



**TRANSCHEM
LIMITED**

CIN : L24100MH1976PLC019327

Email : secretary@transchem.net

Website : www.transchem.net

September 19, 2017

To,

The Secretary
BSE Limited,
P. J. Towers,
Dalal Street, New Trading Ring,
Rotunda Building, Fort,
MUMBAI – 400 001.

REF: COMPANY CODE NO. 500422.

Dear Sir,

Pursuant to Regulation 34 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, please find attached herewith the Annual Reports of the Company along with reports of the Directors and Auditors Report thereon with cash flow statement for the financial year 2016-17.

Please take note Annual General Meeting of the Company for the year 2016-17 was held on 16th September 2017.

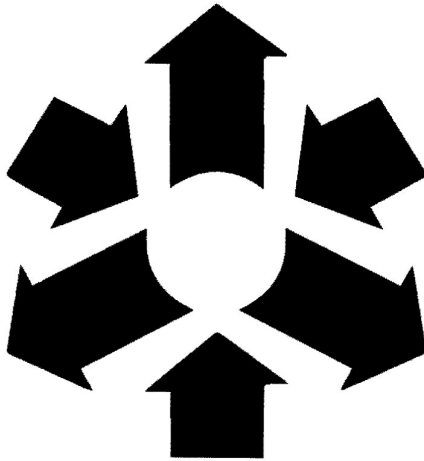
Hope you will find the same in order.

Thanking you,

Yours Faithfully
For **TRANSCHEM LIMITED**

(Neeraja Karandikar)
Company Secretary (ACS 10130)

Encl: As above



TRANSCHEM LIMITED

40TH ANNUAL REPORT 2016-2017



| | |
|---|--|
| BOARD OF DIRECTORS | MRS. BINA SHAH Chairperson MR. DESAI RAJEN K MR. MERCHANT NEERAV B. MR. SHINDE DILIP S. Executive Director |
| COMPANY SECRETARY | MRS. NEERAJA KARANDIKAR |
| STATUTORY 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, 1 st Floor, Makwana Road, Marol Naka, Andheri (E), Mumbai – 400 059. |
| CIN | L24100MH1976PLC019327 |

NOTICE

NOTICE is hereby given that the Fortieth Annual General Meeting of the members of **TRANSCHEM LIMITED** will be held on Saturday, the 16th day of September, 2017 at Hotel Ginger (formerly known as 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 2017 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 Mr. Rajen K Desai, Director (DIN-01763995) who retires by rotation and being eligible offers himself for re-appointment.
3. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:
 “RESOLVED THAT pursuant to section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 M/s. Maheshwari & Co, Chartered Accountants (Firm Registration No. 105834W), be and is hereby appointed as Statutory Auditors of the Company for the financial year 2017-18, to hold office from the conclusion of this Annual General Meeting, until the conclusion of next Annual General Meeting of the Company at a remuneration to be determined by the Board of Directors of the Company in addition to out of pocket expenses as may be incurred by them during the course of the Audit”

SPECIAL BUSINESS:

4. To consider and, if thought fit, to pass the following resolution as a Special Resolution:
 “RESOLVED THAT pursuant to regulation 31A(5) read with regulation 31A(7) and other relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (“SEBI LODR Regulations”) and Uniform Listing Agreements entered into by the Company with BSE Limited, the stock exchange where the equity shares of the Company are listed and applicable provisions, if any of the Companies Act, 2013 and the open offer made by Priyanka Finance Private Limited (“Acquirer”) and Mr. Vijay Choraria (“PAC”) in his capacity as the person acting in concert with the Acquirer, to the public shareholder of the Company under regulation 3(1) and 4 of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and in accordance with applicable rules, regulations or laws and/or any approval, consent, permission of Securities and Exchange Board of India, stock exchange or any other appropriate authorities under any other applicable laws, rules and regulations in force for the time being and from time to time (“Concerned Authorities”) in this regard and further subject to such terms, conditions, stipulations and modifications as may be prescribed, imposed or suggested by any of the Concerned Authorities while granting such approvals, permissions or consent as may be necessary or which may be agreed to, by the Board of Directors of the Company (hereinafter referred to as “the Board” which expression shall include any committee constituted by the Board to exercise the powers conferred on the Board by this Resolution) and subject to such terms, conditions and modifications as the Board may in its discretion impose or agree to the consent, approval of the Members of Company be and is hereby accorded to the Board to:
 - (i) Re-classify Priyanka Finance Private Limited and Mr. Vijay Choraria as the promoters of the Company; and
 - (ii) Re-classify the existing promoters of the Company to public category (i.e. Rajen Desai, Armin Desai, Grandeur Corporation Private Limited, Arangetam Trading Company LLP, Aditya Investments and Communication Limited and Limpid Investments Private Limited).

in terms of regulation 31A of SEBI LODR Regulations.”

“RESOLVED FURTHER THAT post re-classification, the existing promoters will not:

- Hold more than 10% of the fully paid-up equity share capital and voting capital of the Company
- Have any special rights through formal or informal agreements and shareholding agreements, if any, granting special rights to them shall be terminated.
- Act as key managerial persons for a period of more than 3 years from the date of shareholders approval.
- directly or indirectly exercise control over the affairs of the Company.”



“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, desirable and expedient for such purpose, including without limitations effecting any modifications or changes to the foregoing, entering into contract, arrangements, agreements, documents (including for appointment of agencies, intermediaries and advisors for the resolution), in connection therewith and incidental thereto as the Board may in its absolute discretion deem fit without being required to seek any fresh approval of the shareholders of the Company and to settle all questions, difficulties or doubt that may arise in this regard, take all other steps which may be incidental, consequential, relevant or ancillary in this connection and that the decision of the Board shall be final, binding and conclusive in all respects.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred by above resolutions to any Director(s) or to any committee of Directors or any other officer(s) of the Company or any other person as the Board may at its absolute discretion deem appropriate, to do all such acts, deeds, matters and things as also to execute such documents, writings etc as may be necessary to give effects to the aforesaid resolution.”

PLACE : THANE
DATE : 17/08/2017

For **TRANSCHEM LIMITED**
(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. A person can act as a proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten per cent of the total share capital of the Company carrying voting rights. A Member holding more than ten per cent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. Members can avail of the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of section 72 of the Companies Act, 2013 read with Rules 19(1) of the Companies (share Capital and Debentures) Rules, 2014. Members desiring to avail of this facility may send their nomination in the prescribed form No. SH. 13 duly filled in to M/s. Adroit Corporate Services Pvt. Ltd having their office at 19, Jaferbhoy Industrial Estate, 1st Floor, Makwana Road, Marol Naka, Andheri (E), Mumbai - 400 059.
4. Members are requested to:
 - a) Intimate to the Company's Registrar and Transfer Agents, Adroit Corporate Services Pvt. Ltd at the above mentioned address, changes, if any, in their registered addresses at an early date, in case of shares held in physical form;
 - b) Intimate to the respective Depository Participant, changed if any, in their registered addresses at an early date, in case of shares held in electronic/dematerialized form;
 - c) Quote their folio number/ client ID/DP ID in all correspondence:
 - d) Consolidate their holdings into one folio in case they hold shares under multiple folios in the identical order of names.
5. Pursuant to the Circulars issued by the Ministry of Corporate Affairs (MCA) regarding the Green Initiative, the Annual Report for the year 2016-17, Notice for the Annual General Meeting (AGM), etc., are being sent, in electronic mode to such of the members, of the company whose e-mail addresses are available with the Company/Depository participant and who have not opted to receive the same in physical form. Members are requested to support the Green Initiative by registering/updating their e-mail addresses, with the Depository participant (in case of Shares held in dematerialised form) or with Adroit Corporate Services Pvt. Ltd (in case of Shares held in physical form).

Members may also note that the Notice of the 40th Annual General Meeting and the Annual Report for 2016-17 are also available at the Company's website <http://www.transchem.net> for their download. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: secretary@transchem.net.

6. Relevant documents referred to in the accompanying Notice shall remain open for inspection at the Registered office of the company during normal business hours (9.30 a.m. to 5.30 p.m.) on all working days except Saturdays and Sundays, up to and including the date of the Annual General Meeting of the Company.

7. Appointment of Directors

Mr. Rajen K Desai, the promoter director is proposed to be retired by rotation at the annual general meeting and being eligible offer himself for reappointment. He holds 9396 shares in his name.

None of the Directors of the Company is inter-se related to each other.

The information to be provided pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 for the Directors being appointed is given below.

8. Voting through electronic means

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015, Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Secretarial Standards, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting by electronic means. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on 13th September 2017 (9:00 am) and ends on 15th September 2017 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 9th September 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting are as under:

The copy of this notice along with annual report is being sent to all the members. In addition, the members whose e-mail id is registered with the Company/Depository Participant(s), an e-mail containing user ID and password for casting vote by remote e-voting shall be sent by NSDL at the registered e-mail address of the member(s)

The members(s) whose e-mail ID is not registered with the Company/Depository Participant(s), may obtain a login ID and password for casting his/ her vote by remote e-voting by sending a request at evoting@nsdl.co.in or by contacting NSDL at toll free number 1800-222-900.

The member(s) who receives an email from NSDL is advised to take following steps for casting his/her vote by remote e-voting:

- (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password. If you are already registered with NSDL for e-Voting then you can use your existing user ID and password.



Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>

- (ii) Click on Shareholder - Login
- (iii) Enter user ID and password as initial password/PIN noted in step (i) above. Click Login.
- (iv) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (v) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
- (vi) Select "EVEN" of "Transchem Limited".
- (vii) Now you are ready for remote e-voting as Cast Vote page opens.
- (viii) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (ix) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (x) Once you have voted on the resolution, you will not be allowed to modify your vote.

Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to amitavijay1994@gmail.com with a copy marked to evoting@nsdl.co.in

If a Member is already registered with NSDL for remote e-voting, then he/she can use his/ her existing user ID and password for casting the vote. If a member forgets the password, the password can be reset by using "Forget User Details/ Password" or "Physical User Reset Password?" option available on www.evoting.nsdl.com or by contacting NSDL at the toll free number 1800-222-900.

In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID+ClientID).

In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No+Folio No).

In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.

- VI. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 9th September 2017.

Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as at the cut-off date i.e. 9th September 2017 may obtain the login ID and password by sending a request at evoting@nsdl.co.in or to the Company at secretary@transchem.net or to its RTA at info@adroitcorporate.com by mentioning their Folio no. DP ID and client Id.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password?" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

- VII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

- VIII. Mrs. Amita Saxena, Company Secretary, (FCS 3964, CP 3438) has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

- IX. The Chairperson shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" or "Poling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

- X. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at

the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairperson or a person authorized by her in writing, who shall countersign the same and declare the result of the voting forthwith.

The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company at www.transchem.net and on the website of NSDL immediately after the declaration of result by the Chairperson or a person authorized by her in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

XI. Route Map of the venue of the meeting is provided with the report.

Explanatory Statement in respect of the businesses specified as special in the notice pursuant to Section 102(1) of the Companies Act, 2013.

ITEM NO. 4:

Members may note that Priyanka Finance Private Limited (“**Acquirer**”) and Mr. Vijay Choraria (“**PAC**”) in his capacity as the person acting in concert with the Acquirer, made an open offer to the public shareholder of the Company under regulation 3(1) and 4 of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

Pursuant to the open offer the Acquirer and the PAC shall become the promoters of the Company and the existing promoters shall be re-classified to public category as under:

- (i) Re-classify Priyanka Finance Private Limited and Mr. Vijay Choraria as the promoters of the Company; and
- (ii) Re-classify the existing promoters of the Company to public category (i.e. Rajen Desai, Armin Desai, Grandeur Corporation Private Limited, Arangetam Trading Company LLP, Aditya Investments and Communication Limited and Limpid Investments Private Limited).

In terms of the SEBI LODR Regulations, the existing promoters hereby undertake that post re-classification they will not:

- Hold more than 10% of the fully paid-up equity share capital and voting capital of the Company
- Have any special rights through formal or informal agreements and shareholding agreements, if any, granting special rights to them shall be terminated.
- Act as key managerial personnel for a period of more than 3 years from the date of shareholders approval.
- directly or indirectly exercise control over the affairs of the Company.

Post re-classification, the increase in the level of public shareholding shall not be counted towards achieving compliance with minimum public shareholding requirement under rule 19A of the Securities Contracts (Regulation) Rules, 1957, and the provisions of SEBI LODR Regulations.”

The Company shall disclose the event of re-classification to the stock exchange as a material event in accordance with the provisions of SEBI LODR Regulations.

Pursuant to the regulation 31A(5) of SEBI (LODR) Regulations 2015, the above re-classification requires approval of members.

The Board recommends the said resolution to be passed as a Special Resolution.

Mr. Rejen Desai, Priyanka Finance Private Limited and Mr. Vijay Choraria are concerned and interested in the resolution to the extent of their shareholding in the Company. None of the others Directors, key managerial persons of the Company or any relatives of such directors/ promoters or key managerial persons are in any way concerned or interested in the proposed resolution except to the extent of their respective shareholding if any in the Company.



The shareholding of M/s Priyanka Finance Private Limited is:

| Sr. No. | Shareholders' category | No. of shares held | Percentage |
|---------|-------------------------------|--------------------|------------|
| 1 | Promoters* | 44,58,340 | 100 |
| 2 | Directors, Manager and KMP's | Nil | 0 |
| 3 | FII / Mutual Fund/ FIs/ Banks | Nil | 0 |
| 4 | Public | Nil | 0 |
| | Total Paid-up Capital | 44,58,340 | 100 |

*Includes Fine Estates Private Limited along with Mr. Vijay Choraria, being the nominee of M/s Fine Estates Private Limited.

For **TRANSCHEM LIMITED**

PLACE : Mumbai
DATE : 17.08.2017

(NEERAJA KARANDIKAR)
COMPANY SECRETARY

Annexure:

Information required under Regulation 36(3) of the SEBI (LODR) Regulations, 2015 with respect to the Directors retiring by rotation and being eligible, seeking re-appointment:

| | |
|---|----------------------------|
| Name of the Director | Mr. Rajen K Desai |
| DIN | 00382740 |
| Date of Birth | 29.09.1949 |
| Date of Appointment on Board | 18.11.1976 |
| Qualification | B.Com. |
| Expertise | Finance and administration |
| No. of Directorships held in other public Companies (Excluding Pvt Companies) | 2 |
| Chairman/ membership of other Companies | NIL |
| Shareholding | 9396 |
| Relationship with directors & KMP | NIL |

DIRECTORS REPORT

Dear Members,

Your Directors are pleased to submit their fortieth Annual Report, together with the Audited Statement of Accounts of your Company for the financial year ended 31st March 2017.

Financial Results:

(Rs. in lacs)

| Particulars | Current year ended 31.03.2017 | Previous year ended 31.03.2016 |
|---|----------------------------------|-----------------------------------|
| Income | 177.68 | 196.61 |
| Gross Profit/(Loss)before Depreciation & Taxation | 96.10 | 103.70 |
| Depreciation | 101.81 | 101.80 |
| Provision for Current Tax | 0.00 | 0.00 |
| Add/ Less Exceptional Item | (35.52) | 2.78 |
| Profit/(Loss)after Depreciation & Taxation | (41.23) | 4.68 |

Operation:

During the year your company has not carried out 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. Your directors are looking out for economic feasibility to set-up a unit for research of new pharmaceutical molecules and other viable products.

Dividend And Fund Transfer To Reserve:

In view of not having any business activity, your Directors have not recommended any dividend to the equity shareholders. Further there being losses during the year, no fund has been transferred to reserve.

Brief Description of The Company's Working During The Year/State of Company's Affair

Due to various reasons your company could not carry on any business activity. The fund available with the company was parked with the mutual fund on that it has received dividend. All expenses net of other income were transferred to balance sheet as losses. Your directors are considering various options to revive the business of the Company.

Change in the Nature of Business, If Any

There was no change in the nature of business during the year under review.

Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report

One M/s Priyanka Finance Private Limited ("Acquirer") along with Mr. Vijay Choraria ("PAC") has made an Open Offer pursuant to Regulations 3(1) and 4 of the SEBI (SAST) Regulations, 2011 for substantial acquisition of shares and voting rights accompanied with change in control and management of the Company. The offer is under process as on the date of this report.

Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

No regulatory order has been passed during the year under review that may impact the going concern status and company's operations in future.

Subsidiaries, Associates and Joint Venture Companies:

Your Company is not having any subsidiary, associate or joint venture.

Auditors' Report

Auditors report is self explanatory; do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.



Directors Responsibility Statement:

Pursuant to section 134(5) of the Companies Act, 2013, 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 applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company 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 Act 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.
- (v) The directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively.
- (vi) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Directors And Key Managerial Personnel:

Mr. Rajen K Desai, Director, shall retire by rotation in the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

Independent directors have submitted declaration of their being independent in terms of Section 149(6) of the Act.

During the year Mr. Vinayak Vengurlekar vacated the office of director of your Company.

Apart from the above there is no change in directors and key managerial personnel during the period under review.

Company has framed a policy for remuneration of its directors and key managerial personnel. The policy is being placed at the web-site of the Company.

Number of Board Meetings Held During The Year:

The Board of directors duly met SIX times during the financial year ended 31st March 2017. The dates on which the meetings were held are 30th May 2016, 13th August 2016, 3rd September 2016, 12th November 2016, 31st January 2017 and 11th March 2017.

Evaluation of Board And Directors:

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI guidelines on Board Evaluation, the Board has carried out an annual performance evaluation of its own performance and that of the directors individually.

The performance of the Board was evaluated after seeking input from all directors on the basis of the criteria as specified in the SEBI guidelines.

Policy on Directors' Appointment And Remuneration And Other Details

The Company's policy on directors' appointment and remuneration and other matters has been disclosed in the corporate governance report that forms part of directors' report.

Internal Control System And Their Adequacy:

Company has appointed a firm of Chartered Accountant as Internal auditors of the Company.

Audit And Other Board Committees:

Pursuant to the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Board of Directors has constituted/ renamed following Committees:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee

The details of the aforesaid committees have been provided in the report on Corporate Governance.

AUDITORS:

i) Statutory 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. Pursuant to the provisions regarding rotation of auditors, M/s. L.T. Jadav & Co., is not eligible for re-appointment.

The board of your company recommends appointing M/s. Maheshwari & Co, Chartered Accountants (Firm Registration No. 105834W) as statutory auditor for the financial year 2017-18. M/s. Maheshwari & Co has consented to act as Auditor, if appointed, and have also confirmed that they are eligible to be appointed as auditors of the Company.

ii) Secretarial Auditor

According to the provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 Company has appointed CS Amita Saxena (FCS 3964, CP 3438) as Secretarial auditor. The Secretarial Audit Report submitted by her is enclosed as a part of this report.

Particulars of Loans, Guarantees Or Investments:

During the year company has neither given nor obtained any loan or guarantee. No investment was made by the Company during the year.

Related Party Transactions:

Except payment of salary to executive director and sitting fee to non executive directors Company has not entered into any related party transaction.

Corporate Social Responsibility:

The provisions of Corporate Social Responsibility are not applicable to your company as your company has not earned sufficient profit during last financial years.

Extracts of Annual Return:

The details forming part of the extracts of annual return in Form MGT 9 is annexed with the report and forming part of it.

Particulars of Employees

The information required under section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

a. The ratio of remuneration of each director to the median remuneration of employees of the Company for the financial year:

Non-executive Directors : No remuneration is being paid to non-executive directors except sitting fee for attending Board Meetings.

Executive Director : Mr. Dilip Shinde – Ratio to median remuneration – 1.12

b. The Percentage increase in remuneration of Director - There was no increase in remuneration of director

c. The percentage increase in the median remuneration of employee – 5%

d. The number of permanent employee on the roll of Company - 10

e. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in managerial remuneration.

Average increase in the remuneration of employee was 5%, no increase was provided to directors.



Deposits:

The Company has neither invited nor accepted any deposits from public during the year.

Conservation of Energy, Technology Absorption And Foreign Exchange Earnings/Outgo U/S. 134(3)(m) of The Companies Act 2013:

a). Conservation of Energy:

Conservation of energy is regular process at your company and all prudent steps are being taken to conserve the resources.

b). Technology Absorption:

Your company is not using any specific technology.

c). Research & Development:

Your company is not carrying out any research.

d). Foreign Exchange Earnings and Outgo:

During the year there was neither any Foreign Exchange earning nor outgo.

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 as prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Share Capital:

There was no change in capital structure of the Company during the year.

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.

By order of the Board of Directors

For **TRANSCHEM LIMITED**

PLACE: Mumbai
DATE : 11.08.2017

(Dilip S Shinde)
Executive Director

(Rajen K Desai)
Director

MGT -9**EXTRACT OF ANNUAL RETURN**As on financial year ended on 31st March 2017*[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]***I. REGISTRATION AND OTHER DETAILS:**

| | | |
|--|---|--|
| CIN | : | L24100MH1976PLC019327 |
| Registration Date | : | 18.11.1976 |
| Name of the Company | : | TRANSCHEM LIMITED |
| Category / Sub-Category of the Company | : | Indian Non-Government Company |
| Address of the Registered office and contact details | : | 304 Ganatra Estate, Pokhran Road No. 1, Khopat, Thane – 400 601 |
| Whether listed company | : | Yes |
| Name, Address and Contact details of Registrar and Transfer Agent, if any: | : | M/s. Adroit Corporate Services Pvt. Ltd. 19, Jaferbhoy Industrial Estate, 1 st Floor, Makwana Road, Marol Naka, Andheri (E), Mumbai – 400 059. |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

| Sl. No. | Name and Description of main products/ services | NIC Code of the Product/ service | % to total turnover of the company |
|---------|---|----------------------------------|---|
| 1 | Mushroom production and processing | 01301 | Due to various reasons presently plant is not working |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES - NIL**I SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):****i. Category-wise Share Holding:**

| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | % Change during the year |
|--------------------------|---|----------|---------|-------------------|---|----------|---------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/HUF | 1779996 | 0 | 1779996 | 14.54 | 29996 | 0 | 29996 | 0.25 | -14.29 |
| b) Central Govt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| c) State Govt(s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| d) Bodies Corp. | 1261043 | 0 | 1261043 | 10.31 | 600,088 | 0 | 600,088 | 4.90 | -5.41 |
| e) Banks / FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| f) Any other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Sub-total(A)(1): | 3041039 | 0 | 3041039 | 24.85 | 630,084 | 0 | 630,084 | 5.15 | -19.70 |
| (2) Foreign | | | | | | | | | |
| a) NRIs - Individuals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| b) Other – Individuals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |



| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | % Change during the year |
|--|---|----------|---------|-------------------|---|----------|----------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| c) Bodies Corp. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| d) Banks / FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| e) Any other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Sub-total (A)(2): | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Total shareholding of Promoter (A) = (A)(1)+(A)(2) | 3041039 | 0 | 3041039 | 24.85 | 630,084 | 0 | 630,084 | 5.15 | -19.70 |
| B. Public Shareholding | | | | | | | | | |
| (1) Institutions | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| a) Mutual Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| b) Banks / FI | 0 | 4000 | 4000 | 0.03 | 0 | 4000 | 4000 | 0.03 | 0 |
| c) Central Govt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| d) State Govt(s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| e) Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| f) Insurance Companies | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| g) FIs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| h) Foreign Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| i) Others (specify) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Sub-total (B)(1): | 0 | 4000 | 4000 | 0.03 | 0 | 4000 | 4000 | 0.03 | 0 |
| (2) Non-Institutions | | | | | | | | | |
| a) Bodies Corp. | 5515843 | 80000 | 5595843 | 45.72 | 5769344 | 72000 | 5841344 | 47.72 | 2.00 |
| i) Indian | | | | | | | | | |
| ii) Overseas | | | | | | | | | |
| b) Individuals | | | | | | | | | |
| i) Individual shareholders holding nominal share capital upto Rs. 2 lakh | 1530769 | 1288410 | 2819179 | 23.03 | 1627489 | 1291705 | 2919194 | 23.85 | +0.82 |
| ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh | 671966 | 60000 | 731966 | 5.98 | 2783547 | 30100 | 2813647 | 22.99 | +17.01 |
| c) Others (specify) | | | | | | | | | |
| Clearing Member | 3920 | 0 | 3920 | 0.03 | 4005 | 0 | 4005 | 0.03 | 0.00 |
| NRI | 20503 | 2050 | 22553 | 0.18 | 4176 | 2050 | 6226 | 0.05 | -0.13 |
| NRI Corp Bodies | 0 | 21500 | 21500 | 0.18 | 0 | 21500 | 21500 | 0.18 | 0 |
| Sub-total(B)(2): | 7743001 | 1451960 | 9194961 | 75.12 | 10188561 | 1417355 | 11605916 | 94.82 | +19.70 |
| Total Public Shareholding (B)=(B)(1)+(B)(2) | 7743001 | 1455960 | 9198961 | 75.15 | 10188561 | 1421355 | 11609916 | 94.85 | +19.70 |

| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | % Change during the year |
|---|---|----------|----------|-------------------|---|----------|----------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| C. Shares held by Custodian for GDRs & ADRs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand Total (A+B+C) | 10751170 | 1488830 | 12240000 | 100 | 10818645 | 1421355 | 12240000 | 100 | 0 |

ii. SHAREHOLDING OF PROMOTERS:

| Sl. No | Shareholder's Name | Shareholding at the beginning of the year | | | Share holding at the end of the year | | | % change in share holding during the year |
|--------|--------------------------------|---|----------------------------------|---|--------------------------------------|----------------------------------|--|---|
| | | No. of Shares | % of total Shares of the Company | % of Shares Pledged/ encumbered to total shares | No. of Shares | % of total Shares of the Company | % of Shares Pledged / encumbered to total shares | |
| 1. | Rajen Desai | 1759396 | 14.37 | 0 | 9396 | 0.08 | 0 | -14.29 |
| 2. | Armin Desai | 20600 | 0.17 | 0 | 20600 | 0.17 | 0 | 0 |
| 3. | Aditya Investment & Comm. Ltd | 600088 | 4.90 | 0 | 600088 | 4.90 | 0 | 0 |
| 4. | Arangetam Trading Company LLP | 103401 | 0.85 | 0 | 0 | 0 | 0 | -0.85 |
| 5. | Grandeur Corporation Pvt. Ltd. | 469354 | 3.84 | 0 | 0 | 0 | 0 | -3.84 |
| 6. | Limpid Investments Pvt. Ltd. | 88200 | 0.72 | 0 | 0 | 0 | 0 | -0.72 |
| | TOTAL | 3041039 | 24.85 | 0 | 630084 | 5.15 | 0 | -19.70 |

iii. CHANGE IN PROMOTERS' SHAREHOLDING:

| Sl. No. | Shareholder's Name | Shareholding at the beginning of the year | | Cumulative during the year | |
|---------|---|---|----------------------------------|----------------------------|----------------------------------|
| | | No. of Shares | % of total Shares of the Company | No. of Shares | % of total Shares of the Company |
| 1. | Rajen Desai | | | | |
| | At the beginning of the year | 1759396 | 14.37 | 1759396 | 14.37 |
| | Increase/(decrease) in shareholding during year | | | (1750000) | (14.29) |
| | At the end of the year | | | 9396 | 0.08 |
| 2. | Armin Desai | | | | |
| | At the beginning of the year | 20600 | 0.17 | 20600 | 0.17 |
| | Increase/(decrease) in shareholding during year | | | - | - |
| | At the end of the year | | | 20600 | 0.17 |



| Sl. No. | Shareholder's Name | Shareholding at the beginning of the year | | Cumulative during the year | |
|---------|---|---|----------------------------------|----------------------------|----------------------------------|
| | | No. of Shares | % of total Shares of the Company | No. of Shares | % of total Shares of the Company |
| 3. | Aditya Investment & Comm. Ltd At the beginning of the year Increase/(decrease) in shareholding during year At the end of the year | 600088 | 4.90 | 600088 - 600088 | 4.90 - 4.90 |
| 4. | Arangetam Trading Company LLP At the beginning of the year Increase/(decrease) in shareholding during year At the end of the year | 103401 | 0.85 | 103401 (103401) 0 | 0.85 (0.85) 0 |
| 5. | Grandeur Corporation Pvt. Ltd. At the beginning of the year Increase/(decrease) in shareholding during year At the end of the year | 469354 | 3.84 | 469354 (469354) 0 | 3.84 (3.84) 0 |
| 6. | Limpid Investments Pvt. Ltd. At the beginning of the year Increase/(decrease) in shareholding during year At the end of the year | 88200 | 0.72 | 88200 (88200) 0 | 0.72 (0.72) 0 |
| | TOTAL | 3041039 | 24.85 | 630084 | 5.15 |

iv. SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS):

| Sl. No | Name of Shareholders | Shareholding at the beginning of the year | | Shareholding at the end of the year | |
|--------|--------------------------------|---|----------------------------------|-------------------------------------|----------------------------------|
| | | No. of shares | % of total shares of the Company | No. of shares | % of total shares of the Company |
| 1 | JMS Mining Services P Ltd | 0 | 0 | 2261938 | 18.48 |
| 2 | Vijay K Choraria | 0 | 0 | 2000000 | 16.34 |
| 3 | Solar Securities Pvt. Ltd | 598349 | 4.89 | 598349 | 4.89 |
| 4 | Brijwasi Securities Pvt Ltd. | 597341 | 4.88 | 597341 | 4.88 |
| 5 | Firstcorp International Ltd. | 549752 | 4.49 | 549752 | 4.49 |
| 6 | SMIT Capital Services P Ltd | 483706 | 3.95 | 483706 | 3.95 |
| 7 | Intime Securities (Client a/c) | 0 | 0 | 400000 | 3.27 |
| 8 | Ankit Miglani | 350000 | 2.86 | 350000 | 2.86 |
| 9. | Bayswater Enterprises Ltd. | 292108 | 2.39 | 292108 | 2.39 |
| 10. | Prerna Healthcare Pvt Ltd | 125535 | 1.03 | 125535 | 1.03 |

v. SHAREHOLDING OF DIRECTORS:

| Sl. No. | Name of Shareholders | Shareholding at the beginning of the year at 01.04.2016 | | Shareholding at the end of the year 31.03.2017 | |
|---------|----------------------|---|----------------------------------|--|----------------------------------|
| | | No. of shares | % of total shares of the Company | No. of shares | % of total shares of the Company |
| 1. | Rajen Desai | 1759396 | 14.37 | 9396 | 0.08 |
| 2. | Bina Shah | Nil | 0 | Nil | 0 |
| 3. | Neerav Merchant | Nil | 0 | Nil | 0 |
| 4. | Dilip Shinde | 100 | 0 | 100 | 0 |

SHAREHOLDING OF KEY MANAGERIAL PERSONAL: NIL**II INDEBTEDNESS:**

Indebtedness of the Company including interest outstanding/accrued but not due for payment. NIL

III REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

| S. No. | Particulars of Remuneration | Name of Director | Total Amount (Rs) |
|--------|-----------------------------|--|-------------------|
| 1. | Total Gross Salary | Mr. Dilip Shinde, WTD | 210,000 |
| | Ceiling as per the Act | Not applicable, paid as per Schedule V | |

B. REMUNERATION TO OTHER DIRECTORS:

| S.No. | Name of Directors | Particulars of Remuneration | Total Amount (Rs) |
|-------|-------------------------|-----------------------------|-------------------|
| 1. | Mrs. Bina Shah | Sitting fee | 30,000 |
| 2. | Mr. Neerav Merchant | Sitting fee | 30,000 |
| 3. | Mr. Rajen Desai | Sitting fee | 30,000 |
| 4. | Mr. Vinayak Vengurlekar | Sitting fee | 20,000 |

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

| Sl. No. | Particulars of Remuneration in Rs. | Key Managerial Personnel | | | |
|---------|------------------------------------|--------------------------|-------------------|--------|--------|
| | | CEO | Company Secretary | CFO | Total |
| 1 | Gross salary | Nil | 120000 | 286058 | 406058 |

IV PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL



FORM No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

(Pursuant to Section 204 (1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,
The Members,
Transchem Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Transchem Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Transchem Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorised representatives during the conduct of secretarial audit and as per the explanations given to me and the representations made by the Management, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2017 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records made available to me and maintained by Transchem Limited for the financial year ended on 31st March, 2017 according to the applicable provisions of:

- i The Companies Act, 2013 ('the Act') and the rules made there under;
- ii The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; and
- vi Other laws applicable to the Company: Company is in the business of manufacturing and processing of Mushroom. However during the year under audit it has not carried on any business activity and accordingly was not required to comply with any sector specific law and provisions. .

I have also examined compliance with the applicable clauses of the following:

- i Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.
- ii The Listing Agreements entered into by the Company with BSE Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the period under review and as per the explanations and clarifications given to us and the representations made by the Management, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above.

I further report that:

Based on the declarations of independence submitted by the directors we report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. No change in the composition of the Board of Directors took place during the period under review.

Adequate notices were given to all Directors, at least seven days in advance, to schedule the Board Meetings. Agenda of the meeting was sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of minutes.

I further report that as per the explanations given to me and the representations made by the Management and relied upon by me there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, the Board of Directors of the Company has not taken any significant decision in respect of nature of the business of the Company.

Thane
August 11, 2017

Amita Saxena
FCS No: 3964 CP No: 3438

This Report is to be read with my letter of even date which is annexed as Annexure A and forms an integral part of this report.

'Annexure A'

To,
The Members,
Transchem Limited

My report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Thane
August 11, 2017

Amita Saxena
FCS No: 3964 CP No: 3438



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 is considering various other business plans including disposal of mushroom plant either in the present state or after converting the same as farm house plots, establishment of solvent extraction plant or to start a research unit of pharmaceutical molecules with the proceed that Company may realize from sale of mushroom plant. Final call would be taken after complete feasible study done by the professionals.

CORPORATE GOVERNANCE REPORT

The detailed report on Corporate Governance as per the format prescribed by SEBI under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is set out below:

1. THE COMPANY'S PHILOSOPHY ON CODE OF CORPORATE 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

- i. As on March 31, 2017, the Company has four directors on its board. Out of that Three directors (i.e. 75%) are non-executive directors and Two (i.e. 50%) are independent directors. The Chairperson of the Company is an independent director. The composition of the board is in conformity with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- ii. None of the directors on the board hold directorships in more than ten public companies. Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he is a director. Necessary disclosures regarding committee positions in other public companies as on March 31, 2017 have been made by the directors.
- iii. Independent directors are non-executive directors as defined under Regulation 16(1) (b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The maximum tenure of the independent directors is in compliance with the Companies Act, 2013 ("Act"). All the Independent Directors have confirmed that they meet the criteria as mentioned under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 149 of the Act.
- iv. None of the director is inter-se related with other director
- v. The names and categories of the directors on the board, their attendance at board meetings held during the year and the number of directorships and committee chairmanships / memberships held by them in other public companies as on March 31, 2017 are given herein below. Other directorships do not include directorships of private limited companies. Chairmanships / memberships of board committees shall include only audit committee and stakeholders' relationship committee.

| SN | NAME OF DIRECTOR | CATEGORY OF DIRECTORSHIP | NUMBER OF OTHER DIRECTORSHIPS | TOTAL NUMBER OF MEMBERSHIP (S) IN OTHER BOARD COMMITTEES |
|----|-----------------------------|----------------------------|-------------------------------|--|
| 1 | Mrs. Bina Shah, Chairperson | Independent, Non-Executive | NIL | NIL |

| SN | NAME OF DIRECTOR | CATEGORY OF DIRECTORSHIP | NUMBER OF OTHER DIRECTORSHIPS | TOTAL NUMBER OF MEMBERSHIP (S) IN OTHER BOARD COMMITTEES |
|----|-----------------------------|----------------------------|-------------------------------|--|
| 2 | Mr. Rajen K. Desai | Promoter, Non-Executive | 2 | NIL |
| 3 | Mr. Neerav Merchant | Independent, Non-Executive | NIL | NIL |
| 4 | Mr. Dilip Shinde | Executive Director | NIL | NIL |
| 5 | Mr. Vinayak G. Vengurlekar* | Independent, Non-Executive | NIL | NIL |

*Vacated the office of director on 31.01.2017

- vi. During the financial year ended 31st March 2017, Six Board Meetings were held respectively on 30th May 2016, 13th August 2016, 3rd September 2016, 12th November 2016, 31st January 2017 and 11th March 2017. There was not a gap exceeding 120 days between two consecutive board meetings.

The necessary quorum was present for all the meetings.

The attendance of Directors at the Board Meetings is as under:

| S.N. | Member | No. of meetings held | No. of meetings attended | Attendance at previous AGM |
|------|-----------------------------|----------------------|--------------------------|----------------------------|
| 1. | Mrs. Bina Shah | 6 | 6 | Yes |
| 2. | Mr. Rajen Desai | 6 | 6 | Yes |
| 3. | Mr. Neerav Merchant | 6 | 6 | Yes |
| 4. | Mr. Dilip Shinde | 6 | 6 | Yes |
| 5. | Mr. Vinayak G. Vengurlekar* | 6 | 4 | Yes |

*vacated office on 31.01.2017

- vii. During the year 2016-17, information as mentioned in Regulation 17(7) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been placed before the board for its consideration.
- viii. The terms and conditions of appointment of the independent directors are in conformity of the provisions of the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- ix. A separate meeting of the independent directors was held inter-alia to review the performance of non-independent directors and the board as a whole.
- x. The Board periodically reviews compliance reports of all laws applicable to the Company, prepared by the management of the Company.

3. COMMITTEES OF THE BOARD

a) 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 and Internal 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 2017 Six meetings of audit committee were held respectively on 30th May 2016, 13th August 2016, 3rd September 2016, 12th November 2016, 31st January 2017 and 11th March 2017.



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

| S.N. | Member | No. of meetings held | No. of meetings attended |
|------|---------------------|----------------------|--------------------------|
| 1. | Mrs. Bina Shah | 6 | 6 |
| 2. | Mr. Neerav Merchant | 6 | 6 |
| 3. | Mr. Rajen Desai | 6 | 6 |

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

The previous AGM of the Company was held on 30.09.2016 and the same was attended by Mrs. Bina Shah, Chairperson of the Audit Committee.

Audit committee performs roles as specified in Regulation 18 (3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and it broadly include:

- a. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- b. Recommendation to the Board for appointment, remuneration and terms of appointment of auditors of the company;
- c. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- d. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
 - ii. Changes, if any, in accounting policies and practices and reasons for the same
 - iii. Major accounting entries involving estimates based on the exercise of judgment by management
 - iv. Significant adjustments made in the financial statements arising out of audit findings
 - v. Compliance with listing and other legal requirements relating to financial statements
 - vi. Disclosure of any related party transactions
 - vii. Qualifications in the draft audit report
- e. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- f. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- g. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- h. Approval or any subsequent modification of transactions of the company with related parties;
- i. Scrutiny of inter-corporate loans and investments;
- j. Valuation of undertakings or assets of the company, wherever it is necessary;
- k. Evaluation of internal financial controls and risk management systems;
- l. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- m. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

- n. Discussion with internal auditors of any significant findings and follow up there on;
- o. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- p. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- q. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- r. To review the functioning of the Whistle Blower mechanism;
- s. Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate;
- t. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- u. To mandatorily review the following information:
 - i. Management discussion and analysis of financial condition and results of operations;
 - ii. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
 - iii. Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - iv. Internal audit reports relating to internal control weaknesses; and
 - v. The appointment, removal and terms of remuneration of the Chief internal auditor.
 - vi. Statement of deviations:
 - (a) Quarterly statement of deviation(s) submitter to Stock Exchange
 - (b) Annual Statement of fund utilization for purpose other than those stated in the offer document etc.

b) NOMINATION & REMUNERATION COMMITTEE:

- i. The Company has constituted a nomination and remuneration committee of directors.
- ii. The broad terms of reference of the Nomination and Remuneration Committee are as specified in Regulation 19 (4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and it broadly include:
 - a. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board policy relating to the remuneration of the directors, key managerial personnel and other employees;
 - b. Formulation of criteria for evaluation of Independent Directors and the Board;
 - c. Devise a policy on board diversity
 - d. Identify persons who are qualified to become director and who may be appointed to senior management positions in accordance with the criteria laid down and recommend to the Board their appointment and removal.
 - e. To recommend to extend or continue the term of appointment of independent director, on the basis of the report of performance evaluation of independent directors.

A meeting of Committee was held on 11th March 2017 during the year.

COMPOSITION

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



The present constitution of the Remuneration Committee is as follows:

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

REMUNERATION POLICY:

The remuneration policy is directed towards rewarding performance based on review of achievements. It is aimed at attracting and retaining high caliber talent. The remuneration policy of the Company is placed on its web-site.

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 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 2017:

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.) |
|----------------------------|--------|----------|------------|--------------|-------------|
| Mrs. Bina Shah | NIL | NIL | NIL | 30,000 | 30,000 |
| Mr. Dilip Shinde | 210000 | NIL | NIL | NIL | 210,000 |
| Mr. Neerav Merchant | NIL | NIL | NIL | 30,000 | 30,000 |
| Mr. Rajen K. Desai | NIL | NIL | NIL | 30,000 | 30,000 |
| Mr. Vinayak G. Vengurlekar | NIL | NIL | NIL | 20,000 | 20,000 |

RISK MANAGEMENT COMMITTEE: Pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 Company is not required to constitute Risk Management Committee.

c) **STAKEHOLDERS RELATIONSHIP COMMITTEE (Formerly known as SHARE TRANSFER & INVESTORS GRIEVANCE COMMITTEE):**

The Board has re-constituted Stakeholders Relationship Committee in its meeting held on 30th May 2015 consisting of three members, chaired by Mrs Bina S Shah, independent, Non-Executive Director. Mrs. Neeraja Karandikar, Company Secretary has been designated as Compliance Officer. As the Company has appointed M/s. Adroit Corporate Services Pvt. Ltd as its Share Transfer Agent, the Stakeholders Relationship 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.

During the year 2016-17 no meeting of Stakeholders Relationship Committee was held.

During the year 2016-17 Company has received NIL Complaint No Complaint was pending as at 31st March 2017.

4. DISCLOSURES

i) **Related Party Transactions**

Except payment of remuneration to executive director and key managerial personnel and sitting fee to non-executive directors Company has not entered into any other related party transaction.

During the year company has not raised any fund through public, right or preferential issue of securities.

ii) Accounting treatment

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention.

vi) Proceeds from public issue, rights issue, preferential issues:

During the financial year company has not made any issue of securities.

vii) CEO / CFO certification

A certificate given by the Executive Director 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 Executive Director 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.

Compliances by the Company

The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters related to capital markets during the last three years. No penalties have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authorities relating to the above.

Code of Conduct for Directors and Senior Management

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 2016-17. A declaration to this effect has been included in CEO & CFO Certificate.

9. GENERAL BODY MEETINGS:

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

| Financial Year | Date | Location of Meeting | Time |
|----------------|------------|---|------------|
| 2013-2014 | 30.09.2014 | Hotel Royal Inn Gokul Nagar, Thane (W). | 09.30 a.m. |
| 2014-2015 | 30.09.2015 | Hotel Ginger, Gokul Nagar, Thane (W). | 09.30 a.m. |
| 2015-2016 | 30.09.2016 | Hotel Ginger, Gokul Nagar, Thane (W). | 09.30 a.m. |

No special resolution or resolution through postal ballot was put at the last three AGMs.

Whistle Blower Policy

The Board of Directors of the Company has adopted a Whistle Blower Policy and the same is available on Company's website at www.transchem.net

Other information as provided in regulation 16 to 27 and 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are also available on Company's website at www.transchem.net

Status of compliance of Non-Mandatory requirements as per Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

1. Company is having non-executive Chairperson, however no expenses are being incurred towards maintain of Chairperson's office.
2. The Auditors have expressed no qualification in their report.
3. The Company has appointed separate persons to the post of Chairman and Managing Director/CEO.
4. The Internal auditor periodically reports to the Audit Committee.

**5. MEANS OF COMMUNICATION**

The quarterly financial results are forthwith communicated to BSE 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) and also being posted at the web-site of the Company at www.transchem.net.

Management Discussion and Analysis Report forms part of the Annual Report, which is being posted to the shareholders of the Company.

6. SHAREHOLDERS' INFORMATION

1. Information about Annual General Meeting:

| AGM DATE | TIME | VENUE |
|------------|-----------|---|
| 16.09.2017 | 9.30 a.m. | Hotel Ginger (Formerly known as Hotel Royal Inn), Gokul Nagar, Thane (W)- 400601. |

2. Financial Calendar: 1st April-31st March.
 3. Date of Book Closure: Not Applicable
 4. Dividend Payment Date: Not Applicable.
 5. Listing on Stock Exchanges: BSE Limited, Mumbai
 With Stock Code (Stock Code. 500422)

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

| Month | High (Rs.) | Low (Rs.) |
|----------------|------------|-----------|
| April 2016 | 18.10 | 16.80 |
| May 2016 | 18.25 | 16.50 |
| June 2016 | 17.70 | 16.20 |
| July 2016 | 19.00 | 16.00 |
| August 2016 | 18.45 | 16.30 |
| September 2016 | 17.75 | 16.05 |
| October 2016 | 18.50 | 15.55 |
| November 2016 | 18.50 | 16.30 |
| December 2016 | 17.85 | 15.15 |
| January 2017 | 17.80 | 15.55 |
| February 2017 | 17.45 | 15.45 |
| March 2017 | 22.45 | 15.65 |

6. Company has not issued any debenture or accepted deposits so the rating from CRISIL or any 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 (E), MUMBAI – 400 059.
 Contact Person: Mr. Praful J Shah, Phone No. 022 - 4227 0427

Details of Shareholding of Directors as on March 31, 2017

| Sr. No | Name of Director | No. of Shares held |
|--------|---------------------|--------------------|
| 1 | Mrs Bina Shah | 0 |
| 2 | Mr. Dilip Shinde | 100 |
| 3 | Mr. Neerav Merchant | 0 |
| 4 | Mr. Rajen K. Desai | 9396 |

Shares held by Non Executive, Independent Directors as on 31.03.2017 NIL

Distribution Schedule & Shareholding pattern of Equity Shares as on 31.03.2017 is enclosed as Annexure-1.

Dematerialization of shares and liquidity: As on 31st March 2017, 88.39% of the shares capital of the Company has 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 BSE Limited, Mumbai.

Outstanding GDRs/ADRs etc.: Not Applicable.

Plant Location: Gat No 379, Village Bebadahol, Taluka Maval, Dist Pune – 410 506.

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

A. Distribution Schedule of Equity Shares as at 31.03.2017:

| No. of Equity Shares held | No. of Shareholders | % of Shareholder | No. of Shares held | % of Shareholding |
|---------------------------|---------------------|------------------|--------------------|-------------------|
| 001 to 500 | 13057 | 94.32 | 1722841 | 14.07 |
| 501 to 1000 | 440 | 3.18 | 363237 | 2.97 |
| 1001 to 2000 | 176 | 1.27 | 275502 | 2.25 |
| 2001 to 3000 | 54 | 0.39 | 141119 | 1.15 |
| 3001 to 4000 | 25 | 0.18 | 88666 | 0.72 |
| 4001 to 5000 | 21 | 0.15 | 98819 | 0.81 |
| 5001 to 10000 | 27 | 0.20 | 202670 | 1.66 |
| 10001 & above | 43 | 0.31 | 9347146 | 76.37 |
| TOTAL | 13843 | 100 | 12240000 | 100 |
| Physical Mode | 8613 | 62.22 | 1421355 | 11.61 |
| Electronic Mode | 5230 | 37.78 | 10818645 | 88.39 |

B. Shareholding pattern as at 31.03.2017:

| Category | No. of shareholders* | Nos. of Shares held | Voting Strength |
|---|----------------------|---------------------|-----------------|
| Promoters & Persons Acting in concert | 3 | 630084 | 5.15 |
| Bodies Corporate (Domestic)/Trusts | 113 | 5841344 | 47.72 |
| Banks/Mutual Funds/Financial Institutions (FIs) | 4 | 4000 | 0.03 |
| Non-Resident Individuals (NRIs)/Foreign Corporate Bodies/ Overseas Corporate Bodies (OCBs)/ Foreign Banks | 23 | 27726 | 0.23 |
| Resident Individuals | 13613 | 5732841 | 46.84 |
| In transit | 10 | 4005 | 0.03 |
| TOTAL | 13766 | 12240000 | 100 |

* For the purpose of shareholding pattern shareholders having more than one folio with same PAN have been combined.

DECLARATION

As per the Regulation 34(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management Personnel have affirmed to the compliance with the Code of Conduct for the year ended March 31, 2017

Place: Mumbai
Date: 11.08.2017

For Transchem Limited
Dilip Shinde, Executive Director



AUDITORS' REPORT ON CORPORATE GOVERNANCE

To
The Members of
TRANSCHEM LIMITED

We have examined the compliance of conditions of Corporate Governance by **Transchem Limited** ("the Company") for the year ended **31st March, 2017** as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreements of the said Company with Stock Exchanges ("**the Regulations**").

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 specified in the Regulations referred above.

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, 11th August 2017.

INDEPENDENT AUDITOR'S REPORT

TO
The Members of
TRANSCHEM LIMITED

Report on the Financial Statements

- 1 We have audited the accompanying financial statements of Transchem Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, 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.

Management's Responsibility for the Financial Statements

- 2 The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of this 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 the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies(Accounts) Rules, 2014 (as amended), This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act, safeguarding the assets of the Company; preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design; implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements and give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

- 3 Our responsibility is to express an opinion on these financial statements based on our audit.
- 4 We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the Audit Report under the provisions of the Act and the Rules made their under.
- 5 We conducted our audit in accordance with the Standards on Auditing specified under section 143 (10) of the Act. 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.
- 6 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, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the company's directors, as well as evaluating the overall presentation of the financial statements.
- 7 We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

- 8 "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, 2017;
 - 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.



Report on Other Legal and Regulatory Requirements.

- 9 As required by Section 143(3) of the Act, we report that:
- a We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 it appears from our examination of those books:
 - c The Balance Sheet, the Statement of Profit & Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d In our opinion, the aforesaid financial statement comply with the accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended).
 - e On the basis of the written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164(2) of the Act.
 - f With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”, Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.
 - g With respect to the other matters included in the Auditor’s Report in accordance with Rule 11 of the companies (Audit and Auditors) Rules, 2014 and to our best of our information and according to the explanations given to us:
 - (i) The Company does not have any pending litigations which would impact its financial position:
 - (ii) The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses:
 - (iii) There were no amounts which required to be transferred, to the Investor Education and Protection Fund by the Company.
 - (iv) The Company has provided requisite disclosure in its financial statements as to holding as well as dealing in Specified Bank Notes during the period from 08. November 2016 to 30 December 2016. Based on the Audit procedures and relying on the Management representation we report that the disclosure are in accordance with books of account maintained by the Company and as produced to us by the Management. Refer Note 34 of the financial statements.
- 10 As required by the Companies (Audit’s Report) Order, 2016 (“the Order”) issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the “Annexure-B” a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

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

Thane, 30th May, 2017.

“ANNEXURE-A” TO THE INDEPENDENT AUDITOR’S REPORT

Report on the Internal Financial Controls under clause (l) of Sub-Section 3 of Section 143 of the Companies Act, 2013 (The Act)

We have audited the internal financial controls over financial reporting of Transchem Limited (“the Company”) as of March 2017, in conjunction with our audit of the financial statements of the Company for the year ended March 31, 2017

Management’s Responsibility for Internal Financial Controls

The Company’s Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that operate effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our Audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitation of Internal Financial Controls Over Financial Reporting

Because of the inherent limitation of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also projections of any evaluation of the internal financial controls over financial reporting to future periods



are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respect, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectiely as at March 31, 2017 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

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

Thane, 30th May, 2017.

“ANNEXURE - B” TO THE INDEPENDENT AUDITOR’S REPORT

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS’ OF OUR REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF TRANSCHEM LIMITED FOR THE YEAR ENDED 31ST MARCH, 2017.

- 1 (a) The Company has maintained proper records showing full particulars, including quantitative details and situation, of its fixed assets.
(b) All the fixed assets have not been physically verified by the management during the year but there is a regular program of periodical physical verification which, in our opinion is reasonable having regard to the size of the company and the nature of its fixed assets. No material discrepancies were noticed on such physical verification.
(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- 2 The management has conducted physical verification of inventory at reasonable intervals. 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. The discrepancies noticed on such physical verification of inventory as compared to book records were not material.
- 3 According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- 4 According to the information, explanations and representations provided by the management and based upon audit procedures performed, we are of the opinion that in respect of loans, Investments, guarantees and security, the Company has complied with the provisions of the Section 185 and 186 of the Companies Act, 2013.
- 5 In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public.
- 6 We have broadly reviewed the books of accounts maintained by the Company in respect of products where, pursuant to the Rules made by the Central Government, the maintenance of cost records has been prescribed under section 148 (1) of the Companies Act, 2013. We are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or not.
- 7 (a) According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees’ State Insurance, Income-tax , Sales Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues applicable to it with the appropriate authorities. According to the information and explanation give to us, there are no undisputed statutory dues payable for a period of more than six months from the date they became payable as 31st March, 2017..
(b) According to the records of the Company and information and explanations given to us, there are no dues outstanding of Sales Tax, Income Tax Custom Duty, Excise Duty, Wealth Tax, Service Tax, Value Added Tax and cess on account of any dispute, other than those mentioned herewith.
- 8 Based on our audit procedures and on the basis of information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of loans and borrowings to financial institutions, banks and government. The Company does not have any borrowings by way of debentures..
- 9 Based on our audit procedures and on the basis of information & explanations given by the management, we are of the opinion that the Company has not applied the term loans for the purpose for which the loans were obtained. No moneys have been raised during the year by way of initial public offer or further public offer..
- 10 Based upon the audit procedures performed and on the basis of information and explanations given by the management, we report that no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the course of our audit.



- 11 According to the information and explanations given to us and based on our examination of the records of the Company, the provisions of section 197 read with Schedule V to the Companies Act do not apply to the Company.
- 12 In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- 13 According to the information and explanations and records made available by the management of the Company and audit procedures performed, for transactions with the related parties during the year, the Company has complied with the provisions of section 177 and 188 of the Companies Act, 2013 where applicable. As explained and as per records, details of the related party transactions have been disclosed in the financial statements as per the applicable Accounting Standards.
- 14 According to the information & explanation given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- 15 On the basis of the records made available to us and according to the information and explanations given to us, the Company has not entered into non-cash transactions with the Directors or persons connected with them. Accordingly, we are not offering comment with respect to compliance of section 192 of the Companies Act, 2013.
- 16 According to the information and explanations given to us, the company is not required to be registered under Section 45-1A of the Reserve Bank of India Act, 1934.

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

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

Thane, 30th May, 2017.

BALANCE SHEET AS AT 31ST MARCH, 2017

| | | Rupees | |
|------------------------------------|----------|--------------------|--------------------|
| | Note No. | <u>2016-17</u> | <u>2015-16</u> |
| I. EQUITY & LIABILITIES | | | |
| (1) SHAREHOLDERS FUNDS: | | | |
| Equity Capital | 1 | 122,400,000 | 122,400,000 |
| Reserves & Surplus | 2 | 257,421,698 | 261,544,313 |
| (2) NON-CURRENT LIABILITIES | | | |
| Long Term Borrowings | | - | - |
| Deferred Tax Liabilities (Net) | | - | - |
| Other Long Term Liabilities | | - | - |
| Long Term Provisions | 3 | 2,203,026 | 1,945,392 |
| (3). CURRENT LIABILITIES | | | |
| Short Term Borrowings | | - | - |
| Trade Payables | | - | - |
| Other Current Liabilities | 4 | 316,099 | 274,589 |
| Short Term Provisions | | - | - |
| TOTAL RS. | | 382,340,823 | 386,164,294 |
| II. ASSETS | | | |
| (1) NON-CURRENT ASSETS | | | |
| Fixed Assets | | | |
| (i) Tangible Assets | 5 | 64,011,391 | 74,185,693 |
| (ii) Intangible Assets | | - | - |
| (iii) Capital Work in Progress | | - | - |
| Non-Current Investments | 6 | 20,268,280 | 20,268,280 |
| Deferred Tax Assets | 7 | 6,397,257 | 6,397,257 |
| Long Term Loans & Advances | 8 | - | 1,792,804 |
| Other Non Current Assets | | - | - |
| | | 90,676,928 | 102,644,034 |
| (2) CURRENT ASSETS | | | |
| Current Investments | 9 | 277,614,540 | 259,874,069 |
| Inventories | 10 | 9,723,405 | 9,783,251 |
| Trade Receivables | | - | - |
| Cash & Cash Equivalents | 11 | 2,723,061 | 12,270,393 |
| Short Term Loans & Advances | 12 | 1,165,000 | 1,155,000 |
| Other Current Assets | 13 | 437,889 | 437,547 |
| | | 291,663,895 | 283,520,260 |
| TOTAL RS. | | 382,340,823 | 386,164,294 |

Significant Accounting policies
Notes forming part of the financial statements.

1 to 35

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
Director

(L. T. Jadav)
Proprietor.

Membership No. 37240
Thane, 30th May, 2017

NEERAJA KARANDIKAR
Company Secretary

MUKESH GARACH
Chief Financial Officer

**PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017**

| | | Rupees | |
|---|----------|--------------------|-------------------|
| | Note No. | <u>2016-17</u> | <u>2015-16</u> |
| | | Rs. | Rs. |
| <u>INCOME :-</u> | | | |
| Income from Operations | | - | - |
| Other Income | 14 | 17,767,758 | 19,661,342 |
| Increase / (Decrease) in Stock | 15 | (59,846) | (60,451) |
| TOTAL REVENUE | | 17,707,912 | 19,600,891 |
| <u>EXPENDITURE :-</u> | | | |
| Employee's Benefit Expenses | 16 | 3,270,804 | 3,106,882 |
| Administrative Expenses | 17 | 4,825,525 | 6,123,986 |
| Finance Cost | 18 | 1,684 | 723 |
| | | 8,098,013 | 9,231,592 |
| Depreciation | | 10,180,602 | 10,180,199 |
| TOTAL EXPENSES | | 18,278,615 | 19,411,791 |
| Profit/(Loss) Before Extraordinary Items and Tax | | (570,703) | 189,101 |
| <u>Earlier Year Adjustments</u> | | | |
| Exp / Tax / Debit Bal W/Off Related to Earlier years | 26 | (3,551,912) | 278,856 |
| | | (3,551,912) | 278,856 |
| Profit / (Loss) for the Year | | (4,122,615) | 467,957 |
| Earnings Per Share | | | |
| Basic & Diluted | 33 | (0.34) | 0.10 |
| Face Value Per Share (In Rs.) | | 10 | 10 |
| <u>Significant Accounting policies</u> | | | |
| <u>Notes forming part of the financial statements.</u> | | | |
| | 1 to 35 | | |

As per our report of even date

For and on behalf of the Board

FOR L.T.Jadav & Co.
Chartered AccountantsDILIP S. SHINDE
Executive DirectorRAJEN K. DESAI
Director(L. T. Jadav)
Proprietor.Membership No. 37240
Thane, 30th May, 2017NEERAJA KARANDIKAR
Company SecretaryMUKESH GARACH
Chief Financial Officer

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

| | Rupees | |
|---|------------------------|-----------------------|
| | 2016-17 | 2015-16 |
| A CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Profit / (Loss) before Tax | (4,122,615.00) | 467,957.00 |
| Adjustments for : | | |
| Add / (Less) | | |
| Dividend | (2,670,846.00) | (2,997,462.00) |
| Depreciation | 10,180,602.00 | 10,180,199.00 |
| Extra Ordinary Items | (3,551,912.00) | (278,856.00) |
| Operating Profit / (Loss) before Working Capital Changes | (164,771.00) | 7,371,838.00 |
| Adjustments for : | | |
| Add / (Less) | | |
| Other Current Liabilities | 41,510.00 | (249,285.00) |
| Long Term Provisions | 257,634.00 | 224,195.00 |
| Trade Payable | - | - |
| Trade Receivables | - | - |
| Inventories | 59,846.00 | 3,022,451.00 |
| Long Term Loans & Advances | 1,792,804.00 | 70,000.00 |
| Short Term Loans & Advances | (10,000.00) | 64,000.00 |
| Other Current Assets | (342.00) | 37,730.00 |
| | - | - |
| | 2,141,452.00 | 3,169,091.00 |
| Net Cash From Operating Activities | 1,976,681.00 | 10,540,929.00 |
| B NET CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase Of Fixed Assets | (6,300.00) | (388,400.00) |
| Addition of Current Investment - Mutual Fund | (17,740,471.00) | (5,160,992.00) |
| Dividend | 2,670,846.00 | 2,997,462.00 |
| Net Cash used in Investing Activities | (15,075,925.00) | (2,551,930.00) |
| C CASH FLOW FROM FINANCING ACTIVITIES | | |
| Repayment / Proceeds from Intercompany Deposits | - | - |
| Net cash used in Financing Activities | - | - |
| D CASH FLOW FROM OTHER ACTIVITIES | | |
| Extraordinary Items | 3,551,912.00 | 278,856.00 |
| Net cash from other Activities | 3,551,912.00 | 278,856.00 |
| NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS | (9,547,332.00) | 8,267,855.00 |
| CASH AND CASH EQUIVALENT AS AT 01/04/2016 | 12,270,393.00 | 4,002,538.00 |
| CASH AND CASH EQUIVALENT AS AT 31/03/2017 | 2,723,061.00 | 12,270,393.00 |

AUDITOR'S CERTIFICATE

We have examined the attached Cash Flow statement of **M/S. TRANSCHEM LIMITED** for the year ended **31st March, 2017** 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, 2017** to the members of the Company.

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
Director

(L. T. Jadav)
Proprietor.

Membership No. 37240
Thane, 30th May, 2017

NEERAJA KARANDIKAR
Company Secretary

MUKESH GARACH
Chief Financial Officer



**ACCOUNTING POLICIES AND NOTES FORMING PART OF THE BALANCE SHEET AND PROFIT & LOSS
STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017.**

1 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, 2013 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 over the useful life of the Fixed Assets as per Schedule II of the Companies Act, 2013. However, in the case of the following Fixed Assets, the useful life is considered as certified by a Government Approved Valuer.

| Description | Useful Life as on March 31, 2017 |
|------------------------------|----------------------------------|
| Factory Building | 8 Years |
| Plant & Machinery at Factory | 2 Years |

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, if any at cost on FIFO basis.
- ii) Finished Goods and stock of Shares & Securities are at cost as certified by the management.

H) REVENUE RECOGNATION

Other Income

- i) Dividend are recorded when the right to receive the payment is established.
- ii) Capital Gains are recorded as and when materialised.
- iii) Income from Investments are recorded on accrual basis.

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) TAXES ON INCOME

Provision of Income Tax is made according to Income Tax 1961.

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. The Core business of the company is shut down since many years.

K) 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 EDNED 31.03.2017

Rupees

| | <u>2016-17</u> | <u>2015-16</u> | | |
|---|------------------------------|--------------------|-------------------------------|--------------------|
| 1. SHARE CAPITAL | | | | |
| AUTHORISED | | | | |
| 3,00,00,000 Nos. (2016 - 3,00,00,000 Nos.) of Equity Shares @ Rs.10/- each | 300,000,000 | 300,000,000 | | |
| ISSUED, SUBSCRIBED AND PAID UP | | | | |
| 1,22,40,000 Nos. (2016 - 1,22,40,000 Nos.) of Equity Shares @ Rs.10/- each fully paid up | 122,400,000 | 122,400,000 | | |
| Total Rs. | 122,400,000 | 122,400,000 | | |
| 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 2017 | | As at 31st March, 2016 | |
| | No.of Shares | % | No.of Shares | % |
| 1. JMS Mining Services Pvt. Ltd. | 2,261,938 | 18.48 | - | - |
| 2. Vijay K Choraria | 2,000,000 | 16.34 | - | - |
| 3. Rajen Kapil Desai | - | - | 1,759,396 | 14.37 |
| 2. RESERVES & SURPLUS | | | | |
| 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 beginning of the year | | | 52,075,680 | 51,607,723 |
| Add / (Less): Profit / (Loss) for the year | | | (4,122,615) | 467,957 |
| | | | 47,953,065 | 52,075,680 |
| Total Rs. | | | 257,421,698 | 261,544,313 |
| 3. LONG TERM PROVISIONS | | | | |
| Provision for Leave Encashment | | | 681,466 | 625,456 |
| Provision for Gratuity | | | 1,521,560 | 1,319,936 |
| Total Rs. | | | 2,203,026 | 1,945,392 |
| 4. OTHER CURRENT LIABILITIES | | | | |
| T.D.S.Payable | | | 35,348 | 22,261 |
| Professional Tax Payable | | | 600 | 600 |
| Providend Fund | | | 5,777 | 5,634 |
| Others | | | 274,374 | 246,094 |
| Total Rs. | | | 316,099 | 274,589 |



5. FIXED ASSETS

A. Tangible Assets

| Sr. No. | Particulars | GROSS BLOCK | | | DEPRECIATION | | | NET BLOCK | | |
|---------|------------------------|-----------------------|--------------------------|---------------------------|-----------------------|-----------------------|--------------------------|---------------------------|----------------------|----------------------|
| | | Cost as on 01.04.2016 | Addition During The Year | Deduction During The Year | Cost as on 31.03.2017 | Dep. as on 01.04.2016 | Addition During The Year | Deduction During The Year | WDV as on 31.03.2017 | WDV as on 31.03.2016 |
| 1 | Land | 6,488,481 | - | - | 6,488,481 | - | - | - | 6,488,481 | 6,488,481 |
| 2 | Factory Building | 157,800,294 | - | - | 157,800,294 | 106,889,372 | 5,517,336 | - | 45,393,586 | 50,910,922 |
| 3 | Office Premises / Gala | 2,963,779 | - | - | 2,963,779 | 1,065,749 | 111,005 | - | 1,787,025 | 1,898,030 |
| 4 | Plant & Machinery | 197,968,240 | 6,300.00 | - | 197,974,540 | 183,873,252 | 4,012,067 | - | 10,089,221 | 14,094,988 |
| 5 | Furnitures & Fixtures | 6,096,454 | - | - | 6,096,454 | 5,917,201 | 79,419 | - | 99,834 | 179,253 |
| 6 | Motor Car | 5,831,514 | - | - | 5,831,514 | 5,247,495 | 460,775 | - | 123,244 | 584,019 |
| 7 | Motor Car - Imported | 750,000 | - | - | 750,000 | 720,000 | - | - | 30,000 | 30,000 |
| | Grand Total Rs. | 377,898,762 | 6,300.00 | - | 377,905,062 | 303,713,069 | 10,180,602 | - | 64,011,391 | 74,185,693 |
| | 2016 | 377,510,362 | 388,400.00 | - | 377,898,762 | 293,532,870 | 10,180,199 | - | - | 74,185,693 |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR EDNED 31.03.2017

Rupees

| | <u>2016-17</u> | <u>2015-16</u> |
|--|--------------------|--------------------|
| 6. NON CURRENT INVESTMENTS | | |
| Aditya Inv. & Comm. Ltd Qty 901000 @ Rs. 10.03 | 9,036,280 | 9,036,280 |
| Chameleon Commodities Pvt. Ltd. Qty.280000 @ Rs. 10.65 | 2,982,000 | 2,982,000 |
| Grandeur Corporation Pvt.Ltd. Qty 465000 @ Rs. 10.00 | 4,650,000 | 4,650,000 |
| Sadgati Inv. & Trading Co.Pvt. Ltd. Qty 300000 @ Rs. 10.00 | 3,000,000 | 3,000,000 |
| SMP Risk Management Pvt.Ltd. Qty 4800 @ Rs. 125.00 | 600,000 | 600,000 |
| | 20,268,280 | 20,268,280 |
| 7. DEFFERED TAX ASSETS | | |
| Bal B/F | 6,397,257 | 6,397,257 |
| | 6,397,257 | 6,397,257 |
| 8. LONG TERM LOANS & ADVANCES | | |
| Advance for Capital Goods | - | 1,792,804 |
| | - | 1,792,804 |
| 9. CURRENT INVESTMENTS | | |
| A. Investments In Mutual Funds | | |
| i) HDFC-Annual Interval Fund Series 1Plan-B Roll Over (5655582.181 Units @ 13.9993) | 79,174,192 | 73,767,455 |
| ii) HDFC-Floating Rate IF-STP-Dir Plan-WS-Opt-Growth Opt(250753.305 U @28.3595) | 7,111,238 | 6,544,711 |
| iii) HDFC Liquid Fund Dir Plan Grow Opt (41589.009 units @3208.9181) | 133,455,724 | 124,359,363 |
| v) HDFC Liquid Fund Dir Plan Div (56748.628 units @ 1019.8200) | 57,873,386 | 55,202,539 |
| vi) Goldman Sachs (0502 Units) | - | - |
| Total Rs. | 277,614,540 | 259,874,069 |
| B. Investments In Quoted Shares | | |
| i) Sequent Scientific Ltd NIL (2015-16 200 nos of Shares) | - | - |
| | - | - |
| 10. INVENTORIES | | |
| Finished Goods | 5,924,794 | 5,984,640 |
| Shares & Securities | 3,798,611 | 3,798,611 |
| Total Rs. | 9,723,405 | 9,783,251 |
| 11. CASH & BANK BALANCES | | |
| Cash On Hand | 588,558 | 964,538 |
| Bank Balances (In Current Accounts) | 2,134,503 | 11,305,855 |
| Total Rs. | 2,723,061 | 12,270,393 |

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR EDNED 31.03.2017**

Rupees

| | <u>2016-17</u> | <u>2015-16</u> |
|---|-------------------|-------------------|
| 12. SHORT TERM LOANS & ADVANCES | | |
| Advances Receivable From Employees & Others | 1,165,000 | 1,155,000 |
| Total Rs. | 1,165,000 | 1,155,000 |
| 13. OTHER CURRENT ASSETS | | |
| Sundry Deposits | 409,800 | 409,800 |
| Advances Receivable In Cash or Kind | 28,089 | 27,747 |
| | 437,889 | 437,547 |
| 14. OTHER INCOME | | |
| Dividend From Mutual Fund | 2,670,846 | 2,997,112 |
| Dividend on Shares | - | 350 |
| Income From Investments | 15,069,624 | 16,663,880 |
| Long Term Capital Gain on Sale of Shares | 27,288 | - |
| Total Rs. | 17,767,758 | 19,661,342 |
| 15. Increase/(Decrease) in Stock | | - |
| Closing Stock of Finished Goods | 5,932,564 | 5,992,410 |
| Less: Opening Stock of Finished Goods | 5,992,410 | 6,052,861 |
| Increase (Decrease) In Stock | (59,846) | (60,451) |
| During the year after physical verification of Finished Goods stocks valued by 1% LESS on Rs. 5984640/- being deterioration of the Stocks. | | |
| 16. <u>Employee's Benefit Expenses</u> | | |
| Salary Wages & Bonus | 1,998,294 | 1,871,277 |
| Contribution to Providend Fund | 36,500 | 35,929 |
| Director's Remuneration & Sitting Fees | 336,400 | 323,772 |
| Gratuity & Leave Salary Provisions | 257,634 | 300,277 |
| Security Charges | 602,400 | 545,400 |
| Staff Welfare Expenses | 39,576 | 30,227 |
| | 3,270,804 | 3,106,882 |
| 17 <u>Administrative Expenses</u> | | |
| Advertisement Expenses | 53,579 | 57,304 |
| AGM & Meeting Fee | 119,013 | - |
| Bond & License Cancellation Charges | 280,000 | - |
| Conveyance Expenses | 276,075 | 283,338 |
| Consultancy / Professional Fees | 1,469,092 | 1,080,231 |
| Dematerialisation & Listing Fees | 449,140 | 412,655 |
| Legal / Lawyer Fees | 903,169 | 2,712,625 |
| Motor Car Expenses | 245,800 | 131,984 |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR EDNED 31.03.2017

| | Rupees | |
|-------------------------------------|------------------|------------------|
| | 2016-17 | 2015-16 |
| Office / Factory Expenses | 151,485 | 202,021 |
| Printing & Stationery | 145,995 | 335,164 |
| Postage, Telegram & Courier Charges | 124,246 | 104,305 |
| Rent, Rates & Taxes | 74,711 | 92,061 |
| Repairs & Maintenance | 9,310 | 69,264 |
| Telephone Expenses | 131,103 | 172,295 |
| Others | 392,807 | 470,739 |
| | 4,825,525 | 6,123,986 |
| 18. Finance Cost | | |
| Interest on Late Payment | 821 | - |
| Bank Charges | 863 | 723 |
| | 1,684 | 723 |
| Total Rs. | 8,098,013 | 9,231,592 |

19 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.

20 Accounting Standard - 22 - Accounting for taxes on income issued by the Institute of Chartered Accountants is applicable to the Company. However due to substantial losses, on principle of prudence, the Company has not recognised deferred tax asset.

21 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

22 Depreciation

As per Schedule II of the Companies Act, 2013, depreciation is provided on Fixed Assets on straight-line method over the useful life of assets.

23 In opinion of the Directors :

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

24 Internal Audit:

Last year Company has appointed M/s. Vandana V Dodhia & Co., (Chartered Accountants), as Internal Auditor Membership No. 104000 FRN No.117812W having Registered Office address at 8/10, Madhavbaug CHS Ltd, 2nd Floor, Jambli Gali, Borivali (W), Mumbai - 400 092. They are eligible for re-appointment during the year also.

25 CONTINGENT LIABILITIES

| | (Rupees) | |
|-------------------------------------|------------|--------------|
| | 2016-17 | 2015-16 |
| Contingent Liabilities not provided | | |
| (i) Excise Duty | 400,000.00 | 400,000.00 |
| (ii) MSEB Dues Net of Deposits | NIL | 7,480,000.00 |
| See Note No. 26 | | |

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR EDNED 31.03.2017****Rupees**

26 During the year under Audit an amount of Rs. 17,54,430/- (Rs. 17,18,600/-for factory power and Rs. 35,830/- for electricity of office) was paid to MSEDCL under "Amnesty Scheme for PD consumer 2016-17". This amount was pertaining for years before 30th December, 2000 MSEDCL has issued "NO DUES" or "NO OUTSTANDING" letter to the Company. As this amounts is of earlier years we have taken under head "Expenses related to earlier years" in P&L Appropriation A/c. Since there is no outstanding amount payable to MSEDCL a contingent liabilities of Rs. 74,80,000/- (Rupees Seventy Four Lakhs Eighty Thousand) is removed.

27 AUDITORS' REMUNERATION

| | 2016-17 | 2015-16 |
|---------------|----------------|----------------|
| I) Audit Fees | 90,000.00 | 90,000.00 |

28 PARTICULARS OF DIRECTORS' REMUNERATION

| | 2016-17 | 2015-16 |
|--|----------------|----------------|
| I) Salary & Bonus / H. R. A. / Emp. Cont. to P. F. / Leave Salary / Directors' sitting fees (Inclusive of Service Tax) | 336,400.00 | 323,772.00 |

29 SEGMENT INFORMATION

Segment information has not been given as the Company has no segment.

30 EXPENDITURE IN FOREIGN CURRENCY :-

| | 2016-17 | 2015-16 |
|-----------------------|----------------|----------------|
| A) Foreign Travelling | - | - |

31 EARNINGS IN FOREIGN CURRENCY :-

| | 2016-17 | 2015-16 |
|---------------------------|----------------|----------------|
| 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 Fees |
|--------------------------|--|---|
| Key Management Personnel | Mrs. Bina Shah - Chairman | 30,000.00 |
| | Mr. Rajen K. Desai - Director | 30,000.00 |
| | Mr. Neerav Merchant - Director | 30,000.00 |
| | Mr. Vinayak Vengulekar - Director | 20,000.00 |
| | Mr. Dilip S. Shinde - Executive Director | 210,000.00 |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR EDNED 31.03.2017

Rupees

33 EARNINGS PER SHARE

| | | 2016-17 | 2015-16 |
|---|------|--------------------|----------------|
| | | Rs. | Rs. |
| a) Profit / (Loss) after tax as per Profit and Loss A/c | Rs. | (4,122,615) | 467,957 |
| b) Profit attributable to Equity Shares Holders | Rs. | (4,122,615) | 467,957 |
| 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. | (0.34) | 0.04 |

34 Disclosure on Specified Bank Notes (SBNs)

During the year, the Company had Specified Bank Notes or other Denomination Notes as defined in the MCA Notification G.S.R. 308 (E) dated March 30, 2017 on the details of Specified Bank Notes (SBNs) held and Transacted during the period from November 08, 2016 to December 30, 2016. The denomination wise SBNs and other notes as per the notification is given below:

Amount in Rupees

| Particulars | SBNs | Other Denomination Notes | Total |
|---|-------------|--------------------------|--------------------|
| Closing Cash in Hand as on November 08, 2016 | 9,30,000.00 | 40,053.17 | 9,70,053.17 |
| (+) Permitted Receipts | - | 2,30,156.00 | 2,30,156.00 |
| (-) Permitted Payments | - | 79,758.00 | 79,758.00 |
| (-) Amount Deposited in Banks | 9,30,000.00 | - | 9,30,000.00 |
| Closing Cash in Hand as on December 30, 2016. | - | 1,90,451.17 | 1,90,451.17 |

* for the purpose of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economics affairs number S. O. 3407 (E), dated the November 08, 2016.

35 Previous year figures have been regrouped, rearranged and reclassified wherever necessary**As per our report of even date**

FOR L.T.Jadav & Co.
Chartered Accountants

(L. T. Jadav)
Proprietor.

Membership No. 37240
Thane, 30th May, 2017

For and on behalf of the Board

DILIP S. SHINDE
Executive Director

NEERAJA KARANDIKAR
Company Secretary

RAJEN K. DESAI
Director

MUKESH GARACH
Chief Financial Officer



ANNEXURE “B” FORMING PART OF SCHEDULE XV :
Balance Sheet Abstract and Company’s General Business Profile

| | | | |
|--|---|----------------------------------|-----------------|
| I. REGISTRATION DETAILS : | | | |
| Registration Number | : | 11-19327 | 11-19327 |
| State Code | : | 11 | 11 |
| Balance Sheet Date | : | 31/03/2017 | 31/03/2016 |
| II. CAPITAL RAISED DURING THE YEAR | : | (Rs.) | (Rs.) |
| Public Issue | : | NIL | NIL |
| Rights Issue | : | NIL | NIL |
| Bonus Issue | : | NIL | NIL |
| Private Placement (Preferential Issue) | : | NIL | NIL |
| * Including Premium | | | |
| III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS | | | |
| Total Liabilities | : | 382,340,823.00 | 386,164,294.00 |
| Total Assets | : | 382,340,823.00 | 386,164,294.00 |
| Sources of Funds : | | | |
| Paid-up Capital | : | 122,400,000.00 | 122,400,000.00 |
| Reserves & Surplus | : | 257,421,698.00 | 261,544,313.00 |
| Secured Loans | : | - | - |
| Non Current Liabilities | : | 2,203,026.00 | 1,945,392.00 |
| Current Liabilities & Provisions | : | 316,099.00 | 274,589.00 |
| Application of Funds : | | | |
| Net Fixed Assets | : | 64,011,391.00 | 74,185,693.00 |
| Non Current Investments | : | 20,268,280.00 | 20,268,280.00 |
| Current Investments | : | 277,614,540.00 | 259,874,069.00 |
| Inventories | : | 9,723,405.00 | 9,783,251.00 |
| Trade Receivable | : | - | - |
| Cash & Cash Equivalent | : | 2,723,061.00 | 12,270,393.00 |
| Short Term Loan & Advances | : | 1,165,000.00 | 1,155,000.00 |
| Long Term Loan & Advances | : | - | 1,792,804.00 |
| Deferred Tax Assets | : | 6,397,257.00 | 6,397,257.00 |
| Other Current Assets | : | 437,889.00 | 437,547.00 |
| IV. PERFORMANCE OF THE COMPANY : | | | |
| Turnover / Other Income | : | 17,707,912.00 | 19,600,891.00 |
| Total Expenditure | : | (18,278,615.00) | (19,411,790.00) |
| Profit / (Loss) before tax | : | (570,703.00) | 189,101.00 |
| Profit / (Loss) after current tax | : | (570,703.00) | 189,101.00 |
| Earlier Year Exp. / Tax / Adj. | : | (3,551,912.00) | 278,856.00 |
| Net Balance | : | (4,122,615.00) | 467,957.00 |
| Earnings per share (Rs.) | : | (0.34) | 0.04 |
| Dividend rate % | : | NIL | NIL |
| V. PRINCIPAL PRODUCTS, SERVICES OF THE COMPANY : | | | |
| Item code | : | 01301 | 01301 |
| (ITC Code) | : | | |
| Product Description | : | Mushroom Production & Processing | |

As per our report of even date

FOR L.T.Jadav & Co.
Chartered Accountants

(L. T. Jadav)
Proprietor.

Membership No. 37240
Thane, 30th May, 2017

For and on behalf of the Board

DILIP S. SHINDE
Executive Director

RAJEN K. DESAI
Director

NEERAJA KARANDIKAR
Company Secretary

MUKESH GARACH
Chief Financial Officer



TRANSCHEM LIMITED

Corporate Identification Number (CIN): L24100MH1976PLC019327
Registered Office: 304, Ganatra Estate, Pokhran Road No 1, Khopat, Thane (W) – 400 601.
Phone 022 25477077 **Fax** 022 25478601 **E-mail:** secretary@transchem.net **website:** www.transchem.net

ATTENDANCE SLIP

40TH ANNUAL GENERAL MEETING ON SATURDAY, THE 16TH DAY OF SEPTEMBER, 2017 AT 9.30 A.M.

Please complete this attendance slip and hand over at the entrance of the meeting hall

Folio No. /DP ID & Client ID : _____

Name : _____

Address : _____

I certify that I am a registered member/proxy for the registered member of the Company.

I hereby record my presence at the 40th Annual General Meeting at Hotel Ginger (formerly known as Hotel Royal Inn), Gokul Nagar, Thane (W) - 400 601 On Saturday, **September 16, 2017**.

First / Sole holder / Proxy

Second holder / Proxy

Third holder / Proxy



TRANSCHEM LIMITED

Corporate Identification Number (CIN): L24100MH1976PLC019327
Registered Office: 304, Ganatra Estate, Pokhran Road No 1, Khopat, Thane (W) – 400 601.
Phone 022 25477077 **Fax** 022 25478601 **E-mail:** secretary@transchem.net **website:** www.transchem.net

PROXY FORM

Form No. MGT-11

Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the Member(S) : _____

Registered address : _____

E-mail ID : _____

Folio No./DP ID & Client ID : _____

I/We, being the member(s) of _____ Shares of Transchem Limited, hereby appoint

(1) Name : _____

Address : _____

E-mail Id : _____, or failing him

(2) Name : _____

Address : _____

E-mail Id : _____, or failing him

(3) Name : _____

Address : _____

E-mail Id : _____

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 40TH Annual General Meeting of the Company, to be held on the Saturday, September 16, 2017 at 9.30 a.m. at Hotel Ginger (formerly known as Hotel Royal Inn), Gokul Nagar, Thane (W) – 400 601 and at any adjournment thereof in respect of following resolutions.

1. Approval and adoption of Account for 2016-17
2. Appointment of Mr. Rajen K Desai, Director who retires by rotation
3. Appointment of M/s Maheshwari & Co, Chartered Accountant as Auditors for the financial year 2017-18.
4. Re-classification of promoters pursuant to regulation 31A(5) of SEBI (LODR) Regulations 15.

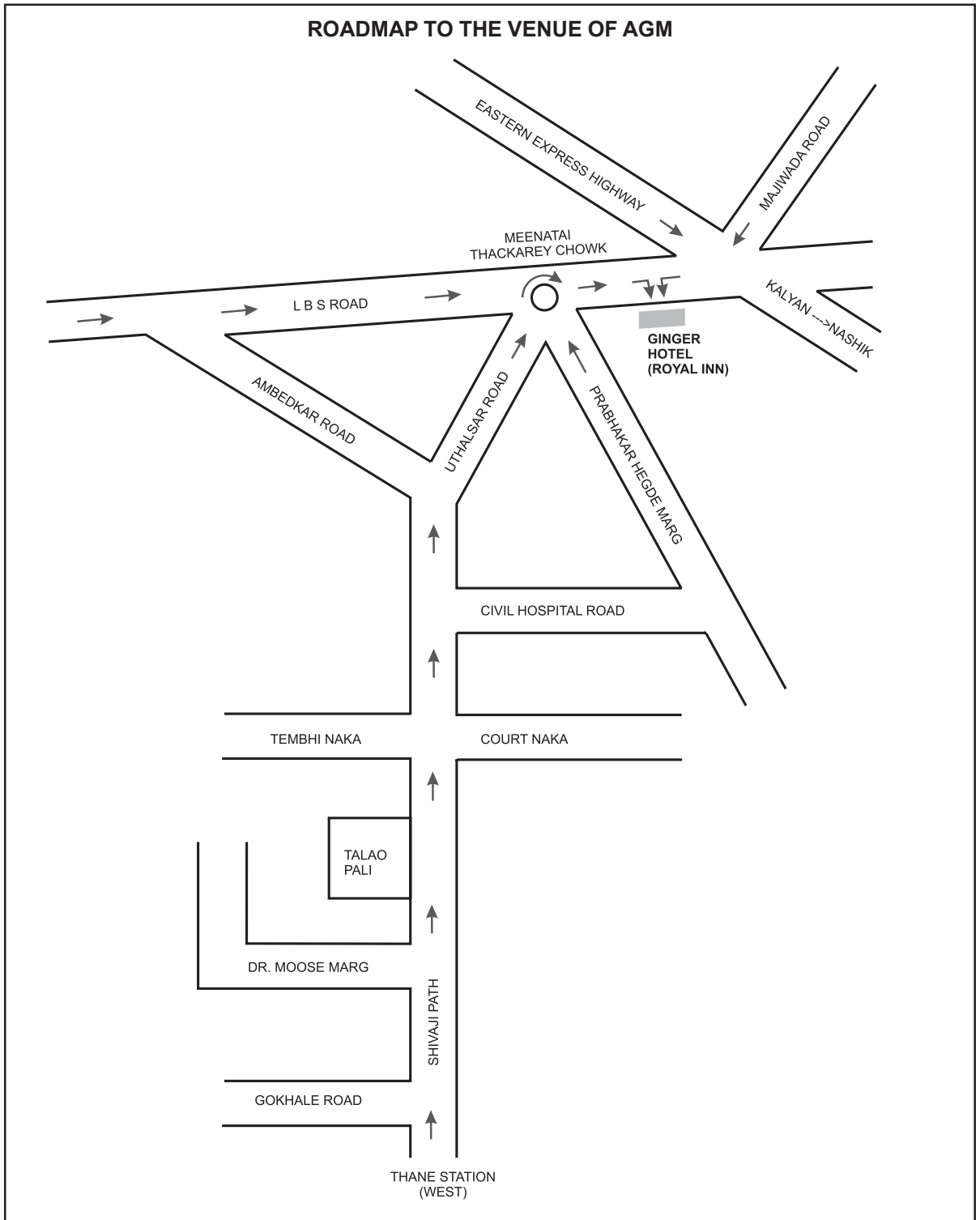
Revenue
Stamp

Dated

(Signature of shareholder)

(Signature of Proxy)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.





TRANSCHEM LIMITED

Corporate Identification Number (CIN): L24100MH1976PLC019327

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

Phone 022 25477077 **Fax** 022 25478601 **E-mail:** secretary@transchem.net **website:** www.transchem.net