

47th
ANNUAL REPORT
2012-13





Shri Bhagwanbhai Padhiyar, Principal
– Primary School of Nana Ekalbara Village,
being felicitated at the conclusion of
Kalrav Programme 2013 by
Shri Atul G. Shroff,
Managing Director of the Company.

Plantation of sapling by children
of surrounding villages
at a Kalrav Programme.



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Annual General Meeting on **Thursday, the 8th day of August, 2013** at **3:30 p.m.** at Hotel Express Tower, "Oaks Room", 8th Floor, R.C. Dutt Road, Alkapuri, Vadodara - 390 007.

The practice of distributing copies of the Annual Report at the Annual General Meeting has been discontinued. You are requested to bring your copy of the Annual Report to the Meeting.

A Request

We are sure you have read with interest the accounts of the year ended 31st March, 2013. You may desire to have some clarification or additional information on the said accounts at the ensuing Annual General Meeting. We shall very much appreciate, if you kindly write to us atleast ten days in advance in order to enable us to keep the information ready for you at the meeting. We solicit your kind co-operation.

BOARD OF DIRECTORS

A.C. Shroff

Chairman

A.G. Shroff

Managing Director

Bimal V. Mehta

Executive Director

D.K. Shroff

M.D. Patel

A.H. Patel

Dr. Bernd Dill

Ravi A. Shroff

Ninad D. Gupta

Nimish U. Patel

S. K. Solanki

Company Secretary

Bankers

State Bank of India

Bank of Baroda

Axis Bank Ltd.

IDBI Bank Ltd.

Auditors

Contractor, Nayak & Kishnadwala
Chartered Accountants

Registered Office

6th floor, Marble Arch,
Race Course,
Vadodara - 390 007.

Works

Village Ekalbara, Tal. Padra,
Dist. Vadodara - 391 440.

Company's R & T Agent

Link Intime India Pvt. Ltd.
B-102 & 103, Shangrila Complex,
First Floor, Nr. Radhakrishna Char
Rasta, Akota, Vadodara - 390020.

NOTICE TO THE MEMBERS

NOTICE IS HEREBY GIVEN THAT the FORTY SEVENTH ANNUAL GENERAL MEETING of the Members of TRANSPEK INDUSTRY LIMITED will be held on 8th August, 2013 at 3:30 P.M. at Hotel Express Towers, "Oaks Room", 8th Floor, R.C.Dutt Road, Alkapuri, Vadodara – 390 007 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Statement of Profit and Loss of the Company for the year ended 31st March, 2013, the Balance Sheet as at that date and the Reports of the Auditors and Directors thereon.
2. To declare a dividend on the equity shares of the Company.
3. To appoint a Director in place of Dr. Bernd Dill, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Ninad D. Gupte, who retires by rotation and, being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Shri Ashwin C. Shroff, who retires by rotation and, being eligible, offers himself for re-appointment.
6. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS:

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

"RESOLVED THAT pursuant to the provisions of Section 309(4) and all other applicable provisions, if any, of the Companies Act, 1956 as may be re-enacted or modified from time to time ("the Act") and subject to such approvals as may be required, so long as the Company has a Managing Director or a Whole-time Director(s) or Manager, such sum by way of commission not exceeding in the aggregate of 1% (one percent) of the net profits of the Company computed in the manner laid down in Section 198 of the Act for each of the five financial years of the Company commencing from the 1st April, 2014 and ending on 31st March, 2019 be paid to and distributed as commission amongst the non-executive Directors of the Company or some or any of them (i.e. Directors excluding the Managing Director and Whole-time Director) in such amounts or proportions and in such manner, as may be decided and directed from time to time by the Chairman of the Board of Directors of the Company."

"PROVIDED THAT if at any time during the aforesaid period of five years commencing from 1st April, 2014, the Company does not have a Managing Director or a Whole-time Director or a Manager, such sum by way of commission not exceeding in the aggregate 3% of the net profits of the Company, computed in the manner laid down in the said Section 198 be paid to and distributed amongst the non-executive Directors of the company for each of the financial years or part thereof comprised in the then residual unexpired portion of the aforesaid period of five financial years in such proportion and manner as the Board of Directors may from time to time decide."

Regd. Office:

6th Floor, Marble Arch,
Race Course,
Vadodara – 390007

Dated: 30th May, 2013

**By Order of the Board of Directors
For Transpek Industry Limited**

**SHAILESH K. SOLANKI
General Manager & Company Secretary**

NOTICE TO THE MEMBERS

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.

The instrument appointing a proxy should be deposited at the Regd. Office of the Company not less than 48 hours before the commencement of the meeting.

2. An Explanatory Statement relating to the Special Business at item no. 7, as required under section 173(2) of the Companies Act, 1956, is annexed hereto.
3. Members who hold shares in dematerialized form are requested to bring their DP ID and client ID Nos. for easy identification of attendance at the meeting.
4. The Register of Members and Share Transfer Books of the Company and the Register of Beneficial Owners maintained by NSDL and CDSL in respect of the Company will remain closed from 2nd August, 2013 to 8th August, 2013 (both days inclusive).
5. Members are requested to notify promptly any change in their addresses to their respective Depository Participants in respect of their electronic share accounts quoting client ID No. and to Link Intime India Pvt. Ltd., the Company's Registrars and Share Transfer Agents, in respect of their physical shares, quoting their Folio No.
6. Pursuant to the provisions of Sections 205A and 205C of the Companies Act, 1956, the amounts of dividends remaining unclaimed for a period of seven (7) years are to be transferred to the Investor Education and Protection Fund set up by the Central Government.

Details of dividend declared for the year 2005-06 onwards are given below:

Date of Declaration	Dividend for the year	Dividend Rs. per share	Due date of the proposed transfer to the Investor Education & Protection Fund.
24.08.2006	2005-06	2.50	24.09.2013
07.09.2007	2006-07	1.50	08.10.2014
22.08.2008	2007-08	1.50	23.09.2015
07.09.2009	2008-09	2.50	08.09.2016
13.08.2010	2009-10	2.50	06.09.2017
25.08.2011	2010-11	4.00	26.09.2018

Members who have not encashed the Dividend Warrants for the above years are requested to write to the Company for revalidation of Dividend Warrants before such unclaimed dividend is transferred to the Investor Education and Protection Fund.

ANNEXURE TO THE NOTICE

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

Item no. 7

At the 42nd Annual General Meeting of the Company held on 22nd August, 2008, the members of the Company had approved the payment of commission to the non-executive Directors of the Company (i.e. Directors excluding the Managing Director and Whole-time Directors) for a period of five years commencing from 1st April, 2009 as provided for in Section 309(4) of the Companies Act, 1956. The Central Government had accorded its approval to the same pursuant to the provisions of Sections 309(4) and 310 of the Companies Act, 1956.

It is proposed that a commission, not exceeding in the aggregate 1% of the net profits of the Company, computed in the manner laid down in Section 198 of the Companies Act, 1956, may be paid for a further period of five financial years commencing from 1st April, 2014 and be distributed amongst the directors of the Company [excluding the Managing Director and Whole-time Director(s)] in such proportion and manner as the Chairman may, from time to time, decide.

The second part of the resolution relates to a situation where during the aforesaid period of five years, the Company does not have a Managing Director or a Whole-time Director or a Manager. In such a case, it is proposed to pay to the non-executive Directors of the Company, for the then residual unexpired part of the aforesaid period of five financial years, such sum by way of commission not exceeding in the aggregate 3% of the net profits of the Company, computed in the manner laid down in the said Section 198 and to be distributed amongst such non-executive Directors of the Company in such proportion and manner as the Board may, from time to time, decide.

All the Directors of the Company save and except Shri Atul G. Shroff, Managing Director, and Shri Bimal V. Mehta, Whole-time Director designated as Executive Director, are concerned or interested in this resolution.

Regd. Office:

6th Floor, Marble Arch,
Race Course,
Vadodara – 390007

Dated: 30th May, 2013

**By Order of the Board of Directors
For Transpek Industry Limited**

SHAILESH K. SOLANKI
General Manager & Company Secretary

DIRECTORS' REPORT

To

The Members

Your Directors have pleasure in presenting the **Forty Seventh Annual Report** together with the Audited Accounts of the Company for the financial year ended 31st March, 2013.

FINANCIAL RESULTS

	2012 - 2013 Rs. in Lakhs	2011-2012 Rs. in Lakhs
Net Sales including Trading and Operating Income	21,079.70	15,626.79
Other Income	343.91	429.61
Profit/(Loss) before Interest, Depreciation, Amortization, Taxes and Extraordinary Items	2,904.17	442.78
Interest	1,139.79	1,009.47
Cash Profit/(Loss) before Extraordinary Items and Taxes	1,764.38	(566.69)
Less:		
Depreciation	646.41	662.50
Amortization	18.65	19.12
Profit/(Loss) before Extraordinary Items and Tax	1,099.32	(1,248.31)
Less:		
Extraordinary Items		
- Assets written off (Net)	-	-
Profit / (Loss) before Tax	1,099.32	(1,248.31)
Provision for Taxation		
Current:		
(i) Current Tax (MAT)	181.05	1.38
(ii) MAT	(180.00)	-
(iii) Deferred Tax (Asset) / Liability	(74.79)	(217.84)
Profit/(Loss) after Tax	1,023.48	(1,031.85)
Balance brought forward from Previous Year	781.22	1813.07
Amount available for appropriation	1,804.70	781.22
Appropriations to:		
a) Proposed Dividend	176.16	-
b) Tax on Proposed Dividend	29.94	-
c) Transfer to General Reserve	300.00	-
d) Balance Carried to Balance Sheet	1298.60	781.22
TOTAL	1804.70	781.22

Note: Previous year figures have been regrouped / rearranged wherever necessary.

DIRECTORS' REPORT

DIVIDEND

Your Directors have recommended a dividend of 30% i.e. Rs. 3/- per equity share on the Equity Share Capital of Rs.587.20 lacs for the year ended 31st March, 2013 (Previous year: NIL).

REVIEW OF OPERATIONS

The net sale of the Company for the year under review is Rs.207.02 crores as compared to Rs.153.55 crores in the previous year, an increase of 35%. During the financial year 2012-13, the Company registered net profit of Rs.10.23 Crores as against net loss of Rs. 10.32 Crores in the previous year.

During the year under review, exports registered Rs.130.80 Crores (Previous year: Rs. 82.99 crores) an increase of 58%, and domestic sale registered Rs.76.22 Crores (Previous Year: Rs.70.56 Crores) an increase of 8% in comparison to previous year.

Performance in the year 2012-2013 was better than the previous year, due to focus on the following key points:

- Substantial increase in the sales volumes of Acid Chloride Products.
- Consistent focus on volumes (while maintaining the price) and live interaction with customers has helped in increasing sales volume.
- Favourable foreign exchange rate.
- Strategic shift from Thionyl Chloride to other acid chloride products resulting in sustained sales volume.
- An increase in the sales volume of Acid Chloride Products in the domestic market.
- Improvement in product quality and customer service.

SUBSIDIARY COMPANIES

(i) Transpek Industry (Europe) Ltd.

During the year under review, the wholly owned subsidiary of the company – Transpek Industry (Europe) Limited continued to provide services to the five participant companies under REACH regulations.

(ii) Sam Fine O Chem Ltd.

During the year under report the revenue from operations of the company was Rs. 33.83 crores as against Rs. 28.14 crores in the previous year. The company registered a loss of Rs. 2.87 crores during the year under review as against loss of Rs. 5.53 crores in the previous year. The losses were mainly due to high finance cost, employee related expenses (ERE) and marginal increase in the prices of inputs as a result of overall market situation and due to other administrative expenses.

Pursuant to a resolution passed by the Board of Directors of the Company in terms of the General Circular dated 8th February, 2011 issued by the Ministry of Corporate Affairs, Government of India, the audited financial statements and the Reports of the Boards of Directors and the Auditors of the Company's subsidiaries are not attached to this Annual Report. These documents shall be made available to the members of the Company seeking such documents. The same are available for inspection by members at the Registered Office of the Company and that of the respective subsidiaries and on the Company's website www.transpek.com.

OUTLOOK

We expect the business conditions to remain stable for your Company expecting a good growth in volumes in the year 2013-2014.

While there are uncertainties in the world markets and volatility in commodity prices, your Company's strong business relationships in various regions and markets are expected to provide positive impetus to the growth of the business.

QUALITY, ENVIRONMENT, HEALTH AND SAFETY MANAGEMENT SYSTEMS

A Surveillance Audit of the Company's existing Integrated Management System of ISO 9001: 2008, EMS ISO 14001:2004 and BS OHSAS 18001: 2007 was successfully completed by TUV NORD, a certification agency in

DIRECTORS' REPORT

February, 2013. The Company's existing Integrated Management System is in compliance with the requirements of the respective QMS.

HEALTH CARE AND WELFARE OF EMPLOYEES

Employees' Welfare Schemes such as subsidized food in the Company's canteen at the factory, medical facilities and the Group Medclaim and Group Accident insurance continued to be maintained by the Company. Sports and cultural activities were also given due importance. Monetary support to employees who acquire higher educational qualifications is also given.

Merit awards are also given to employee's children.

RISK MANAGEMENT

A two-tier system of risk assessment and implementation of measures to mitigate their effect has been in operation. The outcome of these efforts is periodically reviewed by the Managing Director and the Executive Director.

DIRECTORS

Shri Ashwin C. Shroff, Dr. Bernd Dill and Shri Ninad D. Gupte, Directors of the Company will retire by rotation at the ensuing Annual General Meeting and, being eligible, offer themselves for re-appointment. The Directors commend their re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements under section 217 (2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, the Directors hereby confirm that:

- a) in the preparation of the accounts for the financial year ended 31st March, 2013 the applicable accounting standards have been followed and that no material departures have been made from the same;
- b) they 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 of the Company for the year under review;
- c) they have 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; and
- d) they have prepared the annual accounts on a going concern basis.

CORPORATE SOCIAL RESPONSIBILITY

As mentioned in our last Report, the initiatives for managing and developing the Industrial Training Institute ("ITI") at Padra and developing ITI, Dashrath (Vadodara District) as a centre of excellence in Chemical and other Trades are continuing. It is our objective to improve quality of training to be in line with the requirement of industry. This will improve the careers of trainees and the need of the industry. Additional fulltime course COPA a course in Computer, and other short term courses were introduced. The intake capacity of the ITI Padra has increased from 150 to 600 trainees per year.

We have introduced several steps for imparting of knowledge and training to achieve enhanced qualitative changes, increased interactions with industry. In addition to the trade training, we have trained them for computers also.

During a review meeting on 31st January, 2013, the Director Employment and Training Gujarat, appreciated our initiatives and performance inspite of resource constraints.

As a result of our persuasion, department has provided 2.5 acres free land and have arranged for construction of a building at a cost of Rs.6.00 Crores.

In addition, the Company undertook the following activities at an annual cost of Rs. 15.88 lacs for managing these activities in the year under report:

- Training of young women in tailoring and of young men in agricultural awareness, plumbing and computer courses under our Community Development through Polytechnic Programme – total number of persons trained during the year: 513

DIRECTORS' REPORT

- Medical camps were organized in several villages surrounding the factory of the Company and a total of 1152 patients (including 436 females) were examined and treated with free medicines.
- A sum Rs.3.00 Lacs was contributed to the Jal Swachhta of Ekalbara (the village where the factory of the Company is situated) for providing safe drinking water to its residents. This would benefit a population of 5000 villagers.
- Outstanding students of schools in surrounding villages were encouraged by giving prizes and monetary support was also given to a few students for pursuing higher studies.

In the coming year, in addition to continuing most of the above activities, it is proposed to install audio-visual educational software in surrounding schools for teaching school children for which the cost shall be borne by the Company.

In addition to several employees at various levels devoting their time and energy to CSR activities, two persons are engaged on a full-time basis at an annual cost for managing these activities.

CORPORATE GOVERNANCE

A separate statement on Corporate Governance is included in this Report along with a certificate of the Auditors on its compliance.

MANAGEMENT DISCUSSION AND ANALYSIS

The report on Management Discussion and Analysis forming part of this Annual Report deals with the Operations, Business Performance, etc.

FIXED DEPOSITS

During the year under review, your Company accepted deposits from Public, Shareholders, Employees, and Senior Citizens and has complied with the provisions of section 58A of the Companies Act, 1956 and the Rules framed thereunder. There were 151 deposits aggregating to Rs.35.08 lacs which were due for repayment and remained unclaimed as on 31st March, 2013 of which 61 deposits amounting to Rs. 14.28 lacs have since been repaid or renewed.

AUDITORS

M/s. Contractor, Nayak & Kishnadwala, Chartered Accountants, Vadodara, who have given a letter to the Company certifying that their proposed appointment as Auditors would be in accordance with the limits specified in Section 224 (1B) of the Companies Act, 1956, are proposed to be re-appointed as the Auditors of the Company.

TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

In terms of the provisions of Section 217(1)(e) read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 particulars as prescribed therein relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo are given in Annexure "A" forming part of this Report.

COMPANIES (PARTICULARS OF EMPLOYEES) RULES, 1975

Information required pursuant to Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 is given in Annexure "B" forming part of this Report.

ACKNOWLEDGEMENTS

Your Directors wish to acknowledge the co-operation and assistance extended to the Company by the Company's Bankers and State Government agencies. Your Directors also wish to place on record their appreciation of the contribution made by employees at all levels towards the growth of the Company. Your Directors also acknowledge with gratitude the support of the shareholders, other investors, customers and suppliers for the faith reposed in the Company and its management.

PLACE: Vadodara
DATED: 30th May, 2013

BY ORDER OF THE BOARD
A. C. SHROFF
CHAIRMAN

DIRECTORS' REPORT

ANNEXURE 'A'

INFORMATION AS PER SECTION 217(1)(e) READ WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31.03.2013.

I. ENERGY CONSERVATION

Conservation activities carried out during the year to achieve energy conservation and consequent savings as listed below:

1. Use of recycled waste instead of Furnace Oil by installing Agrowaste Boiler.
2. Installation of variable frequency drives (VFD) in different plants for reduction in power consumption.
3. Installation of Screw Compressor instead of Reciprocating Compressor for instrument air in Utilities Department.
4. Installation of Temperature Controller in Process Cooling Tower.
5. Installation of LED focus lights and LED street lights in place of conventional lights in various plants.

The investment in various energy conservation activities was Rs. 135.82 Lacs and the estimated annual saving works out to Rs. 165.48 Lacs.

FOAM 'A'

	Current Year 2012 - 2013 12 months	Previous Year 2011-2012 12 months
A. POWER AND FUEL CONSUMPTION		
1. Electricity		
a. Purchased Units	11229420	10310241
Total Amount (Rs. In lakhs)	782.93	670.88
Rate/Unit	6.97	6.51
b. Own Generation		
I. Through Diesel Generator (Units)	21780	33626
Units generated per liter of diesel oil	2.58	2.67
Total Cost/Unit	23.67	19.30
II. Through steam turbine / generator (Units)	Not	Not
Units per liters of fuel oil / gas / cost / unit	Applicable	Applicable
2. Coal		
Quantity (Tonnes)	Not	Not
Total Cost / Average Rate	Applicable	Applicable
3. Bio-coal (Agro waste)		
Quantity (Kgs)	1780907	-
Total Amount (Rs. In Lacs)	115.58	-
Average Rate Rs. / Kgs	6.49	-

DIRECTORS' REPORT

	Current Year 2012 - 2013 12 months	Previous Year 2011-2012 12 months
4. Furnace oil		
Quantity (liters)	1346932	1004359
Total Amount (Rs. in lakhs)	584.43	395.62
Average Rate/Ltr. (Rs.)	43.39	39.39
5. Others		
Gas Quantity (Cu.M)	-	-
Total Amount (Rs. In lacs)	-	-
Average Rate/Cu. M.	-	-
B. CONSUMPTION PER UNIT OF PRODUCTION		
For all Products (in MT) (with Unit Details)		
Electricity (Units)	177.47	157.87
Furnace Oil (Ltrs)	21.29	15.38
Coal (Specify quality)	Not Applicable	Not Applicable
Gas (Cu. M)		

II. TECHNOLOGY ABSORPTION

Efforts made in Technology Absorption are given below in Form B:

FORM 'B'

RESEARCH & DEVELOPMENT

Specific areas in which in-house R & D activities were carried out by the Company

Your Company is recognized as In-house R & D Unit since the year 2000 by the Department of Scientific & Industrial Research, Ministry of Science and Technology, Government of India, New Delhi and it is valid up to 2016. The R & D Dept. of the Company is working on various Acid Chlorides/Organic Chlorides and other products used in Polymers, Pharmaceuticals and Agrochemicals. The Company's R & D unit is also approved for expenditure deduction under section 35 (2AB) of the Income-tax Act, 1961.

The Company has been making substantial R&D efforts in reduction of process waste and effluent. Over the years, there has been significant reduction in the generation of waste by adopting better process methodology at the source.

The Company has also developed technology to treat sewage waste water through biological process. The same technology is adopted to treat liquid process waste of various industries.

Benefits derived as a result of the R & D activities

We have developed pharmaceutical intermediates and pilot plant trials are in progress.

Future Plan of Action

We are working towards development of Pharmaceutical Intermediates, Polymer additives, acid chlorides/organic chlorides. We are also working on improvements in existing processes.

DIRECTORS' REPORT

Expenditure on R & D:

(Rs. in Lakhs)

	Current Year 2012 - 2013	Previous Year 2011-2012
Capital	24.68	85.76
Recurring	137.12	171.51
Total	161.80	257.27
Total R & D Expenditure as a % of total turnover	0.76	1.60
Technology Absorption, Adaptation and Innovation	Not applicable	Not applicable

III. FOREIGN EXCHANGE EARNINGS AND OUTGO

(Rs. in Lakhs)

	Current Year 2012 - 2013	Previous Year 2011-2012
a) Earned by way of export of goods and claims	12863.67	8211.78
b) Used by way of Imports (Capital/ Revenue)	4815.11	3541.50

PLACE: Vadodara

DATED: 30th May, 2013

BY ORDER OF THE BOARD

A. C. SHROFF

CHAIRMAN

ANNEXURE 'B'

PARTICULARS OF EMPLOYEES

Information as per Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 and forming part of the Directors' Report for the year ended 31st March, 2013.

EMPLOYED THROUGHOUT THE YEAR AND IN RECEIPT OF REMUNERATION AGGREGATING NOT LESS THAN RUPEES 60,00,000/- * PER ANNUM.

Name of the Employee	Age (Yrs)	Designation / Nature of Duties	Qualification	Total Experience (Yrs)	Remuneration Received (Rs. in lacs)	Date of commencement of employment	Last employment
Atul G. Shroff	65	Managing Director	S.S.C.	45	111.10	01.12.1981	Excel Industries Ltd.

* Pursuant to the amendment to Companies (Particulars of Employees) Rules, 1975, vide notification no. G.S.R. 289(E) dated 31st March, 2011 issued by Ministry of Corporate Affairs, Government of India, New Delhi.

NOTES:

- 1) The nature of employment of the Managing Director is contractual for a period of five years.
- 2) Remuneration mentioned above includes salary, incentive payment, taxable value of perquisites, Company's contribution to Provident Fund and Superannuation Fund and contribution to Gratuity Fund under Annuity Policy with LIC.
- 3) The employee is not a relative of any of the Directors of the Company.
- 4) The Managing Director holds more than 2% of the equity of the Company.

PLACE: Vadodara

DATED: 30th May, 2013

BY ORDER OF THE BOARD

A. C. SHROFF

CHAIRMAN

DIRECTORS' REPORT

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

This report includes discussion on the following matters within the limits set by the Company's competitive position:

INDUSTRY STRUCTURE AND DEVELOPMENTS

Your Company's portfolio of products comprises largely of various Acid Chlorides which find applications in a very wide range of products from high-end, high value to basic consumer use.

Your Company caters to the need of Agrochemicals, Polymers plastics, performance materials, elastomer, Pharmaceuticals, organic peroxide and personal care. Together with this, the market in all regions of the world developed by the Company, helps maintain a balanced and sustained business.

POLYMERS AND SPECIALITY PLASTICS

With the stagnant economic condition in the United States and Europe as well as in some Asian countries, we do not expect a substantial growth in this segment. However, newer applications and newer materials are constantly developed which would help further growth in this segment. Also, your Company expects volumes to grow in specific specialty plastic products which may provide a moderate growth in near future.

PHARMA PRODUCTS

Your Company has built an excellent reputation as a reliable supplier to many leading Pharma companies. In light of this, a very strong relationship that the Company enjoys, the customers have been demanding more products from the Company. Due to its specific requirements to comply with regulatory aspects, it takes a little longer time for commercial supply to start. However, in the coming years, we expect Pharma products to drive the company's growth. Your Company is focused on developing the capabilities needed to cater to multi stage reaction products.

AGROCHEMICALS & DYESTUFF

While the overall agrochemical market was stable during the year, uneven rainfall resulted in inconsistent growth.

The agrochemical market is expected to grow. However, low cost imports of agrochemicals and monsoon dependency are the key factors which may have an adverse impact on agrochemical sector.

The Company envisages a moderate growth in market for its products in agrochemical sector.

Due to effluent disposal issues, the dyestuff industry is facing problems of lower capacity utilisation. This is adversely affecting the market for Thionyl Chloride. We do not expect any growth in this segment.

PERSONAL CARE

Your Company has also started to cater to the needs of personal care product manufacturers. This area of business is expected to grow substantially over next few years.

OPPORTUNITIES AND THREATS

Opportunities

While the negative economic outlook is mostly behind us, the United States and the European economies are not expected to register any significant growth. However, the Chemical and Pharmaceutical industries, due to their inherent nature, are expected to grow at steady pace.

In light of the above, we see further potential for growth of our products in the coming period.

Your Company made a strategic investment in Sam Fine O Chem Limited in 2010 to take advantage of the capabilities of Sam Fine O Chem Limited in advanced pharmaceutical intermediates.

DIRECTORS' REPORT

Your Company has been deriving substantial benefit from this investment in the form of capacity building to cater to the customers in Pharma segment. We expect our business to grow in this segment in near future.

Threats

Increased competition may affect your Company's capability in sustaining profits. Imported raw materials may be affected considering weakening Rupee. Rapid industrial infrastructural growth in Gujarat, may affect the Company in retaining talented employees.

RISKS AND CONCERNS

Your Company is constantly watching the factors like increase in input cost, lowering value of Rupee and increased competition and taking steps to mitigate the risks as much as possible.

OUTLOOK

An area of concern remains to be fluctuations in foreign exchange rates. However, due to higher exports your Company has remained a net foreign exchange earner. At the same time, your Company strives to balance foreign exchange inflow and outflow most efficiently using short-term hedges. With its focus on Polymer, high-end plastics and Pharma application products, your Company has successfully widened its market spread. Combined with the regional spread, this ability to serve various segments of the market shall continue to help the Company balance out negative impact in one market with positives in the other market.

The products for Pharmaceutical customers will be a key focus area for growth. The Company will continue to strengthen and consolidate its market position in Polymers and high-end plastic applications.

SEGMENT WISE PERFORMANCE

The Company has only one business segment namely "Chemicals". The information in respect of secondary segment as per the Accounting Standard (AS-17) "Segment Reporting" issued by the Institute of Chartered Accountants of India is given under Note No. 29 (C) in Notes forming part of the Consolidated Financial Statements.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

As reported in the previous year, your Company maintains an adequate and effective internal control system commensurate with its size and complexity. The internal control systems are supplemented through an extensive internal audit programme and periodic review by management.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The net sale of the Company for the year under review is Rs.207.02 crores as compared to Rs.153.55 crores in the previous year, an increase of 35%. During the financial year 2012-13, the Company registered net profit of Rs.10.23 Crores as against net loss of Rs.10.32 Crores in the previous year.

HUMAN RESOURCES

The Company believes in fair personnel evaluation, a key to growth as an individual contributes to the Company's growth.

The Company allows its employees to freely demonstrate their individuality and creativity. The Company also implements employee education and training.

Another aspect of the Company's HR initiatives is its emphasis on development of the youth, thereby supporting them in enhancing their capabilities and skills which ultimately results in self-development and organisation development.

Further, the Company promotes the culture of reading by providing good ambience for reading, having regard to the good collection of books in the Company's library.

DIRECTORS' REPORT

TRAINING PERFORMANCE

The Company focuses on on-the-job training as the core of its employee training initiative and provides additional programmes to supplement learning that cannot be gained through this type of training alone, thereby minimizing the skill gap and technical obsolescence and enhancing development of the employees.

Through special training programme, in the year 2010, 4 workers, 2011 – 6 workers and 2012- 4 workers are promoted to supervisor. This process is carried out on continuous basis.

In addition to the training programme, the Company provides its employees with educational training and offers them to participate in self development programmes and allows them to simultaneously pursue corresponding education for their overall growth and development.

Also, the Company has been conducting various Training & Development activities, which focus on attaining the larger organizational purpose of building a competent workforce to meet the challenges in the Chemical Sector.

The Company undertakes frequent and regular trainings in various safety related aspects and also provides Induction training to new recruits, resulted in developing a sense of togetherness within the Company and resulted in a capable, dedicated and performance driven organization.

INDUSTRIAL RELATIONS

Industrial peace and harmony based on healthy employee relations continued to be cordial throughout the year. The grievances/issues raised by the employees/Union were given due attention. The issues brought up by them were settled through regular meetings and interactions between the Management and the Union and action as mutually agreed was taken to settle them.

The employee strength as on 31st March, 2013 was 620 as compared to 587 in the previous year, a rise of approximately 6%.

CAUTIONARY STATEMENT

Statements in this report on Management Discussion and Analysis relating to the Company's objectives, projections, estimates, expectations or prediction may be forward looking within the meaning of applicable securities laws and regulations. These statements are based on certain assumptions and expectations of future events. Actual results might differ materially from those expressed or implied depending upon factors such as climatic conditions, global and domestic demand-supply conditions, finished goods prices, raw materials cost and availability, foreign exchange market movements, changes in Government regulations and tax structure, economic and political developments within India and the countries with which the Company has business and other factors such as litigation and industrial relations.

The Company assumes no responsibility in respect of forward looking statements herein which may undergo changes in future on the basis of subsequent developments, information or events.

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The Company has adopted the required practices of Corporate Governance keeping in view its size, complexity, global operations and its traditional ethical values. The Company believes in achieving the global standards of corporate conduct towards all stakeholders by following the principles of accountability, integrity and responsibility in dealings with employees, shareholders, consumers and the community at large.

The Company has complied with all the requirements of corporate governance in terms of clause 49 of the listing agreement with the BSE Ltd., Mumbai and the best practices are followed to achieve its goal on corporate governance.

2. BOARD OF DIRECTORS

(i) Composition

The Board of Directors comprises the Managing Director, an Executive Director and eight non-executive Directors including the Chairman. The Chairman of the Board is Promoter – Non Executive Director. Five of the eight non-executive Directors are independent Directors.

The composition and categories of Directors on the Board during the period 01.04.2012 to 31.03.2013 and details about Board Meetings held and attended by them, attendance in last AGM, Directorships in other companies and Chairmanship/Membership in Committees of other companies are given in the following table.

(ii) Details of Directors:

Sr. No.	Name of Director	Category of Directorship*	Board Meetings (April, 2012 to March, 2013)		Attendance in last AGM held on 09.08.2012	No. of other Directorships held as at 31 st March, 2013**	No. of Board Committee Positions held as at 31 st March, 2013 (including Transpek Industry Limited)	
			Held	Attended			Chairman	Member
1.	Shri Ashwin C. Shroff	PD/NED	5	5	Present	12	2	-
2.	Shri Atul G. Shroff	PD/MD	5	5	Present	6	4	2
3.	Shri Bimal V. Mehta	NPD/ED /WTD	5	5	Present	1	-	2
4.	Shri Dipesh K. Shroff	PD/NED	5	4	Present	20	1	2
5.	Shri M. D. Patel	NPD/NED /ID	5	4	Present	7	5	6
6.	Shri A. H. Patel	NPD/NED /ID	5	4	Present	10	1	3
7.	Dr. Bernd Dill	NPD/NED /ID	5	5	Present	1	-	-
8.	Shri Ravi A. Shroff	PD/NED	5	4	Present	6	-	-
9.	Shri Ninad D. Gupte	NPD/NED /ID	5	4	Absent	4	-	4
10.	Shri Nimish U Patel	NPD/NED /ID	5	5	Absent	4	-	2

REPORT ON CORPORATE GOVERNANCE

* PD - Promoter Director; NPD - Non-Promoter Director; MD - Managing Director; NED - Non-Executive Director; ID - Independent Director; ED – Executive Director; WTD – Whole-time Director.

** Number of other Directorships includes Directorship held in Private Limited Companies, Section 25 Companies and foreign companies.

Detailed agenda notes were made available to the Directors in accordance with the provisions of Annexure-I(A) to clause 49 of the Listing Agreement.

(iii) Details of Board Meetings held during the year:

Date of Board Meeting	28.05.2012	09.08.2012	02.11.2012	04.02.2013	25.03.2013
Board strength	10	10	10	10	10
No. of Directors present	9	9	8	10	9

3. THE SHAREHOLDING OF THE DIRECTORS AS ON 31ST MARCH, 2013, WAS AS UNDER:

Name of the Director	Shares held (No.)	% to total capital
Shri Ashwin C. Shroff	3,919	0.07
Shri Atul G. Shroff	2,61,190	4.45
Shri Bimal V. Mehta	-	-
Shri Dipesh K. Shroff	37,662	0.64
Shri M. D. Patel	05	0.00
Shri A. H. Patel	100	0.00
Dr. Bernd Dill	-	-
Shri Ravi A. Shroff	7,086	0.12
Shri Ninad D. Gupte	106	0.00
Shri Nimish U. Patel	-	-

4. PARTICULARS OF THE DIRECTORS SEEKING APPOINTMENT/ REAPPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING:

Name of the Director	DR. BERND DILL
Date of Birth	17.09.1950
Date of Appointment	22.06.2007
Expertise in Specific Functional Areas	Techno Commercial
Qualification	Ph.D.
Brief Resume of Dr. Bernd Dill	

Dr. Bernd Dill, a German national, has completed his school and university education with emphasis on mathematics and natural sciences, Doctoral Thesis in Chemistry “Summa Cum Laude” at Frankfurt University. Subsequently, he spent 28 years with CIBA GEIGY in various international senior assignments. Recently, he has left his latest position as Executive Vice President Technology of LURGI AG in Frankfurt and started his own company, Dr. Bernd Dill Consulting, based in Germany and Switzerland. He has a solid technical background, extensive experience in managing

REPORT ON CORPORATE GOVERNANCE

people from culturally very different environments and identification and recognition of talented and outstanding people, strong business and customer orientation, negotiating skills and experience, coupled with initiative, drive and result orientation. He holds membership of several professional organizations, some of which are National Technology and Environment Council of the German Chemical Industry Association, British Chemical Industry Association, American Chemical Society, Optical Society of America etc. He is also a member of the publishers' Board for Roempp's Chemical encyclopedia.

Dr. Dill is also owner of the following patents:

US Patent No.4659831 (Dill, Bernd), Process for the preparation of anthraquinone imides

With Colleagues:

US Patent No.4767573 (Muller, Rolf and Dill, Bernd), Process for the preparation of a mixture of 1-amino – 2 – Chloro – 4 – hydroxyanthraquinone and 1 – amino – 2 – bromo – 4 – hydroxyanthraquinone.

Other Public Companies in which Directorship held

Sasol/Lurgi, South Africa

Other Public Companies in which membership of Committees of Directors held.

-

Name of the Director	NINAD D. GUPTÉ
Date of Birth	31.08.1953
Date of Appointment	07.06.2008
Expertise in Specific Functional Areas	Management of Companies operating in the field of fine chemicals, performance chemicals, industrial chemicals and agrochemicals.
Qualifications	B.Sc (Bombay University); PGDBM – Equivalent to MBA (XLRI-Jamshedpur); Diploma in Tax Management (Bajaj Institute of Management, Bombay University).
Brief Resume of Shri Ninad D. Gupta	<p>Shri Ninad Gupta, has a B.Sc degree from Bombay University, PGDBM-Equivalent to MBA (XLRI-Jamshedpur), and Diploma in Tax Management (Bajaj Institute of Management-Bombay University). He has 38 years of experience with the industry in the field of chemicals, petrochemicals and agrochemicals. He has worked with Indian as well as multinational companies at various senior level positions. Shri Gupta has held position of Managing Director of Cheminova India Ltd.– a Danish Multinational, having an annual turnover of Rs.275 crores. Formerly, he was the Managing Director of Agrocet Industries Limited.</p> <p>Presently he is the Joint Managing Director of Excel Crop Care Limited.</p> <p>In addition, Shri Gupta has also held positions in the past as Director, Jalabindu Agritech Pvt. Ltd. and Director, Herdillia Oxides Ltd.</p> <p>Shri Gupta has been actively involved in various industry associations in senior positions, to promote the cause of various industries in which he has operated. He was Vice-Chairman of Crop Care Federation of India and Convener of Agro Chemical Promotion Group.</p>

REPORT ON CORPORATE GOVERNANCE

Other Public Companies in which Directorship held	Excel Crop Care Ltd. TML Industries Ltd. Excel Genetics Ltd. Transpek Industry (Europe) Limited
Other Public Companies in which membership of Committees of Directors held.	Member of Audit Committee, Borrowing Committee and Investment & Banking Committee of TML Industries Limited.

Name of the Director	Shri ASHWIN C. SHROFF
Date of Birth	22.01.1945
Date of Appointment	02.05.1980
Expertise in Specific Functional Areas	Industrialist with vast experience in Chemicals and Agrochemicals Industry / Business.
Qualifications	Science Graduate / B.Sc.
Brief Resume of Shri Ashwin C. Shroff	SHRI A. C. SHROFF is the Chairman & Managing Director of Excel Industries Ltd. He is a Science graduate and started his career in 1965 as a young trainee and has grown to spearhead Excel Industries Ltd. Along these years of growth, both Excel Industries Ltd. and Mr. Shroff have emerged stronger, helping the growth of Industrial chemicals, Agro chemicals and Environment related businesses. He was the President of Indian Chemical Manufacturers Association (now Indian Chemical Council) during 1996-1998. He has been a leading spokesperson of chemical industry and has represented various issues of the industry to the Government of India. He is connected with various NGOs. He is member of FICCI Environment Committee and FICCI Chemicals Committee.
Other Public Companies in which Directorship held	<ul style="list-style-type: none"> • Excel Industries Ltd. (Chairman & Managing Director) • Excel Crop Care Ltd. (Chairman) • Kamaljiyot Investments Ltd. • ECCL Investments and Finance Ltd. • Transpek-Silox Industry Ltd. (Chairman) • Phthalo Colours & Chemicals (I) Ltd. (Ceased to be a director w.e.f. 26.04.2013) • Waxsam Ltd., Hong Kong.
	<u>Section 25 Companies:</u>
	<ul style="list-style-type: none"> • Centre for Bharatiya Management Development • Indian Centre for Climate and Societal Impacts Research • Development & Eco- Friendly Enterprises • Federation of Kutch Industries Association
Other Public Companies in which membership of Committees of Directors held.	<u>Chairman of Shareholders / Investor Grievance Committee</u> Excel Crop Care Ltd. <u>Chairman of Remuneration Committee</u> Transpek-Silox Industry Ltd.

REPORT ON CORPORATE GOVERNANCE

5. Code of Conduct

The Board of Directors has adopted the code of conduct for the Board members and the senior management of the Company. The said code has been communicated to the Directors and the senior management personnel. The code has also been posted on the Company's website www.transpek.com.

6. AUDIT COMMITTEE:

Terms of Reference:

The role of the Audit Committee has been defined in the Audit Committee charter adopted by the Board which includes supervision of the Company's reporting process and disclosure of its financial information; to recommend the appointment, re-appointment, replacement, removal of Statutory Auditors and Internal Auditors and fixation of their audit fee; Approval of Payment to Statutory Auditors Fees and any other services to be rendered by the Statutory Auditors, to review and discuss with the Internal Auditors about internal control systems, the scope of Audit including the observations of the Auditors, adequacy of the internal control system, major accounting policies, practices and entries, compliances with accounting standards and Listing Agreement with the Stock Exchange and other legal requirements concerning financial statements and related party transactions, if any; to review the Company's financial and risk management policies and discuss with Internal Auditors any significant findings for follow-up action thereon; to review the Quarterly, Half Yearly and Annual Financial Statements before they are submitted to the Board of Directors; pre and post Audit discussion with Statutory Auditors to ascertain the scope of audit and areas of concern and review of financial statements of Subsidiary Companies (unlisted Indian Company).

The minutes of the meetings of the Audit Committee are circulated to the members of the Board, discussed and taken note of.

The Company has complied with the requirements of Clause 49 (II) (A) as regards the composition of the Audit Committee.

The Audit Committee of the Board of Directors of the Company presently comprises the following five Directors:

Shri M. D. Patel, Chairman	: Independent, non-executive Director
Shri D. K. Shroff	: Promoter, non-executive Director
Shri A. H. Patel	: Independent, non-executive Director
Shri Ninad D. Gupte	: Independent, non-executive Director
Shri Bimal V. Mehta	: Executive Director

All the members of the Audit Committee are financially literate and Chairman of the Committee has accounting and related financial management expertise.

The Committee held 4 meetings during the year i.e. on 28.05.2012, 09.08.2012, 02.11.2012 and 04.02.2013. Details of meetings attended by the aforesaid Directors are as under:

Date of Audit Committee Meeting	Shri M.D. Patel (Chairman) (NED/ID)	Shri D. K. Shroff PD/NED	Shri A. H. Patel (NED/ID)	Shri Ninad Gupte (NED/ID)	Shri Bimal V. Mehta (ED)
28.05.2012	Present	Present	Present	Present	Present
09.08.2012	Present	Present	Present	Absent	Present
02.11.2012	Present	Absent	Absent	Present	Present
04.02.2013	Present	Present	Present	Present	Present

Note: Shri S. K. Solanki, General Manager & Company Secretary of the Company acts as the Secretary to the Committee. Audit Committee Meetings are also attended by General Manager (Finance). Statutory Auditors and Internal Auditors of the Company are also invited to the meetings, when required.

REPORT ON CORPORATE GOVERNANCE

7. REMUNERATION COMMITTEE:

Terms of Reference:

The broad terms of reference of the Company's Remuneration Committee are to determine and recommend to the Board and the Members, compensation payable to the Managing Director and Executive Director, to determine and advise the Board on the payment of annual increments and incentive / commission to the Managing Director and the Executive Director.

The Remuneration Committee of the Board of Directors of the Company presently comprises of the following four Directors:

Shri M.D.Patel, Chairman	:Independent, Non Executive Director
Shri A.H.Patel	: Independent, Non Executive Director
Shri D.K.Shroff	: Promoter, Non Executive Director
Shri N.D.Gupte	: Independent, Non Executive Director

The Remuneration Committee held two meetings during the year i.e. on 04.02.2013 and 25.03.2013. Details of meetings attended by the aforesaid Directors are as under:

Date of Remuneration Committee Meeting	Shri M.D. Patel (Chairman) (NED/ID)	Shri D. K. Shroff (PD/NED)	Shri A. H. Patel (NED/ID)	Shrii Ninad Gupte (NED/ID)
04.02.2013	Present	Present	Present	Present
25.03.2013	Absent	Present	Present	Present

REMUNERATION OF DIRECTORS:

The Company pays remuneration to its Managing Director by way of salary, perquisites, allowances and Performance Incentive in accordance with the approval received from Govt. of India, Ministry of Corporate Affairs vide its letter dated 09.02.2012 approving the re-appointment of Shri A. G. Shroff, as Managing Director of the Company for a period not exceeding five (5) years w.e.f. 01.12.2011 on the total remuneration of Rs.1,13,88,000/- per annum for a period of three years.

Year	Total Remuneration Rs.
1st Year	1,13,88,000
2nd Year	1,13,88,000
3rd Year	1,13,88,000

The above remuneration is (a) "notwithstanding the limits of 5% and 10% of the net profits as the case may be as laid down in sub-section (3) of Section 309 of the Companies Act, 1956, and the overall limit of 11% of the net profits as laid down in sub-Section (1) of Section 198 of the Companies Act, 1956"; and (b) as approved by the members in Annual General Meeting held on 25.08.2011.

- (i) Details of remuneration paid to Shri A. G. Shroff, Managing Director, during the period 01.04.2012 to 31.03.2013 are as under:

Rs. in Lacs				
Salary	Perquisites	Contribution to Provident Fund and other Funds	Performance Incentive	Total
46.00	46.00	14.73	4.37	111.10

REPORT ON CORPORATE GOVERNANCE

The employment of Managing Director is contractual for a period of five years and terminable by either party giving three months' notice.

- (ii) The Company also pays remuneration to its Whole-time Director designated as Executive Director by way of Salary, Perquisites, Allowances and Commission in accordance with Part II – section II (B) of Schedule XIII to the Companies Act, 1956 and in accordance with the approval of the Board and shareholders of the Company for a period not exceeding three (3) years w. e. f. 09.04.2010.

Details of remuneration paid to Shri Bimal V. Mehta, Whole-time Director designated as Executive Director during the period 01.04.2012 to 31.03.2013 are as under

Rs. in Lacs				
Salary	Perquisites	Contribution to Provident Fund and other Funds	Commission @ 1% of Net Profit	Total
19.20	21.84	4.23	2.91	48.18

- (iii) Remuneration to Non-Executive Directors for the year ended 31.03.2013:

Terms of Reference:

The non-executive Directors are paid sitting fees for attending meetings of the Board and of Committees of Directors. In addition, commission not exceeding in the aggregate 1% per annum of the net profits of the Company computed in the manner laid down in Section 198 of the Companies Act, 1956 in such proportion and manner as the Chairman may decide, is being paid to such non-executive Directors of the Company, as approved by the members of the Company.

The Non-Executive Directors were paid sitting fees of Rs.5000/- for each meeting of the Board, Audit Committee and other Committees attended by them and commission as detailed below:

Name of Non-executive Director	Sitting fees paid during the year for attending Board and Committee Meetings. Rs.	Commission paid during the year but pertaining to the year 2011-2012. Rs.
Shri Ashwin C. Shroff	25,000	-
Shri Dipesh K. Shroff	45,000	-
Shri M. D. Patel	90,000	-
Shri A. H. Patel	90,000	-
Dr. Bernd Dill	25,000	-
Shri Ravi A. Shroff	20,000	-
Shri Ninad D. Gupte	45,000	-
Shri Nimish U. Patel	40,000	-

8. SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE:

The Company has constituted Shareholders'/Investors' Grievance Committee to look into the investors' complaints, if any, and to redress the same expeditiously.

The present Shareholders'/Investors' Grievance Committee comprises Shri Atul H. Patel (Chairman), Shri A.G.Shroff, Shri Mukesh D. Patel and Shri Nimish U. Patel. Shri Atul H. Patel is elected as Chairman of the Committee. Except Shri A.G.Shroff, the rest of the members of the Committee are non-executive independent Directors. The Committee held 3 meetings during the period under review i.e. on 06.09.2012, 04.02.2013 and 16.03.2013.

REPORT ON CORPORATE GOVERNANCE

Further, the Board of Directors had at its meeting held on 05.03.2009, delegated the authority to approve the transfer of shares held either in demat or in physical form to a Committee of senior officials of the Company.

The Committee of senior officials meets as often as required but at least once in ten days to consider and approve only requests for transfer and submits reports on approvals accorded by it at every meeting of the Committee of Directors. The other aspects relating to shares (e.g. transmission, issue of duplicate physical share certificates etc.) continue to be dealt with by the Committee of Directors or by the Board.

Shri Shailesh K. Solanki, General Manager & Company Secretary is designated as the Compliance Officer.

Throughout the year, the Company has not received any complaints.

9. GENERAL MEETINGS:

The last three (44th, 45th and 46th) Annual General Meetings of the Company were held at 3:30 P. M. on 13.08.2010, 25.08.2011 and 09.08.2012 respectively. All the last three Annual General Meetings were held at Hotel Express Towers, "Oaks Room", 8th Floor, R. C. Dutt Road, Alkapuri, Vadodara 390 007 which is close to the Registered Office of the Company.

The Following Special Resolutions were passed during preceding 3 financial years:

Sr. No.	Name of the year	Matter for which resolution were passed
1.	2011-2012	-
2.	2010-2011	<ol style="list-style-type: none"> 1. Re-appointment of Shri Atul G. Shroff for a further period of five years. 2. Deed of variation for payment of additional amount of perquisites under the head "Other Miscellaneous Perquisites" payable to Shri Bimal Mehta.
3.	2009-2010	<ol style="list-style-type: none"> 1. Appointment of Shri Bimal Mehta as whole time Director designated as Executive Director of the Company for a period of three years 2. Resolution for donation limit under section 293(1) (e) of the Companies Act, 1956.

None of the resolutions proposed to be passed at the ensuing AGM to be held on 08th August, 2013 is required or proposed to be put through postal ballot.

10. DISCLOSURES:

Related Party Transactions:

Related party transactions under Clause 49 of the Listing Agreement are defined as the transactions of the Company of a material nature, with its promoters, the Directors or the Management, their subsidiaries or relatives, etc. that may have potential conflict with the interest of the Company at large.

Among the related party transactions are contracts or arrangements made by the Company from time to time with the companies in which the Directors are interested. All these contracts or arrangements are entered in the Register of Contracts under Section 301 of the Companies Act, 1956 and the Register is placed before the Audit Committee and the Board from time to time. There were no material transactions with related parties during the year 2012 - 13 that are prejudicial to the interest of the Company.

Particulars of transactions between the Company and related parties as per the Accounting Standard 18 "Related Party Disclosures" notified under the Companies (Accounting Standard) Rules, 2006 are given under Note No. 29.

REPORT ON CORPORATE GOVERNANCE

Statutory Compliance, Penalties and Strictures:

There has neither been any non-compliance of any of the provisions of law by the Company nor any penalty or stricture imposed by the Stock Exchange or SEBI or any other statutory authority on any matter related to capital markets during the last three years. The Company has complied with all the mandatory requirements of clause 49 of Listing Agreement.

11. MEANS OF COMMUNICATION:

- i) The un-audited quarterly and summarized annual audited results have been submitted to the Bombay Stock Exchange and published in newspapers such as Business Standard (Mumbai Edition), Financial Express (Mumbai Edition), Economic Times (Mumbai) and Business Standard (Ahmedabad Edition) and Vadodara Samachar (Vadodara Edition) and also in Indian Express (Vadodara Edition) and Financial Express (Ahmedabad Edition) from time to time.
- ii) A report on Management Discussion and Analysis forming part of the Annual Report is annexed to the Directors' Report.

12. GENERAL SHAREHOLDER INFORMATION:

The mandatory as also various additional information of interest to investors is furnished in a separate section on investor information elsewhere in this report.

REPORT ON CORPORATE GOVERNANCE AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

**To,
The Members of
TRANSPEK INDUSTRY LIMITED**

We have examined the compliance of conditions of corporate governance by Transpek Industry Limited for the year ended 31st March, 2013, as stipulated in clause 49 of the Listing Agreement of the said company with the Stock Exchange.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance as stipulated in the said clause. 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 and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

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

**For Contractor, Nayak & Kishnadwala
Chartered Accountants
Firm Registration No.129638W**

**Himanshu Kishnadwala
Partner
Membership No. 37391
Vadodara, May 30, 2013**

REPORT ON CORPORATE GOVERNANCE

INVESTOR INFORMATION

1. Annual General Meeting:

Date, time and venue: **08th August, 2013** at 3:30 p.m. at Hotel Express Tower, "Oaks Room", 8th Floor, R. C. Dutt Road, Alkapuri, Vadodara – 390 007.

2. Financial calendar:

- i. Financial year: April to March
- ii. First quarter results – last week of July / middle of August
- iii. Half yearly results – last week of October/ middle of November
- iv. Third quarter results – last week of January/ middle of February
- v. Results for the year ended 31.03.2013- on or before 31.05.2013
- vi. Dividend Payment date on or after 8th August, 2013.

3. Book Closure Date:

2nd August, 2013 to 8th August, 2013 (both days inclusive)

4. Stock Exchange Listings:

The Bombay Stock Exchange Ltd., Mumbai.

Stock code: 506687

ISIN NO.: INE 687A01016 for dematerialization.

5. Investor Service Centre:

Shareholders and depository participants are requested to send their requests for transfers, dematerialization and re-materialization of shares directly to the Registrar appointed for the purpose at the following address:

(i) Registered Office:

Link Intime India Private Limited,
C-13, Pannalal Silk Mills Compound,
LBS Marg, Bhandup (W),
Mumbai 400 078.

Phones : 022- 5555 5454

Fax : 022- 2567 2693

Website: www.linkintime.co.in

(ii) Branch Office

Link Intime India Private Limited
B – 102 & 103 Shangrila Complex
First Floor, Nr. Radhakrishna Char Rasta
Akota, Vadodara - 390020

Phones : 0265- 2356794, 2356573

Fax : 0265- 2356791

Email : alpesh.gandhi@linkintime.co.in
mansi.bakshi@linkintime.co.in
vadodara@linkintime.co.in

6. Investors may also contact the Company at the following address in case of any grievances:

Transpek Industry Ltd., Investor Service Centre, 6th Floor, Marble Arch, Race Course, Vadodara 390 007.

Telephone : 0265-2335444, 2335446, 2335447, 2334141, 2358236, 2335757, 2342262

Fax : 0265-2335758

Email : sksolanki@transpek.com

REPORT ON CORPORATE GOVERNANCE

INVESTOR INFORMATION : Cont'd...

7. Dematerialization of Shares:

The Company has entered into agreements with both National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) whereby shareholders have an option to dematerialize their shares with either of the depositories. 94.12 % of the paid up capital has been dematerialized as on 31.03.2013.

8. Plant location:

Transpek Industry Limited
At & Post Ekalbara 391 440,
Taluka Padra, Dist. Vadodara

Telephone : 02662-244444, 244289, 244309, 244318, 244276

e-mail : inquiry@transpek.com

Fax : 02662-244439

Website : www.transpek.com

9. Investors' correspondence may be addressed to the Registrar and Share Transfer Agent at the address mentioned above. The Compliance Officer of the Company may also be contacted at the following address:

Shri Shailesh K. Solanki
General Manager &
Company Secretary,
Transpek Industry Ltd,
6th Floor, Marble Arch, Race Course,
Vadodara 390 007.

Telephone : 0265-2335444, 2335446, 2335447, 2334141, 2358236, 2335757, 2342262

Fax : 0265-2335758

E-mail : sksolanki@transpek.com

Website : www.transpek.com

Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participants.

10. Share Transfer System:

All the transfer requests received are processed by the Registrar and Share Transfer Agent and are approved by the Committee of Sr. Officials of the Company, which normally meets every ten days. Share transfers are registered and returned within a maximum of 15 to 20 working days from the date of lodgment if documents are complete in all respects.

REPORT ON CORPORATE GOVERNANCE

INVESTOR INFORMATION : Cont'd...

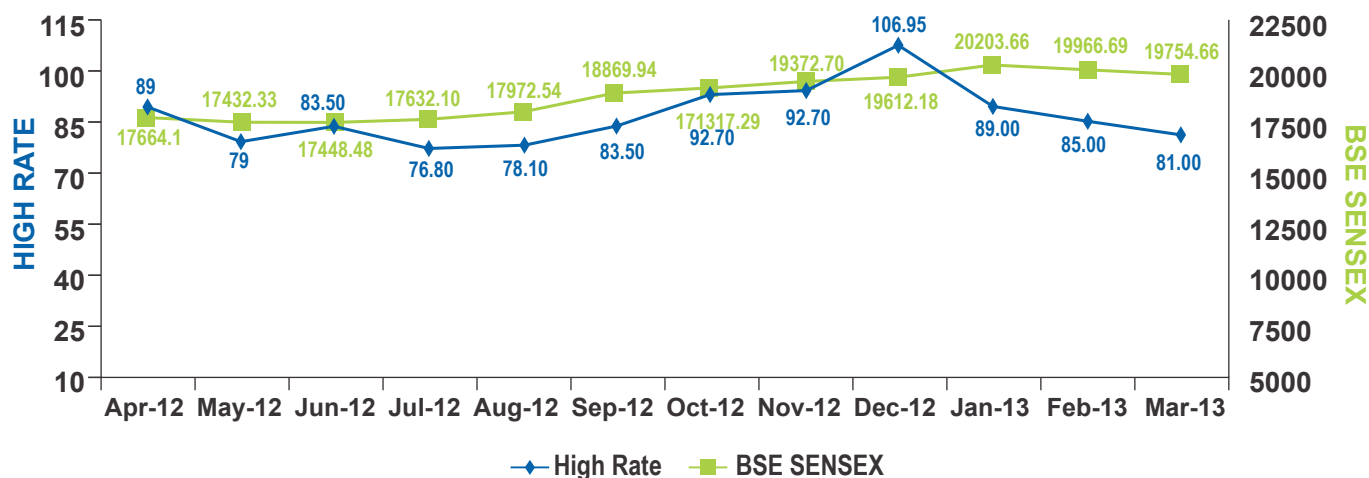
11. Stock Price and Volume:

Monthly High, Low, Closing Market Price and number of shares traded during each month in the last financial year on Bombay Stock Exchange Ltd., is furnished below:

Mumbai (BSE)				
2012-2013 (12 months)	Highest (Rs.)	Lowest (Rs.)	Closing Market price (Rs.)	Volume of Trade (Nos.)
April, 12	89.00	74.55	75.00	62
May, 12	79.00	69.00	74.00	83
June, 12	83.50	68.00	79.75	105
July, 12	76.80	62.00	66.00	207
August, 12	78.10	63.55	76.25	235
September, 12	83.50	73.00	79.50	192
October, 12	92.70	76.20	80.00	180
November, 12	93.85	77.60	93.65	271
December, 12	106.95	80.80	82.40	271
January, 13	89.00	76.35	78.35	155
February, 13	85.00	70.30	72.00	205
March, 13	81.00	66.10	66.30	136

12. Share price performance in comparison to Broad-based Index BSE Sensex:

Company's Equity Share Price at BSE



REPORT ON CORPORATE GOVERNANCE

INVESTOR INFORMATION : Cont'd...

13. Distribution of shareholding as on 31st March, 2013:

Category Rs.	No. of Shareholders	Percentage to Total No. of Shareholders	No. of Shares	Percentage to Capital
1 - 5000	6883	92.1419	651174	11.0894
5001 - 10000	267	3.5743	197558	3.3644
10001 - 20000	154	2.0616	219282	3.7343
20001 - 30000	36	0.4819	93041	1.5845
30001 - 40000	24	0.3213	85204	1.4510
40001 - 50000	22	0.2945	98383	1.6754
50001 - 100000	40	0.5355	271433	4.6225
100001 - and above	44	0.5890	4255965	72.4785
TOTAL	7470	100.0000	5872040	100.0000

14. Categories of Shareholders as on 31st March, 2013:

Category	No. of Shareholders	Voting Strength %	No. of Shares
Indian Promoters	41	38.15	2,239,984
Life Insurance Corporation of India	1	3.68	2,16,132
United India Insurance Company Ltd.	1	0.49	28,750
National Insurance Company Ltd.	1	1.28	74,950
Unit Trust of India	1	0.04	2,450
Stock Holding Corporation of India Ltd.	1	0.00	200
Southern India Depository Services P. Ltd. (A/c Kothari Pioneer Taxshield'95)	1	0.00	250
Nationalized Banks	12	0.05	2,969
Shares Pledged with Citibank N.A.	4	0.02	950
Foreign Company/ Institutions	3	0.01	420
Non-Resident Individuals	40	4.50	2,63,903
Other Bodies Corporate	100	18.15	1065651
Individuals	7264	33.63	1975431
TOTAL	7470	100.00	58,72,040

CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT POLICY

This is to confirm and certify that the Company has adopted a Code of Conduct for Board Members and Senior Management Personnel. As provided under clause 49 of the Listing Agreement with the Stock Exchange, the Board Members and Senior Management Personnel have confirmed compliance with the Code of Conduct and Ethics for the year ended 31st March, 2013.

Place: Vadodara
 Date: 30th May, 2013

Transpek Industry Ltd.
Atul G. Shroff
 Managing Director

TEN YEARS HIGHLIGHT

(₹ in Lacs)

	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04
I CAPITAL ACCOUNTS										
A Share Capital	587.20	587.20	587.20	587.20	559.30	532.67	507.30	507.30	507.30	507.30
B Reserves	5588.04	4770.66	5802.52	4797.22	4360.34	3587.52	3432.31	3056.67	3162.21	2681.72
C Shareholders' Fund (A+B)	6175.24	5357.86	6389.72	5384.42	4919.64	4120.19	3939.61	3563.97	3669.51	3189.02
D Borrowings*	6789.16	6579.04	6566.50	5047.26	4670.52	3284.89	3284.26	3207.55	2438.35	2591.29
E Fixed Assets										
i Gross Block	15703.11	14931.21	13897.66	11426.75	10902.73	9278.33	8543.87	7089.11	5744.11	6864.89
ii Net Block	9444.09	9286.53	8853.61	6902.39	6846.64	5631.93	5332.74	4261.09	3226.73	3869.24
F Debt-Equity Ratio	1.10:1	1.23:1	1.03:1	0.94:1	0.95:1	0.80:1	0.83:1	0.90:1	0.66:1	0.81:1
II REVENUE ACCOUNTS										
A Sales Turnover**										
i Domestic	7622.96	7055.86	7795.81	4974.46	5953.71	4725.42	5324.94	5931.85	5565.08	5036.77
ii Export	13079.49	8299.24	10434.44	6366.28	10707.29	5954.56	2705.83	1794.39	1019.56	363.80
TOTAL	20702.45	15355.10	18230.25	11340.74	16661.00	10679.98	8030.77	7726.24	6584.64	5400.57
B Profit after taxes	1023.46	(1031.85)	1278.27	454.60	789.93	114.83	464.67	501.94	512.90	254.96
C Return on Shareholders' Fund %	16.57	(19.26)	20.01	8.44	16.06	2.79	11.79	14.08	13.98	7.99
III EQUITY SHAREHOLDERS' EARNINGS										
A Earning per Equity Share Rs.	17.43	(17.57)	21.77	7.80	14.81	2.26	9.16	9.89	10.11	5.03
B Dividend per Equity Share # Rs.	3.00	-	4.00	2.50	2.50	1.50	1.50	2.50	2.00	-
C Dividend Payout Ratio %	20.14	-	21.36	37.66	20.71	81.41	19.16	28.81	22.56	-
D Net Worth per Equity Share Rs.	105.16	91.24	108.82	91.70	87.96	77.35	77.66	70.25	72.33	62.86
E Market price of Share as on 31st March Rs.	60.00	85.05	137.05	63.50	47.05	62.50	67.15	83.15	73.80	32.55

* Borrowing is net of Cash and Bank balance

** Sales Turnover is after reducing discounts/rebates

Equity Share of Face Value of Rs.10/- each

Previous year figures have been regrouped/rearranged wherever necessary

INDEPENDENT AUDITORS' REPORT

**To the Members of
Transpek Industry Limited**

Report on the Financial Statements

We have audited the accompanying financial statements of Transpek Industry Limited ("the Company"), which comprises the Balance Sheet as at March 31, 2013, and the Profit and Loss Statement 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

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

Auditor's Responsibility

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

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

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

Opinion

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) in the case of the Profit and Loss Statement, of the Profit 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

1. As required by the Companies (Auditor's Report) Order, 2003, (hereinafter referred to as "the order") issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, and on the basis of such checks as considered appropriate and according to the information and explanations given to us during the course of the audit, we enclose in the Annexure hereto a statement on the matters specified in Paragraphs 4 and 5 of the Order.

INDEPENDENT AUDITORS' REPORT

2. As required by section 227(3) of the Act, we report that:

- a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c. the Balance Sheet, Profit and Loss Statement and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. in our opinion, the Balance Sheet, Profit and Loss Statement and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
- e. on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For Contractor, Nayak & Kishnadwala
Chartered Accountants
Firm Registration No.129638W

Himanshu Kishnadwala
Partner
Membership No. 37391
Vadodara, May 30, 2013

INDEPENDENT AUDITORS' REPORT

Statement referred to in paragraph 1 of “Report on Other Legal and Regulatory Requirements” of the Auditor’s Report of even date to the Members of Transpek Industry Limited on the financial statements for the year ended 31st March, 2013.

On the basis of such checks as considered appropriate and in terms of the information and explanations given to us, we state as under:

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of the fixed assets;
- (b) The management has a phased programme of physical verification of fixed assets so as to cover all assets once in three years. In our opinion, the same is reasonable having regards to the size of the Company and the nature of its assets. As informed, no material discrepancies were noticed on such verification;
- (c) There is no substantial disposal of fixed assets during the year;
- (ii) (a) The management has conducted physical verification of inventory at the end of the year;
- (b) 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;
- (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification carried out at the end of the year;
- (iii) (a) As informed, the Company has not granted any loans secured or unsecured loan to the Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provision of clause 4(iii) (b), (c) and (d) of the Companies (Auditor's report) order, 2003 (as amended) are not applicable to the company.
- (e) As informed, the Company has taken Fixed Deposits from six persons, covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was ₹ 240.61 lacs and the year-end balance of these deposits is ₹ 225.61 lacs;
- (f) In our opinion and according to the information and explanations given to us, the rate of Interest and other terms and conditions for such loans taken are not prima facie prejudicial to the interest of the company;
- (g) In our opinion and according to the information and explanations given to us, the company is regular in making payment of the principal amount and interest thereon;
- (iv) In our opinion and according to the information and explanation given to us, there is adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for sale of goods and services. During the course of audit, no major weakness has been noticed in the internal control system in respect of these areas. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system of the company;
- (v) (a) According to the information and explanations provided by the management, we are of the opinion that particulars of contracts or arrangements referred to in section 301 of the Act that needs to be entered into the register required to be maintained under Section 301 have been so entered;
- (b) In our opinion and according to the information and explanation given to us, transactions made in pursuance of such contracts or arrangements exceeding value of rupees five lacs have been entered in to during the Financial Year at price which are reasonable having regards to the prevailing market price at the relevant time;
- (vi) In respect of deposit accepted, in our opinion and according to the information and explanation given to us, directives issued by the Reserve Bank Of India and the provisions of Section 58A, 58AA or any other relevant provisions of the companies act, 1956 and the rules framed thereunder, to the extent applicable, have been complied with. We are informed by the management that no order has been passed by the company law board, national company law tribunal or Reserve Bank of India or any court or any other tribunal;

INDEPENDENT AUDITORS' REPORT

(vii) The company has appointed an independent firm of Chartered Accountants to carry out the internal audit. In our opinion, the said system of internal audit system is commensurate with the size of the company and nature of its operations;

(viii) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete;

(ix) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, custom duty, excise-duty, cess and other material statutory dues applicable to it. We are informed that the provisions relating to employee's state insurance are not applicable to the company;

According to the information and explanation given to us, no undisputed amount payable in respect of provident fund, investor education & protection fund, employee's state insurance, income tax, sales tax, customs, wealth-tax, service tax, excise duty, cess and other undisputed statutory dues were outstanding, at the year end, for the period more than 6 months from the date they become payable;

(b) According to the record of the company, there are no dues outstanding in respect of income tax, sales tax, service tax, wealth tax, custom duty, excise duty, & cess which have not been deposited on account of any disputes, other than following :

Name of the Statute	Nature of dues	Amount (₹. In lacs)	Period to which the amount relates	Forum where dispute is pending
Gujarat Sales Tax Act, 1969	Sales Tax	0.31	1999-2000	Deputy Commissioner of Sales Tax, Vadodara
Central Sales Tax Act, 1956	Sales Tax	33.80	1999-2000	Deputy Commissioner of Sales Tax, Vadodara
Income Tax Act, 1961	Income Tax (including interest thereon)	11.72	1992-1993	Hon'ble High Court, Ahmedabad
		11.93	2009-2010	Commissioner of Income Tax (Appeals), Vadodara.

Note:- Amounts paid under protest and not charged to profit and loss statement have not been included above. (Refer Note no. 28(A)(b) of Notes forming part of the financial statements)

(x) The company does not have any accumulated losses at the end of the financial year. The company has not incurred cash losses during the financial year covered by our audit. However, the company had incurred cash losses in immediately preceding financial year;

(xi) Base on our audit procedure and as per the information and explanation given by the, management, we are of the opinion that the company has not defaulted in repayment of dues to financial institutions or banks or debenture holders;

(xii) According to the information and explanation given to us and based on documents and records produced to us, the company has not granted loans and advances on the bases of securities by way of pledge of shares, debenture and other securities;

(xiii) In our opinion, the company is not a chit fund or a nidhi/mutual benefit fund/ society. Therefore the provisions of clause 4(xiii) of the companies (Auditor's report) order, 2003 as amended are not applicable to the company;

INDEPENDENT AUDITORS' REPORT

- (xiv) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provision of clause 4(xiv) of the companies (auditor's report) order, 2003 as amended are not applicable to the company;
- (xv) According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions;
- (xvi) Based on the information and explanation given to us by the management, the term loans were applied for the purpose for which the loans were obtained;
- (xvii) According to the information and explanation given to us and on an overall examination of the balance sheet of the company, we report that no fund raised on the short term bases have been used for the long term investment;
- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the registered maintained under section 301 of the act;
- (xix) The company did not have any outstanding debentures during the year;
- (xx) The Company has not raised any money through public issues during the year;
- (xxi) Based upon the audit procedure perform for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

For Contractor, Nayak & Kishnadwala
Chartered Accountants
Firm Registration No.129638W

Himanshu Kishnadwala
Partner
Membership No. 37391
Vadodara, May 30, 2013

BALANCE SHEET

AS AT 31ST MARCH 2013

₹ in Lacs

Particulars	Note No.	As at 31st March, 2013	As at 31st March, 2012
I EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share Capital	3	587.20	587.20
(b) Reserves and Surplus	4	5,588.04	4,770.66
		6,175.24	5,357.86
2 Non-current liabilities			
(a) Long-term borrowings	5	2,644.69	2,546.96
(b) Deferred tax liabilities (Net)	6	917.60	842.82
(c) Long-term provisions	7	177.42	180.46
		3,739.71	3,570.24
3 Current liabilities			
(a) Short-term borrowings	8	4,261.03	4,826.76
(b) Trade payables	9	2,839.56	2,722.02
(c) Other current liabilities	10	2,649.68	2,451.37
(d) Short-term provisions	11	375.60	84.94
		10,125.87	10,085.09
TOTAL		20,040.82	19,013.19
II ASSETS			
Non - Current Assets			
1 (a) Fixed Assets	12		
(i) Tangible Assets		9,444.09	9,286.53
(ii) Intangible Assets		21.50	40.15
(iii) Capital Work in Progress		164.89	89.51
		9,630.48	9,416.19
(b) Non - Current Investments	13	1,394.83	1,060.83
(c) Long term loans & advances	14	782.06	767.85
		11,807.37	11,244.87
CARRIED FORWARD		11,807.37	11,244.87

BALANCE SHEET AS AT 31ST MARCH 2013

₹ in Lacs

Particulars	Note No.	As at 31st March, 2013	As at 31st March, 2012
BROUGHT FORWARD		11,807.37	11,244.87
2 Current Assets			
(a) Inventories	15	2,445.32	2,912.50
(b) Trade receivables	16	5,126.50	3,841.82
(c) Cash and Bank Balances	17	276.14	352.48
(d) Short-term loans and advances	18	347.44	616.93
(e) Other current assets	19	38.05	44.59
		<u>8,233.45</u>	<u>7,768.32</u>
TOTAL		<u>20,040.82</u>	<u>19,013.19</u>

Notes forming part of the financial statements

As per our report of even date

For Contractor, Nayak & Kishnadwala
Chartered Accountants

Himanshu Kishnadwala
Partner

Place : Vadodara
 Date : 30th May, 2013

For and on behalf of the Board of Directors

A. C. Shroff (Chairman)
 A. G. Shroff (Managing Director)
 Bimal V. Mehta (Executive Director)
 M. D. Patel (Director)
 A. P. Shah (General Manager(Finance))
 S. K. Solanki (Company Secretary)

Place : Vadodara
 Date : 30th May, 2013

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

₹ in Lacs

Particulars	Note No.	For the year ended 31st March, 2013	For the year ended 31st March, 2012
I. Revenue from operations	20	21,079.71	15,626.79
II. Other income	21	343.91	429.61
III. Total Revenue (I + II)		21,423.62	16,056.40
IV. EXPENSES			
Cost of Materials consumed	22	9,462.80	7,532.21
Purchases of Stock-in-Trade	23	175.13	490.80
Changes in inventories of finished goods work- in-progress and Stock-in-Trade	24	234.74	105.95
Employee benefits expense	25	2,219.23	1,879.65
Finance costs	26	1,139.79	1,009.47
Depreciation and amortization expense		665.06	681.62
Other expenses	27	6,427.55	5,605.01
Total expenses (IV)		20,324.30	17,304.71
V. Profit/(Loss) before tax (III- IV)		1,099.32	(1,248.31)
VI. Tax expense:			
Current tax		181.05	1.38
Deferred tax		74.79	(217.84)
Mat Credit Entitlement		(180.00)	-
Taxation adjustments for earlier years		-	-
VII. Profit (Loss) for the period (V-VI)		1,023.48	(1,031.85)
VIII. Earnings per equity share:			
Basic		17.43	(17.57)
Diluted		17.43	(17.57)
Notes forming part of the financial statements			

As per our report of even date

For Contractor, Nayak & Kishnadwala
Chartered Accountants

Himanshu Kishnadwala
Partner

Place : Vadodara
Date : 30th May, 2013

For and on behalf of the Board of Directors

A. C. Shroff (Chairman)
A. G. Shroff (Managing Director)
Bimal V. Mehta (Executive Director)
M. D. Patel (Director)
A. P. Shah (General Manager(Finance))
S. K. Solanki (Company Secretary)

Place : Vadodara
Date : 30th May, 2013

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2013

₹ in Lacs

Particulars	For the year ended 31 st March, 2013	For the year ended 31 st March, 2012
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit before exceptional items, prior period items and tax:	1,099.32	(1,248.31)
Adjustments for :		
Depreciation /amortization	665.06	681.62
Loss/(Profit) on disposal of fixed assets	(13.29)	(107.32)
Diminution in the carrying amount of Long term Investments	-	255.00
Interest received	(63.13)	(71.57)
Dividend Received	(210.95)	(113.88)
Interest Expense	1,139.79	1,009.47
	<u>1,517.48</u>	<u>1,653.32</u>
Operating Profit before working capital changes	2,616.80	405.01
Adjustments for:		
(Increase)/Decrease in Loans and Advances	259.09	(34.05)
(Increase)/Decrease in Trade receivables	(1,284.68)	(668.38)
(Increase)/Decrease in Inventories	467.18	(133.29)
(Increase) in Other Current Assets	3.78	40.28
(Increase)/Decrease in Trade Payables	117.54	595.76
(Increase)/Decrease in Other Liabilities and Provisions	(297.30)	1,325.56
	<u>(734.39)</u>	<u>1,125.88</u>
Cash generated from Operations	1,882.41	1,530.89
Less : Direct taxes paid	4.87	(104.82)
Cash flow before extraordinary items	1,877.54	1,635.71
Prior Period Adjustments (Other than Taxation)	-	-
Net cash from Operating Activities (A)	<u>1,877.54</u>	<u>1,635.71</u>
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(887.03)	(802.81)
Proceeds from sale of fixed assets	21.03	196.51
Purchase of Investment	(334.00)	-
Decrease / (Increase) in fixed deposits with a maturity period of more than 90 days	126.26	(96.81)
Interest received	65.89	67.62
Dividend received	210.95	113.88
Net Cash used in Investing Activities (B)	<u>(796.90)</u>	<u>(521.61)</u>
CARRIED FORWARD (A+B)	<u>1,080.64</u>	<u>1,114.10</u>

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2013

₹ in Lacs

Particulars	For the year ended 31 st March, 2013	For the year ended 31 st March, 2012
BROUGHT FORWARD	(A+B)	
	1,080.64	1,114.10
C CASH FLOW FROM FINANCIAL ACTIVITIES		
Receipt of Borrowings(net)	1,016.72	965.77
Repayment of Borrowings	(882.94)	(810.83)
Interest Paid	(1,161.87)	(952.80)
Dividend Paid	(2.63)	(232.55)
Dividend distribution Tax Paid	-	(38.10)
Net cash used Financing Activities	(C)	
	(1,030.72)	(1,068.51)
Net increase in cash and cash equivalents	(A+B+C)	
	49.92	45.59
Cash and cash equivalents at the beginning of the year	107.63	62.04
Cash and cash equivalents at the end of the year	157.55	107.63
Components of Cash & Cash Equivalents		
Cash on hand	5.27	6.10
Balances with scheduled banks:		
On Current Accounts	104.70	69.91
On unclaimed interest on fixed deposit account	34.41	15.83
On Margin money accounts	6.88	155.68
On Deposit accounts	111.71	89.17
On unclaimed dividend account	11.46	14.08
On Right issue application money account	1.71	1.71
Cash and Cash Equivalents as per Note No: 17	276.14	352.48
Less: Fixed deposits not considered as cash equivalents	118.59	244.85
Cash and Cash Equivalents as per Cash Flow Statement	157.55	107.63

Note :

- The Cash flow statement has been prepared under the Indirect method as setout in Accounting Standard-3 on Cash Flow Statements notified under Companies (Accounting Standard) Rules, 2006.
- Cash and cash equivalents includes Fixed Deposits pledged with government authorities ₹.0.90 Lacs (Previous year ₹.0.83 Lacs), Unclaimed dividend accounts ₹11.46 Lacs (Previous year ₹14.07 Lacs) and Right issue application money account ₹1.71 Lacs (Previous year ₹ 1.71 Lacs), which are not available for use by the Company.
- Figures in the brackets represents cash outflow

As per our report of even date

For Contractor, Nayak & Kishnadwala
Chartered Accountants
Himanshu Kishnadwala
Partner

Place : Vadodara
Date : 30th May, 2013

For and on behalf of the Board of Directors

A. C. Shroff (Chairman)
A. G. Shroff (Managing Director)
Bimal V. Mehta (Executive Director)
M. D. Patel (Director)
A. P. Shah (General Manager(Finance))
S. K. Solanki (Company Secretary)

Place : Vadodara
Date : 30th May, 2013

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. Nature of Operation

Transpek Industry Limited ('TIL', 'the Company') is into the manufacturing and export of a range of chemicals servicing the requirements of customers from a diverse range of industries - Textiles, Pharmaceuticals, Agrochemicals, advanced Polymers, etc.

2. Statement on Significant Accounting Policies

a) Basis of Preparation

The financial statements have been prepared to comply within all material respects with the Notified accounting standard by Companies (Accounting Standards) Rules, 2006 (as amended), other pronouncement of ICAI and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis except in case of assets for which provision for impairment is made. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

The company has ascertained its Operating Cycle as 12 months for the purpose of current / non current classification of assets and liabilities. This is based on nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalent.

b) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statement and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

c) Fixed Assets and capital work in progress

Fixed Assets are stated at cost, less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost (net of CENVAT Credit) of bringing the assets to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

d) Depreciation

Depreciation is provided using Straight Line Method as per the useful lives of the assets estimated by the management, or at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956. Assets costing upto ₹ 5,000/- are depreciated at the rate of 100 % in the year of acquisition. Depreciation in respect of additions to/deletions from the fixed assets are provided on pro-rata basis with reference to the date of addition/deletion of the assets.

e) Impairment

i) The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

ii) After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

- iii) A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

f) Intangibles

Technical Knowhow

Research costs are expensed as incurred. Product development expenditure incurred on individual product project is recognized as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- Its intention to complete the asset and use or sell it;
- its ability to use or sell the asset;
- how the asset will generate probable future economic benefits;
- the availability of adequate resources to complete the development and to use or sell the asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during development.

Any expenditure capitalized as technical knowhow is amortized on a straight-line basis over a period of ten years from the month of addition of the underlying product.

The carrying value of development costs on technical know-how is reviewed for impairment annually when the asset is not yet in use, and otherwise when events or changes in circumstances indicate that the carrying value may not be recoverable.

g) Assets Held for Disposal

Items of Fixed assets that have been retired from active use and are held for disposal are stated at the lower of their net book value or net realizable value.

h) Inventories

Raw materials, packing materials and fuel are valued at lower of cost and net realizable value. Cost is determined on First In First Out Basis. However, materials and other items held for use in production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Finished goods semi-finished goods are valued at lower of cost and net realizable value. Cost is determined on absorption costing basis. Cost of finished goods includes excise duty.

Stores and spares are valued at lower of cost and net realizable value. Cost is determined on First In First Out Basis.

Trading goods and process residue are valued at lower of cost and net realizable value.

i) Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments.

Current investments are carried at lower of cost and fair value determined on an individual investment basis.

Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

j) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Sale of goods

Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer. Gross turnover includes excise duty but does not include sales tax and VAT.

Interest

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividends

Dividend income is recognised when the unconditional right to receive the income is established.

Insurance Claims

Insurance claims are accounted on accrual basis when there is reasonable certainty of realisability of the claim amount.

k) Export Benefits

Duty free imports of raw materials under Advance License for imports as per the Import and Export Policy are matched with the exports made against the said licenses and the net benefit/obligation is accounted by making suitable adjustments in raw material consumption.

The benefits accrued under the Duty Entitlement Pass Book Scheme and duty drawback scheme as per the Import and Export Policy in respect of exports made under the said scheme have been included under the head 'Export Incentives'.

l) Foreign Currency Transaction

Initial Recognition

Foreign currency transactions are recorded in the reporting currency by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting such monetary items of company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expense in the year in which they arise.

Forward Exchange Contracts not intended for trading or speculation purposes

The premium or discount arising at the inception of forward exchange contracts is amortized as expense or income over the life of the contract. Exchange differences on such contracts are recognized in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expense for the year.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

m) Operating Lease**Where the Company is the lessee**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term are classified as Operating Leases. Operating lease payments are recognized as an expense in the Profit and Loss account on a straight line basis over the lease term.

n) Taxation

Tax expense comprises current and deferred taxes. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961 enacted in India. 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. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each balance sheet date the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available

The Company avails credit for MAT if there is reasonable certainty that the same would be set off in the eligible period.

o) Segment Reporting Policies**Identification of segments:**

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the geographical location of the customers wherever required.

Allocation of common costs:

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items:

Includes general corporate income and expense items which are not allocated to any business segment.

Segment Policies:

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

p) Employee Benefits

- i. Retirement benefits in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the Profit and Loss Account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.
- ii. Superannuation Fund is a defined contribution scheme and contributions to the scheme are charged to the profit and loss account in the year when the contributions are due. The scheme is funded with an insurance company in the form of a qualifying insurance policy. There are no other obligations other than the contribution payable to the respective trusts.
- iii. The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on post employment at 15 days salary (last drawn salary) for each completed year of service as per the rules of the Company. The aforesaid liability is provided for on the basis of an actuarial valuation made based on Projected unit credit method at the end of the financial year. The scheme is funded with an insurance company in the form of a qualifying insurance policy.
- iv. The Company has other long term employee benefits in the form of leave encashment. The liability in respect of leave encashment is provided for on the basis of actuarial valuation made based on Projected unit credit method at the end of the financial year. The aforesaid leave encashment is not funded.
- v. Actuarial gains/losses are immediately taken to profit and loss account and are not deferred.

q) Provisions

A provision is recognized when an enterprise has a present obligation as result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the best current estimates.

r) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

s) Cash and Cash Equivalents

Cash and cash equivalents for the purposes of the cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note no 3 :Share capital
Note 3(a) :- Details of share capital :

Particulars	As at 31st March, 2013		As at 31st March, 2012	
	Number of shares	₹ in Lacs	Number of shares	₹ in Lacs
Authorized				
Equity shares of ₹ 10 each with voting rights	7,500,000	750.00	7,500,000	750.00
Preference shares of ₹ 100/- each	500,000	500.00	500,000	500.00
Issued				
Equity shares of ₹ 10 each with voting rights	5,872,040	587.20	5,872,040	587.20
Subscribed & Fully Paid up				
Equity shares of ₹ 10 each with voting rights	5,872,040	587.20	5,872,040	587.20

Note 3(b) :- Reconciliation of the Number of shares and amount outstanding at the beginning and at the end of the year :

Particulars	As at 31st March, 2013		As at 31st March, 2012	
	Number of shares	₹ in Lacs	Number of shares	₹ in Lacs
Opening/closing balance of Equity shares with voting rights	5,872,040	587.20	5,872,040	587.20

Note 3 (c):- The rights, preferences and restrictions attaching to each class of shares :
Equity shares with voting rights :

Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive any remaining assets of the company , after distribution of all preferential amounts and repayment towards Preference share holders, if any.

Note 3(d) :- Details of Shares held by each Share Holder Holding more than 5% Shares.

Class of Shares/Name of Share Holder	As at 31st March, 2013		As at 31st March, 2012	
	Number of shares	Extent of Holding	Number of shares	Extent of Holding
Equity shares with voting rights				
Finquest Securities Pvt. Ltd	992,454	16.90%	682,699	11.63%
Kamaljyot Investments Ltd	608,493	10.36%	608,493	10.36%
Shruti A. Shroff	305,725	5.21%	305,725	5.21%

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note no. 4: Reserves and surplus

Particulars	As at 31st March, 2013 ₹ in Lacs	As at 31st March, 2012 ₹ in Lacs
(a) Capital Reserve(On amalgamation of subsidiary company)		
Opening/closing balance	19.00	19.00
(b) Securities Premium Account		
Opening/closing balance	1,524.08	1,524.08
(c) General Reserve		
Opening Balance/closing balance	2,446.36	2,446.36
(+): Transfer for the year	300.00	-
Closing Balance	2,746.36	2,446.36
(d) Surplus		
Opening balance	781.22	1,813.07
(+) Net Profit/(Net Loss) for the Year	1,023.48	(1,031.85)
(-) Proposed dividend	176.16	-
(-) Tax on proposed dividend	29.94	-
(-) Transfer to general reserve	300.00	-
Closing Balance	1,298.60	781.22
Total	5,588.04	4,770.66

Note No. 5 : Long term borrowings

Particulars	As at 31st March, 2013 ₹ in Lacs	As at 31st March, 2012 ₹ in Lacs
(a) Term Loans		
- Secured		
From Banks (Refer note (i) and (ii))	1,330.08	1,314.91
(b) Deposits		
- Unsecured		
Public Deposits(Refer note - (iii) below)	1,089.61	1,232.05
(c) Unsecured Loan from Related Parties		
- Inter Corporate Deposits	140.00	-
- Deposits from Director's	70.00	-
- Deposits from Relative of Director	15.00	-
(Refer note - (iv) below)	225.00	-
Total	2,644.69	2,546.96

(i) Nature of security:

The above Term loans/capex loans are secured by first charge by way of hypothecation of all the movable machinery financed or to be financed under the said term/capex loans by the respective banks. The above loans are further secured by first charge by way of an equitable mortgage on the whole of the immovable assets of the Company, both present and future, on pari passu basis. They are further secured by second charge by way of hypothecation over entire current assets including stock and book debts with current charge holders on pari passu basis.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(ii) Maturity profile of Secured Term loans are set out below:

₹ in Lacs

	Interest rate range	Maturity Profile	
		1-2 years	2-3 years
Term loans - from Banks	13.25 % to 15.50 %	1,044.96	285.32

(iii) Public deposits aggregating to ₹ 1089.61 Lacs are repayable within a period of next 2 to 3 years. The interest rate for the same ranges from 9.50% to 11.00 %

(iv) Unsecured Loan from Related Parties aggregating to ₹ 225.00 Lacs are repayable after three years. The Company has accepted the above loans as per stipulation of Bank. The rate of interest is 12.00 %

Note No. 6: Deferred Tax liabilities(Net)

Particulars	As at 31st March, 2013 ₹ in Lacs	As at 31st March, 2012 ₹ in Lacs
Deferred tax liabilities		
Related to fixed assets	1,057.42	928.11
Total	1,057.42	928.11
Deferred tax assets		
Disallowances under the Income Tax Act ,1961	65.00	72.43
Provision for doubtful debts / advances	-	12.86
Unabsorbed tax losses carried forward(Refer note below)	74.82	-
Total	139.82	85.29
Net deferred tax (liability) / asset	917.60	842.82

Note:-

The company has recognized deferred tax on unabsorbed tax losses since the company has sufficient orders in hand to offset these losses. The Company has considered this as convincing evidence giving virtual certainty to be able to recognise the resultant deferred tax assets.

Note No. 7 : Long term provisions

Particulars	As at 31st March, 2013 ₹ in Lacs	As at 31st March, 2012 ₹ in Lacs
(a) Provision for employee benefits:		
(i) Provision for compensated absences	177.42	180.46
Total	177.42	180.46

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No. 8 : Short term borrowings

Particulars	As at 31st March, 2013 ₹ in Lacs	As at 31st March, 2012 ₹ in Lacs
(a) Secured		
- Loans repayable on demand from banks	2,491.50	2,600.57
- Acceptances from Banks	1,659.45	1,988.79
(Refer note (i) below)		
(b) Unsecured		
- Public Deposits (Refer note (ii) and (iii) below)	110.08	237.40
Total	4,261.03	4,826.76

Note: (i) The above cash/Export credit facilities from Consortium bankers i.e. State Bank of India, Axis Bank Limited, Bank of Baroda and IDBI Bank Limited are secured by first charge by way of hypothecation of stocks of raw materials, packing materials, consumable stores, finished goods, semi-finished goods and book debts of the company, on pari passu basis. The aforesaid credit facilities are further secured by way of charge on the whole of the fixed assets of the company ranking second and subservient for the charges created in respect of borrowings obtained from them. The interest rate for the same ranges from 9.70% to 14.00 %.

(ii) The interest rate for short term unsecured public deposit is 9.50%.

(iii) Public deposits includes deposits from related parties amounting to ₹ 0.61 Lacs (P.Y. ₹ 15.61 Lacs)

Note No. 9 : Trade Payables

Particulars	As at 31st March, 2013 ₹ in Lacs	As at 31st March, 2012 ₹ in Lacs
Others (Refer note 30(A))	2,839.56	2,722.02
Total	2,839.56	2,722.02

Note No. 10: Other Current Liabilities

Particulars	As at 31st March, 2013 ₹ in Lacs	As at 31st March, 2012 ₹ in Lacs
(a) Current maturities of long-term debt (Refer Note no (i) below)	1,171.68	879.14
(b) Current maturities of unsecured deposits (Refer Note no 5(iii))	611.47	641.17
(c) Interest accrued but not due on borrowings	147.38	169.41
(d) Interest accrued and due on borrowings	15.65	14.52
(e) Unpaid dividends(*)	11.46	14.07
(f) Application money received for allotment of securities and due for refund and interest accrued thereon	1.71	1.71
(g) Unpaid matured deposits and interest accrued thereon	61.38	50.10
	2,020.73	1,770.12
CARRIED FORWARD	2,020.73	1,770.12

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	As at 31st March, 2013 ₹ in Lacs	As at 31st March, 2012 ₹ in Lacs
BROUGHT FORWARD	2,020.73	1,770.12
(h) Other payables		
(i) Statutory remittances	57.60	55.23
(ii) Interest accrued on trade payables	6.14	6.14
(iii) Interest accrued on others	5.44	9.34
(iv) Security deposits received	11.05	11.05
(v) Advances from customers	54.20	50.18
(vi) Salary and Wages payable	130.40	132.91
(vii) Payable to Subsidiary	-	3.67
(viii) Other payables	364.12	412.73
Total	2,649.68	2,451.37

(*) To be deposited with Investor Education and Protection Fund as and when they became due.

Note (i): Current maturities of long-term debt (Refer Notes (i) in Note 5 - Long-term borrowings for details of security and guarantee):

Particulars	As at 31st March, 2013 ₹ in Lacs	As at 31st March, 2012 ₹ in Lacs
Secured Term loans from banks:	1,171.68	879.14
(The interest rate for the same ranges from 13.25 % to 15.50 %)		
Total	1,171.68	879.14

Note No. 11 : Short term provisions

Particulars	As at 31st March, 2013 ₹ in Lacs	As at 31st March, 2012 ₹ in Lacs
(a) Provision for employee benefits:		
(i) Provision for Bonus/exgratia	47.37	47.13
(ii) Provision for compensated absences	8.82	37.81
(iii) Provision for gratuity (net) (Refer Note 29B(a))	89.76	-
	145.95	84.94
(b) Other Provisions:		
(i) Provision for proposed dividend	176.16	-
(ii) Provision for tax on proposed dividend	29.94	-
(iii) Provision for income tax (net)	23.55	-
	229.65	-
Total	375.60	84.94

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note no. 12 : Fixed Assets

(₹. in lacs)

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION				NET BLOCK		
	Balance as at 1 st April, 2012	Additions	(Disposals)	Balance as at 31 st March, 2013	Balance as at 1 st April, 2012	Depreciation charge for the year	On Disposals	Balance as at 31 st March, 2013	Balance as at 31 st March, 2013	Balance as at 31 st March, 2012
(i) Tangible Assets										
(a) Land- (Free Hold)	284.96	27.13		312.09	-	-		-	312.09	284.95
(b) Buildings	1,149.76	65.93		1,215.69	211.35	27.10		238.45	977.24	938.42
(c) Electric Installations	222.74	3.11		225.85	70.74	8.53		79.27	146.58	152.00
(d) Plant and Equipment	12,118.11	662.32	39.75	12,740.68	4,925.49	537.64	32.02	5,431.11	7,309.57	7,192.61
(e) Research and Development Equipment	524.05	24.68		548.73	175.71	31.06		206.77	341.96	348.34
(f) Furniture and Fixtures	209.22	6.35		215.57	105.30	11.28		116.58	98.99	103.92
(g) Vehicles	268.06	16.70		284.76	85.26	25.13		110.39	174.37	182.77
(h) Office equipment	111.94	5.43		117.37	33.95	4.80		38.75	78.62	77.99
(i) Technical Books	42.37			42.37	36.83	0.87		37.70	4.67	5.53
Total	14,931.21	811.65	39.75	15,703.11	5,644.63	646.41	32.02	6,259.02	9,444.09	9,286.53
(ii) Intangible Assets										
Technical Know How	439.09	-	-	439.09	398.94	18.65	-	417.59	21.50	40.15
Total	439.09	-	-	439.09	398.94	18.65	-	417.59	21.50	40.15
(iii) Capital Work In Progress	89.51	152.54	77.16	164.89	-	-	-	-	164.89	89.51
Total	89.51	152.54	77.16	164.89	-	-	-	-	164.89	89.51
Total	15,459.81	964.19	116.91	16,307.09	6,043.57	665.06	32.02	6,676.61	9,630.48	9,416.19

Note

- Addition to fixed assets includes ₹ 1.87 Lacs on account of capitalization of interest.
- Depreciation on plant and equipment is after adjusting excess provision of depreciation for the earlier years amounting to ₹ 42.83 Lacs

Note no. 12 : Fixed Assets

(₹. in lacs)

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION				NET BLOCK		
	Balance as at 1 st April, 2011	Additions	(Disposals)	Balance as at 31 st March, 2012	Balance as at 1 st April, 2011	Depreciation charge for the year	On Disposals	Balance as at 31 st March, 2012	Balance as at 31 st March, 2012	Balance as at 31 st March, 2011
(i) Tangible Assets										
(a) Land-(Free Hold)	285.07	7.00	7.11	284.96	-	-	-	-	284.95	285.07
(b) Buildings	1,050.07	99.69	-	1,149.76	186.42	24.93	-	211.35	938.42	863.65
(c) Electric Installations	186.23	36.51	-	222.74	62.99	7.75	-	70.74	152.00	123.24
(d) Plant and Equipment	11,345.25	911.17	138.31	12,118.11	4,427.56	556.89	58.97	4,925.49	7,192.61	6,917.69
(e) Research and Development Equipment	443.60	85.76	5.31	524.05	137.54	41.10	2.93	175.71	348.34	306.06
(f) Furniture and Fixtures	203.32	5.90	-	209.22	102.17	3.13	-	105.30	103.92	101.15
(g) Vehicles	235.99	32.42	0.35	268.06	62.16	23.10	-	85.26	182.77	173.83
(h) Office equipment	105.95	5.99	-	111.94	29.40	4.55	-	33.95	77.99	76.55
(i) Technical Books	42.18	0.19	-	42.37	35.78	1.05	-	36.83	5.53	6.40
Total	13,897.66	1,184.63	151.08	14,931.21	5,044.02	662.50	61.90	5,644.63	9,286.53	8,853.64
(ii) Intangible Assets										
Technical Know How	439.09	-	-	439.09	379.82	19.12	-	398.94	40.15	59.27
Total	439.09	-	-	439.09	379.82	19.12	-	398.94	40.15	59.27
(iii) Capital Work In Progress	471.33	83.40	465.22	89.51	-	-	-	-	89.51	471.33
Total	471.33	83.40	465.22	89.51	-	-	-	-	89.51	471.33
Total	14,808.08	1,268.03	616.30	15,459.81	5,423.84	681.62	61.90	6,043.57	9,416.19	9,384.24

Note

- Addition to fixed assets includes ₹ 4.12 Lacs on account of capitalization of interest cost.
- Depreciation on electric installations, plant and equipment, furniture and fixtures and vehicles is after adjusting excess provision of depreciation for the earlier years amounting to ₹ 15.30 Lacs.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note no. 13 : Non-Current Investments

Particulars	As at 31st March, 2013 ₹ in Lacs	As at 31st March, 2012 ₹ in Lacs
Long term Investments at cost, unless otherwise specified		
<u>Trade Investments (unquoted)</u>		
<u>Investment in Preference Share instruments of subsidiaries(fully paid up)</u>		
(a) 3,34,000 (Nil) 15 % Cumulative Non Convertible Redeemable Preference Shares of ₹ 100 each of Sam Fine O Chem Limited. (Refer note 29(b))	334.00	-
<u>Investment in equity instruments (fully paid up)</u>		
<u>(i) Subsidiaries</u>		
(a) 20(P.Y. : 20) equity shares of 1 GBP each of Transpek Industry (Europe) Limited	0.02	0.02
(b) 2,92,919 (2,92,919) Equity Shares of ₹ 10 each of Sam Fine O Chem Limited.(Refer note 29(b))	876.58	876.58
Less: Provision for diminution, other than temporary	255.00	255.00
	621.58	621.58
<u>(ii) Other Companies</u>		
(a) 10,000 (P.Y. : 10,000) Equity Shares of ₹ 100 each of Agrocel Industries Limited	10.00	10.00
(b) 9,49,315 (P.Y. : 9,49,315) Equity Shares of ₹ 10 each in Transpek-Silox Industry Limited	290.96	290.96
Total - (A)	1,256.56	922.56
Trade Investments (quoted)		
1,56,650 (P.Y. : 1,56,650) Equity Shares of ₹ 5 each in Excel Industries Limited	226.76	226.76
Less: Provision for diminution, other than temporary	88.63	88.63
Total - (B)	138.13	138.13
Other Investments (unquoted)- Non trade	-	-
(i) Investments in equity instruments (fully paid up)		
(a) 400 (P.Y.:400) Equity Shares of ₹ 25 each of Co-operative Bank of Baroda Limited	0.10	0.10
(b) 10 (P.Y.: 10) Equity Shares of ₹ 10 each of Pragati Sahakari Bank Limited	-	-
	0.10	0.10
(ii) Investment in Government Securities		
(a) 12 Years National Defence Certificate (Face Value: ₹ 1,400)	0.01	0.01
(b) 7 Years National Saving Certificate (Face Value: ₹ 2,500)	0.03	0.03
	0.04	0.04
Total - (C)	0.14	0.14
Total - (A+B+C)	1,394.83	1,060.83
Aggregate value of unquoted investments	1,256.70	922.70
Aggregate value of quoted investments	138.13	138.13
Aggregate value of investments	1,394.83	1,060.83
Aggregate market value of quoted investments	93.99	106.85
Aggregate provision for diminution in value of investments	343.63	343.63

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note no. 14: Long-term loans and advances

Particulars	As at 31st March, 2013 ₹ in Lacs	As at 31st March, 2012 ₹ in Lacs
Unsecured, considered good		
(a) Capital Advances	21.36	36.35
(b) Loans and advances to related parties	30.71	-
(c) Security deposits	112.63	112.21
(d) Balances with government authorities		
(i) Taxes paid in advances (net of provisions)	218.88	385.82
(ii) MAT credit entitlement	215.75	45.00
(iii) VAT recoverable	182.73	188.47
Total	782.06	767.85

Note no.: 15 Inventories

(At lower of cost and net realizable value)

Particulars	As at 31st March, 2013 ₹ in Lacs	As at 31st March, 2012 ₹ in Lacs
(a) Raw materials		
- Loose Sulphur	158.31	32.84
- Purified Isophthalic Acid	299.83	225.90
- Others	721.13	1,149.03
(Includes Stock in transit of ₹ Nil (P.Y. ₹ 286.03 Lacs)	1,179.27	1,407.77
(b) Work-in-progress		
Chlorinated Compounds	253.91	249.10
(c) Finished goods		
Chlorinated Compounds	776.14	1,018.27
SO3 / Oleum	21.75	16.35
Process Residue /others	3.25	6.07
(Includes Stock in transit of ₹ 5.07 (P.Y. ₹ 184.95)	801.14	1,040.69
(d) Stores and spares	160.84	161.24
(e) Packing Materials	20.26	31.82
(f) Stock of fuel	29.90	21.88
Total	2,445.32	2,912.50

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note no.16: Trade receivables

Particulars	As at 31st March, 2013 ₹ in Lacs	As at 31st March, 2012 ₹ in Lacs
Unsecured, considered good		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment	478.11	95.34
Other trade receivables	4,648.39	3,746.48
Total	5,126.50	3,841.82

Note no.17 : Cash and Bank Balance

Particulars	As at 31st March, 2013 ₹ in Lacs	As at 31st March, 2012 ₹ in Lacs
Cash and Cash Equivalent		
(a) Cash in hand	5.27	6.10
(b) Balances with banks		
(i) In current accounts	104.70	69.91
	109.97	76.01
Other Bank Balances		
(a) Deposits with bank with maturity more than 3 Months(*)	111.71	89.17
(b) Balances held as margin money against guarantees	6.88	155.68
(c) In earmarked accounts		
- Balances held in unpaid dividend accounts	11.46	14.08
- Balances held in Right issue application money account	1.71	1.71
- Balances held in unpaid interest on fixed deposit accounts	34.41	15.83
	166.17	276.47
Total	276.14	352.48

(*) Notes :-

- (a) Includes Fixed deposits with Banks of ₹ 45.50 Lacs (P.Y. ₹ 25.00 Lacs) having maturity of more than 12 months.
- (b) Cash and Bank balances includes Fixed Deposits pledged with government authorities ₹. 0.90 Lacs (P. Y. ₹ 0.83 Lacs)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note no. 18 : Short-term loans and advances

Particulars	As at 31st March, 2013 ₹ in Lacs	As at 31st March, 2012 ₹ in Lacs
(a) Loans and advances to suppliers		
Unsecured, considered good	36.51	14.79
Doubtful	-	39.63
	<u>36.51</u>	<u>54.42</u>
Less : Provision for bad and doubtful loans and advances	-	39.63
Balance	36.51	14.79
<u>Unsecured, considered good</u>		
(b) Loans and advances to related parties	28.92	366.67
(c) Loans and advances to employees	1.54	4.56
(d) Prepaid expenses	102.53	91.60
(e) Balances with government authorities		
(i) Balances with Excise authorities	133.48	86.34
(ii) Service Tax credit receivable	44.04	33.40
(f) Advance for Expenses	0.42	19.57
Total	<u>347.44</u>	<u>616.93</u>

Note No. 19 : Other current assets

Particulars	As at 31st March, 2013 ₹ in Lacs	As at 31st March, 2012 ₹ in Lacs
(a) Accruals		
(i) Interest accrued on deposits	5.71	8.47
(ii) Discount and claims receivable	15.72	16.41
(b) Others		
(i) Assets held for sale	16.62	19.71
Total	<u>38.05</u>	<u>44.59</u>

Note no. 20 : Revenue from Operations

Particulars	For the year ended 31st March, 2013 ₹ in Lacs	For the year ended 31st March, 2012 ₹ in Lacs
(a) Sale of products	21,603.83	16,035.29
Less: Excise duty recovered on sale of products	901.38	680.19
	<u>20,702.45</u>	<u>15,355.10</u>
(b) Other Operating revenues	377.26	271.69
Total	<u>21,079.71</u>	<u>15,626.79</u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note- 20 (i) Sale of products comprises of

Particulars	For the year ended 31st March, 2013 ₹ in Lacs	For the year ended 31st March, 2012 ₹ in Lacs
<u>Manufactured goods</u>		
Chlorinated Compounds	18,555.96	12,865.01
SO3 / Oleum	1,419.69	1,365.10
Process Residue /others	549.97	638.00
Total - Sale of manufactured goods	20,525.62	14,868.11
<u>Traded Goods</u>		
Napthalene	-	338.95
Fexofinedine	171.35	-
Other Chemicals	5.48	148.05
Total - Sale of Traded goods	176.83	487.00
Total Sale of Products	20,702.45	15,355.11

Note- 20(ii) Other Operating Revenue comprises of

Particulars	For the year ended 31st March, 2013 ₹ in Lacs	For the year ended 31st March, 2012 ₹ in Lacs
(i) Job Work Income	228.61	154.20
(ii) Income from sale of scrap	54.05	62.55
(iii) Export Incentives and Duty drawbacks	94.60	54.94
Total - Other operating revenues	377.26	271.69

Note no. 21 : Other Income

Particulars	For the year ended 31st March, 2013 ₹ in Lacs	For the year ended 31st March, 2012 ₹ in Lacs
(a) Interest Income	63.13	71.57
(b) Dividend Income		
From Long Term Investments	210.95	113.88
(c) Other Non-Operating Income	69.83	244.16
Total	343.91	429.61

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note- 21 (i) Interest Income Comprises of

Particulars	For the year ended 31st March, 2013 ₹ in Lacs	For the year ended 31st March, 2012 ₹ in Lacs
(i) Interest from Bank on:		
Deposits	11.09	14.27
(ii) Interest on Income Tax refund	14.43	16.80
(iii) Interest on Loans and Advances, ICD etc	20.50	36.14
(iv) <u>Other Interest</u>		
Other deposits	3.86	0.51
Others	13.25	3.85
Total - Interest income	63.13	71.57

Note- 21(ii) Other Non- Operating Income Comprises of

Particulars	For the year ended 31st March, 2013 ₹ in Lacs	For the year ended 31st March, 2012 ₹ in Lacs
(i) Rental income of		
(a) Lease Rent	-	0.02
(b) Compensation for delay in return of returnable containers	42.79	78.69
(ii) Profit on sale of fixed assets (net)	13.29	139.79
(iii) Insurance claims	6.40	24.28
(iv) Sundry Balance Written back (net)	0.01	0.53
(v) Other Income	7.34	0.85
Total	69.83	244.16

Note No. 22 : Cost of materials consumed

Particulars	For the year ended 31st March, 2013 ₹ in Lacs	For the year ended 31st March, 2012 ₹ in Lacs
Raw Material Consumption		
Opening Stock	1,407.77	1,118.05
Add: Purchases	9,234.30	7,821.93
	10,642.07	8,939.98
Less: Closing stock	1,179.27	1,407.77
Cost of Material Consumed(Refer Note 28(E))	9,462.80	7,532.21
Total	9,462.80	7,532.21

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note no. 23 : Purchase of Traded goods

Particulars	For the year ended 31st March, 2013 ₹ in Lacs	For the year ended 31st March, 2012 ₹ in Lacs
Napthalene	-	344.44
Fexofinedine	166.85	-
Others	8.28	146.36
Total	175.13	490.80

**Note no. 24 : Changes in Inventories of finished goods,
Work in Progress and Stock -in - Trade**

Particulars	For the year ended 31st March, 2013 ₹ in Lacs	For the year ended 31st March, 2012 ₹ in Lacs
(a) Inventories at the beginning of the year:		
Finished Goods	1,040.69	1,179.43
Work in Progress	249.10	216.31
	<u>1,289.79</u>	<u>1,395.74</u>
(b) Inventories at the end of the year:		
Finished Goods	801.14	1,040.69
Work in Progress	253.91	249.10
	<u>1,055.05</u>	<u>1,289.79</u>
Net Change in Inventories	234.74	105.95

Note no. 25 : Employee Benefit expenses

Particulars	For the year ended 31st March, 2013 ₹ in Lacs	For the year ended 31st March, 2012 ₹ in Lacs
(a) Salaries, wages ,allowances ,etc.	1,661.73	1,474.96
(b) Contributions to Provident and other funds	352.67	208.60
(c) Staff welfare expenses	204.83	196.09
Total	2,219.23	1,879.65

Note no. 26 : Finance Costs

Particulars	For the year ended 31st March, 2013 ₹ in Lacs	For the year ended 31st March, 2012 ₹ in Lacs
(i) Interest expense		
(a) Borrowings	962.64	871.89
(b) Others	12.69	3.56
(ii) Other borrowing costs	164.46	134.02
Total	1,139.79	1,009.47

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note no. 27 : Other Expenses

Particulars	For the year ended 31st March, 2013 ₹ in Lacs	For the year ended 31st March, 2012 ₹ in Lacs
Consumption of stores and spare parts	130.19	150.40
Power and fuel	1,636.64	1,170.40
Consumption of Packing Materials	600.15	512.47
Rent	206.78	203.43
Repairs and maintenance		
Repairs to buildings	41.36	14.90
Repairs to machinery	520.37	371.45
Repairs to Others	55.38	47.19
Insurance	81.95	90.63
Rates and taxes (other than taxes on income)	6.96	7.09
Freight and Forwarding charges	1,196.97	710.79
Commission expense	406.81	455.54
Travelling and Conveyance	250.75	230.30
Legal and Professional charges	173.12	154.37
Net loss on foreign currency transactions translations	509.99	630.37
Payment to Auditors (Refer Note 28(G))	8.03	7.86
Donation and contribution to charitable organizations (Refer Note No 30(H))	28.11	11.97
Diminution in the carrying amount of Long term Investments	-	255.00
Loss on disposal of assets(net)	-	32.47
Miscellaneous expenses	573.99	548.38
Total	6,427.55	5,605.01

Note No. :- 28 Additional information to the financial statements

(A) Contingent Liabilities and Commitments (to the extent not provided for).

Particulars	Year ended 31st March, 2013 ₹ in Lacs	Year ended 31st March, 2012 ₹ in Lacs
(a) Contingent Liabilities		
(i) Claims against the company not acknowledged as debts((mainly on account of outstanding law suits)	264.25	264.25
(ii) Guarantees given by Banks to third parties on behalf of the company	17.97	18.24
(b) No provision has been made for following demands raised by the authorities since the company has reason to believe that it would get relief at the appellate stage as the said demand are excessive and erroneous		
(i) Disputed Income tax Liability	213.22	343.86
- Against Which amount already paid ₹ 189.57 (P.Y ₹ 189.57 Lacs)		
(ii) Disputed Sales tax Liability	34.11	34.11
Total	529.55	660.46

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No. :-28 Cont'd...

Particulars	Year ended 31st March, 2013 ₹ in Lacs	Year ended 31st March, 2012 ₹ in Lacs
-------------	------------------------------------------------	------------------------------------------------

(c) Commitments

- (i) Estimated amount of contracts remaining to be executed on capital account & not provided for

- Tangible Assets

127.15

127.95

(ii) other Commitments

-

-

Total

127.15

127.95

(B) CIF Value of Imports (on accrual basis)

Particulars	Year ended 31st March, 2013 ₹ in Lacs	Year ended 31st March, 2012 ₹ in Lacs
Raw Materials	4052.91	2880.10
Stores and Spares	0.71	0.23
Capital goods	106.47	27.30
Total	4160.09	2907.63

(C) Expenditure in foreign currency (on cash basis)

Particulars	Year ended 31st March, 2013 ₹ in Lacs	Year ended 31st March, 2012 ₹ in Lacs
Travelling Expenses	59.18	63.76
Export Sales Commission	319.38	327.55
Tank Hire Charges	192.79	169.35
ISO Tank Repairing Charges	26.23	-
Office expenses	42.92	43.03
Interest expenses	-	1.68
Others	14.52	28.50
Total	655.02	633.87

(D) (a) Value of Imported and Indigenous Raw Materials consumed

Particulars	Year ended 31st March, 2013		Year ended 31st March, 2012	
	₹ in Lacs	%	₹ in Lacs	%
Imported	4590.89	48.52%	3016.65	40.05%
Indigenous	4871.91	51.48%	4515.55	59.95%
Total	9462.80	100.00%	7532.20	100.00%

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No. :-28 Cont'd...

(b) Value of Imported and Indigenous Stores and Spares consumed

Particulars	Year ended 31st March, 2013		Year ended 31st March, 2012	
	₹ in Lacs	%	₹ in Lacs	%
Imported	0.77	0.59%	0.35	0.23%
Indigenous	129.42	99.41%	150.05	99.77%
Total	130.19	100.00%	150.40	100.00%

(E) Details of Raw Materials Consumed*

Particulars	Year ended 31st March, 2013	Year ended 31st March, 2012
	₹ in Lacs	₹ in Lacs
Chlorine	2.03	300.06
Sulphur	2136.78	2169.45
Mono Chloro Acetic Acid/ Isophthalic Acid	1323.86	965.49
Gamma Butyrolacton	959.01	173.03
Purified Terephthalic Acid	671.43	643.44
Others	4369.69	3280.74
Total	9462.80	7532.21

*The above figures have been ascertained on the basis of opening stock plus purchases less closing stock and therefore include the adjustments of excesses and shortages ascertained on physical count, write off of unserviceable items etc.

Above values of Raw Material consumed includes cost of Raw material sold ₹ 149.12 lacs (Previous Year : ₹ 9.92 Lacs).

(F) Earnings in foreign currency (on accrual basis)

Particulars	Year ended 31st March, 2013	Year ended 31st March, 2012
	₹ in Lacs	₹ in Lacs
F.O.B. value of Exports	12863.67	8211.78

(G) Auditor's Remuneration

Particulars	Year ended 31st March, 2013	Year ended 31st March, 2012
	₹ in Lacs	₹ in Lacs
Audit Fees	5.00	5.00
Fees for other services	2.79	2.40
Out of pocket expenses	0.24	0.46
Total	8.03	7.86

(H) Amounts remitted in foreign currency during the year on account of dividend

Particulars	Year ended 31st March, 2013	Year ended 31st March, 2012
	₹ in Lacs	₹ in Lacs
Amount of dividend remitted in foreign currency	Nil	Nil

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note no. :- 29 Disclosures under Accounting Standards as notified under the Companies (Accounting Standard) Rules, 2006
(A) Disclosure as per Accounting Standard -13 (Accounting for Investments)

- (a) The Company has an investment in equity shares of Excel Industries Limited amounting to ₹ 226.76 lacs. In respect of this investment, the Company had, in the earlier years, recognized a diminution in the value of investment amounting to ₹ 88.63 lacs. The market value of this investment at March 31, 2013 is ₹ 93.99 lacs. (Previous Year ₹ 106.85 lacs) In view of the long-term nature of this investment and having regard to the book value of the equity shares, the management does not consider provision for any further diminution in the carrying value of this investment, as at March 31, 2013.
- (b) The Company has an investment in equity shares of Sam Fine O Chem limited amounting to ₹ 876.58 lacs. The company has incurred substantial losses and as on 31st March 2013 its net worth has been completely eroded. The company has already recognized a diminution in the value of investment by ₹ 255.00 lacs during the last year. In view of the long-term nature of these investments and based on new products under development and increase in efficiency, the management does not consider provision for any further diminution in the carrying value of this investment, as at March 31, 2013. (refer note no. 30(F))

(B) Disclosure as per Accounting Standard -15 (Employee Benefits)
(a) Gratuity plan:

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. However, the scheme is not funded. The following tables summaries the components of net benefit expense recognized in the profit and loss account and the funded status and amounts recognized in the balance sheet for the gratuity plan.

Profit and Loss Account

Net employee benefit expense

Particulars	As on 31st March, 2013 ₹ in Lacs	As on 31st March, 2012 ₹ in Lacs
Current service cost	32.72	34.03
Interest cost	54.00	49.10
Expected return on plan assets	(55.66)	(44.31)
Net actuarial(gain) / loss recognized in the year	77.69	(45.31)
Net (benefit)/ expense	108.75	(6.49)
Actual return on plan assets	58.06	55.08

Note no. :- 29 Disclosures under Accounting Standards as notified under the Companies (Accounting Standard) Rules, 2006
Balance Sheet

Particulars	As on 31st March, 2013 ₹ in Lacs	As on 31st March, 2012 ₹ in Lacs
Defined benefit obligation	751.60	617.12
Fair value of plan assets	661.84	636.12
Less: Unrecognized past service cost	-	-
Plan asset / (liability)	89.76	(19.00)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note no. :- 29 Cont'd...

Changes in the present value of the defined benefit obligation are as follows:

Particulars	As on 31st March, 2013 ₹ in Lacs	As on 31st March, 2012 ₹ in Lacs
Opening defined benefit obligation	617.12	595.12
Interest cost	54.00	49.10
Current service cost	32.72	34.03
Benefits paid	(32.34)	(26.59)
Actuarial (gains) / losses on obligation	80.10	(34.54)
Closing defined benefit obligation	751.60	617.12

Changes in the fair value of plan assets are as follows:

Particulars	As on 31st March, 2013 ₹ in Lacs	As on 31st March, 2012 ₹ in Lacs
Opening Balance of Plan Assets	636.12	537.03
Interest cost	55.66	44.31
Contribution made during the year	-	70.60
Benefits paid	(32.34)	(26.59)
Actuarial (gains) / losses on obligation	2.40	10.77
Closing defined benefit obligation	661.84	636.12

The Company expects to contribute ₹ 111 lacs (P. Y. ₹ Nil) to gratuity in 2013-14

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	As on 31st March, 2013 ₹ in Lacs	As on 31st March, 2012 ₹ in Lacs
	%	%
Investments with insurer (LIC)	100.00	100.00

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

(a) The principal assumptions used in determining gratuity for the Company's plan are shown below:

Particulars	As on 31st March, 2013 ₹ in Lacs	As on 31st March, 2012 ₹ in Lacs
Discount rate	8.25	8.75
Expected rate of return on assets	8.70	8.75
Increase in Compensation cost	7.00	8.00
Mortality Table	India Assured Lives Mortality (2006-08)	LIC(1994-96) Ultimate Ultimate
Proportion of employees opting for early retirement	2.00%	1.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note no. :- 29 Cont'd...

Amounts for the current and previous two periods are as follows:

Particulars	As on 31st March, 2013 ₹ in Lacs	As on 31st March, 2012 ₹ in Lacs	As on 31st March, 2011 ₹ in Lacs
Defined benefit obligation	(751.60)	(617.12)	(595.12)
Plan Assets 661.84	636.12	537.03	
Experience adjustments on plan liabilities*	-	-	-
Surplus/(Deficit)	(89.76)	19.00	(58.09)

*In the absence of availability of relevant information, experience adjustments on plan assets and liabilities have not been furnished above.

(b) Defined Contribution plans:

Amounts recognized as expense for the period towards contribution to the following funds:

Particulars	As on 31st March, 2013 ₹ in Lacs	As on 31st March, 2012 ₹ in Lacs
Employers contribution to:		
- Provident Fund	126.89	111.92
- Gujarat Labour Welfare Fund	0.06	0.06
- Superannuation Fund	113.90	102.44
Total	240.85	214.42

(C) Disclosure as per Accounting Standard - 17 (Segment Reporting)
Segment Information

As per para 4 of AS-17 "Segment Reporting", Segment information has been disclosed in Consolidated Financial Accounts.

(D) Disclosure as per Accounting Standard - 18 (Related Party Disclosures)

(a) Names of related parties and description of relationship:

Subsidiary Companies	Transpek Industry (Europe) Limited Sam Fine O Chem Limited
Enterprises owned or significantly influenced by key management personnel or their relatives	Excel Industries Limited Excel Crop Care Limited TML Industries Limited Shroffs Engineering Limited Anshul Specialty Molecules Limited Anshul Life Sciences Madison Investments Private Limited Agrocel Industries Limited Transchem Agritech Limited Hyderabad Chemical Products Limited Kamaljiyot Investments Limited Shroffs Foundation Trust C.C. Shroff Research Institute
Key Management Personnel	Atul G. Shroff (Managing Director) Bimal V. Mehta (Executive Director)
Relatives of key management personnel	Ashwin C. Shroff Dipesh K. Shroff Vishwa A. Shroff Shruti A. Shroff Chaitanya D. Shroff Ravi A. Shroff

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note no. :- 29 Cont'd...

(D) Disclosure as per Accounting Standard - 18 (Related Party Disclosures)

₹ in Lacs

(b) Transactions along with related parties for the year ended March 31, 2013 are as follows: (Previous Year's figures are shown in brackets)

Particulars	Subsidiary	Enterprises owned or significantly influenced by key management personnel or their relatives	Key Management Personnel and relatives	Total
Sales of Goods	99.40 (56.06)	163.14 (213.31)	- -	262.54 (269.37)
Services Rendered	-	4.94 -	-	4.94 -
Dividend Received	-	11.13 (13.87)	-	11.13 (13.87)
Dividend Paid	-	-	-	-
Commission Paid	-	(3.49)	(26.24)	(29.73)
Purchase of Goods	166.85 -	0.06 (11.54)	-	166.91 (11.54)
Purchase of Fixed Assets	-	6.62 (0.15)	-	6.62 (0.15)
Office Rent	-	2.79 (2.31)	-	2.79 (2.31)
Services Availed	-	0.01 (3.62)	-	0.01 (3.62)
Donations Paid	-	21.25 (1.25)	-	21.25 (1.25)
Interest Received	20.20 (32.52)	0.61 -	-	20.81 (32.52)
Advance Given	-	17.00 -	-	17.00 -
Advance Repaid	-	5.00 -	-	5.00 -
Inter Corporate Deposit Taken	-	140.00 -	-	140.00 -
Deposit Taken	-	-	95.61 -	95.61 -
Deposit Repaid	-	-	30.00 -	30.00 -
Interest Paid	-	14.67 (0.32)	7.42 (1.55)	22.09 (1.87)
Investment	334.00 -	-	-	334.00 -
Reimbursements charged by the company	4.13 (14.22)	6.15 (5.21)	-	10.28 (19.43)
Reimbursements charged to the company	45.18 (49.76)	-	-	45.18 (49.76)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note no. :- 29 Cont'd...

(D) Disclosure as per Accounting Standard - 18 (Related Party Disclosures)

Particulars	Subsidiary	Enterprises owned or significantly influenced by key management personnel or their relatives	Key Management Personnel and relatives	Total
Remuneration to Executive Director	-	-	45.27	45.27
	-	-	(45.15)	(45.15)
Managerial Remuneration(*)	-	-	106.73	106.73
	-	-	(90.69)	(90.69)
Directors' Sitting Fees	-	-	4.45	4.45
	-	-	(5.00)	(5.00)
Salary Paid	-	-	-	-
	-	-	(2.12)	(2.12)

* As the liabilities for leave encashment are provided on an actuarial basis for the Company as a whole, the amounts pertaining to the directors is not separately determined and hence are not included in above.

Balance Outstanding at the year end:

Accounts Payable	85.00	15.84		100.84
	(3.67)	(23.24)	-	(26.91)
Accounts Receivable including Trade Advance	324.35	68.61		392.96
	(574.57)	(82.43)	-	(657.00)
Agency Deposit		4.00		4.00
	-	(4.00)	-	(4.00)
Fixed Deposits			80.61	80.61
	-	-	(15.61)	(15.61)

(D) Disclosure as per Accounting Standard - 18 (Related Party Disclosures)

Related party transactions include transactions pertaining to the following parties with whom the percentage of transactions is 10% or more of the total or each of the above:

Particulars	As on 31st March, 2013 ₹ in Lacs	As on 31st March, 2012 ₹ in Lacs
A) Transactions during the year		
Sale of Goods		
Excel Crop Care Limited	-	66.32
Hyderabad Chemical Products Limited	116.87	108.41
Agrocel Industries Limited	26.75	-
Sam Fine O chem Limited	99.40	56.06

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note no. :- 29 Cont'd...

Particulars	As on 31st March, 2013 ₹ in Lacs	As on 31st March, 2012 ₹ in Lacs
Dividend Received		
Agrocel Industries Limited	8.00	8.00
Excel Industries Limited	3.13	5.87
Dividend Paid		
Atul G. Shroff	-	10.44
Shruti A. Shroff	-	12.23
TML Industries Ltd	-	3.49
Vishwa A. Shroff	-	3.13
Purchase of Goods		
Excel Industries Limited	0.06	0.15
Sam Fine O chem Limited	166.85	-
Purchase of Fixed Assets		
Excel Industries Limited	6.62	-
Office Rent		
Agrocel Industries Limited	2.79	2.31
Investment		
Sam Fine O chem Limited	334.00	-
Services Rendered		
Transchem Agritech Limited	4.94	-
Deposit Taken		
Bimal V. Mehta	50.00	-
Shruti A. Shroff	30.61	-
Atul G. Shroff	15.00	-
Deposit Repaid		
Shruti A. Shroff	15.00	-
Atul G. Shroff	15.00	-
Inter Corporate Deposit Taken		
Kamaljyot Investments Limited	50.00	-
Agrocel Industries Limited	75.00	-
Madison Investments Private Limited	15.00	-
Services Availed		
C.C. Shroff Research Institute	-	0.14
Shroffs Foundation Trust	0.01	0.34
Interest Received		
Sam Fine O chem Limited	20.20	32.52
Anshul Life Sciences	0.32	-
Transchem Agritech Limited	0.27	-
Commission Paid		
Anshul Life Sciences	56.04	46.04

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note no. :- 29 Cont'd...

Particulars	As on 31st March, 2013 ₹ in Lacs	As on 31st March, 2012 ₹ in Lacs
Donation Paid		
Shroffs Foundation Trust	21.25	1.25
Reimbursements charged by the company		
Transpek Industry (Europe) Ltd.	4.13	14.22
Anshul Life Sciences	6.15	
Reimbursements charged to the company		
Transpek Industry (Europe) Ltd.	45.18	49.75
Managerial remuneration		
Atul G. Shroff	106.73	90.69
Bimal V.Mehta	45.27	45.15
Director Sitting Fees		
Ashwin C. Shroff	0.25	0.30
Ravi Shroff	0.20	0.23
Dipesh K. Shroff	0.20	0.59
Interest Paid		
Anshul Life Sciences	0.32	0.32
Bimal V. Mehta	5.21	-
Atul G. Shroff	0.55	-
Agrocel Industries Limited	7.86	-
Kamaljiyot Investments Limited	5.24	-
Madison Investments Private Limited	1.57	-
Shruti A. Shroff	1.67	1.55
B) Closing Balance as at end of the year :		
Outstanding's Payables		
Agrocel Industries Limited	75.00	-
Kamaljiyot Investments Limited	50.00	-
Madison Investments Private Limited	15.00	-
Bimal V. Mehta	50.00	-
Anshul Life Sciences	15.84	22.83
Shruti A. Shroff	15.61	15.61
Receivables Including Trade Advance		
Excel Crop Care Limited	2.96	-
Agrocel Industries Limited	9.43	6.19
Transpek Industry (Europe) Limited	8.92	-
Hyderabad Chemicals Product Limited	42.28	72.28
Sam Fine O chem Limited	315.44	574.57
Indenting Agency Deposit		
Anshul Life Sciences	4.00	4.00

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(E) Disclosures under Accounting Standard 19 (Leases)

The Company has cancelable operating leasing arrangements relate to office premises and equipments which are renewable by mutual consent and lease rentals payable are accordingly charged as rent. During the period, the Company has taken office premises under cancelable operating lease; the rentals for which are charged to the Profit and Loss statements for the period. The lease term is for 11 months for office premises and lease term for equipments range from one to three years and there are no sub-leases.

Particulars	As on 31st March, 2013 ₹ in Lacs	As on 31st March, 2012 ₹ in Lacs
Annual lease rent of office premises	7.43	7.70
Annual lease rent of equipments	199.35	195.72
Total	206.78	203.42

(F) Disclosures under Accounting Standard 20 (Earnings Per Share)

Particulars	As on 31st March, 2013	As on 31st March, 2012
Profit available to Equity share holders (₹ in Lacs)	1,023.48	(1,031.85)
Weighted average number of equity shares outstanding during the year (Nos.)	5,872,040	5,872,040
Basic and Diluted Earnings per Share (₹)	17.43	(17.57)
Nominal Value of Equity Share (₹)	10.00	10.00

Note No. 30 Other Disclosures :

(A) Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006.

The amount of trade payables includes ₹ 105.63 lacs(P.Y. ₹ 96.96 Lacs) outstanding to Micro ,Small and Medium enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 based on the information available with the company. The amount of interest payable to such parties is not significant and the company is of the opinion that such Interest will be provided as and when it is demanded by the respective parties.

(B) Research and Development costs (as certified by the management) debited to the profit and loss account are as under:

Particulars	Year ended 31st March 2013 ₹ in Lacs	Year ended 31st March 2012 ₹ in Lacs
a) Revenue expenses debited to appropriate heads of account	106.06	130.41
b) Depreciation on Research and Development Assets	31.06	41.10
Total	137.12	171.51

(a) Capital Expenditure incurred during the year on Research and Development ₹ 24.68 Lacs (Previous Year ₹ 85.76 Lacs).

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No. 30 Cont'd...

(b) The company has been granted approval for claiming deductions u/s 35 (2AB) of the Income Tax Act, 1961 upto 31st March, 2012 and application has been made for renewal. The company has considered weighted deduction u/s 35 (2AB) of the Income Tax Act, 1961 for computation of tax payable, since it expects the renewal application would be approved.

(C) Details of foreign currency exposures as at balance sheet date:

(i) Derivative Instruments and hedged foreign currency exposures.

Nature of Contract	Currency	As on March 31st, 2013	As on March 31st, 2012
Sales	US \$ (In lacs)	24.99	23.89
Purchases	US \$ (In lacs)	15.82	29.37

(ii) Particulars of unhedged foreign currency exposures are as follows:

Particulars	As on 31st March, 2013 in Lacs	As on 31st March, 2012 in Lacs
Trade receivables		
- USD	29.66	7.22
- Euros	0.19	0.10
- GBP	0.10	-
Trade Payables		
- USD	25.96	18.64
- Euros	0.05	0.05
- GBP	0.00	0.04
- SGD	0.04	0.40

(D) Disclosure as per Clause 32 of the Listing Agreements with the Stock Exchanges:

Details of loans and advances in the nature of loans given to subsidiaries and associates

Name of the party	Relationship	Amount outstanding as at 31 March, 2013 (₹ in Lacs)	Maximum balance outstanding during the year (₹ in Lacs)
Sam Fine O Chem Limited	Subsidiary	50.71 (366.67)	366.67 (366.67)

Note: Figures in bracket relate to the previous year.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(E) In the past the Company was eligible for a Sales tax incentive scheme amounting to ₹ 1084.03 lacs (Previous Year ₹ 1084.03 lacs). Post completion of such incentive scheme, the Company has re-paid the amount of Sales tax deferred during the period the scheme was in force, and has applied to the Sales tax Department for a No dues certificate. Pending reconciliation of the amount with sales tax department, the balance of ₹ 49.61 lacs (Previous Year ₹ 49.61 lacs) has been included in other current liabilities.

(F) Pursuant to Memorandum of Understanding (MOU), dated 16.03.2010 and the Shareholders "Agreement and Share Purchase-cum-Subscription Agreement, both dated 20.11.2010, entered into between the company and Sam Fine O Chem Limited., the company has acquired 2,92,919 number of equity shares representing 50% of the total equity share capital of Sam Fine Chem Limited (now known as Sam Fine O Chem Limited).

In terms of the aforesaid Agreements, the company also has an irrevocable Call Option for a period of 5 years commencing from 20.11.2010 to increase its shareholding in the Sam Fine O Chem Limited by purchasing from the Promoters such number of additional Equity Shares so as to increase the shareholding percentage of the company by additional 26% (twenty six per cent) of the Paid-up Capital of Sam Fine O Chem Limited at a price to be determined in terms of the said agreements.

Also, in terms of the aforesaid Agreements, the Promoters of the Sam Fine O Chem Ltd. have an irrevocable Put Option for a period of 5 (five) years commencing from the date of exercise by the Company of its Call Option to sell to the company all the Equity Shares then held by them and their Affiliates in Sam Fine O Chem Limited at a price to be determined in terms of the said Agreements.

(G) Provision for Taxation includes provision for Wealth Tax amounting to ₹ 1.05 lacs (Previous Year ₹ 1.38 lacs).

(H) Donation includes Donation made to Bhartiya Janta Party (Political Party) ₹ 1.50 (Previous Year ₹ Nil)

(I) The Ministry of Corporate Affairs, Govt. of India, vide General Circular No. 2 & 3 dated 8th February, 2011 & 21st February, 2011, respectively has granted a general exemption from compliances with Section 212 of the Companies Act, 1956, subject to fulfillment of conditions stipulated in the circulars. The Company has satisfied the conditions stipulated in the circulars and hence it is entitled to the exemptions. Necessary information relating to the subsidiaries has been included in the consolidated Financial Statements.

Note No.: 31 Previous Year's Figures

Previous year's figures have been regrouped wherever necessary to correspond with the current year's disclosure.

Signatures to Notes '1' to '31'

For Contractor, Nayak & Kishnadwala
Chartered Accountants

Himanshu Kishnadwala
Partner

Place : Vadodara
Date : 30th May, 2013

For and on behalf of the Board of Directors

A. C. Shroff (Chairman)
A. G. Shroff (Managing Director)
Bimal V. Mehta (Executive Director)
M. D. Patel (Director)
A. P. Shah (General Manager(Finance))
S. K. Solanki (Company Secretary)

Place : Vadodara
Date : 30th May, 2013

INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS



To The Board of Directors of
Transpek Industry Limited

1. We have audited the accompanying consolidated financial statements of **TRANSPEK INDUSTRY LIMITED** (the "Company") and its subsidiaries (collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2013, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

5. In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of the reports of the other auditors on the financial statements / consolidated financial statements of the subsidiaries as noted below, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2013;
 - (b) in the case of the Consolidated Profit and Loss statement, of the profit of the Group for the year ended on that date and
 - (c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Other Matters

6. We did not audit the financial statement of one foreign subsidiary, whose financial statements reflect total assets (net) of ₹26.00 Lacs as at March 31, 2013, for the year ended on that date. This financial statement has been audited by other auditor whose report has been furnished to us and our opinion is based solely on the report of the other auditor.

For Contractor, Nayak & Kishnadwala
Chartered Accountants
Firm Registration No.129638W

Himanshu Kishnadwala
Partner
Membership No. 37391
Vadodara, May 30, 2013

CONSOLIDATED BALANCE SHEET

AS AT 31st MARCH, 2013

₹ in Lacs

Particulars	Note No.	As at 31st March, 2013	As at 31st March, 2012
I EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share Capital	4	587.20	587.20
(b) Reserves and Surplus	5	4,463.39	3,934.49
		<u>5,050.59</u>	<u>4,521.69</u>
2 Non-current liabilities			
(a) Long-term borrowings	6	3,329.55	2,891.49
(b) Deferred tax liabilities (Net)	7	917.60	842.82
(c) Long-term provisions	8	204.15	201.71
		<u>4,451.30</u>	<u>3,936.02</u>
3 Current liabilities			
(a) Short-term borrowings	9	5,163.71	6,004.23
(b) Trade payables	10	3,955.47	4,015.17
(c) Other current liabilities	11	2,930.52	2,772.07
(d) Short-term provisions	12	379.54	89.80
		<u>12,429.24</u>	<u>12,881.27</u>
TOTAL		<u><u>21,931.13</u></u>	<u><u>21,338.98</u></u>
II ASSETS			
Non - Current Assets			
1 (a) Fixed Assets	13		
(i) Tangible Assets		10,802.74	10,755.39
(ii) Intangible Assets		21.50	40.15
(iii) Capital Work in Progress		166.02	89.52
		<u>10,990.26</u>	<u>10,885.06</u>
(b) Goodwill on acquisition/Consolidation		430.30	430.30
(c) Non - Current Investments	14	444.28	444.28
(d) Long term loans & advances	15	820.81	820.88
		<u>12,685.65</u>	<u>12,580.52</u>
2 Current Assets			
(a) Inventories	16	2,901.14	3,368.67
(b) Trade receivables	17	5,487.32	4,591.02
(c) Cash and Bank Balances	18	335.48	392.28
(d) Short-term loans and advances	19	475.28	343.11
(e) Other current assets	20	46.26	63.38
		<u>9,245.48</u>	<u>8,758.46</u>
TOTAL		<u><u>21,931.13</u></u>	<u><u>21,338.98</u></u>

Notes forming part of the financial statements

As per our report of even date

For Contractor, Nayak & Kishnadwala
Chartered Accountants

Himanshu Kishnadwala
Partner

Place : Vadodara
Date : 30th May, 2013

For and on behalf of the Board of Directors

A. C. Shroff (Chairman)
A. G. Shroff (Managing Director)
Bimal V. Mehta (Executive Director)
M. D. Patel (Director)
A. P. Shah (General Manager(Finance))
S. K. Solanki (Company Secretary)

Place : Vadodara
Date : 30th May, 2013

CONSOLIDATED PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013



₹ in Lacs

Particulars	Note No.	For the year ended 31st March, 2013	For the year ended 31st March, 2012
I. Revenue from operations	21	24,211.09	18,384.67
II. Other income	22	387.97	396.40
III. Total Revenue (I + II)		<u>24,599.06</u>	<u>18,781.07</u>
IV. EXPENSES			
Cost of Materials consumed	23	11,398.64	9,047.34
Purchases of Stock-in-Trade	24	175.13	792.46
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	25	159.37	197.48
Employee benefits expense	26	2,523.18	2,162.63
Finance costs	27	1,376.99	1,323.03
Depreciation and amortization expense		837.91	847.75
Other expenses	28	7,317.00	6,211.60
Total expenses (IV)		<u>23,788.22</u>	<u>20,582.29</u>
V. Profit/(Loss) before tax (III- IV)		810.84	(1,801.22)
VI. Tax expense:			
Current tax		181.05	1.38
Deferred tax		74.79	(217.84)
Mat Credit Entitlement		(180.00)	-
Taxation adjustments for earlier years		-	-
VII. Profit (Loss) for the period (V-VI)		<u>735.00</u>	<u>(1,584.76)</u>
VIII. Earnings per equity share:			
Basic		12.52	(26.99)
Diluted		12.52	(26.99)
Notes forming part of the financial statements			

As per our report of even date

For Contractor, Nayak & Kishnadwala
Chartered Accountants
Himanshu Kishnadwala
Partner

Place : Vadodara
Date : 30th May, 2013

For and on behalf of the Board of Directors

A. C. Shroff (Chairman)
A. G. Shroff (Managing Director)
Bimal V. Mehta (Executive Director)
M. D. Patel (Director)
A. P. Shah (General Manager(Finance))
S. K. Solanki (Company Secretary)

Place : Vadodara
Date : 30th May, 2013

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2013

₹ in Lacs

Particulars	For the year ended 31st March, 2013	For the year ended 31st March, 2012
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit before exceptional items, prior period items and tax:	810.84	(1,801.22)
Adjustments for :		
Depreciation /amortization	837.91	847.75
Loss/(Profit) on disposal of fixed assets	(11.02)	(99.45)
Diminution in the carrying amount of Long term Investments	-	255.00
Interest received	(46.74)	(37.87)
Dividend Received	(211.46)	(114.37)
Interest Expense	1,376.99	1,323.03
	1,945.68	2,174.09
Operating Profit before working capital changes	2,756.52	372.87
Adjustments for:		
(Increase)/Decrease in Loans and Advances	(127.92)	308.44
(Increase)/Decrease in Trade receivables	(896.27)	(968.01)
(Increase)/Decrease in Inventories	467.53	32.56
(Increase) in Other Current Assets	14.96	31.65
(Increase)/Decrease in Trade Payables	(59.70)	500.54
(Increase)/Decrease in Other Liabilities and Provisions	(149.88)	1,795.22
	(751.28)	1,700.41
Cash generated from Operations	2,005.24	2,073.28
Less : Direct taxes paid	5.23	(103.82)
Cash flow before extraordinary items	2,000.01	2,177.10
Prior Period Adjustments (Other than Taxation)	-	-
Net cash from Operating Activities (A)	2,000.01	2,177.10
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(953.05)	(880.07)
Proceeds from sale of fixed assets	20.97	196.96
Purchase of Investment	-	-
Decrease / (Increase) in fixed deposits with a maturity period of more than 90 days	125.21	(93.02)
Interest received	48.90	33.04
Dividend received	211.46	114.37
Net Cash used in Investing Activities (B)	(546.51)	(628.72)
CARRIED FORWARD	1,453.50	1,548.38

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

₹ in Lacs

Particulars	Note No.	For the year ended 31st March, 2013	For the year ended 31st March, 2012
BROUGHT FORWARD		1,453.50	1,548.38
C CASH FLOW FROM FINANCIAL ACTIVITIES			
Receipt of Borrowings (net)		20.87	(54.64)
Interest Paid		(1,403.34)	(1,261.43)
Dividend Paid		(2.62)	(232.55)
Dividend distribution Tax Paid		-	(38.10)
Net cash used Financing Activities (C)		(1,385.09)	(1,586.72)
Net increase in cash and cash equivalents (A+B+C)		68.41	(38.34)
Cash and cash equivalents at the beginning of the year		130.17	168.51
Cash and cash equivalents at the end of the year		198.58	130.17
Components of Cash & Cash Equivalents			
Cash on hand		23.81	21.19
Balances with scheduled banks:			
On Current Accounts		127.20	77.37
On unclaimed interest on fixed deposit account		34.40	15.83
On Margin money accounts		24.44	171.90
On Deposit accounts		112.46	90.21
On unclaimed dividend account		11.46	14.07
On Right issue application money account		1.71	1.71
Cash and Cash Equivalents as per Note No 18		335.48	392.28
Less: Fixed deposits not considered as cash equivalents		136.90	262.11
Cash and Cash Equivalents as per Cash Flow Statement		198.58	130.17

Note:-

- The Cash flow statement has been prepared under the Indirect method as set out in Accounting Standard - 3 on Cash Flow Statements notified under Companies (Accounting Standard) Rules, 2006.
- Cash and cash equivalents includes Fixed Deposits pledged with government authorities ₹ 0.90 Lacs (Previous year ₹ 0.83 Lacs), Unclaimed dividend accounts ₹ 11.46 Lacs (Previous year ₹ 14,07 Lacs) and Right issue application money account ₹ 1.71 Lacs (Previous year ₹ 171 Lacs), which are not available for use by the Company.
- Figures in the brackets represents cash outflow

As per our report of even date

For Contractor, Nayak & Kishnadwala
Chartered Accountants
Himanshu Kishnadwala
Partner

Place : Vadodara
Date : 30th May, 2013

For and on behalf of the Board of Directors

A. C. Shroff (Chairman)
A. G. Shroff (Managing Director)
Bimal V. Mehta (Executive Director)
M. D. Patel (Director)
A. P. Shah (General Manager(Finance))
S. K. Solanki (Company Secretary)

Place : Vadodara
Date : 30th May, 2013

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

1. Background

Transpek Industry Limited ('TIL', 'the Company') is into the manufacturing and export of a range of chemicals servicing the requirements of customers from a diverse range of industries - Textiles, Pharmaceuticals, Agrochemicals, advanced polymers, etc.

2. Consolidation

a. The Consolidated financial statements comprise the financial statements of Transpek Industry Limited (herein after referred to as 'the Holding Company') and its subsidiary companies, hereinafter collectively referred to as 'the Group'.

b. Details of the subsidiary companies considered in the Consolidated Financial Statements are as under:

Name of the Company	Subsidiary /Joint Venture/Associate	Country of Incorporation	% Shareholding & Voting Power
Transpek Industry (Europe) Limited	Subsidiary	United Kingdom	100
Sam Fine O Chem Limited	Subsidiary	India	50*

* On basis of control of Board of Directors.

c. Principles of Consolidation

The Consolidated Financial Statements of the Group have been prepared on the following basis:

- The consolidated financial statements of the Group are prepared in accordance with AS 21 notified under the Companies (Accounting Standards) Rules, 2006 (as amended).
- The financial statements of the parent company and subsidiary companies are combined on a line-by-line basis by adding together the book values of like item of assets, liabilities, income and expenses after eliminating intra-group balances/transactions and resulting unrealized profits in full. Unrealized losses resulting from intra-group transactions are also eliminated except to the extent that recoverable value of related assets is lower than their cost to the Group. The amounts shown in respect of reserves comprise the amount of the relevant reserves as per the balance sheet of the parent company and its share in the post-acquisition increase in the relevant reserve of subsidiaries.
- Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances except where it is not practicable to do so.
- The excess of cost to the company of its investment in the subsidiaries, on the acquisition dates over and above the company's share of equity in the subsidiaries, is recognised in the financial statements as Goodwill on consolidation. The said Goodwill is tested for impairment at each balance sheet date and the impairment loss, if any is provided for.
- Investment other than in Subsidiaries have been accounted as per Accounting Standard 13 on "Accounting for Investment".

3. Statement on Significant Accounting Policies

a) Basis of Preparation

The financial statements have been prepared to comply within all material respects with the Notified accounting standard by Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis except in case of assets for which provision for impairment is made. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

The company has ascertained its Operating Cycle as 12 months for the purpose of current / non current classification of assets and liabilities. This is based on nature of products and the time between acquisition of

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

assets for processing and their realisation in cash and cash equivalent.

b) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statement and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

c) Tangible Fixed Assets and Capital Work in Progress

Fixed Assets are stated at cost, less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost (net of CENVAT Credit) of bringing the assets to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

d) Depreciation

Depreciation is provided using Straight Line Method as per the useful lives of the assets estimated by the management, or at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956. Assets costing upto ₹ 5,000/- are depreciated at the rate of 100 % in the year of acquisition. Depreciation in respect of additions to/deletions from the fixed assets are provided on pro-rata basis with reference to the date of addition/deletion of the assets.

e) Impairment

- i) The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.
- ii) After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.
- iii) A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

f) Intangibles

Technical Knowhow

Research costs are expensed as incurred. Product development expenditure incurred on individual product project is recognised as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- Its intention to complete the asset and use or sell it;
- its ability to use or sell the asset;
- how the asset will generate probable future economic benefits;
- the availability of adequate resources to complete the development and to use or sell the asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during development.

Any expenditure capitalised as technical knowhow is amortized on a straight-line basis over a period of ten years from the month of addition of the underlying product.

The carrying value of development costs on technical know-how is reviewed for impairment annually when the asset is not yet in use, and otherwise when events or changes in circumstances indicate that the carrying value may not be recoverable.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

g) **Assets Held for Disposal**

Items of Fixed assets that have been retired from active use and are held for disposal are stated at the lower of their net book value or net realisable value.

h) **Inventories**

Raw materials, packing materials and fuel are valued at lower of cost and net realizable value. Cost is determined on First In First Out Basis. However, materials and other items held for use in production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Finished goods semi-finished goods are valued at lower of cost and net realizable value. Cost is determined on absorption costing basis. Cost of finished goods includes excise duty.

Stores and spares are valued at lower of cost and net realizable value. Cost is determined on First In First Out Basis.

Trading goods and process residue are valued at lower of cost and net realizable value.

i) **Investments**

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments.

Current investments are carried at lower of cost and fair value determined on an individual investment basis.

Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

j) **Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Sale of goods

Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer. Gross turnover includes excise duty but does not include sales tax and VAT.

Job Work Income

Income from Job work is accounted on accrual basis on dispatch of material and as per terms of agreement.

Interest

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividends

Dividend income is recognized when the unconditional right to receive the income is established.

Insurance Claims

Insurance claim are accounted on accrual basis when there is reasonable certainty of realisability of claim amount.

k) **Export Benefits**

Duty free imports of raw materials under Advance Licence for imports as per the Import and Export Policy are matched with the exports made against the said licences and the net benefit/obligation is accounted by making suitable adjustments in raw material consumption.

The benefits accrued under the Duty Entitlement Pass Book Scheme and duty drawback scheme as per the Import and Export Policy in respect of exports made under the said scheme have been included under the head 'Export Incentives'.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

l) Foreign Currency Transaction

Initial Recognition

Foreign currency transactions are recorded in the reporting currency by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting such monetary items of company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expense in the year in which they arise.

Forward Exchange Contracts not intended for trading or speculation purposes

The premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or as expense for the year.

m) Operating Lease

Where the Company is the lessee

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term are classified as Operating Leases. Operating lease payments are recognised as an expense in the Profit and Loss account on a straight line basis over the lease term.

n) Taxation

Tax expense comprises current and deferred taxes. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961 enacted in India. 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. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The Company avails credit for MAT if there is reasonable certainty that the same would be set off in the eligible period.

o) Segment Reporting Policies

Identification of segments:

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

products and serves different markets. The analysis of geographical segments is based on the geographical location of the customers wherever required.

Allocation of common costs:

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items:

Includes general corporate income and expense items which are not allocated to any business segment.

Segment Policies:

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

p) Employee Benefits

i. Retirement benefits in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the Profit and Loss Account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.

ii. Superannuation Fund is a defined contribution scheme and contributions to the scheme are charged to the profit and loss account in the year when the contributions are due. The scheme is funded with an insurance company in the form of a qualifying insurance policy. There are no other obligations other than the contribution payable to the respective trusts.

iii. The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on post employment at 15 days salary (last drawn salary) for each completed year of service as per the rules of the Company. The aforesaid liability is provided for on the basis of an actuarial valuation made based on Projected unit credit method at the end of the financial year. The scheme is funded with an insurance company in the form of a qualifying insurance policy for the Holding Company.

iv. The Company has other long term employee benefits in the form of leave encashment. The liability in respect of leave encashment is provided for on the basis of actuarial valuation made based on Projected unit credit method at the end of the financial year. The aforesaid leave encashment is not funded.

v. Actuarial gains/losses are immediately taken to profit and loss account and are not deferred.

q) Provisions

A provision is recognized when an enterprise has a present obligation as result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the best current estimates.

r) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

s) Cash and Cash Equivalents

Cash and cash equivalents for the purposes of the cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note no 4 : Share capital
Note 4(a) :- Details of share capital :

Particulars	As at 31st March, 2013		As at 31st March, 2012	
	Number of Shares	₹ in Lacs	Number of Shares	₹ in Lacs
Authorized				
Equity shares of ₹ 10/- each with voting rights	7,500,000	750.00	7,500,000	750.00
Preference shares of ₹ 100/- each	500,000	500.00	500,000	500.00
Issued				
Equity shares of ₹ 10/- each with voting rights	5,872,040	587.20	5,872,040	587.20
Subscribed & Fully Paid up				
Equity shares of ₹ 10/- each with voting rights	5,872,040	587.20	5,872,040	587.20

Note 4(b) :- Reconciliation of the Number of shares and amount outstanding at the beginning and at the end of the year :

Particulars	As at 31st March, 2013		As at 31st March, 2012	
	Number of Shares	₹ in Lacs	Number of Shares	₹ in Lacs
Opening/closing balance of Equity shares with voting rights	5,872,040	587.20	5,872,040	587.20

Note 4(c) :- The rights, preferences and restrictions attaching to each class of shares :
Equity shares with voting rights :

Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive any remaining assets of the company , after distribution of all preferential amounts and repayment towards Preference share holders, if any.

Note 4(d) :- Details of Shares held by each Share Holder Holding more than 5% Shares.

Class of shares/Name of share holder	As at 31st March, 2013		As at 31st March, 2012	
	Number of Shares	Extent of holding	Number of Shares	Extent of holding
Equity shares with voting rights				
Finquest Securities Pvt. Ltd	992,454	16.90%	683,699	11.64%
Kamaljiyot Investments Ltd	608,493	10.36%	608,493	10.36%
Shruti A. Shroff	305,725	5.21%	305,725	5.21%

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note no. 5: Reserves and surplus

Particulars	As at 31st March, 2013 ₹ in Lacs	As at 31st March, 2012 ₹ in Lacs
(a) Capital Reserve (On amalgamation of subsidiary company)		
Opening/closing balance	19.00	19.00
(b) Securities Premium Account		
Opening/closing balance	1,524.08	1,524.08
(c) General Reserve		
Opening Balance	2,446.36	2,446.36
(+): Transfer during the year	300.00	-
Closing Balance	2,746.36	2,446.36
(d) Foreign Currency Reserve		
Opening Balance	-	-
(+): Addition during the year	0.00	-
Closing Balance	0.00	-
(e) Surplus		
Opening balance	(54.95)	1,529.81
(+) Net Profit/(Net Loss) for the Year	735.00	(1,584.76)
(-) Proposed dividend	176.16	-
(-) Tax on proposed dividend	29.94	-
(-) Transfer to general reserve	300.00	-
Closing Balance	173.95	(54.95)
Total	4,463.39	3,934.49

Note No. 6 : Long term borrowings

Particulars	As at 31st March, 2013 ₹ in Lacs	As at 31st March, 2012 ₹ in Lacs
(a) Term Loans		
- Secured		
From Banks (Refer note (i) to (iv))	1,380.56	1,509.44
(b) Deposits		
- Unsecured		
Public Deposits(Refer note - (v) below)	1,089.61	1,232.05
Others (Refer note- (vi) below)	334.00	150.00
(c) Unsecured Loan from Related Parties		
- Inter Corporate Deposits	440.38	-
- Deposits from Director's	70.00	-
- Deposits from Relative of Director	15.00	-
(Refer note - (vii) below)	525.38	-
Total	3,329.55	2,891.49

(i) Nature of security:

The above Term loans/capex loans are secured by first charge by way of hypothecation of all the movable machinery financed or to be financed under the said term/capex loans by the respective banks. The above loans are further secured by first charge by way of an equitable mortgage on the whole of the immovable assets of the Company, both present and future, on pari passu basis. They are further secured by second charge by way of hypothecation over entire current assets including stock and book debts with current charge holders on pari passu basis.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(ii) The term loan facilities of Union Bank of India of the Subsidiary Company Sam Fine O Chem Ltd. are Secured :

- (a) By way of Hypothecation of plant and machinery acquired out of the Term loan and by way of equitable mortgage on factory land and building of the company situated at Revenue Survey No. 47, Hadamtala Industrial Area, Gondal Road, Dist. Rajkot – 360 030,
- (b) Collaterally secured by way of equitable mortgage on two additional plots i.e. Sub Plot No. 1 and Sub Plot No. 2/B bearing Revenue survey No. 47 near the factory, Hadamtala Industrial Area, Gondal Road, Dist. Rajkot – 360 030,
- (c) Personal guarantee of Mr. Deepak Mehta, Director of the Company and his relatives, who are also share holder.

(iii) The term loan facilities of The Kapol Co-operative Bank Ltd of the Subsidiary Company Sam Fine O Chem Ltd. are Secured :

- (a) By way of Hypothecation of plant and machinery acquired out of the Term loan.
- (b) Collaterally secured by way of second charge on factory land and building of the company situated at Revenue Survey No. 47, Sub Plot 1 and Sub plot 2/B situated at Hadamtala Industrial Area, Gondal Road, Dist. Rajkot – 360 030
- (c) Personal guarantee of Mr. Deepak Mehta, Director of the Company and his relatives, who are also share holder and Mr. Pinkesh Mehta, Director of the Company.

(iv) Maturity profile of Secured Term loan are set out below:

Maturity Profile

	Interest rate range	1-2 Years	2-3 Years
Term loan - From Banks	13.25 % to 16.50 %	1,095	285

- (v) Public deposits aggregating to ₹ 1089.61 Lacs are repayable within a period of next 2 to 3 years. The interest rate for the same ranges from 9.50% to 11.00 %.

- (vi) The amount of other deposits included 15 % cumulative non-convertible redeemable preference shares held outside the group amounting to ₹ 334.00 Lacs (P.Y ₹ 150.00 Lacs).

- (vii) Unsecured Loan from Related Parties aggregating to ₹ 525.38.Lacs are repayable after three years. The company has accepted the above loans as per stipulation of Bank. The interest rate for the same ranges from 12.00 % to 14.50 %.

Note No. 7: Deferred Tax liabilities(Net)

Particulars	As at 31st March, 2013 ₹ in Lacs	As at 31st March, 2012 ₹ in Lacs
Deferred tax liabilities		
Related to fixed assets	1,057.42	928.11
Total	1,057.42	928.11
Deferred tax assets		
Disallowances under the Income Tax Act , 1961	65.00	72.43
Provision for doubtful debts / advances	-	12.86
Unabsorbed tax losses carried forward(Refer note below)	74.82	-
Total	139.82	85.29
Net deferred tax (liability) / asset	(917.60)	(842.82)

Note:-

The company has recognized deferred tax on unabsorbed tax losses since the company has sufficient orders in hand to offset these losses. The Company has considered this as convincing evidence giving virtual certainty to be able to recognise the resultant deferred tax assets.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note No. 8 : Long term provisions

Particulars	As at 31st March, 2013 ₹ in Lacs	As at 31st March, 2012 ₹ in Lacs
(a) Provision for employee benefits:		
(i) Provision for compensated absences	184.12	186.41
(ii) Provision for Gratuity	20.03	15.30
Total	204.15	201.71

Note No. 9 : Short term borrowings

Particulars	As at 31st March, 2013 ₹ in Lacs	As at 31st March, 2012 ₹ in Lacs
(a) Secured		
- Loans repayable on demand from banks	3,224.18	3,320.59
- Acceptances from Banks	1,659.45	1,780.89
(Refer note (i) below)		
(b) Unsecured		
- Public Deposits (Refer note (ii) and (iii) below)	110.08	237.40
- Intercompany loan from Related parties	170.00	665.35
Total	5,163.71	6,004.23

Note:- (i): The above cash/Export credit facilities from Consortium bankers i.e. State Bank of India, Axis Bank Limited, Bank of Baroda and IDBI Bank Limited are secured by first charge by way of hypothecation of stocks of raw materials, packing materials, consumable stores, finished goods, semi-finished goods and book debts of the company, on pari passu basis. The aforesaid credit facilities are further secured by way of charge on the whole of the fixed assets of the company ranking second and subservient for the charges created in respect of borrowings obtained from them. The interest rate for the same ranges 9.70 % to 14.00 %.

The cash credit facilities of The kapol Co-operative Bank Ltd. of the subsidiary Company Sam Fine O Chem Ltd. are Secured :

- By way of Hypothecation of Stock and Book debts of the Company. The rate of interest is 16.00 %.
- Collaterally secured by way of second charge on factory land and building of the company situated at Revenue Survey No. 47, Sub Plot 1 and Sub plot 2/B situated at Hadamtala Industrial Area, Gondal Road, Dist. Rajkot – 360030.
- Personal guarantee of Mr. Deepak Mehta, Director of the Company and his relatives, Who are also share holder and Mr. Pinkesh Mehta, Director of the Company.
 - The interest rate for short term unsecured public deposit is 9.50%.
 - Public deposits includes deposits from related parties amounting to ₹ 0.61 Lacs (P.Y. ₹ 15.61 Lacs)

Note No. 10 : Trade Payables

Particulars	As at 31st March, 2013 ₹ in Lacs	As at 31st March, 2012 ₹ in Lacs
Trade Payables (Refer note 31(A))	3,955.47	4,015.17
Total	3,955.47	4,015.17

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note No. 11: Other Current Liabilities

Particulars	As at 31st March, 2013 ₹ in Lacs	As at 31st March, 2012 ₹ in Lacs
(a) Current maturities of long-term debt (Refer Note (i) below)	1,333.39	1,011.41
(b) Current maturities of unsecured deposits (Refer Note no 6 (iii))	611.47	641.17
(c) Interest accrued but not due on borrowings	188.08	169.41
(d) Interest accrued and due on borrowings	15.65	59.49
(e) Unpaid dividends(*)	11.46	14.07
(f) Application money received for allotment of securities and due for refund and interest accrued thereon	1.71	1.71
(g) Unpaid matured deposits and interest accrued thereon	61.38	50.10
(h) Other payables		
(i) Statutory remittances	61.82	63.96
(ii) Interest accrued on trade payables	6.14	6.14
(iii) Interest accrued on others	5.44	9.34
(iv) Security deposits received	11.05	11.05
(v) Advances from customers	79.48	113.61
(vi) Salary and Wages payable	153.03	151.42
(vii) Creditors for Capital goods	-	30.08
(viii) Other payables	390.42	439.11
Total	2,930.52	2,772.07

(*) To be deposited with Investor Education and Protection Fund as and when they became due.

Note (i): Current maturities of long-term debt (Refer Notes (i) in Note 6 - Long-term borrowings for details of security and guarantee):

Particulars	As at 31st March, 2013 ₹ in Lacs	As at 31st March, 2012 ₹ in Lacs
Secured Term loans from banks	1,333.39	1,011.41
(The interest rate for the same ranges from 13.25 % to 16.50 %)		
Total	1,333.39	1,011.41

Note No. 12 : Short term provisions

Particulars	As at 31st March, 2013 ₹ in Lacs	As at 31st March, 2012 ₹ in Lacs
(a) Provision for employee benefits:		
(i) Provision for Bonus/exgratia	50.91	51.19
(ii) Provision for compensated absences	9.19	38.38
(iii) Provision for gratuity	89.79	0.23
	149.89	89.80
(b) Other Provisions:		
(i) Provision for proposed dividend	176.16	-
(ii) Provision for tax on proposed dividend	29.94	-
(iii) Provision for income tax (net)	23.55	-
	229.65	-
Total	379.54	89.80

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note no. 13 : Fixed Assets

(₹ . in lacs)

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION				NET BLOCK	
	Balance as at 1 st April, 2012	Additions	(Disposals)	Balance as at 31 st March, 2013	Balance as at 1 st April, 2012	Depreciation charge for the year	On Disposals	Balance as at 31 st March, 2013	Balance as at 31 st March, 2013
(i) Tangible Assets									
(a) Land- (Free Hold)	448.02	27.13		475.15	-	-	-	475.15	448.02
(b) Buildings	1,367.46	72.98		1,440.44	229.88	34.22		1,176.34	1,137.57
(c) Electric Installations	273.66	3.88		277.54	86.82	10.96		179.75	186.83
(d) Plant and Equipment	13,602.94	708.38	39.75	14,271.57	5,442.01	690.32	32.02	8,171.26	8,160.93
(e) Research and Development Equipment	607.04	33.87		640.91	206.25	35.31		399.35	400.79
(f) Furniture and Fixtures	248.66	6.89		255.55	112.18	13.10		130.25	136.48
(g) Vehicles	295.04	16.70	5.53	306.21	96.52	27.33	3.31	185.68	198.53
(h) Office equipment	121.88	6.72		128.60	41.19	7.14		80.27	80.69
(i) Technical Books	42.37			42.37	36.82	0.87		4.68	5.54
Total	17,007.07	876.55	45.28	17,838.34	6,251.67	819.26	35.33	10,802.74	10,755.39
(ii) Intangible Assets									
Technical Know How	439.09	-	-	439.09	398.94	18.65	-	21.50	40.15
Total	439.09	-	-	439.09	398.94	18.65	-	21.50	40.15
(iii) Capital Work In Progress	89.52	153.67	77.16	166.02	-	-	-	166.02	89.52
Total	89.52	153.67	77.16	166.02	-	-	-	166.02	89.52
Total	17,535.68	1,030.22	122.44	18,443.45	6,650.61	837.91	35.33	10,990.26	10,885.06

Note

- Addition to fixed assets includes ₹ 1.86 Lacs on account of capitalization of interest.
- Depreciation on plant and equipment is after adjusting excess provision of depreciation for the earlier years amounting to ₹ 42.86 Lacs

Note no. 13 : Fixed Assets

(₹ . in lacs)

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION				NET BLOCK	
	Balance as at 1 st April, 2011	Additions	(Disposals)	Balance as at 31 st March, 2012	Balance as at 1 st April, 2011	Depreciation charge for the year	On Disposals	Balance as at 31 st March, 2012	Balance as at 31 st March, 2011
(i) Tangible Assets									
(a) Land- (Free Hold)	448.13	7.00	7.11	448.02	-	-	-	448.02	448.13
(b) Buildings	1,245.17	122.29	-	1,367.46	198.16	31.72	-	1,137.57	1,047.01
(c) Electric Installations	235.13	38.53	-	273.66	76.72	10.10	-	186.83	158.41
(d) Plant and Equipment	12,749.96	1,004.87	151.89	13,602.94	4,802.58	703.63	64.20	8,160.93	7,947.39
(e) Research and Development Equipment	525.22	87.13	5.31	607.04	164.17	45.01	2.93	400.79	361.05
(f) Furniture and Fixtures	242.34	6.32	-	248.66	107.28	4.90	-	136.48	135.06
(g) Vehicles	262.97	32.42	0.35	295.04	70.86	25.66	-	198.53	192.11
(h) Office equipment	113.81	8.07	-	121.88	34.63	6.56	-	80.69	79.18
(i) Technical Books	42.18	0.19	-	42.37	35.77	1.05	-	5.54	6.41
Total	15,864.91	1,306.82	164.66	17,007.07	5,490.17	828.63	67.13	10,755.39	10,374.74
(ii) Intangible Assets									
Technical Know How	439.09	-	-	439.09	379.82	19.12	-	40.15	59.27
Total	439.09	-	-	439.09	379.82	19.12	-	40.15	59.27
(iii) Capital Work In Progress	516.27	83.40	510.16	89.52	-	-	-	89.52	516.27
Total	516.27	83.40	510.16	89.52	-	-	-	89.52	516.27
Total	16,820.27	1,390.22	674.82	17,535.68	5,869.99	847.75	67.13	10,885.06	10,950.28

Note:

- Addition to fixed assets includes ₹ 4.12 Lacs on account of capitalization of interest.
- Depreciation on electric installations, plant and equipment, furniture and fixtures and vehicles is after adjusting excess provision of depreciation for the earlier years amounting to ₹ 15.30 Lacs

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note no. 14: Non-Current Investments

Particulars	As at 31st March, 2013 ₹ in Lacs	As at 31st March, 2012 ₹ in Lacs
Long term Investments at cost, unless otherwise specified		
Trade Investments (unquoted)		
(i) Other Companies		
(a) 10,000 (P.Y. : 10,000) Equity Shares of ₹ 100 each of Agrocel Industries Limited	10.00	10.00
(b) 9,49,315 (P.Y. : 9,49,315) Equity Shares of ₹ 10 each in Transpek Silox Industry Limited	290.96	290.96
Total - (A)	300.96	300.96
Trade Investments (quoted)		
1,56,650 (P.Y. : 1,56,650) Equity Shares of ₹ 5 each in Excel Industries Limited	226.76	226.76
Less: Provision for diminution, other than temporary	88.63	88.63
Total - (B)	138.13	138.13
(ii) Other Investments (unquoted)- Non trade	-	-
Investments in equity instruments (fully paid up)		
(a) 400 (P.Y.:400) Equity Shares of ₹ 25 each of Co-operative Bank of Baroda Limited	0.10	0.10
(b) 50,000 (P.Y. 50,000) Equity Shares of ₹ 10/- each fully paid of The Kapol Co-operative Bank Limited	5.00	5.00
(c) 10 (P.Y. 10) Equity Shares of ₹ 10 each of Pragati Sahakari Bank Limited	0.00	0.00
	5.10	5.10
(iii) Investment in Government Securities		
(a) 12 Years National Defence Certificate (Face Value: ₹ 1,400)	0.06	0.06
(b) 7 Years National Saving Certificate (Face Value: ₹ 2,500)	0.03	0.03
	0.09	0.09
Total - (C)	5.19	5.19
Total - (A+B+C)	444.28	444.28
Aggregate value of unquoted investments	306.15	306.15
Aggregate value of quoted investments	138.13	138.13
Aggregate Value of investment	444.28	444.28
Aggregate market value of quoted investments	93.99	106.85
Aggregate provision for diminution in value of investments	88.63	88.63

Note no. 15: Long-term loans and advances

Particulars	As at 31st March, 2013 ₹ in Lacs	As at 31st March, 2012 ₹ in Lacs
Unsecured, considered good		
(a) Capital Advances	27.66	37.83
(b) Security deposits	146.07	142.97
(c) Balances with government authorities		
(i) Taxes paid in advances (net of provisions)	220.24	386.82
(ii) MAT credit entitlement	215.75	45.00
(iii) VAT recoverable	211.09	208.26
Total	820.81	820.88

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note no.: 16 Inventories

(At lower of cost and net realizable value)

Particulars	As at 31st March, 2013 ₹ in Lacs	As at 31st March, 2012 ₹ in Lacs
(a) Raw materials (Includes Stock in transit of ₹ 8.66 Lacs (P.Y. ₹ 286.03 Lacs))	1,417.07	1,721.41
(b) Work-in-progress	399.99	371.26
(c) Finished goods (Includes Stock in transit of ₹ 56.52 Lacs (P.Y. ₹ 245.90 Lacs))	852.59	1,040.69
(d) Stores and spares	175.42	177.61
(e) Packing Materials	24.36	34.50
(f) Stock of fuel	31.71	23.20
Total	2,901.14	3,368.67

Note no.17: Trade receivables

Particulars	As at 31st March, 2013 ₹ in Lacs	As at 31st March, 2012 ₹ in Lacs
Unsecured, considered good		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment	492.60	146.37
Other trade receivables	4,994.72	4,444.65
Total	5,487.32	4,591.02

Note no.18 : Cash and Bank Balances

Particulars	As at 31st March, 2013 ₹ in Lacs	As at 31st March, 2012 ₹ in Lacs
Cash and Cash Equivalents		
(a) Cash in hand	23.81	21.19
(b) Balances with banks		
- In current accounts	127.20	77.37
	151.01	98.56
Other Bank Balances		
(a) Deposits with bank with maturity more than 3 Months(*)	112.46	90.21
(b) Balances held as margin money against guarantees	24.44	171.90
(c) In earmarked accounts		
- Balances held in unpaid dividend accounts	11.46	14.07
- Balances held in Right issue application money account	1.71	1.71
- Balances held in unpaid interest on fixed deposit accounts	34.40	15.83
	184.47	293.72
Total	335.48	392.28

(*) Notes :-

- (a) Includes Fixed deposits with Banks of ₹ 46.24 Lacs (P.Y. ₹ 26.04 Lacs) having maturity of more than 12 months
- (b) Cash and Bank balances includes Fixed Deposits pledged with government authorities ₹ 0.90 Lacs (Previous year ₹ 0.83 Lacs)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note no. 19 : Short-term loans and advances

Particulars	As at 31st March, 2013 ₹ in Lacs	As at 31st March, 2012 ₹ in Lacs
(a) Loans and advances to suppliers		
Unsecured, considered good	36.51	14.79
Doubtful	-	39.63
	36.51	54.42
Less : Provision for bad and doubtful loans and advances	-	39.63
Balance	36.51	14.79
Unsecured, considered good		
(b) Loans and advances to related parties	1.62	-
(c) Loans and advances to employees	2.88	6.32
(d) Prepaid expenses	110.33	97.26
(e) Balances with government authorities		
(i) Balances with Excise authorities	276.81	168.93
(ii) Service Tax credit receivable	46.00	33.77
(iii) VAT recoverable	0.28	0.94
(f) Advance for Expenses	0.85	21.10
Total	475.28	343.11

Note No. 20 : Other current assets

Particulars	As at 31st March, 2013 ₹ in Lacs	As at 31st March, 2012 ₹ in Lacs
(a) Accruals		
(i) Interest accrued on deposits	8.24	10.40
(ii) Discount and claims receivable	15.72	17.05
(b) Others		
(i) Assets held for sale	16.62	22.71
(ii) Advances to suppliers	5.68	13.22
Total	46.26	63.38

Note no. 21 : Revenue from Operations

Particulars	For the year ended 31st March, 2013 ₹ in Lacs	For the year ended 31st March, 2012 ₹ in Lacs
(a) Sale of products	24,831.09	18,886.52
Less:		
Excise duty recovered on sale of products	1,036.23	813.08
	23,794.86	18,073.44
(b) Other Operating revenues	416.23	311.23
Total	24,211.09	18,384.67

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note- 21 (i) Sale of products comprises of

Particulars	For the year ended 31st March, 2013 ₹ in Lacs	For the year ended 31st March, 2012 ₹ in Lacs
Manufactured goods		
Chlorinated Compounds	16,363.70	12,808.94
SO3 / Oleum	3,469.66	1,365.10
Process Residue /others	607.74	638.00
Fexofinedine	2,049.97	838.98
Piperidone Intermediate	1,227.77	434.06
Other Chemicals	66.05	1,159.95
Total - Sale of manufactured goods	23,784.89	17,245.03
Traded Goods		
Napthalene	-	338.95
Fexofinedine	4.50	-
Piperidone Intermediate	-	119.02
Loradadine Intermediate	-	153.21
Other Chemicals	5.48	217.23
Total - Sale of Traded goods	9.98	828.41
Total Sale of Products	23,794.87	18,073.44

Note- 21(ii) Other Operating Revenue comprises of

Particulars	For the year ended 31st March, 2013 ₹ in Lacs	For the year ended 31st March, 2012 ₹ in Lacs
(i) Job Work Income	228.61	154.82
(ii) Income from sale of scrap	65.52	70.39
(iii) Export Incentives and Duty drawbacks	122.10	86.02
Total - Other operating revenues	416.23	311.23

Note no. 22 : Other Income

Particulars	For the year ended 31st March, 2013 ₹ in Lacs	For the year ended 31st March, 2012 ₹ in Lacs
(a) Interest Income	46.74	37.87
(b) Dividend Income		
From Long Term Investments	211.46	114.37
(c) Other Non-Operating Income	129.77	244.16
Total	387.97	396.40

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note- 22 (i) Interest Income Comprises of

Particulars	For the year ended 31st March, 2013 ₹ in Lacs	For the year ended 31st March, 2012 ₹ in Lacs
(i) Interest from Bank on:		
Deposits	14.11	14.28
(ii) Interest on Income Tax refund	14.43	16.80
(iii) Interest on Loans and Advances	0.29	-
(iv) Other Interest		
Other deposits	3.86	0.51
Others	14.05	6.28
Total - Interest income	46.74	37.87

Note- 22(ii) Other Non- Operating Income Comprises of

Particulars	For the year ended 31st March, 2013 ₹ in Lacs	For the year ended 31st March, 2012 ₹ in Lacs
(i) Rental income of		
(a) Lease Rent	-	0.02
(b) Compensation for delay in return of returnable containers	42.79	78.69
(ii) Profit on sale of fixed assets (net)	13.29	139.79
(iii) Insurance claims	43.67	24.28
(iv) Amount no longer payable written back (net)	22.68	0.53
(v) Other Income	7.34	0.85
Total	129.77	244.16

Note no. 23 : Cost of materials consumed

Particulars	For the year ended 31st March, 2013 ₹ in Lacs	For the year ended 31st March, 2012 ₹ in Lacs
Raw Material Consumption		
Opening Stock	1,721.41	1,505.14
Add: Purchases	11,094.30	9,263.61
	12,815.71	10,768.75
Less: Closing stock	1,417.07	1,721.41
Cost of Material Consumed	11,398.64	9,047.34
Total	11,398.64	9,047.34

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note no. 24 : Purchase of Traded goods

Particulars	For the year ended 31st March, 2013 ₹ in Lacs	For the year ended 31st March, 2012 ₹ in Lacs
Napthalene	-	344.44
Fexofinedine	166.85	-
Piperidone Intermediate	-	119.23
Loradadine Intermediate	-	147.58
Others	8.28	181.21
Total	175.13	792.46

Note no. 25 : Changes in Inventories of finished goods, Work in Progress and Stock -in - Trade

Particulars	For the year ended 31st March, 2013 ₹ in Lacs	For the year ended 31st March, 2012 ₹ in Lacs
(a) Inventories at the beginning of the year:		
Finished Goods	1,040.69	1,261.27
Work in Progress	371.26	348.16
	1,411.95	1,609.43
(b) Inventories at the end of the year:		
Finished Goods	852.59	1,040.69
Work in Progress	399.99	371.26
	1,252.58	1,411.95
Net Change in Inventories	159.37	197.48

Note no.26 : Employee Benefit expenses

Particulars	For the year ended 31st March, 2013 ₹ in Lacs	For the year ended 31st March, 2012 ₹ in Lacs
(a) Salaries, wages, allowances, etc.	1,947.35	1,740.01
(b) Contributions to Provident and other funds	361.02	218.22
(c) Staff welfare expenses	214.81	204.40
Total	2,523.18	2,162.63

Note no. 27 : Finance Costs

Particulars	For the year ended 31st March, 2013 ₹ in Lacs	For the year ended 31st March, 2012 ₹ in Lacs
(i) Interest expense		
(a) Borrowings	1,214.13	1,206.41
(b) Others	14.02	3.96
(ii) Other borrowing costs	148.84	112.66
Total	1,376.99	1,323.03

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note no. 28 : Other Expenses

Particulars	For the year ended 31st March, 2013 ₹ in Lacs	For the year ended 31st March, 2012 ₹ in Lacs
Consumption of stores and spare parts	140.24	161.74
Power and fuel	1,968.64	1,392.16
Consumption of Packing Materials	624.10	527.44
Rent	210.38	206.43
Repairs and maintenance		
Repairs to buildings	76.33	31.92
Repairs to machinery	660.48	505.24
Repairs to Others	60.81	52.36
Insurance	89.07	95.76
Rates and taxes(other than taxes on income)	7.12	20.53
Freight and Forwarding charges	1,257.36	662.33
Commission expense	448.01	478.44
Sales Tax expense	23.89	24.39
Travelling and Conveyance	266.62	247.99
Legal and Professional charges	187.02	170.70
Net loss on foreign currency transactions translations	499.09	600.79
Payment to Auditors (Refer Note 29(B))	9.98	9.36
Donation and contribution to charitable organizations (Refer Note No 31(E))	28.23	12.24
Diminution in the carrying amount of Long term Investments	-	255.00
Effluent Treatment expenses	93.63	-
Loss on disposal of assets	2.27	40.34
Miscellaneous expenses	663.72	716.44
Total	7,317.00	6,211.60

Note No. :-29 Additional information to the consolidated financial statements
(A) Contingent Liabilities and Commitments (to the extent not provided for).

Particulars	Year ended 31st March, 2013 ₹ in Lacs	Year ended 31st March, 2012 ₹ in Lacs
(a) Contingent Liabilities		
(i) Claims against the company not acknowledged as debts((mainly on account of outstanding law suits)	264.25	264.25
(ii) Guarantees given by Banks to third parties on behalf of the company	35.53	34.46
(b) No provision has been made for following demands raised by the authorities since the company has reason to believe that it would get relief at the appellate stage as the said demand are excessive and erroneous		
(i) Disputed Income tax Liability Against Which amount already paid ₹ 189.57 Lacs (P.Y ₹ 189.57 Lacs)	213.22	343.86
(ii) Disputed Sales tax Liability	34.11	34.11
Total	547.11	676.68

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note no. 29 : Cont'd...

Particulars	Year ended 31st March, 2013 ₹ in Lacs	Year ended 31st March, 2012 ₹ in Lacs
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(c) Commitments

- (i) Estimated amount of contracts remaining to be executed on capital account & not provided for

- Tangible Assets 139.92 133.75

(ii) other Commitments - -

(B) Auditor's Remuneration

Particulars	Year ended 31st March, 2013 ₹ in Lacs	Year ended 31st March, 2012 ₹ in Lacs
Audit Fees	6.75	6.25
Fees for other services	2.99	2.65
Out of pocket expenses	0.24	0.46
Total	9.98	9.36

Note no. :- 30 Disclosures under Accounting Standards as notified under the Companies (Accounting Standard) Rules, 2006

(A) Disclosure as per Accounting Standard -13(Accounting for Investments)

- (a) The Company has an investment in equity shares of Excel Industries Limited amounting to ₹ 226.76 lacs. In respect of this investment, the Company had, in the earlier years, recognized a diminution in the value of investment amounting to ₹ 88.63 lacs. The market value of this investment at March 31, 2013 is ₹ 93.99 lacs.(Previous Year ₹ 106.85 lacs) In view of the long-term nature of this investment and having regard to the book value of the equity shares, the management does not consider provision for any further diminution in the carrying value of this investment, as at March 31, 2013

(B) Disclosure as per Accounting Standard - 17 (Segment Reporting)

Identification of Segments

(a) Primary Segment – Business Segment

The Company's operations predominantly comprise of only one segment i.e. chemicals. In view of the same, separate segmental information is not required to be disclosed as per the requirements of Accounting Standard 17.

(b) Secondary Segment – Geographical Segment

The analysis of geographical segment is based on the geographical location of the customers. The geographical segments considered for disclosure are as follows:

Sales within India include sales to customers located within India.

Sales outside India include sales to customers located outside India.

Information pertaining to Secondary Segment

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note no. 30 : Cont'd...

Gross revenue as per Geographical Locations

Particulars	Year ended 31st March 2013 ₹ in Lacs	Year ended 31st March 2012 ₹ in Lacs
Within India	9,790.13	8,897.62
Asia	5,788.43	4,261.26
Europe	4,350.11	2,805.30
North America	3,866.20	2,109.26
South America	-	-
Total	23,794.87	18,073.44

Carrying value of segment assets

Particulars	Year ended 31st March 2013 ₹ in Lacs	Year ended 31st March 2012 ₹ in Lacs
Within India	18,817.45	19,571.86
Asia	421.49	239.91
Europe	973.72	742.76
North America	1,718.45	784.46
Total	21,931.11	21,338.99

Fixed Assets by Geographical Locations

The Company has common fixed assets for producing goods for domestic as well as overseas market. There are no fixed assets situated outside India. Hence, additional segment-wise information for fixed assets / additions to fixed assets has not been furnished.

(D) Disclosure as per Accounting Standard - 18 (Related Party Disclosures)

(a) Names of related parties and description of relationship:

Enterprises owned or significantly influenced by key management personnel or their relatives	Excel Industries Limited Excel Crop Care Limited TML Industries Limited Shroffs Engineering Limited Anshul Specialty Molecules Limited Anshul Life Sciences (earlier known as Anshul Agencies) Madison Investments Private Limited Agrocel Industries Limited Transchem Agritech Limited Hyderabad Chemical Products Limited Kamaljiyot Investments Limited C.C. Shroff Research Institute Shroffs Foundation Trust Sam Organics Ltd Shipra Trading and Finance Pvt. LTd
Key Management Personnel	Atul G. Shroff (Managing Director) Bimal V. Mehta (Executive Director) Deepak N. Mehta Pinkesh P. Mehta (appointed w.e.f. 18.06.2012)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note no. 30 : Cont'd...

Relatives of key management personnel	Ashwin C. Shroff
	Dipesh K. Shroff
	Vishwa A. Shroff
	Shruti A. Shroff
	Chaitanya D. Shroff
	Ravi A. Shroff
	Bharti D. Mehta
	Sameet D. Mehta
	Rekha H. Mehta
	Surili P. Mehta
	Harish N. Mehta

(b) Transactions along with related parties for the year ended March 31, 2013 are as follows: (Previous Year's figures are shown in brackets)

₹ in Lacs			
Particulars	Enterprises owned or significantly influenced by key management personnel or their relatives	Key Management Personnel and relatives	Total
Sales of Goods	904.24 (298.16)	- -	904.24 (298.16)
Services Rendered	4.94 -	- -	4.94 -
Dividend Received	11.13 (13.87)	- -	11.13 (13.87)
Dividend Paid	- (3.49)	- (26.24)	- (29.73)
Commission Paid	56.04 (46.04)	8.00 -	64.04 (46.04)
Purchase of Goods	392.36 (219.22)	- -	392.36 (219.22)
Purchase of Fixed Assets	6.62 (0.15)	- -	6.62 (0.15)
Office Rent	2.79 (2.31)	3.60 -	6.39 (2.31)
Share Capital - 15 % Redeemable Cumulative Non Convertible Preference Shares	184.00 -	- -	184.00 -
Services Availed	0.01 (3.62)	- -	0.01 (3.62)
Donations Paid	21.25 (1.25)	- -	21.25 (1.25)
Interest Received	0.61 -	- -	0.61 -

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note no. 30 : Cont'd...

₹ in Lacs

Particulars	Enterprises owned or significantly influenced by key management personnel or their relatives	Key Management Personnel and relatives	Total
Advance Taken	22.00 (51.00)	- -	22.00 (51.00)
Advance Given	17.00 (14.00)	- -	17.00 (14.00)
Advance Repaid	27.50 -	- -	27.50 -
Inter Corporate Deposit Taken	140.00 -	- -	140.00 -
Deposit/Loan Taken	- -	95.61 -	95.61 -
Deposit/Loan Repaid	229.89 (148.25)	30.00 -	259.89 (148.25)
Interest Paid	99.54 (119.68)	7.42 (1.55)	106.96 (121.23)
Reimbursements charged by the company	6.15 (5.21)	-	6.15 (5.21)
Remuneration to Executive Director	- -	59.89 (45.15)	59.89 (45.15)
Managerial Remuneration(*)	- -	136.73 (120.69)	136.73 (120.69)
Directors' Sitting Fees	- -	4.45 (5.00)	4.45 (5.00)
Salary Paid	- -	- (2.12)	- (2.12)
* As the liabilities for leave encashment are provided on an actuarial basis for the Company as a whole, the amounts pertaining to the directors is not separately determined and hence are not included in above.			
Balance Outstanding at the year end:			
Accounts Payable	662.49 (23.24)	-	662.49 (23.24)
Accounts Receivable including Trade Advance	194.50 (82.43)	-	194.50 (82.43)
Interest Payable	44.79 -	-	44.79 -
Agency Deposit	4.00 (4.00)	-	4.00 (4.00)
Fixed Deposits	-	80.61 (15.61)	80.61 (15.61)
Remuneration payable to Management Personnel	-	3.73 (2.50)	3.73 (2.50)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note no. 30 : Cont'd...

Note:

Related party transactions include transactions pertaining to the following parties with whom the percentage of transactions is 10% or more of the total or each of the above:

Particulars	Year ended 31st March, 2013 ₹ in Lacs	Year ended 31st March, 2012 ₹ in Lacs
A) Transactions during the year		
Sale of Goods		
Excel Crop Care Limited	-	66.32
Hyderabad Chemical Products Limited	116.87	108.41
Sam Organics Ltd	66.45	66.18
Transchem Agritech Ltd.	674.56	18.66
Agrocel Industries Limited	26.75	-
Dividend Received		
Agrocel Industries Limited	8.00	8.00
Excel Industries Limited	3.13	5.87
Dividend Paid		
Atul G. Shroff	-	10.44
Shruti A. Shroff	-	12.23
TML Industries Ltd	-	3.49
Vishwa A. Shroff	-	3.13
Purchase of Goods		
Excel Industries Limited	0.06	0.15
Sam Organics Ltd	309.08	207.66
Transchem Agritech Ltd.	83.22	0.02
Purchase of Fixed Assets		
Excel Industries Limited	6.62	-
Office Rent		
Bharti D. Mehta	3.60	-
Agrocel Industries Limited	2.79	2.31
Investment		
Sam Organics Limited	184.00	-
Services Rendered		
Transchem Agritech Limited	4.94	-
Advances Taken		
Transchem Agritech Limited	22.00	51.00
Advances Repaid		
Transchem Agritech Limited	27.50	14.00
Deposit Taken		
Bimal V. Mehta	50.00	-
Shruti A. Shroff	30.61	-
Atul G. Shroff	15.00	-
Shipra Trading and Finance Private Limited	-	35.00

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note no. 30 : Cont'd...

Particulars	Year ended 31st March, 2013 ₹ in Lacs	Year ended 31st March, 2012 ₹ in Lacs
Deposit Repaid		
Shruti A. Shroff	15.00	-
Atul G. Shroff	15.00	-
Sam Organics Limited	229.89	113.25
Inter Corporate Deposit Taken		
Kamaljyot Investments Limited	50.00	-
Agrocel Industries Limited	75.00	-
Madison Investments Private Limited	15.00	-
Services Availed		
C.C. Shroff Research Institute	-	0.14
Shroffs Foundation Trust	0.01	0.34
Interest Received		
Sam Fine O chem Limited	20.20	32.52
Anshul Life Sciences	0.32	-
Transchem Agritech Limited	0.27	-
Commission Paid		
Sameet D. Mehta	8.00	-
Anshul Life Sciences	56.04	46.04
Donation Paid		
Shroffs Foundation Trust	21.25	1.25
Reimbursements charged by the company		
Anshul Life Sciences	6.15	
Managerial remuneration		
Atul G. Shroff	136.73	90.69
Bimal V.Mehta	59.89	45.15
Deepak N. Mehta	30.00	30.00
Pinkesh P. Mehta	14.62	-
Director Sitting Fees		
Ashwin C. Shroff	0.25	0.30
Ravi Shroff	0.20	0.23
Dipesh K. Shroff	0.20	0.59
Interest Paid		
Anshul Life Sciences	0.32	0.32
Bimal V. Mehta	5.21	-
Atul G. Shroff	0.55	-
Agrocel Industries Limited	7.86	-
Kamaljyot Investments Limited	5.24	-
Madison Investments Private Limited	1.57	-
Shruti A. Shroff	1.67	1.55
Sam Organics Limited	77.54	110.45
Shipra Trading and Finance Private Limited	7.33	8.91

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note no. 30 : Cont'd...

Particulars	Year ended 31st March, 2013 ₹ in Lacs	Year ended 31st March, 2012 ₹ in Lacs
B) Closing Balance as at end of the year :		
Outstanding's Payables		
Transchem Agritech Ltd.	-	26.00
Agrocel Industries Limited	75.00	-
Kamaljiyot Investments Limited	50.00	-
Madison Investments Private Limited	15.00	-
Bimal V. Mehta	50.00	-
Anshul Life Sciences	15.84	22.83
Shruti A. Shroff	15.61	15.61
Shipra Trading and Finance Private Limited	50.55	51.10
Sam Organics Limited	596.10	688.26
Receivables Including Trade Advance		
Excel Crop Care Limited	2.96	-
Agrocel Industries Limited	9.43	6.19
Hyderabad Chemicals Product Limited	42.28	72.28
Transchem Agritech Ltd.	122.59	-
Indenting Agency Deposit		
Anshul Life Sciences	4.00	4.00
Remuneration payable to Key Managerial Personnel		
Deepak N. Mehta	2.49	2.50
Pinkesh P. Mehta	1.23	-

(E) Disclosures under Accounting Standard 20 (Earnings Per Share)

Particulars	Year ended 31st March, 2013	Year ended 31st March, 2012
Profit available to Equity share holders (₹ in Lacs)	735.00	(1,584.76)
Weighted average number of equity shares outstanding during the year (Nos.)	5,872,040	5,872,040
Basic and Diluted Earnings per Share (₹)	12.52	(26.99)
Nominal Value of Equity Share (₹)	10.00	10.00

Note No. 31 Other Disclosures :

(A) Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006.

The amount of trade payables includes ₹ 105.63 lacs (P.Y. ₹ 96.96 lacs) outstanding to Micro, Small and Medium enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 based on the information available with the company. The amount of interest payable to such parties is not significant and the company is of the opinion that such Interest will be provided as and when it is demanded by the respective parties.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note no. 31 : Cont'd...

(B) Research and Development costs (as certified by the management) debited to the profit and loss account are as under:

Particulars	Year ended 31st March, 2013 ₹ in Lacs	Year ended 31st March, 2012 ₹ in Lacs
a) Revenue expenses debited to appropriate heads of account	108.01	130.41
b) Depreciation on Research and Development Assets	35.31	41.10
Total	143.32	171.51

(a) Capital Expenditure incurred during the year on Research and Development ₹ 24.68 Lacs (Previous Year ₹ 85.76 Lacs).

(b) The company has been granted approval for claiming deductions u/s 35 (2AB) of the Income Tax Act, 1961 upto 31st March, 2012 and application has been made for renewal. The company has considered weighted deduction u/s 35 (2AB) of the Income Tax Act, 1961 for computation of tax payable, since it expects the renewal application would be approved.

(C) Details of Foreign Currency exposures as at balance sheet date :
(i) Derivative Instruments and hedged foreign currency exposures.

Nature of Contract	Currency	As on March 31, 2013	As on March 31, 2012
Sales	US \$ (In lacs)	24.99	23.89
Purchases	US \$ (In lacs)	15.82	29.37

(ii) Particulars of unhedged foreign currency exposures are as follows:

Particulars	As on 31st March, 2013 in Lacs	As on 31st March, 2012 in Lacs
Trade receivables		
- USD	31.72	8.58
- Euros	0.19	1.92
- GBP	0.10	-
Trade Payables		
- USD	25.96	18.98
- Euros	0.05	0.05
- GBP	0.00	0.04
- SGD	0.04	0.40

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note no. 31 : Cont'd...

(D) Provision for Taxation includes provision for Wealth Tax amounting to ₹ 1.05 lacs (Previous Year ₹ 1.37 lacs).

(E) Donation includes Donation made to Bhartiya Janta Party (Political Party) ₹ 1.50 lacs (Previous Year ₹ Nil)

Note No.: 32 Previous Year's Figures

Previous year's figures have been regrouped wherever necessary to correspond with the current year's disclosure.

Signatures to Notes '1' to '32'

For and on behalf of the Board of Directors

**For Contractor, Nayak & Kishnadwala
Chartered Accountants**

**Himanshu Kishnadwala
Partner**

Place : Vadodara
Date : 30th May, 2013

A. C. Shroff (Chairman)
A. G. Shroff (Managing Director)
Bimal V. Mehta (Executive Director)
M. D. Patel (Director)
A. P. Shah (General Manager(Finance))
S. K. Solanki (Company Secretary)

Place : Vadodara
Date : 30th May, 2013

Schedules to the Consolidated Accounts Financial Information of Subsidiary Companies

	Sam Fine O Chem Ltd.	Transpek Industry (Europe) Ltd.
Reporting Currency	INR	GBP
	in Lacs	in Lacs In GBP
1 Capital	726.58	0.02 20
2 Reserve	-986.25	-
3 Total Assets	2763.10	26.00 0.32
4 Total Liabilities	2763.10	26.00 0.32
5 Investment	5.05	-
6 Total Income	3457.90	-
7 (Profit)/Loss Before Tax	287.29	-
8 Provision for Deferred Tax	0.00	-
9 (Profit)/Loss After Tax	287.29	-
10 Proposed Dividend		
11 Country	India	U.K

As on 31.03.2013: 1 GBP = Rs.82.32

For and on behalf of the Board of Directors

A. C. Shroff (Chairman)
A. G. Shroff (Managing Director)
Bimal V. Mehta (Executive Director)
M. D. Patel (Director)
A. P. Shah (General Manager(Finance))
S. K. Solanki (Company Secretary)

Place : Vadodara
Date : 30th May, 2013

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANY

1. Name of the subsidiary company	Transpek Industry (Europe) Limited
2. The financial year of the subsidiary company ended on	31st March, 2013
3. Date from which it became subsidiary	22nd April, 2008
4. Shares of the subsidiary company held by Transpek Industry Limited and its wholly owned subsidiary, at the end of the financial year of the subsidiary company -	
(a) Number and face value	20 Ordinary Shares of GBP 1 each
(b) Extent of holding	100%
5. Net aggregate profits/losses of the subsidiary company, so far as concerns the members of Transpek Industry Limited -	
(a) not dealt with in the accounts of Transpek Industry Limited for the year ended 31st March, 2013, amounted to:	
(i) for the subsidiary company's financial year ended as in (2) above.	-
(ii) for pervious financial years of the subsidiary company	-
(b) dealt with in the accounts of Transpek Industry Limited for the year ended 31st March, 2013, amounted to:	
(i) for the subsidiary company's financial year ended as in (2) above	-
(ii) for previous financial years of the subsidiary company	-
6. The financial years of Transpek Industry Limited and its Subsidiary Company ended on 31st March, 2013 and hence no information pursuant to Section 212(5) is given.	

Note: The income and expenditure incurred during the period are apportioned to the holding company and other group members, resulting in there being no profit and no loss.

For and on behalf of the Board of Directors

A. C. Shroff (Chairman)
A. G. Shroff (Managing Director)
Bimal V. Mehta (Executive Director)
M. D. Patel (Director)
A. P. Shah (General Manager(Finance))
S. K. Solanki (Company Secretary)

Place : Vadodara
Date : 30th May, 2013

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANY

1. Name of the subsidiary company	Sam Fine O Chem Limited
2. The financial year of the subsidiary company ended on	31st March, 2013
3. Date from which it became subsidiary	31st March, 2011
4. Shares of the subsidiary company held by Transpek Industry Limited and its wholly owned subsidiary, at the end of the financial year of the subsidiary company -	
(a) Number and face value	2,92,919 Equity Shares of Rs. 10/- each
(b) Extent of holding	50%
5. Net aggregate profits/losses of the subsidiary company, so far as concerns the members of Transpek Industry Limited -	
(a) not dealt with in the accounts of Transpek Industry Limited for the year ended 31st March, 2013, amounted to:	
(i) for the subsidiary company's financial year ended as in (2) above.	(287.29)
(ii) for previous financial years of the subsidiary company	(552.92)
(b) dealt with in the accounts of Transpek Industry Limited for the year ended 31st March, 2013, amounted to:	
(i) for the subsidiary company's financial year ended as in (2) above	-
(ii) for previous financial years of the subsidiary company	-
6. The financial years of Transpek Industry Limited and its Subsidiary Company ended on 31st March, 2013 and hence no information pursuant to Section 212(5) is given.	

For and on behalf of the Board of Directors

A. C. Shroff (Chairman)
A. G. Shroff (Managing Director)
Bimal V. Mehta (Executive Director)
M. D. Patel (Director)
A. P. Shah (General Manager(Finance))
S. K. Solanki (Company Secretary)

Place : Vadodara
Date : 30th May, 2013

ATTENDANCE SLIP

L.F. No. / Client ID No.	
No. of Shares held	



ANNUAL GENERAL MEETING

I / We hereby record my / our presence at the Forty-Seventh Annual General Meeting of the Company held at Hotel Express Tower, "Oaks Room", 8 Floor, R.C. Dutt Road, Alkapuri, Vadodara - 390 007. (Gujarat) on Thursday, 8th August, 2013 at 3:30 p.m.

Name of the Shareholders / Beneficial Owners (IN BLOCK LETTERS)	
Signature of the Shareholders / Beneficial Owners	
Name of the Proxy (IN BLOCK LETTERS)	
Signature of the Proxy	

NOTE:

1. Your are requested to sign and hand over this slip at the entrance to the Meeting Venue.
2. If you intend to appoint a proxy to attend the Meeting instead of yourself, the Form of the Proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the Meeting.

PROXY FORM

L.F. No. / Client ID No.	
No. of Shares held	



ANNUAL GENERAL MEETING

I / We of in the district of being a member / members / beneficial owners of TRANSPEK INDUSTRY LIMITED, hereby appoint of in the district of or failing him of in the district of as my / our proxy to vote for me / us on my / our behalf at the Forty-seventh Annual General Meeting of the Company to be held on Thursday, 8th August, 2013 and at any adjournment thereof.

Signature of the Shareholder / Beneficial Owner

Signed this Day of 2013.

Please
Affix
Re. 1
Revenue
Stamp

Stall of ITI, Padra at Vadodara Chamber
of Commerce and Industry's
Industrial Fair 2013.



Students of ITI, Padra,
attending training class on CNC.





TRAN SPEK INDUSTRY LIMITED

REGISTERED OFFICE

6th Floor, Marble Arch, Race Course Circle
Vadodara-390 007, Gujarat, India.
Phone : +91 265 2335444, 2335757
Fax : + 91 265 2335758
Email : inquiry@transpek.com

FACTORY :

At & Post Ekalbara-391 440, Taluka-Padra
District - Vadodara, Gujarat, India.
Phone : +91 2682 244444, 244318, 244309, 244207
Fax : +91 2682 244439



TRAN SPEK INDUSTRY (EUROPE) LIMITED

A wholly owned subsidiary of Transpek Industry Limited.

REGISTERED OFFICE

2nd Floor, 1 Risborough Street SE1 OHF
LONDON, U.K.
Telefax : +44 (0) 207 9287771
Email : tileurope@gmail.com



Sam Fine O Chem Limited

A subsidiary of Transpek Industry Limited.

REGISTERED OFFICE

*Survey No. 47, Hadamtala Industrial Area
Nr. Bhunava Paliya, Rajkot - Gondal NH 8B
Tal Kolda Sangini, Dist. Rajkot - 360 030
Gujarat, (India)
Ph: +91-2827-270591/92
Fax : +91-2827-270592
E-mail : info@samfinechem.com
Web : www.samfinechem.com



reative Chemistry

Transpek Industry Limited

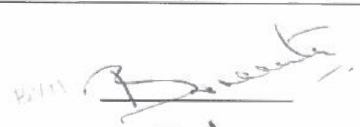

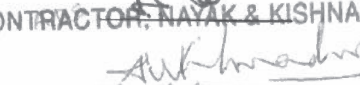
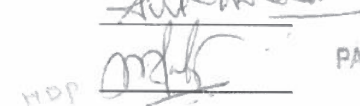
Reg. Office:

6th Floor, Marble Arch

Race Course Circle

Vadodara - 390 007 Gujarat, (India)

Specimen of Form A to be filled with the Bombay Stock Exchange Limited pursuant to Clause 31 of the Listing Agreement

Sr. No.	Particulars	Details
1.	Name of the Company	Transpek Industry Limited
2.	Annual Financial Statements for the year ended	31 st March, 2013
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not Applicable
5.	To be signed by –	
	1. CEO / Managing Director	
	2. CFO	
	3. Auditor of the Company	
	4. Chairman of the Audit Committee	

CONTRACTOR: NAYAK & KISHNADWALA

PARTNER



Works:
At & Post: Ekalbara
Taluka: Padara
Dist.: Vadodara - 391 440
Gujarat (India)
Ph.: +91-2662-244444, 244318, 244309
Fx: +91-2662-244439, 244207



Company Identification No.: L23205GJ1965PLC001343

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WEBSITE

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