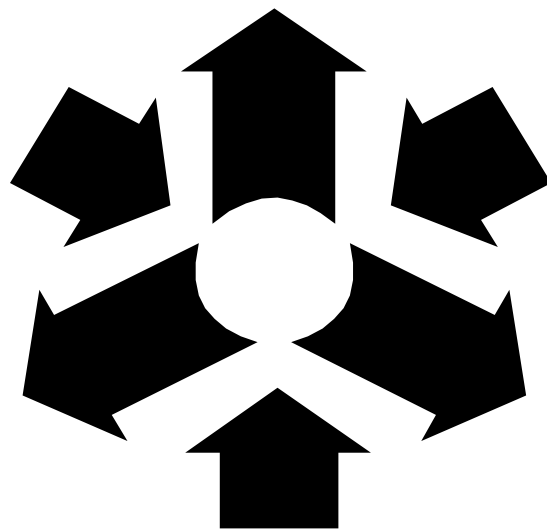
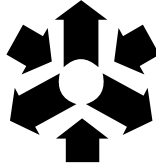


TRANSCHEM LIMITED



36TH ANNUAL REPORT 2012-2013



TRANSCHEM LIMITED

BOARD OF DIRECTORS

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

Chairman
Executive Director

COMPANY SECRETARY

MRS. NEERAJA KARANDIKAR

AUDITORS

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

BANKERS

HDFC BANK

REGISTERED OFFICE

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

PLANTS

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

**REGISTRAR & SHARE
TRANSFER AGENT**

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

TRANSCHEM LIMITED

N O T I C E

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

ORDINARY BUSINESS:

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

SPECIAL BUSINESS:

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

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

For **TRANSCHEM LIMITED**

PLACE : THANE
DATE : 04.09.2013

(NEERAJA KARANDIKAR)
COMPANY SECRETARY

NOTES:

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

ANNEXURE TO THE NOTICE:

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

ITEM NO. 4:

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

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

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

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

For **TRANSCHEM LIMITED**

PLACE : THANE
DATE : 04.09.2013

(NEERAJA KARANDIKAR)
COMPANY SECRETARY

INFORMATION REQUIRED TO BE FURNISHED UNDER THE LISTING AGREEMENT:

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

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

TRANSCHEM LIMITED

DIRECTORS REPORT

Dear Members,

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

FINANCIAL RESULTS :

(Rs. In lacs)

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

OPERATION:

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

DIVIDEND:

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

PERSONNEL:

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

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

a) **Conservation of Energy:**

Your company is not carrying out any manufacturing activity, except prudent use of energy resources not taking any specific step towards conservation of energy.

b) **Technology Absorption:**

Your company is not using any specific technology.

c) **Research & Development:**

Your company is not carrying out any specific research.

d) **Foreign Exchange Earnings and Outgo:**

During the year there was no Foreign Exchange earning. Foreign Exchange equivalent to Rs. 6.50 Lacs was expended towards travelling.

DIRECTORS:

There was no change in directors during the year.

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

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

DEPOSITS:

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

INDUSTRIAL RELATIONS:

The industrial relations continued to be cordial throughout the year.

CORPORATE GOVERNANCE:

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

AUDIT COMMITTEE:

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

DIRECTORS RESPONSIBILITY STATEMENT:

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

- (i) in the preparation of annual accounts, applicable Accounting Standards have been followed.
- (ii) the Directors had selected such accounting policies and consistently applied them and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit/loss for the year.
- (iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) the Directors had prepared annual accounts on a going concern basis.

AUDITORS:

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

ACKNOWLEDGEMENT:

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

PLACE : THANE
DATE : 04.09.2013

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

MANAGEMENT DISCUSSION & ANALYSIS

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

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

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

CORPORATE GOVERNANCE REPORT

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

A. MANDATORY REQUIREMENTS :

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE :

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

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

2. BOARD OF DIRECTORS :

COMPOSITION AND CATEGORY AS ON DATE :

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

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

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

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

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

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

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

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

TRANSCHEM LIMITED

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

3. AUDIT COMMITTEE :**BROAD TERMS OF REFERENCE :**

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

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

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

COMPOSITION OF AUDIT COMMITTEE :

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

MEETINGS AND ATTENDANCE :

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

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

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

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

INTERNAL AUDITORS :

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