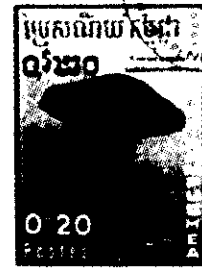
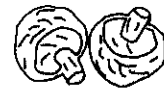


TRANSCHEM LIMITED



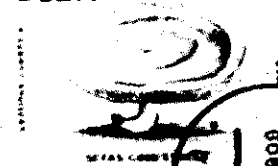
Magic Mushrooms



CUBA 2



CUBA 10



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TRANSCHEM LIMITED

BOARD OF DIRECTORS	MR. RAJEN K. DESAI	<i>Chairman</i>
	MR. BHARAT MERCHANT	
	MR. ADITYA DESAI	
	DR. G. S. BHAT	<i>Executive Director (Pharma)</i>
	MR. AJAY DESHPANDE	<i>Executive Director (Mushroom)</i>
	MR. UMESH M. SARAF	<i>Executive Director</i>
	MR. SHIVANAND G. HEGDE	<i>Executive Director</i>
	MR. GREGORY PEREIRA	
	MR. MUKESH GARACH	
AUDITORS	M/S. L.T. JADAV & CO. Chartered Accountants	
BANKERS	Bharat Overseas Bank Ltd. Canara Bank Oriental Bank of Commerce	
REGISTERED OFFICE	102-104, Vardhaman Industrial Complex, Lal Bahadur Shastri Marg, Thane (W) – 400 601.	
PLANTS	Plot No. 7, M.I.D.C., Kalyan Badlapur Road, Ambernath, MAHARASHTRA.	
	Gat No. 379, Village Bebadohol, Taluka Maval, District Pune. PIN : 410 506.	

TRANSCHEM LIMITED**NOTICE**

NOTICE is hereby given that the Twenty Third Annual General Meeting of the members of **TRANSCHEM LIMITED** will be held on MONDAY, the 13th day of NOVEMBER, 2000 at Hotel Royal Inn, Gokul Nagar, L.B.S. Marg, Thane (W) – 400 601 at 10:30 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, 2000 and Profit & Loss Account for the year ended on that date alongwith the reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Rajen K. Desai, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration. The retiring Auditors M/s. L. T. Jadav & Co. are eligible for re-appointment.

SPECIAL BUSINESS :

TO CONSIDER AND, IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTIONS :

4. AS AN ORDINARY RESOLUTION :

"RESOLVED THAT pursuant to Section 257 and other applicable provisions, if any, of the Companies Act, 1956 Mr. Ajay Deshpande who was appointed Additional Director by the Board of Directors of the Company and in respect of whom a Notice has been received from a shareholder proposing his candidature for the office of Director be and is hereby appointed a Director of the Company.

5. AS AN ORDINARY RESOLUTION :

"RESOLVED THAT pursuant to Section 257 and other applicable provisions, if any, of the Companies Act, 1956, Dr. G. S. Bhat, who was appointed Additional Director by the Board of Directors of the Company and in respect of whom a Notice has been received from a shareholder proposing his candidature for the office of Director, be and is hereby appointed a Director of the Company.

6. AS AN ORDINARY RESOLUTION :

"RESOLVED THAT pursuant to Section 257 and other applicable provisions, if any, of the Companies Act, 1956, Mr. Umesh Saraf, who was appointed Additional Director by the Board of Directors of the Company and in respect of whom a Notice has been received

**TRANSCHEM LIMITED**

from a shareholder proposing his candidature for the office of Director, be and is hereby appointed a Director of the Company.

7. AS AN ORDINARY RESOLUTION :

"RESOLVED THAT pursuant to Section 257 and other applicable provisions, if any, of the Companies Act, 1956, Mr. S. G. Hegde, who was appointed Additional Director by the Board of Directors of the Company and in respect of whom a Notice has been received from a shareholder proposing his candidature for the office of Director, be and is hereby appointed a Director of the Company.

8. AS AN ORDINARY RESOLUTION :

"RESOLVED THAT pursuant to Section 257 and other applicable provisions, if any, of the Companies Act, 1956, Mr. Gregory Pereira, who was appointed Additional Director by the Board of Directors of the Company and in respect of whom a Notice has been received from a shareholder proposing his candidature for the office of Director, be and is hereby appointed a Director of the Company.

9. AS AN ORDINARY RESOLUTION :

"RESOLVED THAT pursuant to Section 257 and other applicable provisions, if any, of the Companies Act, 1956, Mr. Mukesh Garach, who was appointed Additional Director by the Board of Directors of the Company and in respect of whom a Notice has been received from a shareholder proposing his candidature for the office of Director, be and is hereby appointed a Director of the Company.

10. AS A SPECIAL RESOLUTION :

"RESOLVED THAT pursuant to the provisions of Section 269, 309 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII of the Companies Act, 1956 the appointment of Mr. Ajay Deshpande, Executive Director (Mushroom) for a period of one year w.e.f. 10/12/1999 on the remuneration and perquisites as approved by the Board of Directors in their meeting held on 10/12/1999 be and the same is hereby ratified and confirmed.

11. AS A SPECIAL RESOLUTION :

"RESOLVED THAT pursuant to the provisions of Section 269, 309 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII of the Companies Act, 1956 the appointment of Dr. Gopinath S. Bhat, Executive Director (Pharma) for a period of five years w.e.f. 10/12/1999 on the remuneration and perquisites as approved by the Board of Directors in their meeting held on 10/12/1999 be and the same is hereby ratified and confirmed.

TRANSCHEM LIMITED**12. AS A SPECIAL RESOLUTION :**

"RESOLVED THAT pursuant to the provisions of Section 269, 309 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII of the Companies Act, 1956 the appointment of Mr. Umesh M. Saraf, Executive Director for a period of five years w.e.f. 05/10/2000 on the remuneration and perquisites as approved by the Board of Directors in their meeting held on 05/10/2000 be and the same is hereby ratified and confirmed.

13. AS A SPECIAL RESOLUTION :

"RESOLVED THAT pursuant to the provisions of Section 269, 309 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII of the Companies Act, 1956 the appointment of Mr. Shivanand G. Hegde, Executive Director for a period of five years w.e.f. 05/10/2000 on the remuneration and perquisites as approved by the Board of Directors in their meeting held on 05/10/2000 be and the same is hereby ratified and confirmed.

14. AS A SPECIAL RESOLUTION :

"RESOLVED THAT pursuant to Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956, consent of shareholders of the Company be and is hereby accorded to the Board of Directors to lease, mortgage, sell or otherwise dispose off part or otherwise the factory of Pharma Division of the Company situated at Plot No. 7, MIDC Kalyan Badlapur Road, Ambernath, Dist. Thane, Maharashtra, alongwith plant and machinery, furniture, fixtures and fittings, for such consideration and on such terms as Board may consider best in the interest of the Company.

"RESOLVED FURTHER THAT Board be and is hereby authorised to do all such acts, deeds, matters or things as Board may deem fit to give effect to this resolution.

By the order of the Board of Directors
For TRANSCHEM LIMITED

Place : THANE
Date : 05th October, 2000

(ADITYA DESAI)
Director

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,

**TRANSCHEM LIMITED**

must be filed with the Company at its registered office not later than forty eight hours before the commencement of the meeting.

2. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of special businesses to be transacted in the meeting are annexed hereto.
3. The Register of Members and Share Transfer books of the Company will remain closed from 13th November, 2000 to 18th November, 2000 (both days inclusive).

ANNEXURE OF THE NOTICE :

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

ITEM NO. 4, 5, 6, 7, 8 & 9 OF THE NOTICE :

Following persons were co-opted by the Board of Directors in their meetings respectively held on 10th December, 1999 and 5th October, 2000 as Additional Directors to the Board of the Company.

- | | |
|-----------------------|------------------------|
| 1. Mr. Ajay Deshpande | 4. Mr. S. G. Hegde |
| 2. Dr. G. S. Bhat | 5. Mr. Gregory Pereira |
| 3. Mr. Umesh Saraf | 6. Mr. Mukesh Garach |

Pursuant to Section 260 of the Companies Act, 1956 they are vacating the office at the conclusion of ensuing Annual General Meeting. However pursuant to Section 257 Company has received notices from the shareholders for appointment of all to the office of Director.

None of the Director other than the individual named in the resolution is concerned or interested in the resolution.

Your Directors recommend the resolutions for your approval.

ITEM NO. 10, 11, 12 & 13 OF THE NOTICE :

The Board of Directors of your Company has appointed following persons who were the senior officers in the Company as Executive Directors on a remuneration as specified below :

	Name	Salary Rs./P.M.	House Rent Allowance
1.	Mr. Ajay Deshpande	25,000/-	Residential accommodation provided
2.	Dr. G. S. Bhat	12,500/-	2,000/-
3.	Mr. Umesh Saraf	18,000/-	1,000/-
4.	Mr. S. G. Hegde	19,000/-	3,000/-

TRANSCHEM LIMITED

Apart from the above salary with annual increments not exceeding 20% of the same, they shall be entitled to other perks like office car, reimbursement of expenditure towards petrol, medical reimbursement, P.F., Gratuity etc., as per the rules of the Company and more specifically as approved by the Board. The remuneration is well within the limits specified in Schedule XIII, therefore the Central Government's approval for the said appointments is not required.

None of the Director other than the individual named in the resolution is concerned or interested in the resolution.

Your Directors recommend the resolutions for your approval.

ITEM NO. 14 OF THE NOTICE :

Your Company had diversified its activities in Mushroom during the year 1994. To finance the project for growing and canning of Mushroom your Company has come out with a Right cum Public issue of Zero Percent Fully Convertible Debentures in December, 1993.

During implementation stage there was a cost over-run. To meet the cost overrun and to finance the cost of expansion of capacity, Your Company had borrowed loans from its Bankers. Your Company is able to repay these loans whenever the need arises. However as a matter of prudent precaution, Your consent is sought for lease, mortgage, sale or otherwise disposal of Pharma Division, if required, to pay the long-term debts of the Company.

Pursuant to Section 293(1) your consent is required for the said transaction. The resolution is intended for the purpose.

None of the Director is concerned or interested in the resolution.

Your Directors recommend the resolution for your approval.

By the order of the Board of Directors
For TRANSCHEM LIMITED

Place : THANE
Date : 05th October, 2000

(ADITYA DESAI)
Director

**TRANSCHEM LIMITED****DIRECTORS REPORT**

To,
Dear Members,

Your Directors are pleased to submit their Twenty Third Annual Report, together with the Audited Statement of Accounts of your Company for the financial year ended 31st March, 2000.

FINANCIAL RESULTS :**(Rs. in lacs)**

	Current year ended 31/03/00	Previous year ended 31/03/99
Sales	3,807.01	2,699.81
Other Income	362.80	200.46
Gross Profit / (Loss) before Depreciation & Taxation	717.95	13.65
Depreciation	195.96	183.51
Provision for Tax	NIL	NIL
Profit / (Loss) after Depreciation & Taxation	521.99	(169.86)

OPERATION :**PHARMA DIVISION :**

Your Directors are pleased to inform you that in Pharma Division, the sale of Diminazine Acetate indicate that, your Company is emerging as a front runner in the product. Company has finalised and commercialised process for Cloursulon and Toldium Phos Sodium.

Company is working on the Development of processes for human range of active molecules.

MUSHROOM DIVISION :

Mushroom Division of your Company is also doing well. We are looking forward to the better prospects.

DIVIDEND :

Your Directors have not recommended any dividend to the equity shareholders.

YEAR 2000 COMPLIANCE (Y2K) :

Your Company has successfully complied the requirement of Y2K without incurring any substantial cost.

PERSONNEL :

Pursuant to the provisions of Section 217(2A) of the Companies Act, 1956 (Particulars of Employees) Rules, 1975 as amended, the relevant particulars of employee are set out in the annexure to the Directors Report.