL	NIL	NIL	18000	18000	Retirement by rotation
Mr. Dilip Shinde	210000	NIL	NIL	NIL	210000	Retirement by rotation

**5. SHARE TRANSFER & INVESTORS GRIEVANCE COMMITTEE :****FUNCTIONS :**

The Board has constituted a share Transfer & Investors Grievance Committee consisting of three members, chaired by the promoter, Non-Executive Director. As the Company has appointed M/s. Adroit Corporate Services Pvt. Ltd as its Share Transfer Agent, the Share Transfer & Investor Grievance

## **TRANSCHEM LIMITED**

---

Committee holds meetings only occasionally when requirement arises. The Compliance Officer of the Company has been authorized to approve the transfer of shares as submitted by the Registrar & Share Transfer Agent. Details of shares transfers / transmissions approved by the Compliance Officer are placed before the Board on regular basis.

### **COMPOSITION :**

Presently Share Transfer & Investor Grievance Committee comprises of three Directors, majority of them are Independent, Non-Executive Director nominated by the Board and Mr. Rajen Desai is the Chairman of the Committee.

During the year no meeting of Share Transfer & Investor Grievance Committee was held.

### **6. COMPLIANCE OFFICER :**

The Board has designated Mrs. Neeraja Karandikar, Company Secretary, as the Compliance Officer.

### **7. DETAILS OF SHAREHOLDERS COMPLAINTS RECEIVED, NOT SOLVED AND PENDING SHARE TRANSFERS :**

During the financial year 2012-13 company received 5 complaints from the shareholders and the same were resolved to the satisfaction of the shareholders. No complaint was pending as on 31.03.2013.

### **8. CEO / CFO CERTIFICATE :**

A certificate given by the Chairman and Head of Accounts Department was placed before the Audit Committee and the Board. The Certificate verifies that according to best of the knowledge and belief of Chairman and Head of accounts department there was no transaction entered into by the Company during the year which was fraudulent, illegal or in violation of the Company's Code of Conduct.

### **9. GENERAL BODY MEETINGS :**

Location and time, where last three Annual General Meetings were held is given below:

<b>Financial Year</b>	<b>Date</b>	<b>Location of Meeting</b>	<b>Time</b>
2009-2010	30.09.2010	Hotel Royal Inn, Gokul Nagar, Thane (W).	09.30 a.m.
2010-2011	30.09.2011	Hotel Royal Inn, Gokul Nagar, Thane (W).	09.30 a.m.
2011-2012	28.09.2012	Hotel Royal Inn, Gokul Nagar, Thane (W).	09.30 a.m.

One Special Resolution to alter the object clause and one Ordinary Resolutions towards disposal of undertaking of the Company were put through postal ballot vide notice thereof dated 11.04.2012 and declared as passed on 12th May 2012. No resolution was put through postal ballot at the last AGM.

### **10. DISCLOSURES :**

- (a) The Company has not entered into any transaction of a material nature with the promoters, Directors or Management, their relatives that may have potential conflict with the interest of the Company at large. The Register of Contracts containing the transactions in which Directors are interested is being placed before the Board regularly for its approval. In view of no such contract being entered that attract the said provisions no entry has been made in the said Register.
- (b) During the last three years no action was taken against the Company either by SEBI or the Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets.
- (c) The financial statements have been prepared to comply in all materials aspects with applicable accounting principles in India, the Accounting Standards issued by the Institute of Chartered

Accountants of India, the relevant provisions of the Companies Act, 1956 and guidelines issued by the Securities and Exchange Board of India.

- (d) The Board is reviewing and assessing the risks, if any, on regular basis and taking steps to minimize the same.
- (e) During the year company has not raised any fund through public, right or preferential issue of securities.

**11. MEANS OF COMMUNICATION :**

- (a) The quarterly financial results are forthwith communicated to Bombay Stock Exchange Limited, the Stock Exchange with whom the company has listing agreement, as soon as they are approved and taken on record by the Board of Directors of the Company. Further, the results are published in the newspapers namely The Free Press Journal (English) and Nav-Shakti (Marathi).
- (b) Management Discussion and Analysis Report forms part of the Annual Report, which is posted to the shareholders of the Company.

**12. GENERAL SHAREHOLDER INFORMATION :**

Detailed information in this regard provided in the shareholder information section forms part of this Annual Report.

**B. NON-MANDATORY REQUIREMENTS :**

**1. CHAIRMAN OF THE BOARD :**

The Company has a Non-Executive Chairman and the Company is not incurring any expenditure towards the maintenance of his office.

**2. REMUNERATION COMMITTEE :**

Please refer item no. 4 under the heading 'Mandatory Requirements'.

**3. SHAREHOLDER'S RIGHT :**

As the Company's quarterly financial results are published in English newspapers having circulation all over India and in a Marathi newspaper widely circulated in Maharashtra, the same are not sent to each household of shareholders.

**4. SHAREHOLDERS INFORMATION SECTION :**

**1. Information about Annual General Meeting :**

AGM DATE	TIME	VENUE
30-09-2013	09:30 a.m.	Hotel Royal Inn, Gokul Nagar, Thane (W)
2. Financial Calendar	:	1st April – 31st March.
3. Date of Book Closure	:	From 30.09.2013 to 04.10.2013 (both days inclusive).
4. Dividend Payment Date	:	Not Applicable.
5. Listing on Stock Exchanges With Stock Code	:	Bombay Stock Exchange Limited, Mumbai (Stock Code. 500422)

## TRANSCHEM LIMITED

### 5. Market Price Data (High, Low during each month in last financial year) :

Month	High (Rs.)	Low (Rs.)	Month	High (Rs.)	Low (Rs.)
April 2012	19.25	15.00	October 2012	25.70	20.50
May 2012	21.45	15.65	November 2012	28.15	22.75
June 2012	24.90	18.90	December 2012	26.20	21.05
July 2012	27.75	19.85	January 2013	26.90	23.10
August 2012	27.15	22.05	February 2013	26.00	18.55
September 2012	26.55	19.45	March 2013	26.95	21.60

6. Company has not issued any debenture so the rating from CRISIL or other agency was not required to be obtained.

### 7. Registrar and Transfer Agent :

#### M/s. Adroit Corporate Services Pvt. Ltd.

19, Jaferbhoy Industrial Estate, 1st Floor,  
Makwana Road, Marol Naka, Andheri (East),  
MUMBAI – 400 059.

Contact Person: Mr. Pratap Pujare, Phone No. 022-2859 6060

8. Share Transfer System: Company's Securities are under compulsory demat mode of transfer.

### 9. Code of Conduct :

The Board has prescribed Code of Conduct ("Code") for all Board Members and Senior Management of the Company.

All Board Members and Senior Management personnel have confirmed compliance with the Code for the year 2012-13. A declaration to this effect as included in CEO & CFO Certificate is reproduced hereunder:

"We further declare that all the board members and senior managerial personnel have affirmed compliance with the code of conduct for the current year"

10. Shares held by Non Executive Directors as on 31.03.2013: NIL
11. Distribution Schedule and Shareholding pattern of Equity Shares as on 31.03.2013 is enclosed as Annexure-1.
12. **Dematerialization of shares and liquidity:** As on 31st March 2013, 87.68% of the shares capital of the Company has already been dematerialized. All requisitions for dematerialization of shares are being accepted well within the time limit of 21 days. Shares of the Company are regularly been traded at the Bombay Stock Exchange Limited, Mumbai.
13. Outstanding GDRs / ADRs etc.: Not Applicable.
14. Plant Location : Gat No. 379, Village Bebadahol, Taluka Maval, Dist. Pune – 410 506.
15. Address for correspondence:

#### TRANSCHEM LIMITED

304, Ganatra Estate, Pokhran Road No. 1,  
Khopat, Thane (W) – 400 601.

Phone No.: 022-25478601 / 25477077

Email: secretary@transchem.net

Web Site: www.transchem.net



## ANNEXURE I

**A. Distribution Schedule of Equity Shares as on 31.03.2013 :**

No. of Equity Shares held	No. of Shareholders	% of Shareholder	No. of Shares held	% of Shareholding
1 to 500	14200	94.20	1923578	15.72
501 to 1000	482	3.20	404759	3.31
1001 to 2000	201	1.33	312136	2.55
2001 to 3000	68	0.45	175471	1.43
3001 to 4000	24	0.16	86099	0.70
4001 to 5000	21	0.14	98800	0.81
5001 to 10000	34	0.23	242508	1.98
10000 & Above	45	0.30	8996649	73.50
<b>TOTAL</b>	<b>15075</b>	<b>100.00</b>	<b>12240000</b>	<b>100.00</b>
Physical Mode	<b>9071</b>	<b>60.17</b>	<b>1508060</b>	<b>12.32</b>
Electronic Mode	<b>6004</b>	<b>39.83</b>	<b>10731940</b>	<b>87.68</b>

**B. Shareholding Pattern as on 31.03.2013 :**

Category	No. of shareholders	Nos. of Shares held	Voting Strength
Promoters & Persons Acting in concert	6	3041039	24.85
Other Directors, their relatives	0	0	0.00
Bodies Corporate (Domestic) / Trusts	139	5611540	45.85
Banks / Mutual Funds / Financial Institutions (FIs)	5	4030	0.03
Non-Resident Individuals (NRIs) / Foreign Corporate Bodies / Overseas Corporate Bodies (OCBs) / Foreign Banks	23	44993	0.37
Resident Individuals	14897	3534828	28.87
In transit	5	3570	0.03
<b>TOTAL</b>	<b>15075</b>	<b>12240000</b>	<b>100.00</b>

**CERTIFICATE**

To  
The Members of  
**TRANSCHEM LIMITED**

We have examined the compliance of conditions of Corporate Governance by **TRANSCHEM LIMITED** for the year ended **31st March, 2013** as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange, Mumbai.

The compliance of conditions of Corporate Governance is the responsibility of the 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.

We further state that no investor grievances are pending against the Company for a period exceeding one month as per the records maintained by the shareholder's / Investor's Grievance committee.

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 L.T. JADAV & CO.  
*Chartered Accountants*

(L. T. JADAV)  
*Proprietor*  
Membership No. 37240

Thane, 4th September, 2013



---

**AUDITORS' REPORT**

To the Members of  
**TRANSCHEM LIMITED**

Report on the accounts for the year ended on **31st March, 2013** in compliance with Section 227 (2) of the Companies Act, 1956.

**1 Report on the Financial Statements**

We have audited the accompanying financial statements of Transchem Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

**2 Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 (the Act). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**3 Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An Audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements. Whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

**4 Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013.
- (b) In the case of the Statement of Profit and Loss, of the Loss for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

## **TRANSCHEM LIMITED**

---

### **5 Report on Other Legal and Regulatory Requirements.**

- 1** As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- 2** As required by Section 227(3) of the Act, 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 purpose of our audit;
  - b** In our opinion , proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c** The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d** In our opinion, the Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in section 211(3C) of the Act;
  - e** On the basis of the written representations received from the directors as on March 31, 2013, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of Section 274(1)(g) of the Act.

For L.T. JADAV & CO.  
*Chartered Accountants*

(L. T. JADAV)  
*Proprietor*  
Membership No. 37240

Thane, 30th May, 2013

---

ANNEXURE TO THE AUDITORS' REPORT

[Referred to in Paragraph 1 under 'Report on other Legal & regulatory requirements' Section of our Report of even date.]

- 1 In respect of its Fixed Assets :
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation, of its fixed assets.
  - (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed Assets at reasonable intervals. According to the information & explanations given to us, no material discrepancies noticed on such verification.
- 2 In respect of its Inventory :
  - (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.
  - (b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
  - (c) In our opinion and according to the information and explanation given to us, the Company has maintained proper records of its Inventories and no materials discrepancies were noticed on physical verification.
- 3 In respect of loans, secured or unsecured, granted by the Company to companies, firm or other parties covered in the Register under Section 301 of the Companies Act, 1956, according to the information and explanations given to us:
  - (a) The Company has not given loans to any Company.
  - (b) The Company has not taken Loan during the year from Companies, firms or other parties covered in the Register maintaining under Section 301 of the Companies Act, 1956. Consequently, the requirements of Clauses (iii)(f) and (iii)(g) of paragraph 4 of the order are not applicable.
- 4 In our opinion and according to information & explanations given to us, there are adequate internal control procedure commensurate with the size of the Company and the nature of the business for the purchase of Fixed assets. During the course of Audit no major weakness has been noticed in the internal control in respect of this area.
- 5 To the best of our knowledge and belief and according to the information and explanations given to us by the management, we are of the opinion that the transactions that need to be entered into the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
- 6 According to the information and explanations given to us, the Company has not accepted any deposit from the public within the meaning of provisions of Section 58A and 58AA or any relevant provisions of the Companies Act, 1956 and rules made thereunder.
- 7 In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business.

## ***TRANSCHEM LIMITED***

---

- 8 According to the information and explanations given to us the Central Govt. has not prescribed the Cost Audit for the Company.
- 9 (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including provident fund, Income-tax, and other material statutory dues as applicable, with the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Income Tax and other materials Statutory Dues in arrears as at March 31, 2013 for a period of more than six months from the date of they become payable.
- 10 The Company has no accumulated losses as at 31st March, 2013 and has incurred cash losses during the financial year covered by our Audit and in the immediately preceding financial year.
- 11 In our opinion and according to the informations and explanations given to us, the Company has not taken any Loans from financial Institution or Banks or Debenture holders hence question of default in repayment of dues does not arises.
- 12 The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13 As per the information and explanations given to us, the Company is not a chit fund or nidhi mutual benefit fund / society, therefore, the provisions of para 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- 14 In respect of dealing / trading in shares, securities, debentures and other investments, in our opinion and according to the information and explanation given to us, proper records have been maintained of the transactions and contracts and timely entries have been made therein. The shares, securities, debentures and other investments have been held by the Company, in its own name.
- 15 According to the information and explanations given to us, the Company has not given any guarantee for loans taken by other from bank or financial institutions.
- 16 According to the information and explanations given to us, the Company has not obtained any term loan.
- 17 In our opinion and according to the information and explanations given to us on an overall examination of the balance sheet, we report that the Funds raised on a short-term basis have not been used during the year for long-term investment.
- 18 The Company has not made any preferential allotment of shares during the year.
- 19 The Company has not issued any debentures during the year.
- 20 The Company has not raised any money through public issue during the year.
- 21 During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

For L.T. JADAV & CO.  
*Chartered Accountants*

(L. T. JADAV)  
*Proprietor*  
Membership No. 37240

## BALANCE SHEET AS AT 31st MARCH, 2013

	Note No.	2012-13 Rs.	2011-12 Rs.
<b>I. EQUITY &amp; LIABILITIES</b>			
<b>1. SHAREHOLDERS FUNDS:</b>			
Equity Capital	1	122,400,000	122,400,000
Reserves & Surplus	2	267,936,766	281,097,856
<b>2. NON-CURRENT LIABILITIES:</b>			
Long Term Borrowings	3	16,067,568	30,000,000
Deferred Tax Liabilities (Net)		—	—
Other Long Term Liabilities		—	—
Long Term Provisions	4	1,419,860	1,160,379
<b>3. CURRENT LIABILITIES:</b>			
Short Term Borrowings		—	—
Trade Payables	5	6,568	6,568
Other Current Liabilities	6	3,585,822	7,359,967
Short Term Provisions		—	—
<b>TOTAL Rs.</b>		<b>411,416,584</b>	<b>442,024,770</b>
<b>II. ASSETS</b>			
<b>1. NON-CURRENT ASSETS:</b>			
Fixed Assets	7		
(i) Tangible Assets		109,864,768	125,019,831
(ii) Intangible Assets		—	—
(iii) Capital Work in Progress		—	—
Non-Current Investments	8	20,268,280	20,268,280
Deferred Tax Assets	9	6,397,257	6,397,257
Long Term Loans & Advances	10	1,862,804	1,871,415
Other Non Current Assets		—	—
		<b>138,393,109</b>	<b>153,556,783</b>
<b>2. CURRENT ASSETS:</b>			
Current Investments	11	246,844,334	243,415,919
Inventories	12	14,427,589	14,427,588
Trade Receivables	13	837,176	15,579,214
Cash & Cash Equivalents	14	7,318,074	4,372,420
Short Term Loans & Advances	15	2,292,425	2,024,425
Other Current Assets	16	1,303,877	8,648,421
		<b>273,023,475</b>	<b>288,467,987</b>
<b>TOTAL Rs.</b>		<b>411,416,584</b>	<b>442,024,770</b>

Significant Accounting Policies. Notes referred to above form an integral part of the financial statements

As per our report of even date

For and on behalf of the Board

**For L.T. JADAV & Co.**  
Chartered Accountants

**DILIP S. SHINDE**  
Executive Director

**RAJEN K. DESAI**  
Chairman

**NEERAJA KARANDIKAR**  
Company Secretary

(L.T. JADAV)  
Proprietor  
Membership No. 37240

Thane, 30th May, 2013

**TRANSCHEM LIMITED****PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2013**

	<b>Note No.</b>	<b>2012-13 Rs.</b>	<b>2011-12 Rs.</b>
<b>INCOME :-</b>			
Income from Operations		—	—
Other Income	17	24,661,124	21,467,161
Increase / (Decrease) in Stock		—	—
<b>TOTAL REVENUE</b>		<b>24,661,124</b>	<b>21,467,161</b>
<b>EXPENDITURE :-</b>			
Employee's Benefit Expenses	18	4,255,066	3,144,999
Administrative Expenses	19	15,081,909	38,672,699
Finance Cost	20	2,618,554	1,966,588
		21,955,529	43,784,286
Depreciation		15,355,631	15,295,784
<b>TOTAL EXPENSES</b>		<b>37,311,160</b>	<b>59,080,070</b>
<b>Loss Before Extraordinary Items and Tax</b>		<b>(12,650,036)</b>	<b>(37,612,910)</b>
Extraordinary Items		(511,055)	(533,380)
		(13,161,091)	(38,146,290)
- Deferred Tax Assets / (Liability)	23	—	4,777,317
<b>Loss for the Year</b>		<b>(13,161,091)</b>	<b>(33,368,973)</b>
<b>Earnings Per Share</b>			
Basic & Diluted	33	<b>(1.08)</b>	<b>(2.73)</b>
<b>Face Value Per Share (In Rs.)</b>		<b>10</b>	<b>10</b>

Significant Accounting Policies. Notes referred to above form an integral part of the financial statements

As per our report of even date

For and on behalf of the Board

**For L.T. JADAV & Co.**  
*Chartered Accountants*

**DILIP S. SHINDE**  
*Executive Director*

**RAJEN K. DESAI**  
*Chairman*

**NEERAJA KARANDIKAR**  
*Company Secretary*

(L.T. JADAV)  
*Proprietor*  
Membership No. 37240

Thane, 30th May, 2013

<b>CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013</b>		
	<b>2012-13</b>	<b>2011-12</b>
	<b>Rupees</b>	<b>Rupees</b>
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit / (Loss) before Tax	(13,161,091)	(33,368,973)
Adjustments for :		
Add / (Less)		
Dividend	(2,611,378)	(1,174,232)
Depreciation	15,355,631	15,295,784
Deferred Tax Assets	—	(4,777,316)
Extra Ordinary Items	511,055	533,380
<b>Operating Profit / (Loss) before Working Capital Changes</b>	<b>94,217</b>	<b>(23,491,357)</b>
Adjustments for :		
<b>Add / (Less)</b>		
Other Current Liabilities	(3,774,145)	258,928
Long Term Provisions	259,481	164,786
Trade Receivables	14,742,038	32,098,499
Inventories	—	4,408,754
Short Term Loans & Advances	(268,000)	801,125
Other Current Assets	7,344,544	(2,022,014)
Long Term Loans & Advances	8,611	—
	<b>18,312,529</b>	<b>35,710,078</b>
<b>Net Cash From Operating Activities</b>	<b>18,406,746</b>	<b>12,218,721</b>
<b>B NET CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(200,568)	(13,100)
Addition of Current Investments - Unquoted	(3,428,415)	(17,991,137)
Dividend	2,611,378	1,174,232
<b>Net Cash used in Investing Activities</b>	<b>(1,017,605)</b>	<b>(16,830,005)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment / Proceeds from Intercompany Deposits	(13,932,432)	—
<b>Net cash used in Financing Activities</b>	<b>(13,932,432)</b>	—
<b>D CASH FLOW FROM OTHER ACTIVITIES</b>		
Extraordinary Items	(511,055)	(533,380)
<b>Net cash from other Activities</b>	<b>(511,055)</b>	<b>(533,380)</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS :</b>	<b>2,945,654</b>	<b>(5,144,664)</b>
CASH AND CASH EQUIVALENT AS AT BEGINNING OF THE YEAR	4,372,420	9,517,084
CASH AND CASH EQUIVALENT AS AT END OF THE YEAR	7,318,074	4,372,420

**AUDITORS' CERTIFICATE**

We have examined the attached Cash Flow statement of **M/S. TRANSCHEM LIMITED** for the year ended **31st March, 2013** prepared by the Company in accordance with Accounting Standard - 3 on 'Cash Flow Statements' issued by the Institute of Chartered Accountants of India and is in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by our report dated **30th May, 2013** to the members of the Company.

<p><b>For L.T. JADAV &amp; Co.</b> Chartered Accountants (L.T. JADAV) Proprietor</p>	<p>For and on behalf of the Board</p> <p><b>DILIP S. SHINDE</b> Executive Director</p> <p><b>RAJEN K. DESAI</b> Chairman</p> <p><b>NEERAJA KARANDIKAR</b> Company Secretary</p>
--	---

Membership No. 37240  
Thane, 30th May, 2013

**ACCOUNTING POLICIES AND NOTES FORMING PART OF THE BALANCE SHEET AND  
PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013.**

**SIGNIFICANT ACCOUNTING POLICIES:**

**A) BASIS FOR PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared to comply in all material aspects with applicable accounting principles in India, the Accounting Standards issued by the Institute of Chartered Accountants of India, the relevant provisions of the Companies Act, 1956 and guidelines issued by the Securities and Exchange Board of India.

**B) BASIS OF ACCOUNTING**

The financial statements have been prepared under the historical cost convention in accordance with applicable accounting standards.

**C) SYSTEMS OF ACCOUNTING**

The Company adopts the accrual basis in preparing the accounts, except payment of Bonus on Cash Basis.

**D) FIXED ASSETS**

Fixed assets are stated at cost of acquisition, purchase or construction less accumulated depreciation thereon.

**E) DEPRECIATION**

Depreciation on fixed assets is provided on straight line method at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956.

**F) INVESTMENTS**

Long Term Investments are stated at cost and provision is made to recognise any diminution, other than that of a temporary nature.

**G) INVENTORIES**

Items of inventory are valued on the following basis.

- i) Raw Materials at cost on FIFO basis.
- ii) Finished Goods (stock of Dyes) and stock of Shares & Securities are at cost as certified by the management.

**H) REVENUE RECOGNITION**

**Other Income**

- i) Dividend are recorded when the right to receive the payment is established.
- ii) Capital Gains are recorded as & when materialised.

**I) RETIREMENT BENEFITS**

- i) Provision for Gratuity liability is made on actuarial valuation as at the balance sheet date
- ii) Provision for Leave Encashment liability is made on actuarial valuation as at the balance sheet date
- iii) Contribution to Provident Fund, a defined contribution plan is charged to the statement of Profit & Loss.

**J) BORROWING COST**

Borrowing cost on intercorporate deposits is recognised as expenses during the year.

**K) TAXES ON INCOME**

No provision of Income Tax is made since there is a loss during the year.

Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. During the year Deferred Tax Assets are not provided as there is no virtual certainty as to the further earning of the company. It has been seen that the company incurring losses for many years. The Core business of the company is shut down since many years.

**L) PROVISIONS AND CONTINGENT LIABILITIES**

- i) Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and that probability requires an outflow of resources.
- ii) A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may but probably will not, require an outflow of resources.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2013

	2012-13 Rs.	2011-12 Rs.		
<b>1. SHARE CAPITAL AUTHORISED</b>				
3,00,00,000 Nos. (2012 - 3,00,00,000 Nos.) of Equity Shares @ Rs. 10/- each	<b>300,000,000</b>	<b>300,000,000</b>		
<b>ISSUED, SUBSCRIBED &amp; PAID UP</b>				
1,22,40,000 Nos. (2012 - 1,22,40,000 Nos.) of Equity Shares @ Rs. 10/- each fully paid up	122,400,000	122,400,000		
<b>TOTAL Rs.</b>	<b>122,400,000</b>	<b>122,400,000</b>		
Details of Share holders holding more than 5% shares of the company Equity Shares of Rs. 10/- each fully paid up held by :				
Name of Share holders	As at 31st March 2013		As at 31st March, 2012	
	No. of Shares	%	No. of Shares	%
1. Rajen Kapil Desai	1,759,396	14.37	1,759,396	14.37
2. Religare Securities Limited	1,708,075	13.95	1,708,175	13.96
<b>2. RESERVES &amp; SURPLUS</b>				
General Reserve	6,473,483		6,473,483	
Share Premium	202,995,150		202,995,150	
Surplus in the statement of Profit & Loss Account				
Balance at the begining of the year	71,629,223		104,998,196	
Less: Loss for the year	(13,161,090)		(33,368,973)	
	58,468,133		71,629,223	
<b>Total Rs.</b>	<b>267,936,766</b>		<b>281,097,856</b>	
<b>3. LONG TERM BORROWINGS</b>				
Inter Corporate Deposit	16,067,568		30,000,000	
<b>Total Rs.</b>	<b>16,067,568</b>		<b>30,000,000</b>	
<b>4. LONG TERM PROVISIONS</b>				
Provision for Leave Encashment	478,466		433,456	
Provision for Gratuity	941,394		726,923	
<b>Total Rs.</b>	<b>1,419,860</b>		<b>1,160,379</b>	
<b>5. TRADE PAYABLES</b>				
Trade Payables	6,568		6,568	
<b>Total Rs.</b>	<b>6,568</b>		<b>6,568</b>	

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2013**

			2012-13 Rs.	2011-12 Rs.
<b>6. OTHER CURRENT LIABILITIES</b>				
Interest Accrued & Due on Loans			2,355,680	1,067,567
T. D. S. Payable			289,308	211,701
Professional Tax Payable			575	4,600
Providend Fund			2,691	2,691
Advance from Customers			21,776	21,776
Others			915,792	6,051,632
<b>Total Rs.</b>			<b>3,585,822</b>	<b>7,359,967</b>
<b>8. NON CURRENT INVESTMENTS</b>				
	<b>Qty</b>	<b>@ Rs.</b>		
Aditya Inv. & Comm. Ltd	901000	10.03	9,036,280	9,036,280
Chameleon Commodities Pvt. Ltd.	280000	10.65	2,982,000	2,982,000
Grandeur Corporation Pvt. Ltd.	465000	10.00	4,650,000	4,650,000
Sadgati Inv. & Trading Co. Pvt. Ltd.	300000	10.00	3,000,000	3,000,000
SMP Rsik Management Pvt. Ltd.	4800	125.00	600,000	600,000
<b>Total Rs.</b>			<b>20,268,280</b>	<b>20,268,280</b>
<b>9. DEFFERRED TAX ASSETS</b>				
Bal B/F			6,397,257	1,619,941
Add : Defferred Asset (during the year)				
Expenses Disallowed			—	—
A. Gratuity			—	37,443
B. Leave Encashment			—	13,476
C. Difference between Book & Income Tax Depreciation			—	4,726,397
<b>Total Rs.</b>			<b>6,397,257</b>	<b>6,397,257</b>
<b>10. LONG TERM LOANS &amp; ADVANCES</b>				
Advance for Capital Goods			1,862,804	1,871,415
<b>TOTAL Rs.</b>			<b>1,862,804</b>	<b>1,871,415</b>
<b>11. CURRENT INVESTMENTS</b>				
Investments In Mutual Fund - Dividend Re-invest option				
i) HDFC-Cash Management Fund- 2991888.007units @ 10.0315 F.V.10/-			—	30,013,125
ii) HDFC-FMP 370D January 2012(4)- 15000000.000 units @10.00 F.V.10/-			—	150,000,000
iii) HDFC-Liquid Fund (823948.78 units @ 10.1982) F.V. 10/-			—	8,402,794
iv) HDFC-Annual Interval Fund Series 1 Plan-B 16600456 units @ 10.0439 F.V. 10/-			166,733,320	—
v) HDFC Floting Rate Income Fund STP (1992187.210 units@10.0809)			20,083,040	—
vi) HDFC Floating Rate Income Fund STP (5954624.457 units @ 10.0809)			60,027,974	—
vii) ICICI Pru. FMP Series 63-1 Years Plan B (5500000 units @ Rs. 10/-)			—	55,000,000
<b>Total Rs.</b>			<b>246,844,334</b>	<b>243,415,919</b>

## 7. FIXED ASSETS

### A. Tangible Assets

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	COST AS ON 01-04-12	ADDITION DURING THE YEAR	DED. DURING THE YEAR	COST AS ON 31-03-13	DEPR. AS ON 01-04-12	ADD. DURING THE YEAR	DED. DURING THE YEAR	DEPR. AS ON 31-03-13	W.D.V. AS ON 31-03-13	W.D.V. AS ON 31-03-12
1 Land	6488481	0	0	6488481	0	0	0	0	6488481	6488481
2 Factory Building	157425444	0	0	157425444	85350675	5258010	0	90608685	66816759	72074769
3 Office Premises / Gala	2963779	0	0	2963779	756094	39336	0	795430	2168349	2207685
4 Plant & Machinery	197679122	200568	0	197879690	157193540	9,338747	0	166532287	31347403	40485582
5 Furnitures & Fixtures	6096454	0	0	6,096454	5230134	327576	0	5557710	538744	866320
6 Motor Car	5831514	0	0	5,831514	3684520	320712	0	4005232	1826282	2146994
7 Motor Car - Imported	750000	0	0	750000	0	71250	0	71250	678750	750000
<b>Grand Total Rs.</b>	<b>377234794</b>	<b>200568</b>	<b>0</b>	<b>377435362</b>	<b>252214963</b>	<b>15355631</b>	<b>0</b>	<b>267570594</b>	<b>109864768</b>	<b>125019831</b>
<b>2012</b>	<b>377221694</b>	<b>13100</b>	<b>0</b>	<b>377234794</b>	<b>236919179</b>	<b>15295784</b>	<b>0</b>	<b>252214963</b>	<b>125019831</b>	<b>140315615</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2013**

	2012-13 Rs.	2011-12 Rs.
<b>12. INVENTORIES</b>		
Raw Material	68,729	68,729
Finished Goods	6,052,861	6,052,861
Shares & Securities	8,305,999	8,305,998
<b>Total Rs.</b>	<b>14,427,589</b>	<b>14,427,588</b>
<b>13. TRADE RECEIVABLES</b>		
Upto 6 Months	—	10,893,190
Over 6 Months	837,176	4,686,024
<b>Total Rs.</b>	<b>837,176</b>	<b>15,579,214</b>
<b>14. CASH &amp; BANK BALANCES</b>		
Cash on Hand	2,622,009	2,795,429
Bank Balances (In Current Accounts)	4,490,348	1,371,274
Bank Deposits	205,717	205,717
<b>Total Rs.</b>	<b>7,318,074</b>	<b>4,372,420</b>
<b>15. SHORT TERM LOANS &amp; ADVANCES</b>		
Advances Receivable From Employees & Others	2,292,425	2,024,425
<b>Total Rs.</b>	<b>2,292,425</b>	<b>2,024,425</b>
<b>16. OTHER CURRENT ASSETS</b>		
Sundry Deposits	842,611	2,260,081
Advances Receivable In Cash or Kind	114,941	3,940,234
Advances Given To Party	346,325	2,448,106
<b>Total Rs.</b>	<b>1,303,877</b>	<b>8,648,421</b>
<b>17. OTHER INCOME</b>		
Dividend	350	470
Dividend From Mutual Fund	3,339,789	1,173,762
Interest on Sales Tax Refund	452,535	—
Long Term Capital Gain on Mutual Fund	20,868,450	20,292,929
<b>Total Rs.</b>	<b>24,661,124</b>	<b>21,467,161</b>
<b>18. EMPLOYEE'S BENEFIT EXPENSES</b>		
Salary Wages & Bonus	2,879,300	2,126,780
Contribution to Provident Fund	17,172	17,172
Director's Remuneration & Sitting Fees	264,000	261,000
Gratuity & Leave Salary Provision	259,481	122,710
Security Charges	502,200	502,200
Staff Welfare Expenses	332,913	115,137
<b>Total Rs.</b>	<b>4,255,066</b>	<b>3,144,999</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2013

	2012-13 Rs.	2011-12 Rs.
<b>19. ADMINISTRATIVE EXPENSES</b>		
Books & Periodicals	91,845	104,135
Conveyance Expenses	902,357	607,205
Consultancy / Professional Fees	1,462,704	994,997
Dematerialisation & Listing Fees	203,753	187,413
Donation	151,000	—
Legal / Lawyer Fees	440,000	—
Motor Car Expenses	196,329	692,817
Miscellaneous Expenses	118,090	—
Office / Factory Expenses	423,829	330,459
Printing & Stationery	210,727	189,307
Postage, Telegram & Courier Charges	556,526	141,710
Rent, Rates & Taxes	64,523	67,164
Repairs & Maintenance	183,250	381,224
Sundry Debtors/Creditors Write Off	148,192	—
Loss in Derivatives & Shares Trading	7,948,177	34,229,751
Telephone Expenses	262,258	233,430
Tour & Travelling Expenses	1,156,605	—
Others	561,744	513,087
<b>Total Rs.</b>	<b>15,081,909</b>	<b>38,672,699</b>
<b>20. FINANCE COST</b>		
Interest to Others	2,617,423	1,966,148
Interest on Professional Tax	520	—
Bank Charges	611	440
<b>Total Rs.</b>	<b>21,955,529</b>	<b>43,784,286</b>
<b>21.</b>	According to the information and explanation given by the management there is no disputed amount of Income Tax, Excise, Customs and any other laws & no dues under any other laws.	
<b>22.</b>	Accounting Standard - 18 - Related party disclosure There are no related parties as identified by the management.	
<b>23.</b>	Accounting Standard - 22 - Accounting for taxed on income issued by the Institute of Chartered Accounts is applicable to the Company. However due to substantial losses, on principle of prudence, the Company has not recognised deferred tax assets.	
<b>24.</b>	Accounting Standard - 28 - Impairment of Assets. As per the information and explanations given to us and as certified by the management, as on the Balance Sheet date the carrying amounts of the assets net of accumulated depreciation is not less than the recoverable amount of those assets. Hence there is no impairment loss on the assets of the Company.	
<b>25. In opinion of the Directors :</b>		
<b>a)</b>	The Current Assets, Loans and Advances are approximately of the value stated, if realised in the ordinary course of business and will not be less than the amount at which they are stated in the Balance Sheet.	

**TRANSCHEM LIMITED**

- b) The provision of depreciation and for all known liabilities are adequate and not in excess / short of the amount reasonably necessary.

		(Rupees)	
<b>26. Contingent Liabilities :</b>		<b>2012-13</b>	<b>2011-12</b>
Contingent Liabilities not provided		400,000	400,000
(i) Excise Duty		7,480,000	—
(ii) MSEB Dues Net of Deposits			
<b>27. Auditors Remuneration :</b>		<b>2012-13</b>	<b>2011-12</b>
(i) Audit Fees		60,000	60,000
<b>28. Particulars of Directors' Remuneration :</b>		<b>2012-13</b>	<b>2011-12</b>
Salary & Bonus / H.R.A. / Emp. Cont. to P.F. / Leave Salary / Directors' sitting fees		264,000	261,000
<b>29. Segment Information</b>	Segment information has not been given as the Company has no segment.		
<b>30. Expenditure in foreign CURRENCY :</b>		<b>2012-13</b>	<b>2011-12</b>
A) Foreign Travelling		650,211	—
<b>31. Earnings in foreign currency : 2012-13</b>		<b>2011-12</b>	
A) Export at F.O.B. Value		NIL	NIL
B) Others		NIL	NIL

32. The disclosures as per Accounting Standard 18 pertaining to related parties and the transactions therewith is set out below :

Relation	Party	(Rupees) Remuneration / Director's Sitting Fee	
Key Management Personnel	Mr. Rajen K. Desai	- Chairman	18,000
	Mr. Neerav Merchant	- Director	18,000
	Mrs. Bina Shah	- Director	18,000
	Mr. Dilip S. Shinde	- Executive Director	210,000

<b>33. Earnings Per Share :</b>		<b>2012-13</b>	<b>2011-12</b>
a) Profit / (Loss) after tax as per Profit and Loss A/c	Rs.	(13,161,090)	(33,368,973)
b) Profit attributable to Equity Shares Holders	Rs.	(13,161,090)	(33,368,973)
c) Basic number of equity shares	Nos.	12,240,000	12,240,000
d) Nominal value per equity share	Rs.	10	10
e) Earnings per share (Basic & Diluted)	Rs.	(1.08)	(2.73)

34. Previous years figure have been regrouped, rearranged and reclassified wherever necessary.

As per our report of even date

For and on behalf of the Board

**For L.T. JADAV & Co.**

**DILIP S. SHINDE**

**RAJEN K. DESAI**

**NEERAJA KARANDIKAR**

*Chartered Accountants*

*Executive Director*

*Chairman*

*Company Secretary*

(L.T. JADAV), *Proprietor*

Membership No. 37240

Thane, 30th May, 2013

**ANNEXURE "B" FORMING PART OF SCHEDULE XV :  
Balance Sheet Abstract and Company's General Business Profile**

<b>I. REGISTRATION DETAILS :</b>		
Registration Number	: 11-19327	11-19327
State Code	: 11	11
Balance Sheet Date	: 31/03/2013	31/03/2012
<b>II. CAPITAL RAISED DURING THE YEAR</b>	<b>: (Rs.)</b>	<b>(Rs.)</b>
Public Issue	: NIL	NIL
Rights Issue	: NIL	NIL
Bonus Issue	: NIL	NIL
Private Placement (Preferential Issue)	: NIL	NIL
* Including Premium		
<b>III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS</b>		
Total Liabilities	: 411416584	442024770
Total Assets	: 411416584	442024770
<b>Sources of Funds :</b>		
Paid-up Capital	: 122400000	122400000
Reserves & Surplus	: 267936766	281097856
Secured Loans	: 0	0
Intercorporate Deposits / Unsecured Loans	: 16067568	30000000
Current Liabilities & Long Term Provisions	: 5012250	8526914
<b>Application of Funds :</b>		
Net Fixed Assets	: 109864768	125019831
Investments	: 246844334	243415919
Non Current Inv. & Non Current Assets	: 22131084	22139695
Current Assets	: 26179141	45052068
Deferred Tax Assets	: 6397257	6397257
<b>IV. PERFORMANCE OF THE COMPANY :</b>		
Turnover / Other Income	: 24661124	21467161
Total Expenditure	: (37311160)	(59080070)
Profit / (Loss) before tax	: (12650036)	(37612910)
Profit / (Loss) after current tax	: (12650036)	(37612910)
Earlier Year Exp. / Tax / Adj.	: (511055)	(533380)
Deferred Tax Provision / Assets	: 0	4777316
Net Balance	: (13161091)	(33368973)
Earnings per share (Rs.)	: (1.08)	(2.73)
Dividend rate %	: NIL	NIL
<b>V. PRINCIPAL PRODUCTS, SERVICES OF THE COMPANY :</b>		
Item code	:	
(ITC Code)	:	
Product Description	:	

For and on behalf of the Board

**For L.T. JADAV & Co.**  
Chartered Accountants  
(L.T. JADAV)  
Proprietor

**DILIP S. SHINDE**  
Executive Director

**RAJEN K. DESAI**  
Chairman

**NEERAJA KARANDIKAR**  
Company Secretary

Membership No. 37240  
Thane, 30th May, 2013



# TRANSCHEM LIMITED

REGD. OFFICE : 304, GANATRA ESTATE, POKHRAN ROAD NO. 1, KHOPAT, THANE (W) – 400 601.

## ATTENDANCE SLIP 36TH ANNUAL GENERAL MEETING — 30TH SEPTEMBER, 2013

To be handed over at the entrance of the meeting venue.

Name of the attending member in Block letters : \_\_\_\_\_

Name of the proxy : \_\_\_\_\_

(In Block letters to be filled in by Proxy attending instead of the member)

No. of Shares held : _____	Ledger Folio No. _____
DP. ID No.* _____	Client ID* : _____

I hereby record my presence at the 36th Annual General Meeting of the Company held on Monday, the 30th day of September, 2013 at Hotel Royal Inn, Gokul Nagar, Thane (W) – 400 601 at 09:30 a.m.

\_\_\_\_\_  
Member's / Proxy's Signature

\* Applicable for investors holding shares in electronic form.

# TRANSCHEM LIMITED

REGD. OFFICE : 304, GANATRA ESTATE, POKHRAN ROAD NO. 1, KHOPAT, THANE (W) – 400 601.



## PROXY FORM 36TH ANNUAL GENERAL MEETING — 30TH SEPTEMBER, 2013

I/WE \_\_\_\_\_ of \_\_\_\_\_

being a Member / Members of Transchem Limited, hereby appoint \_\_\_\_\_

\_\_\_\_\_ of \_\_\_\_\_ as my / our proxy to attend and vote for

me / us on my / our behalf at the 36th ANNUAL GENERAL MEETING of the Company to be held on Monday, the 30th September, 2013 at Hotel Royal Inn, Gokul Nagar, Thane (W) – 400 601 at 09:30 a.m.

No. of Shares held : _____	Ledger Folio No. _____
DP. ID No.* _____	Client ID* : _____

Affix Re. 1/-  
Revenue  
Stamp

Date : \_\_\_\_\_

Signature

NOTE: 1) Proxy form must reach the Company's Registered office not less than 48 hours before the commencement of meeting. 2) The Proxy Form should be signed across the stamp as per specimen signature registered with the Company.

\* Applicable for investors holding shares in electronic form.



BOOK-POST / UPC



**TRANSCHEM LIMITED**

REGISTERED OFFICE :

304, GANATRA ESTATE, POKHRAN ROAD NO. 1, KHOPAT, THANE (W) – 400 601.