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reactive Chemistry

Transpek Industry Limited



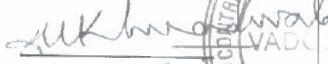

Reg. Office:

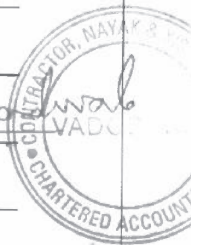
6th Floor, Marble Arch

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, 2014
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	



NDG X



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.: L232056J1965PLC001343

www.transpek.com
WEBSITE

inquiry@transpek.com
EMAIL

48th ANNUAL REPORT 2013-14





**Innovative - "Biofilter"
Technology developed
by Transpek for
treatment of Waste Water**

**Good habits awareness
programme for students
in Valipura Primary School**





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Annual General Meeting on **Thursday, the 18th day of September, 2014** at **3:30 p.m.** at Hotel Surya Palace, Opp: Parsi Agiyari, Sayajigunj, Vadodara - 390 020.

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, 2014. 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 (upto 10/07/2014)

A.H. Patel (upto 10/07/2014)

Dr. Bernd Dill

Ravi A. Shroff

Ninad D. Gupte

Nimish U. Patel

Smt. Geeta A. Goradia (w.e.f. 30/05/2014)

Shri Hemant J. Bhatt (w.e.f. 11/07/2014)

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 EIGHTH ANNUAL GENERAL MEETING** of the Members of **TRANSPEK INDUSTRY LIMITED** will be held on **Thursday, the 18th day of September, 2014** at 3:30 p.m at Hotel Surya Palace, opp: Parsi Agiyari, Sayajigunj, Vadodara 390 020 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, 2014, 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 Shri Dipesh K. Shroff who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Ravi A. Shroff who retires by rotation and, being eligible, offers himself for re-appointment.
5. To re-appoint the Auditors and to fix their remuneration and in this regard to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT, pursuant to the provisions of sub-Section (2) of Section 139 and Section 142 and other applicable provisions, if any, of the Companies Act, 2013, and the rules made thereunder and pursuant to the recommendations of Audit Committee of Directors, CNK & Associates LLP, Chartered Accountants (Firm Registration No.101961W), be and they are hereby re-appointed as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting on a remuneration to be fixed by the Board of Directors”

SPECIAL BUSINESS:

6. To appoint Shrimati Geeta Amit Goradia as an Independent Director and in this regard to consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:
 “RESOLVED THAT, pursuant to the provisions of Sections 149 and 152, read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shrimati Geeta Amit Goradia (DIN: 00074343), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 30.05.2014 pursuant to the provisions of Section 161 (1) of the Act and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years commencing from the conclusion of this Annual General Meeting till the conclusion of the Fifty-third Annual General Meeting of the Company to be held in the calendar year 2019 and that she shall not be liable to retire by rotation.”
7. To appoint Shri Hemant J. Bhatt as an Independent Director and in this regard to consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:
 “RESOLVED THAT, pursuant to the provisions of Sections 149 and 152, read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Hemant J. Bhatt (DIN: 02657432), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 11.07.2014 pursuant to the provisions of Section 161 (1) of the Act and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years commencing from the conclusion of this Annual General Meeting till the conclusion of the Fifty-third Annual General Meeting of the Company to be held in the calendar year 2019 and that he shall not be liable to retire by rotation .”
8. To appoint Dr Bernd Dill as an Independent Director and in this regard to consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:
 “RESOLVED THAT, pursuant to the provisions of Sections 149 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the

NOTICE TO THE MEMBERS

Listing Agreement, Dr Bernd Dill (DIN:01300832), who was appointed as a Director of the Company liable to retire by rotation and in respect of whom the Company has received a notice in writing pursuant to the provisions of section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years commencing from the conclusion of this Annual General Meeting till the conclusion of the Fifty-third Annual General Meeting of the Company to be held in the calendar year 2019 and that he shall not be liable to retire by rotation."

9. To appoint Shri Ninad D. Gupte as an Independent Director and in this regard to consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT, pursuant to the provisions of Sections 149 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Ninad D. Gupte (DIN:00027523) who was appointed as a Director liable to retire by rotation and in respect of whom the Company has received a notice in writing pursuant to the provisions of section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years commencing from the conclusion of this Annual General Meeting till the conclusion of the Fifty-third Annual General Meeting of the Company to be held in the calendar year 2019 and that he shall not be liable to retire by rotation."

10. To appoint Shri Nimish U. Patel as an Independent Director and in this regard to consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT, pursuant to the provisions of Sections 149 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Nimish U. Patel (DIN:00039549) who was appointed as a Director liable to retire by rotation and in respect of whom the Company has received a notice in writing pursuant to the provisions of section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years commencing from the conclusion of this Annual General Meeting till the conclusion of the Fifty-third Annual General Meeting of the Company to be held in the calendar year 2019 and that he shall not be liable to retire by rotation."

11. To confer on the Board the power to borrow money and in this regard to consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT, in supersession of all the earlier resolutions passed by the members of the Company, consent of the Company be and is hereby accorded, pursuant to the provisions of clause (c) of sub-Section (1) of Section 180 of the Companies Act, 2013 ("the Act") and all other applicable provisions of the Act, for conferring upon the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee which the Board may constitute to exercise its powers including the power conferred by this Resolution) the power to borrow any sum or sums of money, for and on behalf of the Company, from time to time, from one or more Financial Institutions or Banks or Bodies Corporate or from others by way of loans, whether unsecured or secured, issue of debentures, cash credits, other advances, deposits, by mortgage, charge, hypothecation or pledge of the Company's assets and properties whether movable or immovable or stock-in-trade, work in process, finished goods and debts and advances, notwithstanding that the sum or sums so borrowed together with the moneys, if any, already borrowed by the Company but outstanding (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) is/are in excess of the aggregate of the paid-up share capital and free reserves for the time being, but not exceeding Rs.100,00,00,000/- (Rupees One Hundred Crores) only."

12. To approve contributions to bona fide charitable and other funds and in this regard to consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT, in supersession of all the earlier resolutions passed by the members of the Company, permission of the Company be and is hereby granted, pursuant to the provisions of Section 181 of the Companies Act, 2013 ("the Act") and all other applicable provisions of the Act, to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee which the Board may constitute to exercise its powers including the power conferred by this Resolution) for contributing on behalf of the Company to bona fide charitable and other funds any amount the aggregate of which shall not exceed in any financial year Rs.60,00,000 (Rupees Sixty Lacs only) or 5% (five per cent) of the average net profits for the three immediately preceding financial years, whichever is greater."

NOTICE TO THE MEMBERS

13. To approve acceptance and renewal of deposits from the members of the Company 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 Chapter V of the Companies, 2013 (“the Act”) and the Companies (Acceptance of Deposits) Rules, 2014 (“the Rules”) and subject to the fulfilment of the conditions specified in clauses (a) to (e) of sub-Section (2) of Section 73 of the Act and further subject to compliance of all the applicable provisions of the Act and the Rules, consent and approval of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee which the Board may constitute to exercise its powers including the power conferred by this Resolution) to accept and renew secured or unsecured deposits from its members on such terms and conditions as may be agreed upon between the Company and its members, provided that at no point of time the amount of such deposits together with the amount of other deposits outstanding as on the date of acceptance or renewal of such deposits shall exceed 25% of the aggregate of the paid up share capital and free reserves of the Company.”

“FURTHER RESOLVED THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things including acceptance/renewal/repayment of the deposits that may be accepted from the members of the Company and that may be required to be fulfilled to give effect to the above resolution.”

14. To approve the payment of remuneration to non-executive Directors and in this regard to consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT, in supersession of the resolutions previously passed by the members in this regard and pursuant to the provisions of Sections 197, 198 and all other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification[s] or re-enactment thereof for the time being in force) 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, the non-executive Directors of the Company (i.e. Directors other than the Managing Director and/or the Whole-time Directors) be paid, in addition to the sitting fee for attending the meetings of the Board of Directors or Committees thereof as the Board may from time to time determine, such sum by way of remuneration not exceeding in the aggregate 1% (one per cent.) of the net profits of the Company computed in the manner laid down in Section 198 of the Act 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 the Company does not have a Managing Director or a Whole-time Director or a Manager, such sum by way of remuneration not exceeding in the aggregate 3% (three per cent.) 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 in such proportion and manner as the Board of Directors (including the Nomination and Remuneration Committee) may from time to time decide.”

15. To ratify the remuneration of the Cost Auditors for the financial year ending 31st March, 2015 and in this regard to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT, pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, if applicable, (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration of Rs. 1,00,000 (Rupees one lakh only) plus service tax, if any, fixed by the Board of Directors of the Company, in respect of the Cost Auditor of the Company (M/s. Y.S.Thakar & Co., Cost Accountants – Firm Registration No. 000318) be and is hereby ratified.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

16. To alter Article 150 of the Articles of Association of the Company and in this regard 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 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the existing Article 150 of the Articles of Association of the Company be deleted and the following be and is hereby substituted in its place and stead as new Article 150:

Article 150 - Board may appoint Managing Director or Whole-time Directors:

Subject to the provisions of the Act and of the Articles the Board of Directors of the Company shall have power to appoint from time to time any of its number as Managing Director or Joint Managing Directors or Whole-time Directors of the Company upon such terms and conditions as the Board thinks fit and may revoke such appointments and subject to the provisions of the Articles, the Board may by resolution vest in such Managing Director or Joint Managing Directors or

NOTICE TO THE MEMBERS

Whole-time Directors such of the powers hereby vested in the Board generally as it thinks fit, and such powers may be made exercisable for such period or periods, and upon such conditions and subject to such restrictions as it may determine and the Board may at any time withdraw, vary or revoke such powers. The remuneration of a Managing Director/Joint Managing Directors/Whole-time Directors may be by way of a monthly payment, fee for each meeting or participation in profits, or by any or all of these modes as the Board shall from time to time determine or by any other mode not expressly prohibited by the Act. Subject to the provisions of the Act:

(1) unless otherwise agreed between the Managing Director and the Board of Directors of the Company, the Managing Director shall not, while he continues to hold that office, be subject to retirement by rotation, and he shall not be reckoned as a Director for the purpose of determining the retirement of Directors by rotation or in fixing the number of Directors to retire by rotation and he shall be subject to the same provisions as to resignation and removal as the other Directors of the Company and he shall, ipso facto, and immediately, cease to be a Managing Director if he ceases to hold the office of Director from any cause;"

(2) whole-time Directors, other than the Managing Director, shall, unless it is otherwise agreed between Whole-time Directors and the Board of Directors of the Company, irrespective of their designations, while they continue to hold their respective offices, be persons whose period of office is liable to determination by retirement of Directors by rotation, and they shall be reckoned as Directors for the purpose of determining the retirement of Directors by rotation and in fixing the number of Directors to retire and each of them shall be subject to the same provisions as to resignation and removal as the other Directors of the Company and shall, ipso facto, and immediately, cease to be a Whole-time Director if he ceases to hold the office of Director from any cause."

17. To alter the terms and conditions of Original Agreement entered into by and between the Company and Shri Bimal V. Mehta, Whole-time Director designated as Executive Director of the Company and in this regard 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 152 and all other applicable provisions, if any, of the Companies Act, 2013 and the applicable Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the period of office of Shri Bimal V. Mehta [DIN: 00081171], Executive Director of the Company, be and is hereby altered to that of liable to determination by retirement of Directors by rotation."

Regd. Office:

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

Dated: 28th July, 2014

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

**SHAILESH K. SOLANKI
Vice President & Company Secretary**

NOTES:

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE 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.
A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten per cent of the total share capital of the Company carrying voting rights.
A member holding more than ten per cent of the total share capital of the Company may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
- Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend the meeting and vote on their behalf.
- A Statement pursuant to the Special Business at items No. 6 to 17, as required under Section 102 of the Companies Act, 2013 is annexed hereto.
- 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.
- 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 11th September, 2014 to 18th September, 2014 (both days inclusive).
- Payment of dividend as recommended by the Board of Directors, if declared at the Meeting, will be made after Thursday,

NOTICE TO THE MEMBERS

the 18th September, 2014, to the Members whose names stand on the Company's Register of Members on Thursday, the 18th September, 2014, and to the beneficial owner(s) as per the beneficiary list at the close of business hours on Wednesday 10th September, 2014 provided by the National Securities and Depository Limited and Central Depository Services (India) Limited.

7. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars & Transfer Agents viz. Link Intime India Private Limited cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant by the members.
8. Payment of dividend will be made through National Electronic Clearing Service (NECS) at the RBI Centres by crediting the dividend amount to the bank accounts of the shareholders wherever relevant information is made available to the Company. Members holding shares in physical form and covered under the RBI Centres who have not furnished the requisite information and who wish to avail of the NECS facility to receive dividend from the Company, may furnish the information to M/s. Link Intime India Private Limited, the Registrars and Transfer Agents. Members holding shares in electronic form may furnish the information to their Depository Participants in order to receive dividend through the NECS mechanism.
9. Electronic copy of the Annual Report for 2013-14 is being sent to all the Members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any Member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2013-14 are being sent.
10. Electronic copy of the Notice of the 48th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the Members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any Member has requested for a hard copy of the same. For Members who have not registered their email address, physical copies of the Notice of the 48th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form are being sent.
11. Members may also note that the Notice of the 48th Annual General Meeting and the Annual Report for 2013-14 will also be available on the Company's website www.transpek.com for being downloaded. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: sksolanki@transpek.com or secretarial@transpek.com
12. Members are requested to notify promptly any change in their addresses or bank mandates 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.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their Demat Accounts. Members holding shares in physical form can submit their PAN to the Company/ R & T Agent viz. Link Intime India Private Limited.
14. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company.
15. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Link Intime India Private Limited, for consolidation into a single folio.
16. Non-Resident Indian Members are requested to inform the Company's R&T Agent viz. Link Intime India Private Limited, immediately of:
 - I. Change in their residential status on return to India for permanent settlement.
 - II. Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with Pin Code No., if not furnished earlier.
17. Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses for receiving all communications including Annual Report, Notices, Circulars etc. from the Company electronically.
18. Pursuant to the provisions of Sections 205A and 205C of the Companies Act, 1956 and sub-Section (5) of Section 124 of

NOTICE TO THE MEMBERS

the Companies Act, 2013, any money transferred to the Unpaid Dividend Account of the Company which remains unpaid or unclaimed for a period of seven (7) years from the date of such transfer is to be transferred by the Company along with interest accrued, if any, thereon to the Investor Education and Protection Fund established by the Central Government.

Details of dividend declared for the year 2006-2007 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
07.09.2007	2006-2007	1.50	08.10.2014
22.08.2008	2007-2008	1.50	23.09.2015
07.09.2009	2008-2009	2.50	08.09.2016
13.08.2010	2009-2010	2.50	06.09.2017
25.08.2011	2010-2011	4.00	26.09.2018
08.08.2013	2012-2013	3.00	12.09.2020

Members who have not encashed their 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.

19. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
20. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours upto the date of the meeting.

21. Voting through electronic means

In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, and Clause 35B of the Listing Agreement, the Company is pleased to offer e-voting facility as an alternative mode of voting which will enable the Members to cast their votes electronically. Necessary arrangements have been made by the Company with Central Depository Services (India) Limited (CDSL) to facilitate e-voting.

I. The process and instructions for e-voting are as under:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

- | | |
|------|---|
| PAN* | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio |
|------|---|

NOTICE TO THE MEMBERS

	number in the PAN field.
	<ul style="list-style-type: none"> In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is RAMESH KUMAR with folio number 100 then enter RA00000100 in the PAN field.
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date i.e. 16th August, 2014 in the Dividend Bank details field.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant company name viz. "TRANSPEK INDUSTRY LIMITED".
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
 - Corporate/Institutional members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority Letter etc. together with attested specimen signature(s) of the duly authorised signatory/(ies) who are authorised to vote, to the Scrutinizer at email ID: csvlvyas@gmail.com, with a copy marked to helpdesk.evoting@cdslindia.com.

II. In case of members receiving the physical copy:

- A. Please follow all steps from sl no. (i) to sl. no. (xvii) above to cast vote.



ANNEXURE TO THE NOTICE

- B. The e-voting period commences on 13th September, 2014 (9.00 am) and ends on 15th September, 2014 (6.00 pm). During this period shareholder of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 16th August, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, he/she shall not be allowed to change it subsequently. In case you have any queries or issues regarding e-voting, please contact helpdesk.evoting@cdslindia.com.
- C. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an e-mail to helpdesk.evoting@cdslindia.com.
- III. The voting rights of the shareholders shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date of 16th August, 2014.
- IV. A copy of this notice has been placed on the website of the Company and the website of CDSL.
- V. Shri V.L. Vyas, Practising Company Secretary (Membership No. FCS 1602) has been appointed as the Scrutinizer for conducting the e-voting process in a fair and transparent manner.
- VI. The Scrutinizer shall, within a period not exceeding three (3) working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman.
- VII. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.transpek.com and on the website of CDSL within two (2) days of passing or otherwise of the resolutions at the AGM of the Company and communicated to the BSE Limited.

ANNEXURE TO NOTICE

STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

Item No. 6

Pursuant to Article 111 of the Articles of Association of the Company read with (a) sub-Section (1) of Section 161 of the Companies Act, 2013 ("the Act"); (b) sub-Section (1) of Section 149 of the Act; and (c) Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014 ("the Rules"), making it mandatory for every listed company to appoint at least one woman Director, the Board of Directors had, at its meeting held on 30.05.2014, appointed Shrimati Geeta Amit Goradia, as an Additional Director on the Board of Directors of the Company with effect from 30th May, 2014.

In terms of the provisions of sub-Section (1) of Section 161 (1) of the Act, Shrimati Geeta Amit Goradia shall hold office up to the date of this Annual General Meeting.

The Company has received a notice under section 160 of the Act along with the requisite deposit of Rs.1,00,000/-, from a member signifying his intention to propose the candidature of Shrimati Geeta Amit Goradia for the office of Director of the Company.

Shrimati Geeta Amit Goradia is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director.

Section 149 of the Act *inter alia* stipulates the criteria of independence should a company propose to appoint an Independent Director on its Board. An Independent Director can hold office for a term upto five consecutive years on the Board of Directors of your Company and shall be eligible for re-appointment for a term of further five years on the passing of a Special Resolution by the Company after the completion of the first five year term and disclosure of such appointment in the Board's report. An Independent Director shall not be included in the total number of Directors for retirement by rotation.

The Company has received a declaration from Shrimati Geeta Amit Goradia that she meets with the criteria of independence as prescribed both under sub-Section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. Shrimati Goradia possesses appropriate skills, experience and knowledge *inter alia* in the fields of entrepreneurship and corporate management.

In the opinion of the Board, Shrimati Geeta Amit Goradia is a person of integrity, possesses relevant expertise and experience and fulfils the conditions for her appointment as an Independent Director as specified in the Act and the Listing Agreement and

NOTICE TO THE MEMBERS

she is independent of the management.

Her brief profile is as under:

Date of birth: 19/09/1953

Managing Director, Jewel Consumer Care Private Limited.

Educational qualifications: MA (Honors) in Industrial Economics and Law from Maharaja Sayajirao University of Vadodara

Experience profile:

Management Trainee, Mukund Iron & Steel Works, Mumbai (1975).

Executive Officer in Baroda Productivity Council (1980 to 1983).

Lecturer in M S University teaching Business Economics in Faculty of Commerce from (1984 to 1992).

From a modest beginning in 1986, the industry she is heading has grown exponentially. Jewel Consumer Care Private Limited is a major exporter of tooth brushes to over 50 countries like USA, Europe, Far East, NAMET, African and other countries and exporting to multinational companies like Unilever world-wide, Wal-Mart, IKEA, Target, Aldi, Woolworth, Rossman, ASDA, Ranir, Kaufland, Dollar Tree and many other private label brands.

Immediate Past President of Federation of Gujarat Industries (FGI) - July 2010 to March 2013. First lady President in 92 years since the Federation's inception in 1918.

Director, Pioneer Furnaces Pvt, Ltd., Vidyanager and Panasonic Energy India Co.Ltd., Vadodara.

Senate and Syndicate member of Maharaja Sayajirao University (2012 – 2017).

Member of the Gujarat State Social Security Board of Labour and Employment Department – Government of Gujarat since 2011.

Member, Advisory Committee, Micro, Small & Medium Enterprises, Government of Gujarat since 2011.

Member of Academic Council & Governing Body of Parul Institute of Management, Vadodara.

Trustee of Baroda Management Association, Vadodara.

Recognitions/Awards:

“Best Woman Entrepreneur Award 2008-09” constituted by Gujarat Chamber of Commerce & Industry in the Large Scale Manufacturers Category.

“Best Women Entrepreneur Award” from Centre for Entrepreneurship Development, Government of Gujarat.

Jewel Consumer Care Private Limited (“Jewel”) has been awarded by the Government of India Certificate of Recognition as a **“STAR EXPORT HOUSE”**.

Jewel has been awarded Top Exporter of Toothbrushes, including Dental Plate Brushes, the Highest Recognition for Exports for the years **2007-2008 to 2012-13** by Plastics Export Promotion Council sponsored by the Department of Commerce, Government of India.

Jewel has been awarded Top Exporter Award for household Brushes / Broom of Plastic for the years **2009-2010 to 2012-13** by Plastics Export Promotion Council.

Received **Gauravvanta Gujarati Award – 2011** organized by International Creative Art Society (ICAS)

Received Leadership Award 2013 in recognition of Leadership Commitment and outstanding contribution in the field of Industry-Academia partnership.

Shrimati Geeta Amit Goradia neither holds any shares of the Company in her name nor is she related to any other Director.

Upon approval of her appointment as an Independent Director by the members of the Company, letter of appointment will be issued to her and disclosed on the websites of the Company and the BSE Ltd.

Keeping in view her considerable experience and knowledge, it would be in the interest of the Company that Shrimati Geeta Amit Goradia is appointed as an Independent Director.

This statement may also be treated as a disclosure under Clause 49 of the Listing Agreement with the BSE Limited.

Save and except Shrimati Geeta Amit Goradia and her relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors or other Key Managerial Personnel of the Company or their respective relatives is, in any way, concerned or interested in this resolution.

NOTICE TO THE MEMBERS

The Board commends the Ordinary Resolution under Item No.6 of the Notice for the approval of the members.

Item No. 7

Pursuant to Article 111 of the Articles of Association of the Company read with Section 161 of the Companies Act, 2013 ("the Act"), the Board of Directors had, at its meeting held on 11th July, 2014, appointed Shri Hemant J. Bhatt, as an Additional Director on the Board of Directors of the Company with effect from 11th July, 2014.

In terms of the provisions of sub-Section (1) of Section 161 of the Act, Shri Hemant J. Bhatt shall hold office up to the date of this Annual General Meeting.

The Company has received a notice under section 160 of the Act, along with the requisite deposit of Rs.1,00,000/-, from a member signifying his intention to propose the candidature of Shri Hemant J. Bhatt for the office of Director of the Company.

Shri Hemant J. Bhatt is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Section 149 of the Act *inter alia* stipulates the criteria of independence should a company propose to appoint an Independent Director on its Board. An Independent Director can hold office for a term upto five consecutive years on the Board of Directors of your Company and shall be eligible for re-appointment for a term of further five years on the passing of a Special Resolution by the Company after the completion of the first five year term and disclosure of such appointment in the Board's report. An Independent Director shall not be included in the total number of Directors for retirement by rotation.

The Company has received a declaration from Shri Hemant J. Bhatt that he meets with the criteria of independence as prescribed both under sub-Section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. Shri Bhatt possesses appropriate skills, experience and knowledge *inter alia* in the fields of finance, accounts and audit.

In the opinion of the Board, Shri Hemant J. Bhatt is a person of integrity, possesses relevant expertise and experience and fulfils the conditions for his appointment as an Independent Director as specified in the Act and the Listing Agreement and he is independent of the management.

His brief profile is as under:

Date of birth: 14/09/1955

Practising Chartered Accountant.

Educational qualifications: B.Com; FCA, DISA (ICAI); Black Belt – Six Sigma

Experience profile:

Shri Hemant Bhatt is having 29 years of post qualification experience in the financial domain. The scope of excellence includes Auditing (Statutory & Internal), Project consulting, Fund syndication, Merchant Banking Activities, Financial Consulting, Risk Management, Corporate Governance, Six Sigma, IFRS, XBRL, SOX.

He had been designated as the head of Gujarat Operations for BDO Consulting Pvt. Ltd. (a member firm of BDO International, 5th largest accounting firm of the world) for around a year. Prior to that he was a Partner for five years in Haribhakti & Co., a Mumbai based Chartered Accountancy firm having its presence in more than 33 major cities in India.

He has handled various prestigious assignments of joint sectors like GSFC, GNFC, GACL, GMDC, Sardar Sarovar Nigam Limited, GIFT; private sector entities like Reliance, ADAG, S Kumars etc. and other entities like NDDB, Agakhan Foundation etc.

He has carried out Central audit of Bank of India, State Bank of India, Punjab National Bank, HDFC Bank, Standard Chartered Bank, Internal Central audit of Kotak Mahindra, Yes Bank; Information Security central audit of Citi Bank (Indian Operations), ICICI Bank and Insurance Companies like ICICI Prudential Life, HDFC Standard Life, Bajaj Life etc.

He has also carried out audit in education sector like management audit of Mudra Institute of Ahmedabad (MICA), Internal Audit of Whistling Woods International (Mukta Arts – Subhash Ghai), manuals preparations for Sohar University, Oman and other assignments for National Institute of Design (NID). He has also acted as Lecturer in BBA College, Junagadh.

He also has exposure of International assignments in USA, Malaysia and Middle East Countries.

Shri Hemant J. Bhatt is also a Director on the Board of M/s. Atul Auto Limited.

Shri Hemant J. Bhatt neither holds any shares of the Company in his name nor is he related to any other Director.

Upon approval of his appointment as an Independent Director by the members of the Company, letter of appointment will be issued to him and disclosed on the websites of the Company and the BSE Ltd.

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Keeping in view his vast experience and knowledge, it would be in the interest of the Company that Shri Hemant J. Bhatt is appointed as an Independent Director.

This statement may also be treated as a disclosure under Clause 49 of the Listing Agreement with the BSE Limited.

Save and except Shri Hemant J. Bhatt and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors or other Key Managerial Personnel of the Company or their respective relatives is, in any way, concerned or interested in this resolution.

The Board commends the Ordinary Resolution under Item No.7 of the Notice for the approval of the members.

Item No. 8

Pursuant to Article 111 of the Articles of Association of the Company and Section 260 of the Companies Act, 1956, the Board of Directors had at its meeting held on 22.06.2007 appointed Dr. Bernd Dill as an Additional Director on the Board of Directors of the Company. The appointment of Dr Dill as a rotational Director was approved by the members of the Company at their Annual General Meeting held on 07.09.2007 and had been subsequently re-appointed on 13.08.2010 and 08.08.2013. He continues to be an Independent Director of the Company.

The Company has received a notice under section 160 of the Companies Act, 2013 ("the Act") along with the requisite deposit of Rs.1,00,000/-, from a member signifying his intention to propose the candidature of Dr Bernd Dill for the office of Director of the Company.

Dr Bernd Dill is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Section 149 of the Act *inter alia* stipulates the criteria of independence should a company propose to appoint an Independent Director on its Board. An Independent Director can hold office for a term upto five consecutive years on the Board of Directors of your Company and shall be eligible for re-appointment for a term of further five years on the passing of a Special Resolution by the Company after the completion of the first five year term and disclosure of such appointment in the Board's report. However, in accordance with the provisions of the Listing Agreement to be effective from 1st October, 2014, a person who has already served as an Independent Director for five years or more as on 1st October, 2014 shall be eligible for appointment, on completion of his present term, for one more term of up to five years only. Such a person shall be eligible for re-appointment as an Independent Director in the Company only after the expiration of three years of ceasing to be an Independent Director in the Company, provided that, during the said period of three years he shall not be appointed in or associated with the Company in any other capacity either directly or indirectly. Therefore, in the case of Dr Bernd Dill, as he has already served as an Independent Director of the Company for more than five years, he shall not be eligible for re-appointment as an Independent Director upon completion of his five year term in accordance with the Resolution set out at item No. 8 of the Notice.

An Independent Director shall not be included in the total number of Directors for retirement by rotation.

The Company has received a declaration from Dr Bernd Dill that he meets with the criteria of independence as prescribed both under sub-Section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. Dr Dill possesses appropriate skills, experience and knowledge *inter alia* in the fields of science, technology, research and development, marketing and sales and corporate management.

In the opinion of the Board, Dr Bernd Dill is a person of integrity, possesses relevant expertise and experience and fulfils the conditions for his appointment as an Independent Director as specified in the Act and the Listing Agreement and he is independent of the management.

Brief profile of Dr. Bernd Dill is as under:

Date of birth: 17/09/1950.

Dr. Bernd Dill, a German national, 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 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.

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Dr. Bernd Dill is an Independent Director of the Company; does not hold any shares of the Company in his name; and he is not related to any other Director.

Upon approval of his appointment as an Independent Director by the members of the Company, letter of appointment will be issued to him and disclosed on the websites of the Company and the BSE Ltd.

Keeping in view his vast experience and knowledge, it would be in the interest of the Company that Dr Bernd Dill is appointed as an Independent Director.

This statement may also be treated as a disclosure under Clause 49 of the Listing Agreement with the BSE Limited.

Save and except Dr Bernd Dill and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors or other Key Managerial Personnel of the Company or their respective relatives is, in any way, concerned or interested in this resolution.

The Board commends the Ordinary Resolution under Item No.8 of the Notice for the approval of the members.

Item No. 9

Pursuant to Article 111 of the Articles of Association of the Company and Section 260 of the Companies Act, 1956, the Board of Directors had, at its meeting held on 07.06.2008, appointed Shri Ninad D. Gupte as an Additional Director on the Board of Directors of the Company. The appointment of Shri Gupte as a rotational Director was approved by the members of the Company at their Annual General Meeting held on 22.08.2008 and had been subsequently re-appointed on 13.08.2010 and 08.08.2013. He continues to be an Independent Director of the Company.

The Company has received a notice under section 160 of the Companies Act, 2013 ("the Act") along with the requisite deposit of Rs.1,00,000/-, from a member signifying his intention to propose the candidature of Shri Ninad D. Gupte for the office of Director of the Company.

Shri Ninad D. Gupte is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Section 149 of the Act *inter alia* stipulates the criteria of independence should a company propose to appoint an Independent Director on its Board. An Independent Director can hold office for a term upto five consecutive years on the Board of Directors of your Company and shall be eligible for re-appointment for a term of further five years on the passing of a Special Resolution by the Company after the completion of the first five year term and disclosure of such appointment in the Board's report. However, in accordance with the provisions of the Listing Agreement to be effective from 1st October, 2014, a person who has already served as an Independent Director for five years or more as on 1st October, 2014 shall be eligible for appointment, on completion of his present term, for one more term of up to five years only. Such a person shall be eligible for re-appointment as an Independent Director in the Company only after the expiration of three years of ceasing to be an Independent Director in the Company, provided that, during the said period of three years he shall not be appointed in or associated with the Company in any other capacity either directly or indirectly. Therefore, in the case of Shri Ninad D. Gupte, as he has already served as an Independent Director of the Company for more than five years, he shall not be eligible for re-appointment as an Independent Director upon completion of his five year term in accordance with the Resolution set out at item No. 9 of the Notice.

An Independent Director shall not be included in the total number of Directors for retirement by rotation.

The Company has received a declaration from Shri Ninad D. Gupte that he meets with the criteria of independence as prescribed both under sub-Section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. Shri Gupte possesses appropriate skills, experience and knowledge *inter alia* in the fields of production, marketing and sales, human resources and corporate management.

In the opinion of the Board, Shri Ninad D. Gupte is a person of integrity, possesses relevant expertise and experience and fulfils the conditions for his appointment as an Independent Director as specified in the Act and the Listing Agreement and he is independent of the management.

Brief profile of Shri Ninad D. Gupte is as under:

Date of birth: 31/08/1953

Shri Ninad Gupte 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 39 years of experience with the industry in the field of chemicals, petrochemicals and agrochemicals, a significant part of which was in key positions in companies such as Excel Industries Limited, BASF India Limited, Herdillia Chemicals Limited and Cheminova India Limited. He is currently the Joint Managing Director of Excel Crop Care Ltd., having an annual turnover of more than Rs.900 crores. Prior to that he was the Managing Director of Agrocet Industries Ltd. He had worked with Indian as well as multinational companies at various

NOTICE TO THE MEMBERS

senior level positions. Before his appointment as the Managing Director of Agrocel Industries Ltd., Shri Gupte was the Managing Director of Cheminova India Ltd., a Danish multinational, having an annual turnover of about Rs.275 crores.

Shri Ninad D. Gupte has been actively involved in various industry associations in senior positions to promote the cause of various industries in which he has operated. He has held the position of Vice-Chairman of Crop Care Federation of India – an Industry body of Agrochemicals manufacturers. He had also held the position of member of Chemicals panel of Export Promotion Council for Chemicals (CHEMEXIL).

Shri Ninad D. Gupte is an Independent Director of the Company and is holding 106 equity shares in the share capital of the Company in his name. He is not related to any other Director.

Upon approval of his appointment as an Independent Director by the members of the Company, letter of appointment will be issued to him and disclosed on the websites of the Company and the BSE Ltd.

Keeping in view his vast experience and knowledge, it would be in the interest of the Company that Shri Ninad D. Gupte is appointed as an Independent Director.

This statement may also be treated as a disclosure under Clause 49 of the Listing Agreement with the BSE Limited.

Save and except Shri Ninad D. Gupte and his relatives, to the extent of their shareholding interest, in the Company, none of the other Directors or other Key Managerial Personnel of the Company or their respective relatives is, in any way, concerned or interested in this resolution.

The Board commends the Ordinary Resolution under Item No.9 of the Notice for the approval of the members.

Item No. 10

Pursuant to Article 111 of the Articles of Association of the Company and Section 260 of the Companies Act, 1956, the Board of Directors had, at its meeting held on 30.01.2010, appointed Shri Nimish U. Patel as an Additional Director on the Board of Directors of the Company. The appointment of Shri Patel as a rotational Director was approved by the members of the Company at their Annual General Meeting held on 13.08.2010 and had been subsequently re-appointed on 09.08.2012. He continues to be an Independent Director of the Company.

The Company has received a notice under section 160 of the Companies Act, 2013 ("the Act") along with the requisite deposit of Rs.1,00,000/-, from a member signifying his intention to propose the candidature of Shri Nimish U. Patel for the office of Director of the Company.

Shri Nimish U. Patel is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Section 149 of the Act *inter alia* stipulates the criteria of independence should a company propose to appoint an Independent Director on its Board. An Independent Director can hold office for a term up to five consecutive years on the Board of Directors of your Company and shall be eligible for re-appointment for a term of further five years on the passing of a Special Resolution by the Company after the completion of the first five year term and disclosure of such appointment in the Board's report. As Shri Nimish U. Patel would not have served as an Independent Director of the Company for five years or more as on 1st October, 2014, pursuant to the provisions of the Listing Agreement to be effective from 1st October, 2014, he shall be eligible for re-appointment for another term of up to five consecutive years (i.e. after completing the term of five years under the Resolution set out at item No. 10 of the Notice) on passing of a Special Resolution by the Company.

An Independent Director shall not be included in the total number of Directors for retirement by rotation.

The Company has received a declaration from Shri Nimish U. Patel that he meets with the criteria of independence as prescribed both under sub-Section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. Shri Patel possesses appropriate skills, experience and knowledge *inter alia* in the fields of marketing and sales, production and corporate management.

In the opinion of the Board, Shri Nimish U. Patel is a person of integrity, possesses relevant expertise and experience and fulfils the conditions for his appointment as an Independent Director as specified in the Act and the Listing Agreement and he is independent of the management.

Brief profile of Shri Nimish U. Patel is as under:

Date of birth: 22/12/1965

Shri Nimish U. Patel, aged 48 years, has 23 years of experience with the industry in the field of Electro Plating, Textile and Pharma Industries. He is the Managing Director of Shri Dinesh Mills Ltd. since 2010. He is also holding the position of Director in Ultramarine & Pigments Limited. He is also the Chairman and Managing Director of Dinesh Remedies Limited, a subsidiary

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of Shri Dinesh Mills Limited., He is also the Managing Trustee of Shri Maganbhai B. Patel's Charity Trust and Trustee of Shri Dinesh Foundation.

Shri Nimish U. Patel is an Independent Director of the Company; does not hold any shares of the Company in his name; and he is not related to any other Director.

Upon approval of his appointment as an Independent Director by the members of the Company, letter of appointment will be issued to him and disclosed on the websites of the Company and the BSE Ltd.

Keeping in view his experience and knowledge, it would be in the interest of the Company that Shri Nimish U. Patel is appointed as an Independent Director.

This statement may also be treated as a disclosure under Clause 49 of the Listing Agreement with the BSE Limited.

Save and except Shri Nimish U. Patel and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors or other Key Managerial Personnel of the Company or their respective relatives is, in any way, concerned or interested in this resolution.

The Board commends the Ordinary Resolution under Item No. 10 of the Notice for the approval of the members.

Item No. 11

Under Section 293 (1) (d) of the Companies Act, 1956, the Board of Directors could not, except with the consent of the Company in General Meeting, borrow money in excess of the limits specified therein. At the Extraordinary General Meeting held on 10.11.2005, the members of the Company had, by means of an ordinary resolution, authorised the Board of Directors to borrow money, not exceeding in the aggregate Rs. 100,00,00,000/- (Rupees one hundred crores only).

However, with the recent enactment of the Companies Act, 2013 replacing certain provisions of the Companies Act, 1956, Section 293 (1) (d) of the 1956 Act being one of them, once again approval of the members of the Company is sought by means of the proposed Special Resolution under Section 180 (1) (c) of the Companies Act, 2013 (corresponding to Section 293 (1) (d) of the Companies Act, 1956) to enable the Board of Directors to borrow money to the extent proposed in the Special Resolution.

Except to the extent of their shareholding interest, if any, in the Company, none of the Directors or other Key Managerial Personnel of the Company or their respective relatives is, in any way, concerned or interested in this Resolution.

The Board commends the Special Resolution under item No. 11 of the Notice for the approval of the members.

Item No. 12

As a part of its Corporate Social Responsibility, the Company has a tradition of supporting charitable and other social welfare activities and funds not directly relating to the business of the Company or welfare of its employees.

The Company had obtained necessary approval from the members of the Company by means of an ordinary resolution under Section 293 (1) (e) of the Companies Act, 1956 authorizing the Board of Directors to contribute to charitable and other funds to the extent of Rs.60,00,000 in any financial year.

However, with the recent enactment of the Companies Act, 2013 inter alia replacing the corresponding provisions of the Companies Act, 1956 including the said Section 293 (1) (e), once again approval of the members of the Company is being sought by means of the proposed Special Resolution under Section 181 of the Companies Act, 2013, for contributing on behalf of the Company to charitable and other funds (excluding any contributions made to any political party or to any person for political purposes) of any amount the aggregate of which shall not exceed in any financial year Rs.60,00,000 (Rupees Sixty Lacs only) or 5% (five percent) of the average net profits as provided under Section 181 of the Companies Act, 2013, whichever is greater.

None of the Directors or other Key Managerial Personnel of the Company or their respective relatives is, in any way, concerned or interested in this Resolution.

The Board commends the Special Resolution under item No. 12 of the Notice for the approval of the members.

Item No. 13

The Company had been accepting/renewing the deposits from its members and the public to the extent of 10% and 25% respectively of the aggregate of the paid up share capital and free reserves of the Company pursuant to section 58A of the Companies Act, 1956 and Companies (Acceptance of Deposits) Rules, 1975.

Having regard to the provisions of Chapter V of the Companies Act, 2013 ("the Act") and the Companies (Acceptance of Deposits) Rules, 2014 ("the Rules"), which have come into effect from 1st April, 2014, your Company is not an "eligible

NOTICE TO THE MEMBERS

company" as defined in the Rules, and, therefore, it cannot accept or renew deposits from the public. It can, however, accept/renew deposits from its members to the extent of 25% of the aggregate of the paid up share capital and free reserves upon compliance of the applicable provisions of the Act and the Rules.

In terms of the provisions of Section 74 of the Act, in respect of any deposit accepted by the Company before the commencement of the Act (i.e. before 1st April, 2014), apart from filing the requisite statement with the Registrar of Companies, the Company is required to repay within one year from such commencement (i.e. up to 31st March, 2015) or from the date on which such payments are due, whichever is earlier, the amount of such deposit or part thereof or any interest thereon remaining unpaid on such commencement or becoming due at any time thereafter. Action is being taken by your Company in accordance with these provisions.

As on 1st April, 2014, the outstanding amounts of deposits from members and the public were as follows:

From the members: Rs. 613.00 lakhs

From the public: Rs. 1534.00 Lakhs

Total outstanding deposits: Rs. 2147.00 lakhs.

Having regard to the provisions of Rule 3 of the Rules, upon complying with the applicable provisions of the Act and the Rules, your Company is eligible to accept/renew deposits from its members to the extent of 25% of the aggregate of the paid-up share capital and free reserves calculated on the basis of the Audited Accounts for the year 2013-14. On the basis of Audited Annual Accounts for the year 2013-14, the aggregate of the paid-up share capital and free reserves of the Company is Rs. 6686.34 Lakhs and, therefore, your Company is eligible to accept/renew deposits from its members to the extent of 25% thereof, i.e. Rs. 1671.59 Lakhs.

Under the aforesaid circumstances, consent of the members of the Company is sought for acceptance/renewal of deposits from the members of the Company to the extent of 25% of its aggregate of paid up share capital and free reserves of the Company.

Except to the extent of their shareholding interest, if any, in the Company, none of the Directors, their relatives/Key Managerial Personnel of the Company or their respective relatives is in anyway interested or concerned in this special resolution.

The Board commends the special resolution under item No. 13 of the Notice for the approval of the members.

Item No. 14

At the 47th Annual General Meeting of the Company held on 8th August, 2013, 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, 2014 as provided for in Section 309(4) of the Companies Act, 1956.

Now, with the recent enactment of the Companies Act, 2013, need has arisen to seek fresh approval of the members of the Company under the new provisions of the Companies Act, 2013.

Therefore, it is proposed that non-executive Directors be paid remuneration, in addition to sitting fee for attending meetings of the Board and its committees, not exceeding in the aggregate 1% of the net profits of the Company, computed in the manner laid down in Section 197 of the Companies Act, 2013, such remuneration to 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 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 such sum by way of remuneration not exceeding in the aggregate 3% of the net profits of the Company, computed in the manner laid down in the said Section 197 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.

The Board commends the special resolution under item No. 14 of the Notice for the approval of the members.

Item No. 15

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditor to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2015 as per the following details:

NOTICE TO THE MEMBERS

Name of the Cost Auditor	Type of Industry	Audit Fees (Rs. In Lakhs)
Y. S. Thakar & Co; Cost Accountants- Firm Reg. No. 000318	Chemical	1.00

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at item No. 15 of the Notice for ratification of the remuneration payable to the Cost Auditor for the financial year ending 31st March, 2015.

None of the Directors or other Key Managerial Personnel of the Company or their respective relatives is, in any way, concerned or interested in this Resolution.

The Board commends the Ordinary Resolution under item No. 15 of the Notice for the approval of the members.

Item No. 16 & 17

Subject to the approval of the Central Government, the members of the Company had, by means of a Special Resolution passed at their Extraordinary General Meeting held on 30.04.2013, approved the re-appointment of Shri Bimal V. Mehta as a Whole-time Director designated as Executive Director of the Company for a period of five (5) years commencing from 09.04.2013 to 08.04.2018 on the remuneration and other terms and conditions as specified in the draft agreement placed before them at the said meeting. Having regard to the provisions of existing Article 150 of the Articles of Association of the Company which prevailed when the appointment of Shri Bimal V. Mehta was made, the period of office of Shri Bimal V. Mehta was not subject to determination by retirement of Directors by rotation. With the enactment of the Companies Act, 2013 and having regard to the need to be in compliance with the provisions of Section 152 (6) (a) and other applicable provisions of the said Act, it is proposed to alter the terms of appointment of Shri Bimal V. Mehta only to the extent of modifying the period of his office being liable to determination by retirement of Directors by rotation.

Having regard to the recent enactment of the Companies Act, 2013, especially pursuant to the provisions of sub-section (6) (a) of Section 152 thereof, the need has arisen to amend existing Article 150 of the Articles of Association of the Company to provide for the period of office of Whole-time Directors other than the Managing Director liable to determination by retirement of Directors by rotation. As a consequence, existing Article 150 is sought to be suitably altered to reflect this position. Save as aforesaid, all terms and conditions of appointment of, and remuneration payable to, Shri Bimal V. Mehta remain unchanged. The reference to the "Act" in new Article 150 shall mean the Companies Act, 2013.

The Directors recommend the Special Resolutions set out at items No. 16 and 17 of the Notice for the approval of the members.

Except Shri Bimal V. Mehta, none of the Directors and Key Managerial Personnel are concerned or interested, financially or otherwise, in the said resolutions.

Regd. Office:

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

Dated: 28th July, 2014

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

**SHAILESH K. SOLANKI
Vice President & Company Secretary**



DIRECTORS' REPORT

To

The Members

Your Directors have pleasure in presenting the **Forty Eighth Annual Report** together with the Audited Financial Statements of the Company for the financial year ended 31st March, 2014.

FINANCIAL RESULTS

	2013 - 2014 Rs. in Lakhs	2012-2013 Rs. in Lakhs
Net Sales including Trading and Operating Income	24094.52	21079.70
Other Income	746.27	343.91
Profit/(Loss) before Interest, Depreciation, Amortization, Taxes and Extraordinary Items	3061.42	2,904.17
Interest	1151.82	1,139.79
Cash Profit/(Loss) before Extraordinary Items and Taxes	1909.60	1,764.38
Less:		
Depreciation	708.31	646.41
Amortization	13.87	18.65
Profit/(Loss) before Extraordinary Items and Tax	1187.42	1,099.32
Less:		
Extraordinary Items		
- Assets written off (Net)	-	-
Profit / (Loss) before Tax	1187.42	1,099.32
Provision for Taxation		
Current:		
(i) Current Tax (MAT)	298.33	181.05
(ii) MAT	(297.00)	(181.00)
(iii) Deferred Tax (Asset) / Liability	456.10	(74.79)
(iv) Tax adjustment for earlier years	10.24	-
Profit / (Loss) after Tax	719.75	1,023.48
Balance brought forward from Previous Year	1298.60	781.22
Amount available for appropriation	2018.35	1804.70
Appropriations to:		
a) Proposed Dividend	146.80	176.17
b) Tax on Proposed Dividend	24.95	29.94
c) Transfer to General Reserve	150.00	300.00
d) Balance Carried to Balance Sheet	1696.60	1298.60
TOTAL	2018.35	1804.70

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

DIRECTORS' REPORT

DIVIDEND

Your Directors have recommended a dividend of 25% i.e. Rs. 2.50/- per equity share on the Equity Share Capital of Rs.587.20 lakhs for the year ended 31st March, 2014 (Previous Year [PY]: 30%, i.e. Rs.3/-).

REVIEW OF OPERATIONS

The net sale of the Company for the year under review is Rs.219.13 crores as compared to Rs.207.02 crores in the previous year, an increase of 5.58%. During the financial year 2013-14, the Company registered net profit of Rs.7.00 crores as against net profit of Rs.10.23 crores in the previous year.

Exports registered Rs.142.56 crores (PY: Rs. 130.80 crores) an increase of 9%, and domestic sale registered Rs.71.74 crores (PY: Rs.76.22 Crores).

Performance in the year 2013-2014 was better than the previous year, due to the following key points:

1. The Company maintained the average contribution as compared to last year.
2. During the year, good amount of non moving stocks of raw materials and finished goods was sold.
3. The Company improved the quality and efficiency of various Acid Chlorides Products during the year, which resulted in higher sales volumes.
4. With the installation of Agro Waste Boiler and implementing Power Trading, the Company could substantially reduce the cost of Fuel and Power during the year.
5. Exports of various key products of the Company increased as compared to previous year.

However, due to increased raw material cost and diminution in the value of investment, the net profit has reduced in comparison to the previous year.

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 company focused on production efficiencies and cost control aimed at achieving profitable operations while stabilising production and sales. The company earned revenue of Rs.30.24 crores from operations compared to Rs.33.83 crores in the previous year. Though the revenue generation was lower, it could reduce its losses significantly. During the year, the company earned a net profit of Rs.4.30 lakhs as against loss of Rs.2.87 crores in the previous year.

Your Company had acquired shares in Sam Fine O Chem Limited with a view to build synergies for further growth. However, the objectives of the investment are not being met due to various issues and, therefore, the management is considering exit from this investment.

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

With the global presence and wide spread customer base, your Company is expected to achieve substantial growth in the volumes in the year 2014-15. The margins are expected to remain stable barring any uncertainty of major foreign exchange fluctuations or economic conditions.

BIOFILTRATION PROCESS

In its endeavour to preserve the environment, the Company has taken the initiative to develop in-house technical know-how for the treatment of liquid effluent through the bio-filtration process. Adoption of this process for treating the effluents from the Company's plants has resulted in substantial savings in capital and operating costs. A few facilities for treatment of municipal sewage based on the Company's biofiltration technical know-how have been set up and are operating successfully. Further work is in progress for extending this initiative for treatment of industrial effluents of diverse composition.

QUALITY, ENVIRONMENT, HEALTH AND SAFETY MANAGEMENT SYSTEMS

The Surveillance Audit of the Company's existing Integrated Management System of QMS ISO 9001: 2008, EMS ISO

DIRECTORS' REPORT

14001:2004 and BS OHSAS 18001: 2007 was successfully completed by TUV NORD - a certification agency - in February, 2014. The Company's existing Integrated Management System is in compliance with the requirements of the Management System.

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 is also given to employees who acquire higher educational qualifications.

Merit awards are also given to employees' children. The Company promotes innovation, rewards performance and provides opportunities for people to grow. In addition, your Company has put in place a range of initiatives for attracting and retaining a high performance work force.

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 Mukesh D. Patel and Shri Atul H. Patel, Directors of the Company requested to be relieved from the Directorship. Their resignation became effective on 10th July, 2014.

The Board places on record its deep sense of appreciation of the valuable contributions made by Shri Mukesh D. Patel and Shri Atul H. Patel during their long association with the Company.

Shri Dipesh K. Shroff and Shri Ravi A. Shroff, 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.

Pursuant to the provisions of section 149, 152 and 160 of the Companies Act, 2013, your Board has appointed Smt. Geeta A. Goradia and Shri Hemant J. Bhatt as an Additional Director and seeks your approval for their appointment as an Independent Directors on the Board of Directors of the Company for a period of five consecutive years.

The Board has also recommended to the members for their approval, pursuant to the provisions of sections 149, 152 and 160, read with Schedule IV and the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 the appointment of Dr. Bernd Dill, Shri Ninad D. Gupte and Shri Nimish U. Patel as Independent Directors for a term of five consecutive years.

In the classification of Directors as Independent, the Board has relied on the declaration of independence provided by the Independent Directors as prescribed both under section 149 (7) of the Companies Act, 2013 and under Clause 49 of the Listing Agreement with the BSE Ltd.

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:

- in the preparation of the financial statements for the financial year ended 31st March, 2014 the applicable accounting standards have been followed and that no material departures have been made from the same;
- they have 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;
- 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
- they have prepared the financial statements on a going concern basis.

CORPORATE SOCIAL RESPONSIBILITY

Your Company has been contributing in the development of the surrounding areas before the Corporate Social Responsibility found a place in business lexicon. The Company contributes in areas like social development, school support programme, skill development programme, medical activities etc.

Your Company has conducted need assessment survey of surrounding six villages to know the present situation of community. Indicators for intervention that have emerged from the survey will be used for strategic interventions, where necessary, with community participation along with necessary government linkages to achieve sustainable growth. There were many villages adversely affected in the floods in the month of July, 2013 in Vadodara District. In association with Shroffs Foundation Trust, the Company had carried out sanitation work and distributed food grain kits in various villages of Padra

DIRECTORS' REPORT

Taluka.

Awareness about preservation of the environment was spread by undertaking workshops at the village school level with participation by the local community.

During the year, the Company conducted three medical check-up camps for residents of nearby villages. Health awareness programmes including spreading awareness about HIV/AIDS and kidney-related diseases were conducted in the Company's premises for 3 days through exhibitions and popular folk media.

Your Company has been making substantial contribution in the upgradation of training facilities at the Industrial Training Institute at Padra since 2008.

Your Company also gives educational support and also gives awards to the bright students studying in the 11 schools surrounding Ekalbara Village.

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 the 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 65 deposits aggregating to Rs.17.91 lakhs which were due for repayment and remained unclaimed as on 31st March, 2014 of which 26 deposits amounting to Rs.12.74 lakhs have since been repaid or renewed.

Under the provisions of the Companies Act, 2013, the Company can accept/renew deposits only from its members after a resolution is passed at a general meeting and upon fulfillment of other requirements. The Company is required to repay its existing deposits upon their maturity or by 31st March 2015 whichever is earlier. Your approval is being sought for accepting/renewing deposits from the members of the Company to the extent of 25% of the paid-up share capital and free reserves of the Company.

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 139 (2) of the Companies Act, 2013, 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) of the Companies Act, 1956 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.

GREEN INITIATIVES IN CORPORATE GOVERNANCE

Your Company has since the last three years, in line with the "Green Initiative" circulars issued by the Ministry of Corporate Affairs (MCA) effected electronic delivery of Notice of Annual General Meeting and Annual Report to those shareholders whose email ids were registered with the respective Depository Participants and downloaded from the Depositories viz. National Securities Depository Limited (NSDL) /Central Depository Services (India) Limited (CDSL) and also with the Company. Securities and Exchange Board of India (SEBI) has also in line with the MCA circulars and as provided in Clause 32 of the Listing Agreement executed with the BSE Limited, permitted listed companies to supply soft copies of full Annual Reports to those shareholders who have registered their email addresses for the purpose. The Companies Act, 2013 and the rules framed thereunder also permit the dissemination of financial statements in electronic mode to the shareholders. Your Directors are thankful to the shareholders for actively participating in the Green Initiative and seek your support for its continued implementation of the Green Initiative.

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

DIRECTORS' REPORT

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: 11th July, 2014

BY ORDER OF THE BOARD
A. C. SHROFF
CHAIRMAN

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 31.03.2014.

I. ENERGY CONSERVATION

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

1. Installation of LED focus lights and LED street lights in place of conventional lights in various plants
2. Use of recycled waste instead of Furnace Oil by installing agro waste boiler.
3. Replacement of steam traps to increase condensate recovery and reduce loss of steam.
4. Installation of variable frequency drives (VFD) in different plants for reduction in power consumption.
5. Installation of Temperature Controller in Process Cooling Tower.
6. Increased awareness on saving of energy by providing training and visual management.

The investment in various energy conservation activities was Rs.49.00 lakhs and the estimated annual saving works out to Rs.279.00 lakhs.

FORM 'A'

	Current year 2013-2014 12 months	Previous year 2012-2013 12 months
A. POWER AND FUEL CONSUMPTION		
1. Electricity		
a. Purchased Units	12163887	11229420
Total Amount (Rs. in lakhs)	868.45	782.93
Rate/Unit	7.14	6.97
b. Own Generation		
I. Through Diesel Generator (Units)	93424	21780
Units generated per liter of diesel oil	2.88	2.58
Total Cost/Unit	22.66	23.67
II. Through steam turbine / generator (Units)	Not	Not
Units per liter 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)	5081020	1780907
Total Amount (Rs. In Lacs)	276.92	115.58
Average Rate Rs. / Kgs	5.45	6.49
4. Furnace oil		
Quantity (liters)	546201	1346932
Total Amount (Rs. in lakhs)	256.44	584.43
Average Rate/Ltr. (Rs.)	46.95	43.39

DIRECTORS' REPORT

	Current year 2013-2014 12 months	Previous year 2012-2013 12 months
5. Others		
Gas Quantity (Cu.M)	-	-
Total Amount (Rs. In lakhs)	-	-
Average Rate/Cu. M.	-	-
B. CONSUMPTION PER UNIT OF PRODUCTION		
For all Products (in MT) (with Unit Details)		
Electricity (Units)	183.53	177.47
Furnace Oil (Ltrs)	8.18	21.25
Coal (Specify quality)	76.08	28.09
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 and it is valid up to 2016. The R & D Department 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 Department is also approved for expenditure deduction under section 35 (2AB) of the Income-tax Act, 1961. The R & D Laboratory includes facilities for R & D, synthesis and analysis.

The Company has been making substantial 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.

Our R & D Department is well equipped with sophisticated instruments like GLC, HPLC, FTIR, UV- Visible spectrophotometer, Auto Titrators etc.

Benefits derived as a result of the R & D activities

The Company has been able to derive benefits through R & D activities in manufacturing of Pharmaceutical Intermediates, new Acid Chlorides with multiple end uses, new organic chlorides with multiple uses, intermediates of cosmetic chemicals, etc.

Future Plan of Action

We are endeavoring to establish a process on the basis of green chemistry like solvent free process, recycle of catalyst and effluent reduction. Also, the Company's main focus is towards development of Pharmaceutical Intermediates, products that have multi-purpose uses, monomers of polymers, polymer additives, acid chlorides/organic chlorides. We are also working on improvements in existing processes.

Expenditure on R & D**(Rs. in Lakhs)**

	Current year 2013-2014	Previous year 2012-2013
Capital	81.99	24.68
Recurring	151.86	137.12
Total	233.85	161.80
Total R & D Expenditure as a % of total turnover	0.97	0.76
Technology Absorption, Adaptation and Innovation	Not applicable	Not applicable

DIRECTORS' REPORT

III. FOREIGN EXCHANGE EARNINGS AND OUTGO

(Rs. in Lakhs)

	Current year 2013-2014	Previous year 2012-2013
a) Earned by way of export of goods and claims	13,997.58	12,863.67
b) Used by way of Imports (Capital / Revenue)	5,273.87	4,815.11

PLACE: Vadodara
 DATED: 11th July, 2014

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, 2014.

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	66	Managing Director	S.S.C.	46	113.88	01.12.1981	Excel Industries Ltd.
Bimal V. Mehta	49	Executive Director	Chartered Accountant	27	73.14	09.04.2010	Nibbana Limited

* 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 and the Executive Director are contractual for a period of five years.
- 2) Remuneration mentioned above includes salary and taxable value of perquisites paid, gratuity and performance incentive (payable) after deducting contribution to Provident Fund and Superannuation Fund amounting to Rs. 5.88 Lacs and Rs. 1.00 Lac in case of Shri Atul G. Shroff and Rs. 3.02 Lacs and Rs. 1.00 Lac in case of Shri Bimal V. Mehta respectively.
- 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: 11th July, 2014

BY ORDER OF THE BOARD
A. C. SHROFF
 CHAIRMAN

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

The product portfolio of the Company comprises of various Acid Chlorides and Alkyl Chlorides which find application in a very broad range of products.

Your Company supplies its products globally and caters to the needs of many leading International Chemical and Pharmaceutical companies.

Your Company's products find applications in agro-chemicals, polymers and plastics, pharmaceuticals, performance materials, organic peroxides, personal care and flavours and fragrances.

DIRECTORS' REPORT

POLYMERS AND SPECIALITY PLASTICS AND PERFORMANCE MATERIALS

Your Company has been a leading supplier of Acid Chlorides to world leaders in high-end, strength polymers. With stable business conditions in this segment, we expect to maintain our market position for the coming period.

Your Company's products are used to make performance materials which can withstand heavy wear and tear over a long period. This market is expected to grow with the advent of new material and discovery of new applications. Your Company is taking steps to increase its market presence in this segment.

PHARMA PRODUCTS

Your Company has been a supplier of choice for many Pharma companies. Due to the reputation for quality, delivery and reliability, the market for your Company's products in this segment has been consistently growing over the last few years and the same trend is expected to continue.

With the expiry of some pharma patents in the near future, some products of your Company are expected to be in much higher demand.

AGROCHEMICALS & DYESTUFF

The overall Agro-chemical market is expected to be stable during the year. The Company envisages the demand to be stable for its products in the near future.

We do not expect any growth in the dye-stuff industries. Therefore, our Thionyl Chloride supply to its market is expected to be the same as in the last year.

FLAVOURS AND FRAGRANCES

Your Company has introduced a new product in this segment. The Company is working to substantially expand its business in this segment in the near future.

OPPORTUNITIES AND THREATS

Opportunities

With the positive economic outlook, in most of the world markets, your Company's business is expected to grow at a consistent pace.

With focus on continuous improvement, development of new products and process optimization, your Company is poised to make the best use of opportunities for growth.

The Company has substantially increased its presence in the domestic pharmaceutical market. With the opportunities available in the international pharma market for the Company's products, the Company is expecting to start supplying large volume in the near future, building upon the experience gained in the domestic pharmaceutical market.

Threats

Many customers of the Company are facing pricing pressure for their products, which in turn creates pressure on pricing of your Company's products. While your Company endeavours to maintain the pricing, there may be a possibility of competitive pressure driven by the customers' situation as mentioned above. As Indian economic conditions are expected to improve, the rupee may become stronger against foreign currencies. This may adversely affect the Company's margins due as exports form a substantial portion of its sales.

RISKS AND CONCERNS

While your Company is constantly monitoring various risk factors and takes steps to mitigate them as much as possible, uncertain economic conditions, foreign exchange fluctuations and increased competition may be areas of concern.

OUTLOOK

The Company, with its excellent reputation and wide product portfolio having many important applications, is expected to continue to grow at a steady pace while retaining the current level of margins. The Company expects to grow mainly in the segments of performance materials and pharmaceuticals. Some growth is also expected in the personal care, flavours and fragrances markets.

The Union Budget for 2014-15 has proposed many initiatives to give boost to manufacturing. If implemented, these initiatives may provide benefits to Chemical Industry in a period of two to three years.

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. 30(B) in the 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

DIRECTORS' REPORT

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.219.13 crores as compared to Rs.207.02 crores in the previous year, an increase of 5.58%. During the financial year 2013-14, the Company registered net profit of Rs.7.00 Crores as against net profit of Rs.10.32 Crores in the previous year.

HUMAN RESOURCES

In line with the HR strategy, the Company continued the standardization of HR systems and processes with a view to improve operational efficiencies. In order to attract and retain talent at the manufacturing sites, a number of measures have also been initiated. Employee development programmes focusing on capability building like competency mapping and 360 degree feedbacks are being implemented. Role-specific talent development initiatives have been initiated across the organisation. This has resulted in steady engagement levels and reduced attrition.

COMMUNITY ENGAGEMENT AND ENVIRONMENT MANAGEMENT

The Company strongly believes that organizations and businesses can play a significant role in creating a sustainable and inclusive future with its stakeholders. It believes in a cohesive, inclusive and integrated society in which all individuals have access to opportunities for personal growth and inclusive economic growth. For several decades, the Company has consistently demonstrated its concern for the community (both internal and external) and a respect for its environment and the local ecology. It has been associated with a scalable, sustainable and integrated development of communities in and around its location at Ekalbara in District Vadodara.

Sustainability concerns are an integral part of the Company's value system. Over the years, the Company has embedded these values into its operations in a variety of ways, such as promoting rural development, undertaking and establishing programmes and processes for greening and conservation and promotion of volunteerism within the organisation.

An integrated approach is adopted towards development, wherein creating social capital within the communities that it serves is given prime importance. People participation is vital to the success of the programmes and it forms the basis of all the projects.

Through its focused initiatives and participatory approach like Quality Circle meetings and Open General Meeting it is ensured that the employees become the real managers and owners and work towards their own development and that of the society at large.

TRAINING PERFORMANCE

To develop the skills and instill behavioural and personality development traits in all supervisory staff and managerial cadre, the Company organized a number of training programmes during the year. These training programmes are identified through the Performance Management System by synchronizing organizational needs with individual needs. In these diverse programmes, 5929 man-hours of training was imparted to employees.

Apart from in-house training programmes, employees were also nominated for attending external training programmes on subjects like Environmental Management, Achieving Breakthrough improvement through Six Sigma, Lead Auditor 9001:2008, Design Aspects and Performance Evaluation of Motors & Pumps, Chemical Risk Management, Seven Habits of Highly Productive People etc.

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, 2014 was 606 as compared to 620 in the previous year.

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, international 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

During the financial year 2013-14 the Board of Directors comprised 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 were Independent Directors as defined in the listing agreement with the BSE Ltd. for the period ending 30th September, 2014.

The composition and categories of Directors on the Board during the period 01.04.2013 to 31.03.2014 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, 2013 to March, 2014)		Attendance in last AGM held on 08.08.2013	No. of other Directorships held as at 31 st March, 2014**	No. of Board Committee Positions held as at 31 st March, 2014 (including Transpek Industry Limited)	
			Held	Attended			Chairman	Member
1.	Shri Ashwin C. Shroff	PD / NED	4	4	Present	11	2	-
2.	Shri Atul G. Shroff	PD / MD	4	4	Present	5	4	2
3.	Shri Bimal V. Mehta	NPD / ED/ WTD	4	4	Present	1	-	3
4.	Shri Dipesh K. Shroff	PD / NED	4	4	Present	20	1	3
5.	Shri M. D. Patel +	NPD / NED / ID	4	4	Present	6	5	6
6.	Shri A. H. Patel +	NPD / NED / ID	4	3	Present	11	-	4
7.	Dr. Bernd Dill	NPD / NED / ID	4	4	Present	1	-	-
8.	Shri Ravi A. Shroff	PD / NED	4	2	Present	6	-	-
9.	Shri Ninad D. Gupte	NPD / NED / ID	4	3	Present	5	-	2
10.	Shri Nimish U. Patel	NPD/NED / ID	4	4	Present	4	-	3

REPORT ON CORPORATE GOVERNANCE

* PD - Promoter Director; NPD - Non-Promoter Director; MD - Managing Director; NED - Non-Executive Director; ID - Independent Director (as defined in the Listing Agreement with the BSE Ltd. for the period ending 30th September, 2014); ED – Executive Director; WTD – Whole-time Director.

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

+ Resigned w.e.f. 10.07.2014

Note: Smt. Geeta A. Goradia and Shri Hemant J. Bhatt were appointed as Additional Directors w.e.f. 30.05.2014 and 11.07.2014 respectively.

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	30.05.2013	08.08.2013	28.10.2013	04.02.2014
Board strength	10	10	10	10
No. of Directors present	9	9	8	10

3. THE SHAREHOLDING OF THE DIRECTORS AS ON 31ST MARCH, 2014, 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	SHRI RAVI A. SHROFF
Date of Birth	05.02.1978
Date of Appointment	29.03.2008
Expertise in Specific Functional Areas	i) New Product Development ii) Growth Management
Qualifications	B.E. (Chemical Engineering), M.S. (Chemistry)
Brief Resume of Shri Ravi A. Shroff	Shri Ravi A. Shroff has shouldered the responsibility of Anshul Specialty

REPORT ON CORPORATE GOVERNANCE

Molecules Limited, Mumbai, India, in the capacity of CEO & Executive Director and is presently Director of the said company. He is also holding directorship in four private limited companies and one Investment Company and is a partner in M/s. Anshul Life Sciences (formerly M/s. Anshul Agencies), Mumbai. Presently he holds the position of Sr. Vice-President (Business Development) in Excel Industries Limited.

Other Public Companies in which Directorship held

Anshul Specialty Molecules Limited
Kamaliyot Investments Limited

Public Companies in which membership of Committees of Directors held (including Transpek Industry Limited).

-

Name of the Director

Shri DIPESH K. SHROFF

Date of Birth

03.02.1960

Date of Appointment

27.03.2001

Expertise in Specific Functional Areas

Corporate Management

Qualifications

Diploma Civil Engineering; Management Excellence Programme (MEP), IIM Ahmedabad; Owners/President Management Programme (OPM) – Harvard Business School, Boston.

Brief Resume of Shri Dipesh K. Shroff

Mr. Dipesh K. Shroff is presently the Managing Director of Excel Crop Care Limited, a listed company and of Agrocel Industries Ltd. He is also trustee of Vivekananda Research & Training Institute, Kutch, Founder Director of International Resources for Fairer Trade, Mumbai and Trustee & Adviser of Shrujan.

Other Public Companies in which Directorship held

Excel Crop Care Ltd – Managing Director
Agrocel Industries Limited – Managing Director
Excel Industries Limited
Hyderabad Chemicals Products Limited
Hyderabad Chemicals Limited
Kutch Crop Services Limited
TML Industries Limited
Shroffs Engineering Limited
Excel Bio Resources Limited
Oasis Agritech Limited
Neo Seeds India Limited
Nectar Crop Sciences Limited
Vibrant Greentech Limited
ECCL Investments and Finance Limited
Section 25 Company
Federation of Kutch Industries Association

Public Companies in which membership of Committees of Directors held. (including Transpek Industry Limited)

Member of Shareholders/Investors Grievance Committee
Excel Industries Limited
Chairman of Remuneration Committee
Hyderabad Chemicals Products Limited.

Member of Audit Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee

Transpek Industry Limited

REPORT ON CORPORATE GOVERNANCE

Brief resume of Directors (other than those in the above table) proposed to be appointed as Non-Executive Independent Directors, nature of their expertise in specific functional areas, names of companies in which they hold Directorships and memberships/chairmanships of Board Committees, shareholding and relationship between Directors inter-se as stipulated under clause 49 of the Listing Agreement with BSE Ltd., are provided in the statement pursuant to section 102 of the Companies Act, 2013 annexed to the Notice to the Members forming part of this Annual Report

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 and agreed to by 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, Cost Auditors and Internal Auditors and fixation of their audit fee; approval to payment of Auditors' fees and any other services to be rendered by the 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 the Auditors to ascertain the scope of audit and areas of concern and review of financial statements of unlisted Indian subsidiary company and wholly owned foreign subsidiary 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 Directors of the Company during the year 2013-14 comprised the following five Directors:

Shri M. D. Patel, Chairman	: Independent Director (upto 10.07.2014)
Shri D. K. Shroff	: Promoter, non-executive Director
Shri A. H. Patel	: Independent Director (upto 10.07.2014)
Shri Ninad D. Gupte	: Independent Director
Shri Bimal V. Mehta	: Executive Director

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

The Committee held 4 meetings during the year, i.e. on 30.05.2013, 08.08.2013, 28.10.2013 and 04.02.2014. 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)
30.05.2013	Present	Present	Present	Present	Present
08.08.2013	Present	Present	Absent	Present	Present
28.10.2013	Present	Present	Present	Absent	Present
04.02.2014	Present	Present	Present	Present	Present

REPORT ON CORPORATE GOVERNANCE

Note : Shri S. K. Solanki, Vice-President & Company Secretary of the Company acts as the Secretary to the Committee. Audit Committee Meetings are also attended by the Chief Financial Officer. Statutory Auditors and Internal Auditors of the Company are also invited to the meetings, when required.

The Board of Directors of the Company re-constituted the Audit Committee at its meeting held on 11th July, 2014 with the terms of reference which are in compliance of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

The present composition of the Audit Committee is as under:

Shri Ninad D. Gupte	: Independent Director (Chairman of the Committee)
Shri Nimish U. Patel	: Independent Director
Shri Hemant J. Bhatt	: Independent Director
Shri Dipesh K. Shroff	: Promoter Non-Executive Director

The Committee's composition meets with the requirements of Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. Members of the Audit Committee possess financial/accounting expertise / exposure.

Terms of Reference of the Audit Committee:

- Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;
- Review and monitor the Auditor's independence and performance, and effectiveness of Audit process;
- Examination of the financial statement and the Auditors' report thereon;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of Internal financial controls and risk management systems;
- Monitoring the end use of funds raised through public offers and related matters

Powers of the Audit Committee

- To investigate any activity within its terms of reference
- To seek information from any employee
- To obtain outside legal or other professional advice
- To secure attendance of outsiders with relevant expertise, if it considers necessary

Role of the Audit Committee, inter alia, includes the following

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommending to the Board the appointment, re-appointment and if required, the replacement or removal of Statutory Auditors, including Cost Auditors and Secretarial Auditors, and fixation of remuneration and other terms of appointment;
- Approving payment to statutory auditors, including cost auditors and secretarial auditors for any other services rendered by them;
- Reviewing with the management annual financial statements and auditors' report thereon before submission to the Board for approval, with particular reference to:
 1. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section (3) of section 134 of the Companies Act, 2013
 2. Changes, if any, in accounting policies and practices and reasons for the same
 3. Major accounting entries involving estimates based on the exercise of judgment by management
 4. Significant adjustments made in the financial statement arising out of audit findings
 5. Compliance with listing and other legal requirements relating to financial statements
 6. Disclosure of any related party transactions
 7. Qualifications in the draft audit report

REPORT ON CORPORATE GOVERNANCE

- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval
- Reviewing with the management the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.) the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and report submitted by the agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter
- Reviewing and monitoring the auditors' independence and performance and effectiveness of audit process
- Approval or any subsequent modification of transactions of the Company with related parties
- Scrutiny of inter-corporate loans and investments
- Valuation of undertakings or assets of the Company, wherever it is necessary
- Evaluation of internal financial controls and risk management systems
- Reviewing with the management the performance of statutory auditors, including cost auditors, secretarial auditor and internal auditors, adequacy of internal control systems
- Reviewing the adequacy of internal audit function, if any, including the structure of the Internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit
- Discussion with internal auditors of any significant findings and follow-up thereon
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature, and reporting the matter to the Board
- Discussions with statutory auditors, before the audit commences about the nature and scope of audit as well as post audit discussion to ascertain any area of concern
- To look into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors
- To review the functioning of the Whistle Blower mechanism
- Approval of appointment of the CFO (i.e. the Whole-time Finance Director or any other person heading the Finance function or discharging that function) after assessing the qualifications, experience and back ground etc of the candidate
- Carrying out any other functions as is mentioned in the terms of reference of the Audit Committee
- Reviewing financial statements and, in particular, the investments made by the Company's unlisted subsidiaries
- Reviewing the following information
 1. Management Discussion and Analysis of financial condition and results of operations
 2. Statement of significant related party transactions* submitted by management
 3. Management letters/letters of internal control weaknesses issued by the statutory auditors
 4. Internal audit reports relating to internal control weaknesses; and
 5. The appointment, removal and terms of remuneration of internal auditors
- To call for comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statements before submission to the Board and to discuss any related issue with the internal and statutory auditors and management of the Company.
- * Related Party Transaction as per Accounting Standard – 18 means "A transfer of resources or obligations between related parties, regardless of whether or not a price is charged."

General

Executives of Accounts Department and Secretarial Department and representatives of Statutory and Internal Auditors attend Audit Committee meetings when required. The Cost Auditor attends the Audit Committee Meeting where Cost Audit Reports are discussed.

The Chairman of the Audit Committee was present at the last Annual General Meeting held on 8th August, 2013.

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 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 Directors of the Company comprised the following four Directors during the financial year 2013-14:

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

The Remuneration Committee held only one meeting during the year i.e. on 04.02.2014 and it was attended by the Chairman and all the other members thereof.

The Board of Directors of the Company constituted the Nomination and Remuneration Committee at its meeting held on 30th May, 2014 in replacement of the earlier Remuneration Committee with the terms of reference which are in compliance of the Companies Act, 2013 and Clause 49 of the Listing Agreement as amended from time to time.

The composition of the Nomination and Remuneration Committee is as under:

Shri Ninad D. Gupte	: Independent Director (Chairman of the Committee)
Shri Nimish U. Patel	: Independent Director
Shri Dipesh K. Shroff	: Promoter, Non- Executive Director

Terms of Reference of the newly constituted Nomination and Remuneration Committee include the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The Company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.

Meeting Details:

Two meetings of Nomination and Remuneration Committee were held on 30.05.2014 and 11.07.2014 and attended by the Chairman and all the other members thereof.

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 for 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 not exceeding Rs.1,13,88,000/- per annum for a period of three years w.e.f. 01-12-2011 to 30-11-2014.

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 at their Annual General Meeting held on 25.08.2011.

REPORT ON CORPORATE GOVERNANCE

- (i) Details of remuneration paid to Shri A. G. Shroff, Managing Director, during the period 01.04.2013 to 31.03.2014 are as under:

(Rs. in Lacs)

Salary	Perquisites	Contribution to Provident Fund and other Funds	Performance Incentive payable	Total	After deducting contribution towards PF (Rs.5.88 Lacs) and Superannuation Fund (Rs.1.00 Lac) from Col. (5) total remuneration paid/payable
(1)	(2)	(3)	(4)	(5)	(6)
49.00	49.00	15.68	7.08	120.76	113.88

The employment of the 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 at the rate of 1% of net profit in accordance with the approval received from Govt. of India, Ministry of Corporate Affairs vide its letter dated 30th December, 2013 for the re-appointment of Shri Bimal V. Mehta, as Whole-time Director designated as Executive Director of the Company for a period not exceeding five (5) years w.e.f. 09.04.2013 on the following remuneration per annum for a period of three years:

Period	Total Remuneration Rs.
09.04.2013 to 08.04.2014	84,00,000
09.04.2014 to 08.04.2015	96,60,000
09.04.2015 to 08.04.2016	1,11,09,000

Details of remuneration paid to Shri Bimal V. Mehta, Whole-time Director designated as Executive Director during the period 01.04.2013 to 31.03.2014 are as under:

(Rs.in Lacs)

Salary	Perquisites	Contribution to Provident Fund and other Funds	Performance Incentive payable	Total	After deducting contribution towards PF (Rs.3.02 Lacs) and Superannuation Fund (Rs.1.00 Lac) from Col. (5) total remuneration paid/payable
(1)	(2)	(3)	(4)	(5)	(6)
26.59	26.59	5.24	18.74	77.16	73.14

- (iii) Remuneration to Non-Executive Directors for the year ended 31.03.2014:

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 non-executive Directors of the Company, as approved by the members of the Company.

The non-executive Directors were paid sitting fee of Rs. 5000/- for each meeting of the Board and Committees attended by them and commission as detailed below:

REPORT ON CORPORATE GOVERNANCE

Name of Non-executive Director	Sitting fees paid during the year for attending Board and Committee Meetings (In Rs.)	Commission paid during the year but pertaining to the year 2012-2013. (In Rs.)
Shri Ashwin C. Shroff	20,000	46,000
Shri Dipesh K. Shroff	45,000	35,000
Shri M. D. Patel	85,000	35,000
Shri A. H. Patel	70,000	35,000
Dr. Bernd Dill	20,000	35,000
Shri Ravi A. Shroff	10,000	35,000
Shri Ninad D. Gupte	35,000	35,000
Shri Nimish U. Patel	25,000	35,000

8. SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE:

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

The Shareholders'/Investors' Grievance Committee comprised Shri Atul G. Shroff (Chairman), Shri A.H.Patel, Shri Mukesh D. Patel and Shri Nimish U. Patel. Except Shri A.G.Shroff, Chairman, the rest of the members of the Committee are non-executive Independent Directors. The Committee held only one meeting during the period under review on 1st May, 2013 which was attended by the Chairman and other members of the Committee except Shri Atul H. Patel.

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

Meetings of the Committee of senior officials are held once in every ten days to consider and approve requests, if any, for transfer, deletion of the name of the deceased shareholder, split, consolidation, name correction, change in status. Details of the decisions taken by the said Committee in each and every meeting are placed before the Board at its meetings and noted. The other aspects pertaining to the shares (e.g. transmission, issue of duplicate share certificates etc.) continue to be dealt with by the Committee of Directors or by the Board.

Shri Shailesh K. Solanki, Vice President & Company Secretary is designated as the Compliance Officer.

Throughout the year, the Company has received a few complaints which were satisfactorily resolved.

The Board of Directors of the Company, at its meeting held on 11th July, 2014, constituted the Stakeholders Relationship Committee in replacement of the Shareholders'/Investors' Grievance Committee with terms of reference which are in compliance of the Companies Act, 2013 and Clause 49 of the Listing Agreement as amended from time to time.

The composition of the Stakeholders Relationship Committee is as under:

- Shri Nimish U. Patel: Independent Director & Chairman of the Committee
- Shri Atul G. Shroff: Managing Director
- Shri Hemant J. Bhatt: Independent Director

The terms of reference of the Stakeholders Relationship Committee, inter alia, includes the following:

- Consider and resolve the grievances of security holders of the Company.
- Oversee and review all matters connected with the transfer of the Company's securities.
- Approve issue of the Company's duplicate share certificates.
- Oversee the performance of the Company's Registrars and Transfer Agents.
- Recommend methods to upgrade the standard of services to investors.

REPORT ON CORPORATE GOVERNANCE

- Monitor implementation of the Company's code of conduct for prohibition of Insider Trading.
- Carry out any other function as is referred to it by the Board from time to time or enforced by any statutory notification/amendment or modification as may be applicable.

Corporate Social Responsibility Committee:

The Board of Directors of the Company constituted the Corporate Social Responsibility Committee on 30.05.2014 and framed its terms of reference which are in compliance of the Companies Act, 2013.

The composition of the said Committee is as under:

1. Smt. Geeta A. Goradia : Independent Director & Chairperson of the Committee
2. Shri Dipesh K. Shroff : Promoter Non-executive Director
3. Shri Atul G. Shroff : Managing Director

The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of Corporate Social Responsibility Policy.

The terms of reference of the aforesaid committee inter alia, include the following:

- To formulate and recommend to the Board a Corporate Social Responsibility (CSR) Policy indicating activities to be undertaken by the Company in compliance of provisions of the Companies Act, 2013 and the Rules made thereunder.
- To recommend the amount of expenditure to be incurred on the CSR activities.

Finance & CAPEX Committee:

The Board of Directors of the Company constituted the Finance & CAPEX Committee on 11th July, 2014 and framed its terms of reference.

The composition of the said Committee is as under:

1. Shri Atul G. Shroff : Managing Director (Chairman of the Committee)
2. Shri Bimal V. Mehta : Executive Director
3. Shri Hemant J. Bhatt : Independent Director
4. Smt. Geeta A. Goradia : Independent Director

9. GENERAL MEETINGS:

The last three (45th, 46th and 47th) Annual General Meetings of the Company were held at 3.30 P. M. on 25.08.2011, 09.08.2012 and 08.08.2013 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 the preceding 3 financial years:

Sr. No. Year Matters on which resolutions were passed

1. 2012-2013 To consider and approve the payment of 1% commission to the non-executive Directors of the Company for a period of five years commencing from 1st April, 2014 to 31st March, 2019.
2. 2011-2012 -
3. 2010-2011
 1. Re-appointment of Shri Atul G. Shroff as the Managing Director for a further period of five years.
 2. Deed of variation for payment of additional amount of perquisites under the head "Other Miscellaneous Perquisites" to Shri Bimal Mehta, Executive Director.

REPORT ON CORPORATE GOVERNANCE

None of the resolutions proposed to be passed at the ensuing AGM to be held on 18th September, 2014 is required or proposed to be put through postal ballot.

10. DISCLOSURES:

Related Party Transactions:

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 maintained 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 2013-2014 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 (D) of the Standalone Annual Accounts for the financial year 2013-14.

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 the Listing Agreement.

11. MEANS OF COMMUNICATION:

- i) The un-audited quarterly and summarized annual audited results have been submitted to the BSE Limited and are published in any of the two 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. AUDIT QUALIFICATION:

The Company is in the regime of unqualified financial statements.

13. WHISTLE BLOWER POLICY:

The Company promotes ethical behavior in all its business activities and has put in place a mechanism of reporting illegal or unethical behaviour. The Company has a whistle blower policy wherein the employees are free to report violations of laws, rules, regulations or unethical conduct. The confidentiality of those reporting violations shall be maintained and they will not be subjected to any discriminatory practice.

14. 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 March 31, 2014, as stipulated in clause 49 of the Listing Agreement of the said company with the BSE Limited.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

For Contractor, Nayak & Kishnadwala

Chartered Accountants

Firm Registration No.129638W

Himanshu Kishnadwala

Partner

Membership No. 37391

Vadodara, July 11, 2014

REPORT ON CORPORATE GOVERNANCE

INVESTOR INFORMATION

1. Annual General Meeting:

Date, time and venue: On Thursday, the 18th day of September, 2014 at 3:30 p.m. at Hotel Surya Palace, Opp: Parsi Agiyari, Sayajigunj, Vadodara – 390 020.

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 31.03.2014- on or before 31.05.2014
- vi. Dividend Payment date: after 18th September, 2014

3. Book Closure Date:

11th September, 2014 to 18th September, 2014 (both days inclusive)

4. Stock Exchange Listings:

The BSE Limited, Mumbai.

Scrip 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 & Share Transfer Agent 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

Phone : 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,
1st Floor, Nr. Radhakrishna Char Rasta,
Akota, Vadodara - 390020.

Phone : 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

7. Dematerialization of Shares:

The Company has entered into agreements with both National Securities Depository Ltd. (NSDL) and Central Depository

REPORT ON CORPORATE GOVERNANCE

Services (India) Ltd. (CDSL) whereby shareholders have an option to dematerialize their shares with either of the depositories. 94.52 % of the paid up capital has been dematerialized as on 31.03.2014.

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
Vice President &
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 meets every ten days. Share transfers are registered and returned within a maximum of 15 working days from the date of lodgment if documents are complete in all respects.

11. Stock Price and Volume:

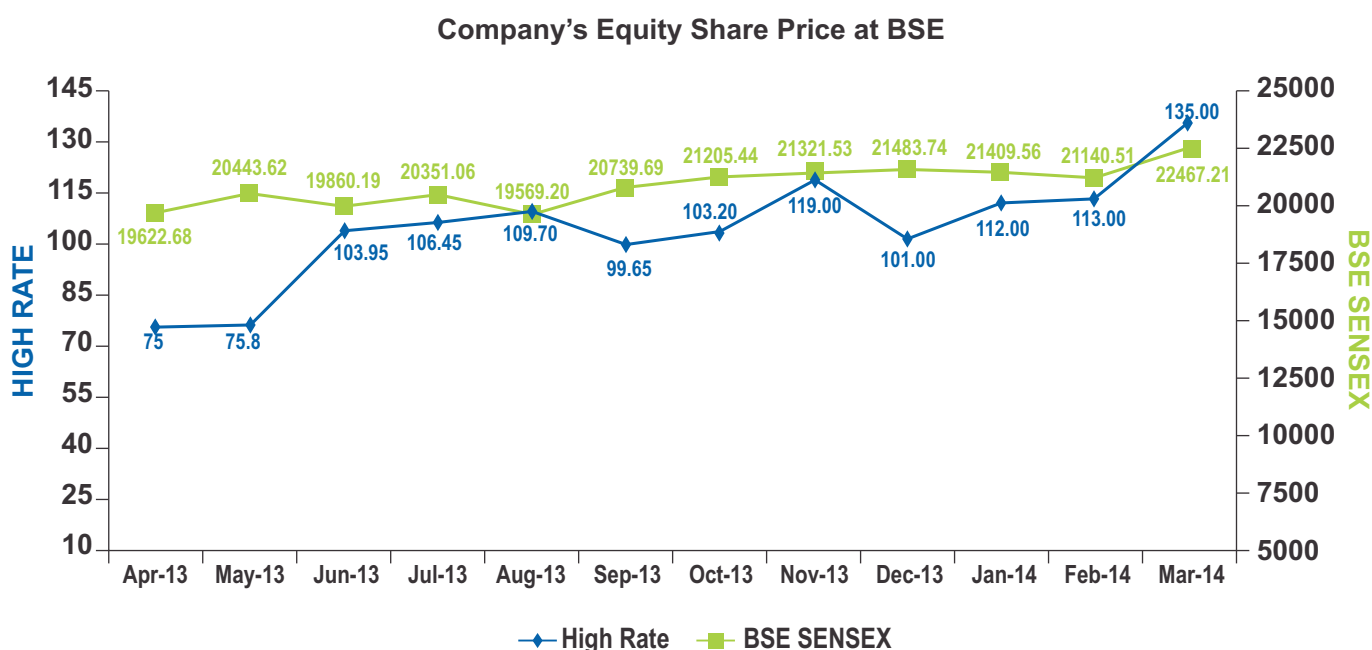
Monthly High, Low, Closing Market Price and number of shares traded during each month in the last financial year on the BSE Ltd., is furnished below:

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

REPORT ON CORPORATE GOVERNANCE

2013-14 (12 Months)	MUMBAI (BSE)		Closing Market Price (Rs.)	Volume of Trade (Nos.)
	Highest (Rs.)	Lowest (Rs.)		
April,13	75.00	61.10	72.50	93
May,13	75.80	67.50	72.00	79
June,13	103.95	72.00	99.00	91
July,13	106.45	88.00	93.25	73
August,13	109.70	92.95	103.00	66
September,13	99.65	85.00	86.55	47
October,13	103.20	82.25	103.20	108
November,13	119.00	100.50	101.00	83
December,13	101.00	88.00	99.00	66
January,14	112.00	95.00	100.05	298
February,14	113.00	99.50	104.50	604
March,14	135.00	102.55	119.45	920

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



REPORT ON CORPORATE GOVERNANCE

13. Distribution of shareholding as on 31st March, 2014:

Category (Rs.)	No. of Shareholders	Percentage to Total No. of Shareholders	No. of Shares	Percentage to Capital
1 - 5000	6689	92.38	618761	10.54
5001 - 10000	253	3.49	188933	3.22
10001 - 20000	136	1.88	191895	3.27
20001 - 30000	33	0.46	85423	1.45
30001 - 40000	24	0.33	84139	1.43
40001 - 50000	20	0.27	89628	1.53
50001 - 100000	41	0.57	285939	4.87
100001 - and above	45	0.62	4327322	73.69
TOTAL	7241	100.00	5872040	100.00

14. Categories of Shareholders as on 31st March, 2014:

Category	No. of Shareholders	Voting Strength %	No. of Shares
Indian Promoters	43	38.27	2247017
Life Insurance Corporation of India	1	3.68	216132
United India Insurance Company Ltd.	1	0.49	28750
National Insurance Company Ltd.	1	1.28	74950
Unit Trust of India	1	0.04	2450
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	2969
Shares Pledged with Citibank N.A.	4	0.02	950
Foreign Company / Institutions	3	0.01	420
Non-Resident Individuals	40	4.50	264383
Other Bodies Corporate	92	18.22	1069995
Individuals	7041	33.44	1963824
TOTAL	7241	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, 2014.

Place: Vadodara
Date: 11th July, 2014

Transpek Industry Ltd.

Atul G. Shroff
Managing Director



TEN YEARS HIGHLIGHT

(₹ in Lacs)

	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05
I CAPITAL ACCOUNTS										
A Share Capital	587.20	587.20	587.20	587.20	587.20	559.30	532.67	507.30	507.30	507.30
B Reserves	6136.04	5588.04	4770.66	5802.52	4797.22	4360.34	3587.52	3432.31	3056.67	3162.21
C Shareholders' Fund (A+B)	6723.24	6175.24	5357.86	6389.72	5384.42	4919.64	4120.19	3939.61	3563.97	3669.51
D Borrowings*	5777.43	6789.16	6579.04	6566.50	5047.26	4670.52	3284.89	3284.26	3207.55	2438.35
E Fixed Assets										
i Gross Block	17085.75	15703.11	14931.21	13897.66	11426.75	10902.73	9278.33	8543.87	7089.11	5744.11
ii Net Block	9297.06	9444.09	9286.53	8853.61	6902.39	6846.64	5631.93	5332.74	4261.09	3226.73
F Debt-Equity Ratio	0.85:1	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
II REVENUE ACCOUNTS										
A Sales Turnover**										
i Domestic	9139.01	7622.96	7055.86	7795.81	4974.46	5953.71	4725.42	5324.94	5931.85	5565.08
ii Export	14256.68	13079.49	8299.24	10434.44	6366.28	10707.29	5954.56	2705.83	1794.39	1019.56
TOTAL	23395.69	20702.45	15355.10	18230.25	11340.74	16661.00	10679.98	8030.77	7726.24	6584.64
B Profit after tax	719.75	1023.46	(1031.85)	1278.27	454.60	789.93	114.83	464.67	501.94	512.90
C Return on Shareholders' Fund %	10.71	16.57	(19.26)	20.01	8.44	16.06	2.79	11.79	14.08	13.98
III EQUITY SHAREHOLDERS' EARNINGS										
A Earning per Equity Share Rs.	12.26	17.43	(17.57)	21.77	7.80	14.81	2.26	9.16	9.89	10.11
B Dividend per Equity Share # Rs.	2.50	3.00	-	4.00	2.50	2.50	1.50	1.50	2.50	2.00
C Dividend Payout Ratio %	23.86	20.14	-	21.36	37.66	20.71	81.41	19.16	28.81	22.56
D Net Worth per Equity Share Rs.	114.50	105.16	91.24	108.82	91.70	87.96	77.35	77.66	70.25	72.33
E Market price of Share as on 31st March Rs.	119.45	60.00	85.05	137.05	63.50	47.05	62.50	67.15	83.15	73.80

* 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 AUDITOR'S 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, 2014, 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 of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. 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 entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of 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, 2014;
- (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 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. **As required by section 227(3) of the Act, we report that:**
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

INDEPENDENT AUDITOR'S REPORT

- 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, the Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013.
- e. On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, 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, 2014

Statement referred to in paragraph 1 of "Report on Other Legal and Regulatory Requirements" of the Auditors' Report of even date to the Members of Transpek Industry Limited on the financial statements for the year ended 31st March, 2014.

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 Seven parties, covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was ₹ 227.11 lacs and the year-end balance of these deposits is ₹ 227.11 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

INDEPENDENT AUDITOR'S REPORT

fixed assets and for sale of goods and services. However, since the new ERP system which the company has implemented is in the process of stabilization, there have been inconsistencies in the control systems relating to identification of components allocated for fixed assets capitalization. Further, on the basis of our examination of the books of account, and as explained to us, no major weakness has been noticed in the internal control system in respect of these areas, except as stated above and we have not observed any continuing failure to correct major weakness in the same.

- (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 deposits 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 there under, 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;
- (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

INDEPENDENT AUDITOR'S REPORT

Name of the Statute	Nature of dues	Amount (₹ In lacs)	Period to which the amount relates	Forum where dispute is pending
Central excise Act, 1944	Excise duty (including penalty)	229.58	2002-2012	CESTAT, Ahmedabad
		0.86	2012-2013	Commissioner (appeal)
Service tax	Service tax (including penalty)	142.09	2008-2013	CESTAT, Ahmedabad

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;
- (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 basis 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, 2014



BALANCE SHEET AS AT 31ST MARCH 2014

₹ in Lacs

Particulars	Note No.	As at 31st March, 2014	As at 31st March, 2013
I EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share Capital	3	587.20	587.20
(b) Reserves and Surplus	4	6,136.04	5,588.04
		6,723.24	6,175.24
2 Non-current liabilities			
(a) Long-term borrowings	5	895.15	2,644.69
(b) Deferred tax liabilities (Net)	6	1,373.69	917.60
(c) Long-term provisions	7	169.70	177.42
		2,438.54	3,739.71
3 Current liabilities			
(a) Short-term borrowings	8	5,011.44	4,261.03
(b) Trade payables	9	4,434.84	2,839.56
(c) Other current liabilities	10	3,484.03	2,651.20
(d) Short-term provisions	11	373.99	375.60
		13,304.30	10,127.39
TOTAL		22,466.08	20,042.34
II ASSETS			
Non - Current Assets			
1 (a) Fixed Assets	12		
(i) Tangible Assets		9,297.06	9,444.11
(ii) Intangible Assets		17.90	21.50
(iii) Capital Work in Progress		447.55	164.89
		9,762.51	9,630.50
(b) Non - Current Investments	13	944.83	1,394.83
(c) Long term loans & advances	14	1,077.39	782.06
		11,784.73	11,807.39
CARRIED FORWARD		11,784.73	11,807.39

BALANCE SHEET AS AT 31ST MARCH 2014

Particulars	Note No.	₹ in Lacs	
		As at 31st March, 2014	As at 31st March, 2013
BROUGHT FORWARD		11,784.73	11,807.39
2 Current Assets			
(a) Inventories	15	2,792.77	2,445.32
(b) Trade receivables	16	6,828.73	5,128.02
(c) Cash and Bank Balances	17	260.71	276.14
(d) Short-term loans and advances	18	681.15	303.38
(e) Other current assets	19	117.99	82.09
		<u>10,681.35</u>	<u>8,234.95</u>
TOTAL		<u>22,466.08</u>	<u>20,042.34</u>
Notes forming part of the financial statements	1&2		

As per our report of even date

**For Contractor, Nayak & Kishnadwala
Chartered Accountants****Himanshu Kishnadwala
Partner**Place : Vadodara
Date : 30th May, 2014

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 (Vice President & Chief Financial Officer)
S. K. Solanki (Vice President & Company Secretary)Place : Vadodara
Date : 30th May, 2014



PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH 2014

₹ in Lacs

Particulars	Note No.	As at 31st March, 2014	As at 31st March, 2013
I. Revenue from operations	20	24,094.22	21,079.71
II. Other income	21	746.27	343.91
III. Total Revenue (I + II)		24,840.49	21,423.62
IV. EXPENSES			
Cost of Materials consumed	22	10,622.82	9,462.80
Purchases of Stock-in-Trade	23	1,961.56	175.13
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	24	(73.06)	234.74
Employee benefits expense	25	2,439.73	2,219.23
Finance costs	26	1,151.82	1,139.79
Depreciation and amortization expense		722.18	665.06
Other expenses	27	6,828.02	6,427.55
Total expenses (IV)		23,653.07	20,324.30
V. Profit before tax (III- IV)		1,187.42	1,099.32
VI. Tax expense:			
Current tax		298.33	181.05
Deferred tax		456.10	74.79
Mat Credit Entitlement		(297.00)	(180.00)
Taxation adjustments for earlier years		10.24	-
VII. Profit for the year (V-VI)		719.75	1,023.48
VIII. Earnings per equity share:			
Basic		12.26	17.43
Diluted		12.26	17.43
Notes forming part of the financial statements	1&2		

As per our report of even date

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

**Himanshu Kishnadwala
Partner**

Place : Vadodara
Date : 30th May, 2014

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 (Vice President & Chief Financial Officer)
S. K. Solanki (Vice President & Company Secretary)

Place : Vadodara
Date : 30th May, 2014



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2014

₹ in Lacs

Particulars	For the year ended 31 st March, 2014	For the year ended 31 st March, 2013
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit before exceptional items, prior period items and tax:	1,187.42	1,099.32
Adjustments for :		
Depreciation /amortization	722.18	665.06
Loss/(Profit) on disposal of fixed assets	27.88	(13.29)
Excess Depreciation written back	-	-
Diminution in the carrying amount of Long term Investments	450.00	-
Interest received	(47.36)	(63.13)
Dividend Received	(241.31)	(210.95)
Interest Expense	1,151.82	1,139.79
	<u>2,063.21</u>	<u>1,517.48</u>
Operating Profit before working capital changes	3,250.63	2,616.79
Adjustments for:		
(Increase)/Decrease in Loans and Advances	(390.84)	303.15
(Increase)/Decrease in Trade receivables	(1,700.71)	(1,286.21)
(Increase)/Decrease in Inventories	(347.45)	467.18
(Increase) in Other Current Assets	(20.90)	(40.26)
(Increase)/Decrease in Trade Payables	1,595.29	117.54
(Increase)/Decrease in Other Liabilities and Provisions	(179.56)	(294.18)
	<u>(1,044.19)</u>	<u>(732.78)</u>
Cash generated from Operations	2,206.44	1,884.01
Less : Direct taxes paid	293.83	4.87
Cash flow before extraordinary items	1,912.61	1,879.14
Prior Period Adjustments (Other than Taxation)	-	-
Net cash from Operating Activities (A)	1,912.61	1,879.14
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(928.74)	(887.03)
Proceeds from sale of fixed assets	46.65	21.02
Purchase of Investment	-	(334.01)
Decrease / (Increase) in fixed deposits with a maturity period of more than 90 days	(17.01)	126.25
Interest received	32.37	65.89
Dividend received	241.31	210.95
Net Cash used in Investing Activities (B)	(625.41)	(796.93)
CARRIED FORWARD (A+B)	1287.19	1082.21

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2014

₹ in Lacs

Particulars	For the year ended 31st March, 2014	For the year ended 31st March, 2013
BROUGHT FORWARD (A+B)	1287.19	1082.21
C CASH FLOW FROM FINANCIAL ACTIVITIES		
Receipt of Borrowings	1,206.13	1,016.74
Repayment of Borrowings	(1,145.21)	(882.94)
Interest Paid	(1,174.99)	(1,163.47)
Dividend Paid	(175.61)	(2.62)
Dividend Distribution Tax Paid	(29.94)	0.00
Net cash used Financing Activities (C)	(1,319.63)	(1,032.29)
Net increase in cash and cash equivalents (A+B+C)	(32.43)	49.91
Cash and cash equivalents at the beginning of the year	157.54	107.63
Cash and cash equivalents at the end of the year	125.11	157.54
Components of Cash & Cash Equivalents		
Cash on hand	14.34	5.27
Balances with scheduled banks:		
On Current Accounts	86.01	104.70
On unclaimed interest on fixed deposit account	11.04	34.41
On Margin money accounts	20.78	6.88
On Deposit accounts	114.82	111.71
On unclaimed dividend account	12.01	11.46
On Right issue application money account	1.71	1.71
Cash and Cash Equivalents as per Note No.17	260.70	276.13
Less: Fixed deposits not considered as cash equivalents	135.59	118.59
Cash and Cash Equivalents as per Cash Flow Statement	125.11	157.54

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 ₹0.89 Lacs (Previous year: ₹0.89 Lacs), Unclaimed dividend accounts ₹12.01 Lacs (Previous year: ₹11.46 Lacs) & 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, 2014

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 (Vice President & Chief Financial Officer)
 S. K. Solanki (Vice President & Company Secretary)

 Place : Vadodara
 Date : 30th May, 2014



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. Nature of Operations

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 with all material respects with the Notified accounting standard by Companies (Accounting Standards) Rules, 2006 (as amended), other pronouncements 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.
- 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.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

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.

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.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Conversion Charges

Income is recorded on accrual basis on despatch of material and as per terms of agreement

Sale of Scrap

Revenue from sale of scrap is recognised as and when scrap is sold.

k) Other Income

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

l) 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 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'.

m) 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.

n) 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.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

o) 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.

p) Borrowing Costs

Borrowing Cost that are directly attributable to the acquisition of qualifying asset are capitalised for the period until the asset that are necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are recognised as an expenses in the period in which they are incurred.

q) 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.

r) 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.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

- 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.

s) 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.

t) 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.

u) 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, 2014		As at 31st March, 2013	
	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, 2014		As at 31st March, 2013	
	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, 2014		As at 31st March, 2013	
	Number of shares	Extent of Holding	Number of shares	Extent of Holding
Equity shares with voting rights				
Finquest Securities Pvt. Ltd	979,812	16.69%	992,454	16.90%
Kamaljyot Investments Ltd	611,933	10.46%	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, 2014 ₹ in Lacs	As at 31st March, 2013 ₹ 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	2,746.36	2,446.36
(+): Transfer for the year	150.00	300.00
Closing Balance	2,896.36	2,746.36
(d) Surplus		
Opening balance	1,298.60	781.22
(+) Net Profit for the Year	719.75	1,023.48
(-) Proposed dividend	146.80	176.16
(-) Tax on proposed dividend	24.95	29.94
(-) Transfer to general reserve	150.00	300.00
Closing Balance	1,696.60	1,298.60
Total	6,136.04	5,588.04

Note No. 5 : Long term borrowings

Particulars	As at 31st March, 2014 ₹ in Lacs	As at 31st March, 2013 ₹ in Lacs
(a) Term Loans		
- Secured		
From Banks (Refer note (i) and (ii) below)	311.60	1,330.08
(b) Deposits		
- Unsecured		
- Deposits(Refer note - (iii) and (iv) below)	358.55	1,089.61
(c) Unsecured Loan from Related Parties		
- Inter Corporate Deposits	140.00	140.00
- Deposits from Director's	70.00	70.00
- Deposits from Relative of Director	15.00	15.00
(Refer note - (v) below)	225.00	225.00
Total	895.15	2,644.69

(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
Term loans - from Banks	13.00 % to 13.50 %	311.60

(iii) Deposits aggregating to ₹ 358.00 Lacs are accepted from shareholders and are repayable within a period of next two to three years. The interest rate for the same ranges from 9.50% to 11.00 %

(iv) Public deposits includes deposits from related parties amounting to ₹ 2.21 Lacs (P.Y. ₹ Nil)

(v) Unsecured Loan from Related Parties aggregating to ₹ 225.00 Lacs are repayable in next one to two years. The company has accepted the above loans as per stipulation of banks. The rate of interest is 12.00 %

Note No. 6: Deferred Tax liabilities(Net)

Particulars	As at 31st March, 2014 ₹ in Lacs	As at 31st March, 2013 ₹ in Lacs
Deferred tax liabilities		
Related to fixed assets	1,567.71	1,057.42
Total	1,567.71	1,057.42
Deferred tax assets		
Disallowances under the Income Tax Act ,1961	74.78	65.00
Provision for doubtful debts / advances	-	-
Unabsorbed tax losses carried forward(Refer note below)	119.24	74.82
Total	194.02	139.82
Net deferred tax (liability) / asset	1,373.69	917.60

Note:-

The Company has recognized deferred tax asset on unabsorbed tax losses in view of sufficient profits in the subsequent years and orders on hand with the company.

Note No. 7 : Long term provisions

Particulars	As at 31st March, 2014 ₹ in Lacs	As at 31st March, 2013 ₹ in Lacs
(a) Provision for employee benefits:		
(i) Provision for compensated absences (Refer note 29(B)(b))	169.70	177.42
Total	169.70	177.42

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No. 8 : Short term borrowings

Particulars	As at 31st March, 2014 ₹ in Lacs	As at 31st March, 2013 ₹ in Lacs
(a) Secured		
- Loans repayable on demand from banks	3,101.60	2,491.50
- Other Short Term Loan from bank	300.00	-
- Acceptances from Banks	1,412.04	1,659.45
(Refer note (i) below)		
(b) Unsecured		
- Public Deposits (Refer note (ii) and (iii) below)	197.80	110.08
Total	5,011.44	4,261.03

Note: (i) The above cash/Export credit facilities, short term loan and Buyers credit 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 10.00% to 13.75%

(ii) The Interest rate for short term unsecured public deposit is 9.5%

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

Note No. 9 : Trade Payables

Particulars	As at 31st March, 2014 ₹ in Lacs	As at 31st March, 2013 ₹ in Lacs
Trade payables (Refer note 30(A))	4,434.84	2,839.56
Total	4,434.84	2,839.56

Note No. 10 : Other Current Liabilities

Particulars	As at 31st March, 2014 ₹ in Lacs	As at 31st March, 2013 ₹ in Lacs
(a) Current maturities of long-term debt (Refer Note no (i) below)	1,044.97	1,171.68
(b) Current maturities of unsecured deposits (Refer Note no (ii) below)	1,568.58	611.47
(c) Interest accrued but not due on borrowings	161.41	147.38
(d) Interest accrued and due on borrowings	-	15.65
(e) Unpaid dividends(*)	12.01	11.46
(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	24.30	61.38
	2812.98	2020.73
CARRIED FORWARD	2812.98	2020.73

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	As at 31st March, 2014 ₹ in Lacs	As at 31st March, 2013 ₹ in Lacs
BROUGHT FORWARD	2812.98	2020.73
(h) Other payables		
(i) Statutory remittances	85.15	57.60
(ii) Interest accrued on trade payables	6.14	6.14
(iii) Interest accrued on others	3.20	5.44
(iv) Security deposits received	11.05	11.05
(v) Advances from customers	35.19	54.20
(vi) Salary and Wages payable	141.56	130.40
(vii) Other payables	388.76	365.64
Total	3,484.03	2,651.20

(*) 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, 2014 ₹ in Lacs	As at 31st March, 2013 ₹ in Lacs
(a) Secured Term loans from banks:	1,044.97	1,171.68
(The interest rate for the same ranges from 13.00 % to 13.50 %)		
Total	1,044.97	1,171.68

Note (ii) : Current maturities of long term deposits includes deposits from public amounting to ₹ 942.11 Lacs which are to be repaid before end of March 2015 in pursuant to section 73 and 74 of the Companies Act, 2013.

Particulars	As at 31st March, 2014 ₹ in Lacs	As at 31st March, 2013 ₹ in Lacs
Current maturities of unsecured deposits	1,568.58	611.47
(The Interest rate for the same ranges from 9.50% to 11.00%)		
Total	1,568.58	611.47

Note No. 11 : Short term provisions

Particulars	As at 31st March, 2014 ₹ in Lacs	As at 31st March, 2013 ₹ in Lacs
(a) Provision for employee benefits:		
(i) Provision for Bonus/exgratia	48.87	47.37
(ii) Provision for gratuity (net) (Refer Note 29B(a))	71.36	89.76
(iii) Provision for compensated absences (Refer Note 29B(b))	45.32	8.82
	165.55	145.95
(b) Other Provisions:		
(i) Provision for proposed dividend	146.80	176.16
(ii) Provision for tax on proposed dividend	24.95	29.94
(iii) Provision for income tax (net)	36.69	23.55
	208.44	229.65
Total	373.99	375.60

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No 12 : FIXED ASSETS

₹ in Lacs

Particulars	Gross Block			Accumulated Depreciation				Net Block	
	Balance as at 1st April, 13	Additions	Disposals	Balance as at 31st March, 14	Balance as at 1st April, 13	Depreciation/ amortisation charge for the year	On disposals	Balance as at 31st March, 14	Balance as at 31st March, 13
I Tangible Assets									
(a) Land- (Free Hold)	312.09	-		312.09	-	-	-	312.09	312.09
(b) Buildings	1,215.69	30.11		1,245.80	238.45	28.58	-	267.03	977.25
(c) Electric Installations	225.85	10.55		236.40	79.27	9.07		88.34	148.05
(d) Plant and Equipment	12,740.68	421.72	120.84	13,041.56	5,431.11	591.13	64.79	5,957.45	7,084.11
(e) Research and Development Equipment	548.73	82.00	0.10	630.63	206.77	33.87	0.01	240.63	390.00
(f) Furniture and Fixtures	215.57	18.85		234.42	109.07	16.26		125.33	109.09
(g) Vehicles	284.76	70.97	29.16	326.57	110.39	28.44	10.76	128.07	198.50
(h) Office equipment	117.37	1.65		119.02	46.26	0.10		46.36	72.66
(i) Technical Books	42.37			42.37	37.70	0.87		38.57	3.77
Total	15,703.11	635.85	150.10	16,188.85	6,259.02	708.32	75.56	6,891.79	9,297.06
(ii) Intangible Assets									
Technical Know How	439.09	-	-	439.09	417.59	11.73	-	429.31	9.78
REACH Product Registration		10.26		10.26	-	2.14		2.14	8.12
Total	439.09	10.26	-	449.35	417.59	13.87	-	431.45	17.90
(iii) Capital Work In Progress	164.89	1,171.65	888.99	447.55				447.55	164.89
Total	164.89	1,171.65	888.99	447.55	-	-	-	447.55	164.89
Total	16,307.09	1,817.75	1,039.08	17,085.75	6,676.61	722.18	75.56	7,323.24	9,762.51

Note No 12 : FIXED ASSETS

₹ in Lacs

Particulars	Gross Block			Accumulated Depreciation				Net Block	
	Balance as at 1st April, 12	Additions	Disposals	Balance as at 31st March, 13	Balance as at 1st April, 12	Depreciation/ amortisation charge for the year	On disposals	Balance as at 31st March, 13	Balance as at 31st March, 12
(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
(c) Electric Installations	222.74	3.11		225.85	70.74	8.53		79.27	146.59
(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
(e) Research and Development Equipment	524.05	24.68		548.73	175.71	31.06		206.77	341.96
(f) Furniture and Fixtures	209.22	6.35		215.57	97.79	11.28		109.07	106.49
(g) Vehicles	268.06	16.70		284.76	85.25	25.14		110.39	174.37
(h) Office equipment	111.94	5.43		117.37	41.46	4.80		46.26	71.11
(i) Technical Books	42.37	-		42.37	36.83	0.87		37.70	4.67
Total	14,931.21	811.65	39.75	15,703.11	5,644.63	646.41	32.02	6,259.02	9,444.09
(ii) Intangible Assets									
Technical Know How	439.09	-	-	439.09	398.94	18.65	-	417.59	21.50
Total	439.09	-	-	439.09	398.94	18.65	-	417.59	21.50
(iii) Capital Work In Progress	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

(i) Addition to fixed assets includes ₹ 1.86/- Lacs on account of capitalization of interest.

(ii) Depreciation on plant and equipment is after adjusting excess provision of depreciation for the earlier years amounting to ₹ 42.86/- Lacs

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note no. 13 : Non-Current Investments

Particulars	As at 31st March, 2014 ₹ in Lacs	As at 31st March, 2013 ₹ 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 30(F))	334.00	334.00
<u>Investment in equity instruments (fully paid up)</u>		
(i) <u>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 (including ₹ 450 lacs made during the year)	705.00	255.00
	171.58	621.58
(ii) <u>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)	806.56	1,256.56
<u>Trade Investments (quoted)</u>		
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	0.00	0.00
	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)	944.83	1,394.83
Aggregate value of unquoted investments	806.70	1,256.70
Aggregate value of quoted investments	138.13	138.13
Aggregate value of investments	944.83	1,394.83
Aggregate market value of quoted investments	108.09	93.99
Aggregate provision for diminution in value of investments	793.63	343.63

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No. 14 : Long-term loans and advances

Particulars	As at 31st March, 2014 ₹ in Lacs	As at 31st March, 2013 ₹ in Lacs
Unsecured, considered good		
(a) Capital Advances	27.68	21.36
(b) Loans and advances to related parties	38.11	30.71
(c) Security deposits	112.79	112.63
(d) Balances with government authorities		
(i) Taxes paid in advances (net of provisions)	204.14	218.88
(ii) MAT credit entitlement	512.75	215.75
(iii) VAT recoverable	181.92	182.73
Total	1,077.39	782.06

Note no.: 15 Inventories

(At lower of cost and net realizable value)

Particulars	As at 31st March, 2014 ₹ in Lacs	As at 31st March, 2013 ₹ in Lacs
(a) Raw materials		
- Loose Sulphur	107.25	158.31
- Purified Isophthalic Acid	327.00	299.83
- Others	969.59	721.13
	1,403.84	1,179.27
(b) Work-in-progress		
Chlorinated Compounds	113.49	253.91
(c) Finished goods		
Chlorinated Compounds	973.97	776.14
(Includes Stock in transit of ₹ 85.27 Lacs (P.Y. ₹ 5.07 Lacs)		
SO3 / Oleum	18.37	21.75
Process Residue /others	5.08	3.25
Trading Goods	17.19	-
	1,014.61	801.13
(d) Stores and spares	188.39	160.84
(e) Packing Materials	42.91	20.26
(f) Stock of fuel	29.52	29.90
Total	2,792.77	2,445.32

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No. 16 : Trade receivables

Particulars	As at 31st March, 2014 ₹ in Lacs	As at 31st March, 2013 ₹ in Lacs
Unsecured, considered good		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment	538.98	478.11
Other trade receivables	6,289.75	4,649.91
Total	6,828.73	5,128.02

Note No. 17 : Cash and Bank Balances

Particulars	As at 31st March, 2014 ₹ in Lacs	As at 31st March, 2013 ₹ in Lacs
Cash and Cash Equivalents		
(a) Cash in hand	14.34	5.27
(b) Balances with banks		
(i) In current accounts	86.01	104.70
	100.35	109.97
Other Bank Balances		
(a) Deposits with bank with maturity more than 3 Months(*)	114.82	111.71
(b) Balances held as margin money against guarantees	20.78	6.88
(c) In earmarked accounts		
- Balances held in unpaid dividend accounts	12.01	11.46
- Balances held in Right issue application money account	1.71	1.71
- Balances held in unpaid interest on fixed deposit accounts	11.04	34.41
	160.36	166.17
Total	260.71	276.14

(*) Notes :-

- (a) Includes Fixed deposits with Banks of ₹ 76.50 Lacs (P.Y. ₹ 45.50 Lacs) having maturity of more than 12 months
- (b) Fixed Deposits pledged with government authorities ₹ 0.89 Lacs (Previous year: ₹ 0.89 Lacs)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note no. 18 : Short-term loans and advances

Particulars	As at 31st March, 2014 ₹ in Lacs	As at 31st March, 2013 ₹ in Lacs
(a) Loans and advances to suppliers Unsecured, considered good	320.57	36.51
Unsecured, considered good		
(a) Loans and advances to related parties	22.38	28.92
(b) Loans and advances to employees and others	11.93	1.54
(c) Prepaid expenses	108.24	102.53
(d) Balances with Excise authorities	214.59	133.48
(e) Advance for Expenses	3.44	0.42
	<u>360.58</u>	<u>266.87</u>
Total	681.15	303.38

Note no. 19 : Other current assets

Particulars	As at 31st March, 2014 ₹ in Lacs	As at 31st March, 2013 ₹ in Lacs
(a) Accruals		
(i) Interest accrued on deposits	20.71	5.71
(ii) Discount and claims receivable	8.03	15.72
(b) Others		
(i) Assets held for sale	16.62	16.62
(ii) Service Tax credit receivable	72.63	44.04
Total	117.99	82.09

Note No. 20 : Revenue from Operations

Particulars	For the Year ended 31st March, 2014	₹ in Lacs For the Year ended 31st March, 2013
(a) Sale of products	24,261.57	21,603.83
Less: Excise duty recovered on sale of products	865.87	901.38
	<u>23,395.70</u>	<u>20,702.45</u>
(b) Other Operating revenues	698.52	377.26
Total	24,094.22	21,079.71

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note- 20 (i) Sale of products comprises of

₹ in Lacs

Particulars	For the Year ended 31st March, 2014	For the Year ended 31st March, 2013
<u>Manufactured goods</u>		
Chlorinated Compounds	19,715.99	18,555.96
SO3 / Oleum	1,126.72	1,419.69
Process Residue /others	587.79	549.97
Total - Sale of manufactured goods	21,430.50	20,525.62
<u>Traded Goods</u>		
Fexofenedine	0.00	171.35
Napthalene	1,285.78	0.00
H. Acid	241.20	0.00
Pentaerythritol	257.37	0.00
Other Chemicals	180.87	5.48
Total - Sale of Traded goods	1,965.20	176.83
Total Sale of Products	23,395.70	20,702.45

Note- 20(ii) Other Operating Revenue comprises of

₹ in Lacs

Particulars	For the Year ended 31st March, 2014	For the Year ended 31st March, 2013
(i) Job Work Income	483.18	228.61
(ii) Income from sale of scrap & service Charges	81.03	54.05
(iii) Export Incentives and Duty drawbacks	134.31	94.60
Total - Other operating revenues	698.52	377.26

Note- 21 Other Income

₹ in Lacs

Particulars	For the Year ended 31st March, 2014	For the Year ended 31st March, 2013
(a) Interest Income	47.36	63.13
(b) Dividend Income		
From Long Term Investments	241.31	210.95
(c) Other Non-Operating Income	457.60	69.83
Total	746.27	343.91

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note- 21 (i) Interest Income Comprises of

₹ in Lacs

Particulars	For the Year ended 31st March, 2014	For the Year ended 31st March, 2013
(i) Interest from Bank on:		
Deposits	10.76	11.09
(ii) Interest on Income Tax refund	0.00	14.43
(iii) Interest on Loans and Advances	12.04	20.50
(iv) <u>Other Interest</u>		
Other deposits	0.88	3.86
Others	36.60	13.25
Total - Interest income	60.28	63.13

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

₹ in Lacs

Particulars	For the Year ended 31st March, 2014	For the Year ended 31st March, 2013
(i) Rental income of:		
- Compensation for delay in return of returnable containers	1.27	42.79
(ii) Profit on sale of fixed assets (net)	0.00	13.29
(iii) Insurance claims	0.53	6.40
(iv) sale of Technical know how	318.75	4.40
(v) Net gain on foreign currency transactions/translations	11.61	0.00
(vi) Other Income	1.98	2.95
(vii) Key Man Insurance claim received	123.47	0.00
Total	457.61	69.83

Note No. 22 : Cost of materials consumed

₹ in Lacs

Particulars	For the Year ended 31st March, 2014	For the Year ended 31st March, 2013
Raw Material Consumption		
Opening Stock	1,179.27	1,407.77
Add: Purchases	10,847.39	9,234.30
	12,026.66	10,642.07
Less: Closing stock	1,403.84	1,179.27
Cost of Material Consumed(Refer Note 28(E))	10,622.82	9,462.80
Total	10,622.82	9,462.80

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note no. 23 : Purchase of Traded goods

₹ in Lacs

Particulars	For the Year ended 31st March, 2014	For the Year ended 31st March, 2013
Fexofinedine	17.19	166.85
Napthalene	1,273.06	0.00
H. Acid	238.81	0.00
Pentaerythritol	254.82	0.00
Others	177.68	8.28
Total	1,961.56	175.13

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

₹ in Lacs

Particulars	For the Year ended 31st March, 2014	For the Year ended 31st March, 2013
(a) Inventories at the beginning of the year:		
Finished Goods	801.14	1,040.69
Work in Progress	253.91	249.10
	1,055.05	1,289.79
(b) Inventories at the end of the year:		
Finished Goods	997.43	801.14
Work in Progress	113.49	253.91
Trading Goods	17.19	-
	1,128.11	1,055.05
Net Change in Inventories	(73.06)	234.74

Note no. 25 : Employee Benefit expenses

₹ in Lacs

Particulars	For the Year ended 31st March, 2014	For the Year ended 31st March, 2013
(a) Salaries, wages, bonus, allowances, etc.	1,904.25	1,661.73
(b) Contributions to Provident and other funds	315.15	352.67
(c) Staff welfare expenses	220.33	204.83
Total	2,439.73	2,219.23

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No. 26 : Finance Costs

₹ in Lacs

Particulars	For the Year ended 31st March, 2014	For the Year ended 31st March, 2013
(i) Interest expense		
(a) Borrowings	909.94	962.64
(b) Others	7.42	12.69
(ii) Other borrowing costs	234.46	164.46
Total	1,151.82	1,139.79

Note no. 27 : Other Expenses

₹ in Lacs

Particulars	For the Year ended 31st March, 2014	For the Year ended 31st March, 2013
Consumption of stores and spare parts	153.96	130.19
Power and fuel	1,596.43	1,636.64
Consumption of Packing Materials	608.49	600.15
Rent	197.80	206.78
Repairs and maintenance		
Repairs to buildings	71.23	41.36
Repairs to machinery	541.26	520.37
Repairs to Others	57.01	55.38
Insurance	90.47	81.95
Rates and taxes(other than taxes on income)	7.45	6.96
Freight and Forwarding charges	1,261.34	1,196.97
Commission expense	406.93	406.81
Travelling and Conveyance	235.69	250.75
Legal and Professional charges	223.43	173.12
Net loss on foreign currency transactions translations	0.00	509.99
Payment to Auditors (Refer Note 28(G))	9.19	8.03
Donation and contribution to charitable organizations (Refer Note No 30(H))	17.35	28.11
Diminution in the carrying amount of Long term Investments	450.00	0.00
Loss on disposal of assets(Net)	27.88	0.00
Miscellaneous expenses	872.11	573.99
Total	6,828.02	6,427.55

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No. : 28 Additional information to the financial statements

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

₹ in Lacs

Particulars	Year ended 31st March, 2014	Year ended 31st March, 2013
(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	40.83	17.97
(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	205.55	213.22
- Against Which amount already paid ₹ 193.82 Lacs (P.Y ₹ 189.57 Lacs)		
(ii) Disputed Sales tax Liability	39.51	34.11
(iii) Disputed Excise & Service Tax Liability	372.53	0.00
Total	<u>922.67</u>	<u>529.55</u>
(c) Commitments		
(i) Estimated amount of contracts remaining to be executed on capital account & not provided for		
- Tangible Assets	79.87	127.15
(ii) other Commitments	-	-
Total	<u>79.87</u>	<u>127.15</u>

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

₹ in Lacs

Particulars	Year ended 31st March, 2014	Year ended 31st March, 2013
Raw Materials	4,919.86	4,052.91
Stores and Spares	1.01	0.71
Capital goods	117.04	106.47
Total	<u>5,037.91</u>	<u>4,160.09</u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No. : 28 Cont'd...

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

₹ in Lacs

Particulars	Year ended 31st March, 2014	Year ended 31st March, 2013
Travelling Expenses	38.45	59.18
Export Sales Commission	278.57	319.38
Tank Hire Charges	232.51	192.79
ISO Tank Repairing Charges	6.67	26.23
Office expenses	48.37	42.92
Others	32.71	14.52
Total	637.28	655.02

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

Particulars	Year ended 31st March, 2014		Year ended 31st March, 2013	
	₹ in Lacs	%	₹ in Lacs	%
Imported	5,273.87	49.65%	4,590.89	48.52%
Indigenous	5,348.95	50.35%	4,871.91	51.48%
Total	10,622.82	100.00%	9,462.80	100.00%

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

Particulars	Year ended 31st March, 2014		Year ended 31st March, 2013	
	₹ in Lacs	%	₹ in Lacs	%
Imported	1.25	0.81%	0.77	0.59%
Indigenous	152.71	99.19%	129.42	99.41%
Total	153.96	100.00%	130.19	100.00%

(E) Details of Raw Materials Consumed*

₹ in Lacs

Particulars	Year ended 31st March, 2014	Year ended 31st March, 2013
Chlorine	365.50	2.03
Sulphur	1,737.14	2,136.78
Mono Chloro Acetic Acid/ Isophthalic Acid	1,757.60	1,323.86
Gamma Butyrolactone	640.00	959.01
Purified Terephthalic Acid	494.91	671.43
Others	5,627.67	4,369.69
Total	10,622.82	9,462.80

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No. : 28 Cont'd...

*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 ₹51.51 lacs (Previous Year : ₹149.12 Lacs).

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

₹ in Lacs

Particulars	Year ended 31st March, 2014	Year ended 31st March, 2013
F.O.B. value of Exports	13,997.58	12,863.67

(G) Auditor's Remuneration

₹ in Lacs

Particulars	Year ended 31st March, 2014	Year ended 31st March, 2013
Audit Fees	6.00	5.00
Fees for other services	2.90	2.79
Out of pocket expenses	0.29	0.24
Total	9.19	8.03

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

₹ in Lacs

Particulars	Year ended 31st March, 2014	Year ended 31st March, 2013
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, 2014 is ₹ 108.08 lacs. (Previous Year ₹93.99 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, 2014.
- (b) The Company has an investment in equity shares of Sam Fine O Chem limited amounting to ₹ 621.58 Lacs (net of diminution of ₹ 255.00 lacs provided for in earlier year). The net worth of Sam Fine O Chem Limited is completely eroded as on 31st March 2014 and accordingly, the company has recognized further diminution in the value of investment amounting to Rs. 450.00 Lacs during the year ended 31st March 2014. The evaluation of the diminution involves usage of assumptions and significant judgements based on valuation methodologies. (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. The scheme is 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	Year ended 31st March, 2014 ₹ in Lacs	Year ended 31st March, 2013 ₹ in Lacs
Current service cost	37.18	32.72
Interest cost	62.00	54.00
Expected return on plan assets	(57.58)	(55.66)
Net actuarial (gain) / loss recognized in the year	7.40	77.69
Net (benefit) / expense	49.00	108.75
Actual return on plan assets	62.37	58.06

Balance sheet

Particulars	As on 31st March, 2014 ₹ in Lacs	As on 31st March, 2013 ₹ in Lacs
Defined benefit obligation	827.65	751.60
Fair value of plan assets	756.30	661.84
Less: Unrecognized past service cost	-	-
Plan asset / (liability)	71.36	89.76

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, 2014 ₹ in Lacs	As on 31st March, 2013 ₹ in Lacs
Opening defined benefit obligation	751.60	617.12
Interest cost	62.00	54.00
Current service cost	37.18	32.72
Benefits paid	(35.32)	(32.34)
Actuarial (gains) / losses on obligation	12.19	80.10
Closing defined benefit obligation	827.64	751.60

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

Particulars	As on 31st March, 2014 ₹ in Lacs	As on 31st March, 2013 ₹ in Lacs
Opening Balance of Plan Assets	661.84	636.12
Return on Plan Assets	57.58	55.66
Contribution made during the year	67.39	-
Benefits paid	(35.32)	(32.34)
Actuarial (gains) / losses on obligation	4.79	2.40
Closing defined benefit obligation	756.28	661.84

The Company expects to contribute ₹ 71.35 lacs (P. Y. 111.00 lacs) to gratuity in 2014-15

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, 2014 %	As on 31st March, 2013 %
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

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

Particulars	As on 31st March, 2014 %	As on 31st March, 2013 %
Discount rate	9.33	8.25
Expected rate of return on assets	8.70	8.70
Increase in Compensation cost	8.00	7.00
Mortality Table	India Assured Lives Mortality (2006-08)Ultimate	India Assured Lives Mortality (2006-08)Ultimate
Proportion of employees opting for early retirement	2.00	2.00

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 four annual periods are as follows:****₹ in Lacs**

Particulars	As on 31st March, 2014	As on 31st March, 2013	As on 31st March, 2012	As on 31st March, 2011	As on 31st March, 2010
Defined benefit obligation	(827.64)	(751.60)	(617.12)	(595.12)	(463.54)
Plan Assets	756.28	661.84	636.12	537.03	460.98
Experience adjustments on plan liabilities*	-	-	-	-	-
Surplus / (Deficit)	(71.36)	(89.76)	19.00	(58.09)	(2.56)

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

(b) Other long term Benefit:

The Company's Long Term benefits included Leave Encashment payable at the time of retirement subject policy of maximum leave accumulation of company. The scheme is not Funded.

Changes in the present value of the obligation in respect of leave encashments

Particulars	As on 31st March, 2014 ₹ in Lacs	As on 31st March, 2013 ₹ in Lacs
Obligation at the year beginning	186.24	218.27
Actuarial (gains) / losses on obligation	28.77	(32.03)
Obligation at the year end	215.02	186.24

(c) Defined Contribution plans:

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

Particulars	As on 31st March, 2014 ₹ in Lacs	As on 31st March, 2013 ₹ in Lacs
Employers contribution to:		
- Provident Fund	136.98	126.89
- Gujarat Labour Welfare Fund	0.03	0.06
- Superannuation Fund	126.54	113.90
Total	263.54	240.85

(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.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No. : 29 Cont'd...

(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 Kamaljyot 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

(b) Transactions along with related parties for the year ended March 31, 2014 are as follows:
(Previous Year's figures are shown in brackets)

₹ in Lacs

Particulars	Subsidiary	Enterprises owned or significantly influenced by key management personnel or their relatives	Key Management Personnel and relatives	Total
Sale of Goods	67.12 (99.40)	321.89 (163.14)	- -	389.01 (262.54)
Services Rendered	-	0.62 (4.94)	-	0.62 (4.94)
Dividend Received	-	12.70 (11.13)	-	12.70 (11.13)
Dividend Paid	-	16.25	20.82	37.07
	-	-	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No. : 29 (D) Disclosure as per Accounting Standard - 18 (Related Party Disclosures) Cont'd...

Particulars	Subsidiary	Enterprises owned or significantly influenced by key management personnel or their relatives	Key Management Personnel and relatives	Total
Commission Paid	-	51.62	5.53	57.15
	-	(56.04)	-	(56.04)
Purchase of Goods	18.75	46.36		65.11
	(166.85)	(0.06)	-	(166.91)
Purchase of Fixed Assets		9.07		9.07
	-	(6.62)	-	(6.62)
Office Rent		3.26		3.26
	-	(2.79)	-	(2.79)
Services Availed		0.07		0.07
	-	(0.01)		(0.01)
Donations Paid		16.25		16.25
	-	(21.25)	-	(21.25)
Interest Received	8.22	3.49	-	11.72
	(20.20)	(0.61)	-	(20.81)
Advance Given	180.00	-	-	180.00
	-	(17.00)	-	(17.00)
Advance Repaid		-	-	-
	-	(5.00)	-	(5.00)
Inter Corporate Deposit Taken		-	-	-
	-	(140.00)	-	(140.00)
Deposit Taken		-	1.50	1.50
	-	-	(95.61)	(95.61)
Deposit Repaid		-	15.00	15.00
	-	-	(30.00)	(30.00)
Interest Paid	-	15.44	7.13	22.57
	-	(14.67)	(7.42)	(22.09)
Investment	-	-		-
	(334.00)	-	-	(334.00)
Reimbursements charged by the company	8.71	48.80		57.51
	(4.13)	(6.15)		(10.28)
Reimbursements charged to the company	59.36	202.20		261.56
	(45.18)	-	-	(45.18)
Remuneration to Executive Director	-	-	58.42	58.42
	-	-	(45.27)	(45.27)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No. : 29 (D) Disclosure as per Accounting Standard - 18 (Related Party Disclosures) Cont'd...

Particulars	Subsidiary	Enterprises owned or significantly influenced by key management personnel or their relatives	Key Management Personnel and relatives	Total
Managerial Remuneration(*)			113.68	113.68
	-	-	(106.73)	(106.73)
Directors' Sitting Fees			3.15	3.15
	-	-	(4.45)	(4.45)

* 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	-	52.78		52.78
	(85.00)	(15.84)	-	(100.84)
Accounts Receivable including Trade Advance	663.04	16.04		679.08
	(324.35)	(68.61)	-	(392.96)
Agency Deposit		4.00		4.00
	-	(4.00)	-	(4.00)
Fixed Deposits		140.00	67.11	207.11
	-	(140.00)	(80.61)	(220.61)
Remuneration payable to Executive Directors			-	-
	-	-	-	-
Remuneration payable to Managing Director				-
	-	-	-	-

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, 2014 ₹ in Lacs	Year ended 31st March, 2013 ₹ in Lacs
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A) Transactions during the year

Sale of Goods

Hyderabad Chemical Products Limited	281.71	116.87
Agrocel Industries Limited	-	26.75
Sam Fine O chem Limited	67.12	99.40

Sale of Fixed Assets

Sam Fine O Chem Limited	20.38	-
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NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No. : 29 (D) Disclosure as per Accounting Standard - 18 (Related Party Disclosures) Cont'd...

Particulars	Year ended 31st March, 2014 ₹ in Lacs	Year ended 31st March, 2013 ₹ in Lacs
Dividend Received		
Agrocel Industries Limited	8.00	8.00
Excel Industries Limited	4.70	3.13
Conversion/ other Income		
Excel Crop Care Limited	0.62	-
TML Industries Limited	0.34	-
Dividend Paid		
Atul G. Shroff	7.83	
Shruti A. Shroff	9.17	-
TML Industries Limited	2.62	
Kamaljyot Investment P. Ltd	18.25	-
Purchase of Goods		
Excel Industries Limited	24.56	0.06
Transchem Agritech Ltd.	21.74	-
Sam Fine O chem Limited	18.75	166.85
Purchase of Fixed Assets		
Excel Industries Limited	-	6.62
Transchem Agritech Ltd.	9.07	-
Office Rent		
Agrocel Industries Limited	3.26	2.79
Investment		
Sam Fine O chem Limited	334.00	334.00
Services Rendered		
Transchem Agritech Limited	-	4.94
Deposit Taken		
Bimal V. Mehta		50.00
Shruti A. Shroff		30.61
Vishwa A. Shroff	1.50	-
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		
Transchem Agritech Ltd.	0.07	-
Shroffs Foundation Trust	-	0.01

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No. : 29 (D) Disclosure as per Accounting Standard - 18 (Related Party Disclosures) Cont'd...

Particulars	Year ended 31st March, 2014 ₹ in Lacs	Year ended 31st March, 2013 ₹ in Lacs
Interest Received		
Sam Fine O Chem Limited	8.22	20.20
TML Industries Limited	3.18	
Anshul Life Science	-	0.32
Transchem Agritech Limited	-	0.27
Commission Paid		
Anshul Life Sciences	51.62	56.04
Donation Paid		
Shroffs Foundation Trust	16.25	21.25
Reimbursements charged by the company		
Transpek Industry (Europe) Ltd.	8.71	4.13
Transchem Agritech Ltd.	45.51	
Anshul Life Sciences	-	6.15
Reimbursements charged to the company		
Anshul Life sciences	18.14	-
Shorffs Foundation Trust	180.00	
Transpek Industry (Europe) Ltd.	59.36	45.18
Managerial remuneration		
Atul G. Shroff	113.68	106.73
Bimal V.Mehta	58.42	45.27
Director Sitting Fees		
Ashwin C. Shroff	0.20	0.25
Ravi Shroff	0.10	0.20
Dipesh K. Shroff	0.45	0.20
Interest Paid		
Anshul Life Sciences	-	0.32
Bimal V. Mehta	5.40	5.21
Atul G. Shroff	-	0.55
Agrocel Industries Limited	8.10	7.86
Kamaljyot Investments Limited	5.40	5.24
Madison Investments Private Limited	1.62	1.57
Shruti A. Shroff	1.69	1.67
B) Closing Balance as at end of the year :		
Outstanding's Payables		
Transchem Agritech Ltd.		
Agrocel Industries Limited	75.42	75.00
Kamaljyot Investments Limited	50.00	50.00
Madison Investments Private Limited	15.00	15.00
Bimal V. Mehta	50.00	50.00

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No. : 29 (D) Disclosure as per Accounting Standard - 18 (Related Party Disclosures) Cont'd...

Particulars	Year ended 31st March, 2014 ₹ in Lacs	Year ended 31st March, 2013 ₹ in Lacs
Anshul Life Sciences	16.61	15.84
Shruti A. Shroff	15.61	15.61
Receivables Including Trade Advance		
Excel Crop Care Limited	1.49	2.96
Agrocel Industries Limited	2.19	9.43
Transpek Industry (Europe) Limited	0.13	8.92
Hyderabad Chemicals Product Limited	-	42.28
Sam Fine O Chem Limited	662.91	315.44
Indenting Agency Deposit		
Anshul Life Sciences	4.00	4.00

(E) Disclosures under Accounting Standard 19 (Leases)

The Company has cancellable 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 cancellable 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, 2014 ₹ in Lacs	As on 31st March, 2013 ₹ in Lacs
Annual lease rent of office premises	7.46	7.43
Annual lease rent of equipments	190.34	199.35
Total	197.80	206.78

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

Particulars	As on 31st March, 2014	As on 31st March, 2013
Profit available to Equity shareholders ₹ in Lacs	719.75	1,023.48
Weighted average number of equity shares outstanding during the year (Nos)	5,872,040	5,872,040
Basic and Diluted Earnings per Share (₹)	12.26	17.43
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 ₹ 139.30 lacs (P.Y. ₹ 105.63 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 FINANCIAL STATEMENTS

Note No. :- 30 Other Disclosures Cont'd...

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

Particulars	As on 31st March, 2014 ₹ in Lacs	As on 31st March, 2013 ₹ in Lacs
a) Revenue expenses debited to appropriate heads of account	117.99	106.06
b) Depreciation on Research and Development Assets	33.87	31.06
Total	151.86	137.12

(a) Capital Expenditure incurred during the year on Research and Development ₹ 81.99 Lacs (Previous Year ₹ 24.68 Lacs).

(b) The Company has been granted approval for claiming deduction u/s 35 (2AB) of the Income Tax Act, 1961. Thus, the company has considered weighted deduction u/s 35 (2AB) of the Income Tax Act, 1961.

(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, 2014	As on March 31st, 2013
Sales	US \$ (In lacs)	19.59	24.99
Purchases	US \$ (In lacs)	9.59	15.82

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

Particulars	As on 31st March, 2014 In Lacs	As on 31st March, 2013 In Lacs
Trade receivables		
- USD	34.65	29.66
- Euros	-	0.19
- GBP	-	0.10
Trade Payables		
- USD	27.32	25.96
- Euros	-	0.05
- GBP	-	0.00
- SGD	-	0.04

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No. :- 30 Other Disclosures Cont'd...**(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 (₹ in Lacs)

Name of the party	Relationship	Amount outstanding as at 31 March, 2014	Maximum balance outstanding during the year
Sam Fine O Chem Limited	Subsidiary	58.11 (50.71)	58.11 (366.67)

Note : Figures in bracket relate to the previous year.

(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 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 ₹ 1.33 lacs (Previous Year ₹ 1.05 lacs).

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

(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'

As per our report of even date

For Contractor, Nayak & Kishnadwala
Chartered Accountants

Himanshu Kishnadwala
Partner

Place : Vadodara
Date : 30th May, 2014

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 (Vice President & Chief Financial Officer)
S. K. Solanki (Vice President & Company Secretary)

Place : Vadodara
Date : 30th May, 2014



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, 2014, 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 financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. 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.

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, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. 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, 2014;
 - (b) in the case of the Consolidated Statement of Profit and Loss, 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 ₹18.97 Lacs as at March 31, 2014, for the year ended on that date. This financial statement has been audited by another auditor whose report has been furnished to us and our opinion is based solely on the report of the other auditor.

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

Himanshu Kishnadwala
Partner
Membership No. 37391
Vadodara, May 30, 2014



CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2014

₹ in Lacs

Particulars	Note No.	As at 31st March, 2014	As at 31st March, 2013
I EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share Capital	4	587.20	587.20
(b) Reserves and Surplus	5	5,045.00	4,463.39
		5,632.20	5,050.59
2 Non-current liabilities			
(a) Long-term borrowings	6	1,608.81	3,329.55
(b) Deferred tax liabilities (Net)	7	1,373.70	917.60
(c) Long-term provisions	8	194.18	204.15
		3,176.69	4,451.30
3 Current liabilities			
(a) Short-term borrowings	9	5,816.49	5,163.71
(b) Trade payables	10	5,581.61	3,955.47
(c) Other current liabilities	11	3,858.08	2,945.76
(d) Short-term provisions	12	375.19	379.55
		15,631.37	12,444.48
TOTAL		24,440.26	21,946.37
II ASSETS			
Non - Current Assets			
1 (a) Fixed Assets	13		
(i) Tangible Assets		10,609.52	10,802.74
(ii) Intangible Assets		17.89	21.50
(iii) Capital Work in Progress		498.44	166.02
		11,125.85	10,990.26
(b) Goodwill on Consolidation/ acquisition		-	430.30
(c) Non - Current Investments	14	444.28	444.28
(d) Long term loans & advances	15	1,095.85	821.10
		12,665.98	12,685.94
2 Current Assets			
(a) Inventories	16	3,404.09	2,901.14
(b) Trade receivables	17	7,388.23	5,502.55
(c) Cash and Bank Balances	18	387.24	335.48
(d) Short-term loans and advances	19	459.98	429.00
(e) Other current assets	20	134.74	92.26
		11,774.28	9,260.43
TOTAL		24,440.26	21,946.37
Notes forming part of the financial statements	1,2 & 3		

As per our report of even date

For Contractor, Nayak & Kishnadwala
Chartered Accountants

Himanshu Kishnadwala
Partner

Place : Vadodara
Date : 30th May, 2014

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 (Vice President & Chief Financial Officer)
S. K. Solanki (Vice President & Company Secretary)

Place : Vadodara
Date : 30th May, 2014



CONSOLIDATED PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

₹ in Lacs

Particulars	Note No.	For the year ended 31st March, 2014	For the year ended 31st March, 2013
I. Revenue from operations	21	26,922.25	24,211.10
II. Other income	22	778.03	387.96
III. Total Revenue (I + II)		27,700.28	24,599.06
IV. EXPENSES			
Cost of Materials consumed	23	12,447.68	11,398.64
Purchases of Stock-in-Trade	24	1,822.51	175.13
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	25	(280.97)	159.37
Employee benefits expense	26	2,732.43	2,523.18
Finance costs	27	1,377.09	1,376.99
Depreciation and amortization expense		899.30	837.91
Other expenses	28	7,481.21	7,317.00
Total expenses (IV)		26,479.25	23,788.22
V. Profit before tax (III- IV)		1,221.03	810.84
VI. Tax expense:			
Current tax		298.33	181.05
Deferred tax		456.10	74.79
Mat Credit Entitlement		(297.00)	(180.00)
Taxation adjustments for earlier years		10.24	-
VII. Profit for the year (V-VI)		753.36	735.00
VIII. Earnings per equity share:			
Basic		12.83	12.52
Diluted		12.83	12.52
Notes forming part of the financial statements	1, 2 & 3		

As per our report of even date

For Contractor, Nayak & Kishnadwala
Chartered Accountants

Himanshu Kishnadwala
Partner

Place : Vadodara
Date : 30th May, 2014

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 (Vice President & Chief Financial Officer)
S. K. Solanki (Vice President & Company Secretary)

Place : Vadodara
Date : 30th May, 2014



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

₹ in Lacs

Particulars	For the year ended 31 st March, 2014	For the year ended 31 st March, 2013
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit before exceptional items, prior period items and tax:	1221.03	810.84
Adjustments for :		
Depreciation /amortization	899.30	837.91
Loss/(Profit) on disposal of fixed assets	18.82	(11.02)
Diminution in the carrying amount of Long term Investments	430.30	0.00
Interest received	(42.81)	(46.74)
Dividend Received	(241.31)	(211.45)
Interest Expense	1,377.09	1,376.99
	<u>2,441.39</u>	<u>1,945.69</u>
Operating Profit before working capital changes	3,662.42	2,756.53
Adjustments for:		
(Increase)/Decrease in Loans and Advances	(26.59)	(81.93)
(Increase)/Decrease in Trade receivables	(1,885.68)	(911.52)
(Increase)/Decrease in Inventories	(502.95)	467.54
(Increase) in Other Current Assets	(27.49)	(31.04)
(Increase)/Decrease in Trade Payables	1,626.14	(59.70)
(Increase)/Decrease in Other Liabilities and Provisions	(4.09)	(133.00)
	<u>(820.66)</u>	<u>(749.65)</u>
Cash generated from Operations	2,841.76	2,006.88
Less : Direct taxes paid	290.72	5.23
Cash flow before extraordinary items	2,551.04	2,001.65
Prior Period Adjustments (Other than Taxation)	0.00	0.00
Net cash from Operating Activities (A)	<u>2,551.04</u>	<u>2,001.65</u>
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(1,114.86)	(953.05)
Proceeds from sale of fixed assets	61.14	20.98
Purchase of Investment	0.00	0.00
Decrease / (Increase) in fixed deposits with a maturity period of more than 90 days	(75.92)	125.21
adjustment on account of fluctuation reserve account	0.00	0.00
Interest received	27.83	48.90
Dividend received	241.31	211.45
Net Cash used in Investing Activities (B)	<u>(860.50)</u>	<u>(546.51)</u>
CARRIED FORWARD	<u>1,690.54</u>	<u>1,455.13</u>

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

₹ in Lacs

Particulars	For the year ended 31 st March, 2014	For the year ended 31 st March, 2013
BROUGHT FORWARD	1,690.54	1,455.13
C CASH FLOW FROM FINANCIAL ACTIVITIES		
Receipt of Borrowings	1,053.85	903.81
Repayment of Borrowings.	(1,145.21)	(882.94)
Interest Paid	(1,417.79)	(1,404.94)
Dividend Paid	(175.61)	(2.62)
Dividend Distribution Tax Paid	(29.94)	0.00
Net cash used Financing Activities (C)	(1,714.70)	(1,386.70)
Net increase in cash and cash equivalents (A+B+C)	(24.16)	68.43
Cash and cash equivalents at the beginning of the year	198.58	130.16
Cash and cash equivalents at the end of the year	174.42	198.58
Components of Cash & Cash Equivalents		
Cash on hand	18.83	23.81
Balances with scheduled banks:		
On Current Accounts	130.83	127.20
On unclaimed interest on fixed deposit account	11.04	34.41
On Margin money accounts	97.07	24.44
On Deposit accounts	115.75	112.46
On unclaimed dividend account	12.01	11.46
On Right issue application money account	1.71	1.71
Cash and Cash Equivalents as per Note No.17	387.24	335.48
Less: Fixed deposits not considered as cash equivalents	212.82	136.90
Cash and Cash Equivalents as per Cash Flow Statement	174.42	198.58

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 ₹ 0.89 Lacs (Previous year ₹ 0.89 Lacs), Unclaimed dividend accounts ₹ 12.01 Lacs (Previous year ₹ 11.46 Lacs) and Right issue application money account ₹ 1.71 Lacs (Previous year ₹ 1.71Lacs), 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, 2014

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 (Vice President & Chief Financial Officer)
 S. K. Solanki (Vice President & Company Secretary)

 Place : Vadodara
 Date : 30th May, 2014



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

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 Act, 1956 ("the Act") read with the general circular 15/2003 dated 13th September 2013 of the Ministry of Corporate affairs in respect of section 133 of the companies Act, 2013.
- 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 with all material respects with the Notified accounting standard by Companies (Accounting Standards) Rules, 2006 (as amended), other pronouncements 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

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

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.
- 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;

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

- 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.

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.

conversion Charges

income is recorded on accrual basis on despatch of material and as per terms of agreement

sale of Scrap

Revenue from sale of scrap is recognised as and when scrap is sold.

k) other income

Interest

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

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

Dividends

Dividend income is recognized 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.

l) 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 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'.

m) 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.

n) 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.

o) 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

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

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.

p) Borrowing Costs

Borrowing Cost that are directly attributable to the acquisition of qualifying asset are capitalised for the period until the asset that are necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are recognised as an expenses in the period in which they are incurred.

q) 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.

r) 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

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

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.

s) 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.

t) 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.

u) 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.

Note no 4 : Share capital

Note 4(a) :- Details of share capital :

Particulars	As at 31st March, 2014		As at 31st March, 2013	
	Number of Shares	₹ in Lacs	Number of Shares	₹ in Lacs
<u>Authorized</u>				
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
<u>Issued</u>				
Equity shares of ₹ 10/- each with voting rights	5,872,040	587.20	5,872,040	587.20
<u>Subscribed & Fully Paid up</u>				
Equity shares of ₹ 10/- each with voting rights	5,872,040	587.20	5,872,040	587.20

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

Note No. 4 : Share Capital Cont'd...

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, 2014		As at 31st March, 2013	
	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, 2014		As at 31st March, 2013	
	Number of Shares	Extent of holding	Number of Shares	Extent of holding
Equity shares with voting rights				
Finquest Securities Pvt. Ltd.	979,812	16.69%	992,454	16.90%
Kamaljiyot Investments Ltd.	611,933	10.42%	608,493	10.36%
Shruti A. Shroff	305,725	5.21%	305,725	5.21%

Note no. 5: Reserves and surplus

Particulars	As at 31st March, 2014 ₹ in Lacs	As at 31st March, 2013 ₹ 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	2,746.36	2,446.36
(+) Transfer for the year	150.00	300.00
Closing Balance	2,896.36	2,746.36
(d) Foreign Currency Reserve		
Opening Balance	0.00	-
(+) Addition during the year	0.00	0.00
Closing Balance	0.00	0.00
(e) Surplus		
Opening balance	173.95	(54.95)
(+) Net Profit for the Year	753.36	735.00
(-) Proposed dividend	146.80	176.16
(-) Tax on proposed dividend	24.95	29.94
(-) Transfer to general reserve	150.00	300.00
Closing Balance	605.56	173.95
Total	5,045.00	4,463.39

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

Note No. 6 : Long term borrowings

Particulars	As at 31st March, 2014 ₹ in Lacs	As at 31st March, 2013 ₹ in Lacs
(a) Term Loans		
- Secured		
From Banks (Refer note (i) and (ii) below)	311.60	1,380.56
(b) Deposits		
- Unsecured		
(i) Deposits (Refer note - (iii) and (iv) below)	358.55	1,089.61
(ii) Others (Refer note - (v) below)	334.00	334.00
	<u>692.55</u>	<u>1,423.61</u>
(c) Unsecured Loan from Related Parties		
- Inter Corporate Deposits	446.66	440.38
- Deposits from Director's	143.00	70.00
- Deposits from Relative of Director	15.00	15.00
(Refer note - (vi) below)	<u>604.66</u>	<u>525.38</u>
Total	<u>1,608.81</u>	<u>3,329.55</u>

(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.

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

₹ in Lacs

	Interest rate range	Maturity Profile 1-2 years
Term loans - from Banks	13.00 % to 13.50 %	311.60

(iii) Deposits aggregating to ₹ 358.55 lacs are accepted from shareholders and are repayable within a period of next two to three years. The interest rate for the same ranges from 9.50% to 11.00 %.

(iv) Public deposits includes deposits from related parties amounting to ₹ 2.21 Lacs (P.Y. ₹ Nil)

(v) The amount of other deposits includes 15 % cumulative non convertible redeemable preference shares held out side the group amounting to ₹ 334.00 Lacs. (P.Y. ₹ 334.00 Lacs)

(vi) Unsecured Loan from Related Parties aggregating to ₹ 604.66 Lacs are repayable in next one to two years. The company has accepted the above loans as per stipulation of banks. The interest rate for the same ranges from 12.00% to 18.00 %

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

Note No. 7 : Deferred Tax liabilities (Net)

Particulars	As at 31st March, 2014 ₹ in Lacs	As at 31st March, 2013 ₹ in Lacs
Deferred tax liabilities		
Related to fixed assets	1,567.71	1,057.42
Total	1,567.71	1,057.42
Deferred tax assets		
Disallowances under the Income Tax Act, 1961	74.78	65.00
Provision for doubtful debts / advances	-	-
Unabsorbed tax losses carried forward (refer note below)	119.23	74.82
Total	194.01	139.82
Net deferred tax (liability) / asset	(1,373.70)	(917.60)

Note :-

The Company has recognized deferred tax asset on unabsorbed tax losses in view of sufficient profits in the subsequent years and orders on hand with the company.

Note No. 8 : Long term provisions

Particulars	As at 31st March, 2014 ₹ in Lacs	As at 31st March, 2013 ₹ in Lacs
(a) Provision for employee benefits:		
(i) Provision for compensated absences	175.03	184.12
(ii) Provision for Gratuity	19.15	20.03
Total	194.18	204.15

Note No. 9 : Short term borrowings

Particulars	As at 31st March, 2014 ₹ in Lacs	As at 31st March, 2013 ₹ in Lacs
(a) Secured		
- Loans repayable on demand from banks	3,736.65	3,224.18
- Other Short Term Loan from bank	300.00	-
- Acceptances from Bank	1,412.04	1,659.45
(Refer note (i) below)		
(b) Unsecured		
- Public Deposits (Refer note (ii) & (iii) below)	197.80	110.08
- Inter Corporate Deposits from related parties	170.00	170.00
Total	5,816.49	5,163.71

Note:-

- (i) The above cash/Export credit facilities, short term loan and Buyers credit 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 10.00 % to 13.75%.
- (ii) The Interest rate for short term unsecured public deposit is 9.5%
- (iii) Public deposits includes deposits from related parties amounting to ₹ 0.61 lacs/- (P.Y. ₹ 0.61 Lacs)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

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

- By way of Hypothecation of Stock of Fine Chemicals and Intermediates and Book debts of the Company.
- Collaterally secured by way of Exclusive charge by way of equitable mortgage of N.A. land bearing Revenue survey No. 47, Sub Plot No. 2/A, Village Hadamtala, Taluka Rajkot and by way of second charge on factory land and building and plant and machinery 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
- Personal guarantee of Mr. Deepak Mehta and Mr. Pinkesh Mehta Directors of the Company.

Note No. 10 : Trade Payables

Particulars	As at 31st March, 2014 ₹ in Lacs	As at 31st March, 2013 ₹ in Lacs
Trade payables	5,581.61	3,955.47
Total	5,581.61	3,955.47

Note No. 11: Other Current Liabilities

Particulars	As at 31st March, 2014 ₹ in Lacs	As at 31st March, 2013 ₹ in Lacs
(a) Current maturities of long-term debt (Refer Note (i) to (iii) below)	1,123.23	1,333.39
(b) Current maturities of unsecured deposits (Refer Note (iv) below)	1,568.58	611.47
(c) Interest accrued but not due on borrowings	184.18	188.08
(d) Interest accrued and due on borrowings	-	15.65
(e) Unpaid dividend(*)	12.01	11.46
(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	24.30	61.38
(h) Other payables		
(i) Statutory remittances	88.96	61.82
(ii) Interest accrued on trade payables	6.14	6.14
(iii) Interest accrued on others	3.20	5.44
(iv) Security deposits received	11.05	11.05
(v) Advances from customers	279.73	79.48
(vi) Salary and Wages payable	160.90	153.03
(viii) Other payables	394.09	405.66
Total	3,858.08	2,945.76

(*) 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, 2014 ₹ in Lacs	As at 31st March, 2013 ₹ in Lacs
(a) Secured Term loans from banks:	1,123.23	1,333.39
(The Interest rate for the same ranges from 13.00 % to 16.50%)		
Total	1,123.23	1,333.39

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

(ii) The 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 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.

Note(iv)

Current maturities of long term deposits includes deposits from public amounting to ₹ 942.11 Lacs which are to be repaid before end of March 2015 in pursuant to section 73 and 74 of the Companies Act, 2013.

Particulars	As at 31st March, 2014 ₹ in Lacs	As at 31st March, 2013 ₹ in Lacs
Current maturities of unsecured deposits	1,568.58	611.47
(The Interest rate for the same ranges from 9.50 % to 11.00%)		
Total	1,568.58	611.47

Note No. 12: Short term provisions

Particulars	As at 31st March, 2014 ₹ in Lacs	As at 31st March, 2013 ₹ in Lacs
(a) Provision for employee benefits:		
(i) Provision for Bonus/exgratia	52.41	50.91
(ii) Provision for gratuity (net)	71.96	9.19
(iii) Provision for compensated absences	45.38	89.79
	169.75	149.89
(b) Other Provisions:		
(i) Provision for proposed dividend	146.80	176.16
(ii) Provision for tax on proposed dividend	24.95	29.94
(iii) Provision for income tax (net)	33.69	23.55
	205.44	229.65
Total	375.19	379.54

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

Note No 13 : FIXED ASSETS

₹ in Lacs

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at 1st April 2013	Additions	Disposals	Balance as at 31st March 2014	Balance as at 1st April 2013	Depreciation/ amortisation charge for the year	On disposals	Balance as at 31st March 2014	Balance as at 31st March 2014	Balance as at 31st March 2013
(i) Tangible Assets										
(a) Land- (Free Hold)	475.15		0.00	475.15	0.00	0.00		0.00	475.15	475.15
(b) Buildings	1,440.44	48.33	0.00	1,488.77	264.10	36.02	0.00	300.12	1,188.65	1,176.34
(c) Electric Installations	277.54	16.10	0.00	293.64	97.79	11.61	0.00	109.40	184.24	179.75
(d) Plant and Equipment	14,271.57	514.79	125.64	14,660.72	6,100.31	747.49	68.34	6,779.46	7,881.25	8,171.26
(e) Research and Development Equipment	640.91	82.00	0.10	722.81	241.56	38.28	0.01	279.83	442.98	399.35
(f) Furniture and Fixtures	244.37	21.81	0.00	266.18	125.28	18.19	0.00	143.47	122.71	130.25
(g) Vehicles*	306.21	85.02	37.36	353.87	120.54	30.35	14.80	136.09	217.78	185.68
(h) Office equipment	139.79	4.12	0.00	143.91	48.33	2.62	0.00	50.95	92.96	80.27
(i) Technical Books	42.37		0.00	42.37	37.69	0.87	0.00	38.56	3.80	4.68
Total	17,838.34	772.17	163.10	18,447.41	7,035.60	885.43	83.14	7,837.88	10,609.52	10,802.73
(ii) Intangible Assets										
Technical Know How	439.09	0.00	0.00	439.09	417.59	11.73	0.00	429.32	9.77	21.50
REACH Product Registration		10.26		10.26	0.00	2.14		2.14	8.12	
Total	439.09	10.26	0.00	449.35	417.59	13.87	0.00	431.46	17.89	21.50
(iii) Capital Work In Progress	166.02	1,303.55	971.13	498.44					498.44	166.02
Total	18,443.45	2,085.97	1,134.23	19,395.20	7,453.19	899.30	83.14	8,269.34	11,125.85	10,990.25

Note : *The vehicle include addition of Rs. 9.05 Lacs due to intergroup transaction

Note no. 14: Non-Current Investments

Particulars	As at 31st March, 2014 ₹ in Lacs	As at 31st March, 2013 ₹ in Lacs
Long term Investment at cost, unless otherwise specified		
Trade Investment (unquoted)		
(i) Other Companies		
(a) 10,000 (P.Y. : 10,000) Equity Shares of ₹100 each of Agrocel Industries Ltd	10.00	10.00
(b) 9,49,315 (P.Y. : 9,49,315) Equity Shares of ₹10 each in Transpek Silox Industry Ltd	290.96	290.96
Total - (A)	<u>300.96</u>	<u>300.96</u>
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)	<u>138.13</u>	<u>138.13</u>
(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) 10 (P.Y.: 10) Equity Shares of ₹10 each of Pragati Sahakari Bank Limited	0.00	0.00
(c) 50,000 (P.Y. 50,000) Equity Shares of ₹10 each of The Kapol Co-oprative Bank Ltd	5.00	5.00
	<u>5.10</u>	<u>5.10</u>
(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
	<u>0.09</u>	<u>0.09</u>
Total - (C)	<u>5.19</u>	<u>5.19</u>
Total - (A+B+C)	<u>444.28</u>	<u>444.28</u>

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

Note no. 14: Cont'd...

Particulars	As at 31st March, 2014 ₹ in Lacs	As at 31st March, 2013 ₹ in Lacs
Aggregate value of unquoted investments	306.15	306.15
Aggregate value of quoted investments	138.13	138.13
Aggregate value of investments	444.28	444.28
Aggregate market value of quoted investments	108.09	93.99
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, 2014 ₹ in Lacs	As at 31st March, 2013 ₹ in Lacs
Unsecured, considered good		
(a) Capital Advances	27.68	27.66
(b) Security deposits	149.90	146.07
(c) Balances with government authorities		
(i) Taxes paid in advances (net of provisions)	202.39	220.24
(ii) MAT credit entitlement	512.75	215.75
(iii) VAT recoverable	203.13	211.37
Total	1,095.85	821.10

Note No.: 16 Inventories

(At lower of cost and net realizable value)

Particulars	As at 31st March, 2014 ₹ in Lacs	As at 31st March, 2013 ₹ in Lacs
(a) Raw materials	1,588.06	1,417.07
(b) Work-in-progress	524.99	399.99
(c) Finished goods	1,008.56	852.59
(Includes Stock in transit of ₹ 85.28 Lacs (P.Y. ₹ 5.07 Lacs))		
(d) Stores and spares	205.28	175.42
(e) Packing Materials	46.73	24.36
(f) Stock of fuel	30.47	31.71
Total	3,404.09	2,901.14

Note No.: 17 Trade receivables

Particulars	As at 31st March, 2014 ₹ in Lacs	As at 31st March, 2013 ₹ in Lacs
Unsecured, considered good		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment	227.16	492.60
Other trade receivables	7,161.07	5,009.94
Total	7,388.23	5,502.55

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

Note No.: 18 Cash and Bank Balances

Particulars	As at 31st March, 2014 ₹ in Lacs	As at 31st March, 2013 ₹ in Lacs
Cash and Cash Equivalents		
(a) Cash in hand	18.83	23.81
(b) Balances with banks		
(i) In current accounts	130.83	127.20
	<u>149.66</u>	<u>151.00</u>
Other Bank Balances		
(a) Deposits with bank with maturity more than 3 Months(*)	115.75	112.46
(b) Balances held as margin money against guarantees	97.07	24.44
(c) In earmarked accounts		
- Balances held in unpaid dividend accounts	12.01	11.46
- Balances held in Right issue application money account	1.71	1.71
- Balances held in unpaid interest on fixed deposit accounts	11.04	34.41
	<u>237.58</u>	<u>184.48</u>
Total	<u>387.24</u>	<u>335.48</u>

(*) Notes :-

- (a) Includes Fixed deposits with Banks of ₹ 77.43 Lacs (P.Y. ₹ 46.24 Lacs) having maturity of more than 12 months
 (b) Fixed Deposits pledged with government authorities ₹ 0.89 Lacs (Previous year ₹ 0.89 Lacs)

Note no. 19 : Short-term loans and advances

Particulars	As at 31st March, 2014 ₹ in Lacs	As at 31st March, 2013 ₹ in Lacs
(a) Loans and advances to suppliers		
Unsecured, considered good	12.13	36.51
Unsecured, considered good		
(a) Loans and advances to related parties	-	1.62
(b) Loans and advances to employees and others	12.59	2.88
(c) Prepaid expenses	113.60	110.33
(d) Balances with Excise authorities	317.86	276.81
(e) Advance for Expenses	3.80	0.85
	<u>447.85</u>	<u>392.49</u>
Total	<u>459.98</u>	<u>429.00</u>

Note No. 20 : Other current assets

Particulars	As at 31st March, 2014 ₹ in Lacs	As at 31st March, 2013 ₹ in Lacs
(a) Accruals		
(i) Interest accrued on deposits	23.23	8.24
(ii) Discount and claims receivable	8.03	15.72
(b) Others		
(i) Assets held for sale	16.62	16.62
(ii) Service Tax credit receivable	78.08	46.00
(iii) Advance to Suppliers	8.78	5.68
Total	<u>134.74</u>	<u>92.26</u>

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

Note no. 21 : Revenue from Operations

₹ in Lacs

Particulars	For the Year ended 31st March, 2014	For the Year ended 31st March, 2013
(a) Sale of products	27,262.42	24,831.09
Less:		
Excise duty recovered on sale of products	1,071.33	1,036.22
Net revenue from sale of products	26,191.09	23,794.87
(b) Other Operating revenues (Refer note (ii) below)	731.16	416.23
Total	26,922.25	24,211.10

Note- 21 (i) Sale of products comprises of

₹ in Lacs

Particulars	For the Year ended 31st March, 2014	For the Year ended 31st March, 2013
Manufactured goods		
Chlorinated Compounds	19,643.74	16,363.70
SO3 / Oleum	1,126.72	3,469.66
Process Residue /others	587.79	607.74
Piperidone Intermediate	1,592.39	2,049.97
Fexofinedine	1,179.46	1,227.77
Other Chemical	95.75	66.05
Total - Sale of manufactured goods	24,225.85	23,784.89
Traded Goods		
Fexofinedine	-	4.50
Napthalene	1,285.78	0.00
H. Acid	241.20	0.00
Pentaerythritol	257.37	0.00
Other Chemicals	189.89	5.48
Total - Sale of Traded goods	1,974.24	9.98
Total Sale of Products	26,200.09	23,794.87

Note- 21 (ii) Other Operating Revenue comprises of

₹ in Lacs

Particulars	For the Year ended 31st March, 2014	For the Year ended 31st March, 2013
(i) Job Work Income	483.18	228.61
(ii) Income from sale of scrap & service Charges	91.26	65.52
(iii) Export Incentives and Duty drawbacks	156.72	122.10
Total - Other operating revenues	731.16	416.23

Note no. 22 : Other Income

₹ in Lacs

Particulars	For the Year ended 31st March, 2014	For the Year ended 31st March, 2013
(a) Interest Income	42.81	46.74
(b) Dividend Income		
From Long Term Investments	241.31	211.45
(c) Other Non-Operating Income	493.91	129.77
Total	778.03	387.96

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

Note- 22 (i) Interest Income Comprises of

Particulars	₹ in Lacs	
	For the Year ended 31st March, 2014	For the Year ended 31st March, 2013
(i) Interest from Bank on:		
Deposits	14.44	14.11
(ii) Interest on Income Tax refund		14.43
(iii) Interest on Loans and Advances	3.82	0.29
(iv) Other Interest		
Other deposits	0.88	3.86
Others	23.67	14.05
Total - Interest income	42.81	46.74

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

Particulars	₹ in Lacs	
	For the Year ended 31st March, 2014	For the Year ended 31st March, 2013
(i) Rental income of:		
- Compensation for delay in return of returnable containers	1.27	42.79
(ii) Profit on sale of fixed assets (net)	-	13.29
(iii) Insurance claims	0.64	43.67
(iv) Sundry Balance Written back (net)	6.00	22.68
(v) Sale of Technical know how	318.75	4.40
(vi) Net gain on foreign currency transactions/translations	41.81	0.00
(vii) Other Income	1.98	2.94
(viii) Key Man Insurance claim received	123.47	0.00
Total	493.92	129.77

Note No. 23 : Cost of materials consumed

Particulars	₹ in Lacs	
	For the Year ended 31st March, 2014	For the Year ended 31st March, 2013
Raw Material Consumption		
Opening Stock	1,417.07	1,721.41
Add: Purchases	12,618.67	11,094.30
	14,035.74	12,815.71
Less: Closing stock	1,588.06	1,417.07
Cost of Material Consumed	12,447.68	11,398.64
Total	12,447.68	11,398.64

Note No. 24 : Purchase of Traded goods

Particulars	₹ in Lacs	
	For the Year ended 31st March, 2014	For the Year ended 31st March, 2013
Fexofinedine	(121.86)	166.85
Napthalene	1,273.06	0.00
H. Acid	238.81	0.00
Pentaerytritol	254.82	0.00
Others	177.68	8.28
Total	1,822.51	175.13

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

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

Particulars	₹ in Lacs	
	For the Year ended 31st March, 2014	For the Year ended 31st March, 2013
(a) Inventories at the beginning of the year:		
Finished Goods	852.59	1,040.69
Work in Progress	399.99	371.26
	<u>1,252.58</u>	<u>1,411.95</u>
(b) Inventories at the end of the year:		
Finished Goods	1,280.14	852.59
Work in Progress	242.28	399.99
Trading Goods	11.13	
	<u>1,533.55</u>	<u>1,252.58</u>
Net Change in Inventories	<u>(280.97)</u>	<u>159.37</u>

Note No. 26 : Employee Benefit expenses

Particulars	₹ in Lacs	
	For the Year ended 31st March, 2014	For the Year ended 31st March, 2013
(a) Salaries, wages, bonus, allowances, etc.	2,176.04	1,947.35
(b) Contributions to Provident and other funds	324.15	361.02
(c) Staff welfare expenses	232.24	214.81
Total	<u>2,732.43</u>	<u>2,523.18</u>

Note no. 27 : Finance Costs

Particulars	₹ in Lacs	
	For the Year ended 31st March, 2014	For the Year ended 31st March, 2013
(i) Interest expense		
(a) Borrowings	1,134.32	1,214.13
(b) Others	8.23	14.02
(ii) Other borrowing costs	234.54	148.84
Total	<u>1,377.09</u>	<u>1,376.99</u>

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

Note no. 28 : Other Expenses

Particulars	₹ in Lacs	
	For the Year ended 31st March, 2014	For the Year ended 31st March, 2013
Consumption of stores and spare parts	160.46	140.24
Power and fuel	1,876.85	1,968.64
Consumption of Packing Materials	630.45	624.10
Rent	201.40	210.38
Repairs and maintenance		
Repairs to buildings	87.43	76.33
Repairs to machinery	643.82	660.48
Repairs to Others	59.53	60.81
Insurance	98.51	89.07
Rates and taxes(other than taxes on income)	7.45	7.12
Freight and Forwarding charges	1,327.94	1,257.36
Commission expense	418.29	448.01
Travelling and Conveyance	260.33	266.62
Legal and Professional charges	236.00	187.02
Net loss on foreign currency transactions translations		499.09
Payment to Auditors (Refer Note 29(B))	11.14	9.98
Donation and contribution to charitable organizations (Refer Note No 31(D))	17.35	28.23
Impairment of goodwill on Consolidation	430.30	0.00
Loss on disposal of assets(Net)	18.82	2.27
Miscellaneous expenses	995.14	781.25
Total	7,481.21	7,317.00

Note No. : 29 Additional information to the financial statements

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

Particulars	₹ in Lacs	
	Year ended 31st March, 2014	Year ended 31st March, 2013
(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	59.96	35.53
(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	205.55	213.22
- Against Which amount already paid ₹193.82 Lacs (P.Y ₹ 189.57 Lacs)		
(ii) Disputed Sales tax Liability	39.51	34.11
(iii) Disputed Excise duty & Service Tax Liability	372.53	0.00
Total	941.80	547.11
(c) Commitments		
(i) Estimated amount of contracts remaining to be executed on capital account & not provided for		
- Tangible Assets	79.87	139.92
(ii) Other Commitments	-	-
Total	79.87	139.92

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

(B) Auditor's Remuneration

Particulars	₹ in Lacs	
	Year ended 31st March, 2014	Year ended 31st March, 2013
Audit Fees	7.75	6.75
Fees for other services	3.10	2.99
Out of pocket expenses	0.29	0.24
Total	11.14	9.98

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, 2014 is ₹108.08 lacs. (Previous Year ₹ 93.99 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, 2014

(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

Gross revenue as per Geographical Locations

Particulars	₹ in Lacs	
	Year ended 31st March, 2014	Year ended 31st March, 2013
Within India	10,555.48	9,790.13
Asia	6,099.86	5,788.43
Europe	4,941.48	4,350.11
North America	4,594.27	3,866.20
Total	26,191.09	23,794.86

Carrying value of segment assets

Particulars	₹ in Lacs	
	Year ended 31st March, 2014	Year ended 31st March, 2013
Within India	20,798.97	18,817.45
Asia	976.08	421.49
Europe	1,390.78	973.72
North America	1,254.94	1,718.45
Total	24,420.77	21,931.11

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

Note No. : 30 Disclosures under Accounting Standards as notified under the Companies (Accounting Standard) Rules, 2006 Cont'd...

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.

(C) 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 Science
	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
	Sam Organics Ltd
	Shipra Trading and Finance Pvt Ltd
Key Management Personnel	Atul G. Shroff (Managing Director)
	Bimal V. Mehta (Executive Director)
	Deepak Mehta
	Pinkesh Mehta
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

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

Note No. : 30 Disclosures under Accounting Standards as notified under the Companies (Accounting Standard) Rules, 2006 Cont'd...

(b) Transactions along with related parties for the year ended March 31, 2014 are as follows:
(Previous Year's figures are shown in brackets)

₹ in Lacs

Particulars	Subsidiary	Enterprises owned or significantly influenced by key management personnel or their relatives	Key Management Personnel and relatives	Total
Sale of Goods		684.84 (904.24)	- -	684.84 (904.24)
Other Income		- -	- -	- -
Sale of Fixed Assets		- -	- -	- -
Services Rendered		0.62 (4.94)	-	0.62 (4.94)
Dividend Received		12.70 (11.13)	-	12.70 (11.13)
Dividend Paid		16.25 -	20.82 -	37.07 -
Commission Paid		51.62 (56.04)	5.53 (8.00)	57.15 (64.04)
Purchase of Goods		281.25 (392.36)	-	281.25 (392.36)
Purchase of Fixed Assets		12.22 (6.62)	-	12.22 (6.62)
Loans received		15.00 -		15.00 -
Loans Repaid		12.00 -		12.00 -
Office Rent		3.26 (2.79)	3.60 (3.60)	6.86 (6.39)
Share Capital-15% Redeemable Cumulative Non-convertible Preference Share		(184.00)		(184.00)
Services Availed		0.07 (0.01)		0.07 (0.01)
Donations Paid		16.25 (21.25)	-	16.25 (21.25)
Interest Received		3.49 (0.61)	-	3.49 (0.61)
Advance Taken		- (22.00)	-	- (22.00)
Advance Given		- (17.00)	-	- (17.00)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

Note No. : 30 Disclosures under Accounting Standards as notified under the Companies (Accounting Standard) Rules, 2006 Cont'd... ₹ in Lacs

Particulars	Subsidiary	Enterprises owned or significantly influenced by key management personnel or their relatives	Key Management Personnel and relatives	Total
Advance Repaid		-	-	-
		(27.50)	-	(27.50)
Inter Corporate Deposit Taken		-	-	-
		(140.00)	-	(140.00)
Deposit Taken		-	1.50	1.50
		-	(95.61)	(95.61)
Deposit Repaid		-	15.00	15.00
		(229.89)	(30.00)	(259.89)
Interest Paid		87.11	13.24	100.35
		(99.54)	(7.42)	(106.96)
Investment		-	-	-
		-	-	-
Reimbursements charged by the company		48.80		48.80
		(6.15)		(6.15)
Reimbursements charged to the company		202.20		202.20
		-	-	-
Remuneration to Managerial Personnel		-	215.10	215.10
		-	(241.24)	(241.24)
Directors' Sitting Fees		-	3.15	3.15
		-	(4.45)	(4.45)
Salary Paid	-	-	-	-
	-	-	-	-

* 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	689.74	689.74
	(662.49)	(662.49)
Accounts Receivable including Trade Advance	157.80	157.80
	(194.50)	(194.50)
Interest Payable		
	(44.79)	(44.79)
Agency Deposit	4.00	4.00
	(4.00)	(4.00)
Fixed Deposits	-	67.11
	-	(80.61)
Remuneration payable to Management Personnel	1.75	1.75
	(3.73)	(3.73)

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:

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

Note No. : 30 Disclosures under Accounting Standards as notified under the Companies (Accounting Standard) Rules, 2006 Cont'd...

₹ in Lacs

Particulars	Year ended 31st March, 2014	Year ended 31st March, 2013
A) Transactions during the year		
Sale of Goods		
Hyderabad Chemical Products Limited	281.71	116.87
Agrocel Industries Limited	-	26.75
Sam Organics Ltd	200.39	66.45
Transchem Agritech Limited	162.56	674.56
Agrocel Industries Limited	-	26.75
Dividend Received		
Agrocel Industries Limited	8.00	8.00
Excel Industries Limited	4.70	3.13
Conversion/ other Income		
Excel Crop Care Limited	0.62	-
TML Industries Limited	0.34	-
Dividend Paid		
Atul G. Shroff	7.83	
Shruti A. Shroff	9.17	-
TML Industries Ltd	18.25	-
Vishwa A. Shroff	-	-
Purchase of Goods		
Excel Industries Limited	24.56	0.06
Transchem Agritech Ltd.	21.74	83.22
Sam Organics Ltd	234.89	309.08
Purchase of Fixed Assets		
Excel Industries Limited	-	6.62
Transchem Agritech Ltd.	12.22	-
Office Rent		
Bharti D Mehta	3.60	3.60
Agrocel Industries Limited	3.26	2.79
Investment		
Sam Organics Limited	334.00	184.00
Services Rendered		
Transchem Agritech Limited	-	4.94
Loan Received		
Shipra Trading And Finance Pvt Ltd	15.00	-
Loan Repayment		
Sam Organics Limited	12.00	-
Advances Taken		
Transchem Agritech Limited		22.00
Advances Repaid		
Transchem Agritech Limited		27.50

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

Note No. : 30 Disclosures under Accounting Standards as notified under the Companies (Accounting Standard) Rules, 2006 Cont'd...

₹ in Lacs

Particulars	Year ended 31st March, 2014	Year ended 31st March, 2013
Deposit Taken		
Bimal V. Mehta		50.00
Shruti A. Shroff		30.61
Vishwa A. Shroff	1.50	-
Atul G. Shroff		15.00
Deposit Repaid		
Shruti A. Shroff	-	15.00
Sam Organics Limited		229.89
Atul G. Shroff	-	15.00
Inter Corporate Deposit Taken		
Kamaljiyot Investments Limited	-	50.00
Agrocel Industries Limited	-	75.00
Madison Investments Private Limited	-	15.00
Services Availed		
Transchem Agritech Ltd.	0.07	-
Shroffs Foundation Trust	-	0.01
Interest Received		
TML Industries Ltd.	3.18	
Anshul Life Sciences	-	0.32
Transchem Agritech Limited	-	0.27
Commission Paid		
Sameet D Mehta		8.00
Anshul Life Sciences	51.62	56.04
Donation Paid		
Shroffs Foundation Trust	16.25	21.25
Reimbursements charged by the company		
Transchem Agritech Ltd.	45.51	
Anshul Life Sciences	-	6.15
Reimbursements charged to the company		
Shroffs Foundation Trust	180.00	
Anshul Life sciences	18.14	-
Managerial remuneration		
Atul G. Shroff	113.68	136.73
Bimal V.Mehta	59.42	59.89
Deepak N Mehta	30.00	30.00
Pinkesh Mehta	13.00	14.62
Director Sitting Fees		
Ashwin C. Shroff	0.20	0.25
Ravi Shroff	0.10	0.20
Dipesh K. Shroff	0.45	0.20

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

Note No. : 30 Disclosures under Accounting Standards as notified under the Companies (Accounting Standard) Rules, 2006 Cont'd...

₹ in Lacs

Particulars	Year ended 31st March, 2014	Year ended 31st March, 2013
Interest Paid		
Anshul Life Sciences	-	0.32
Bimal V. Mehta	5.40	5.21
Atul G. Shroff	-	0.55
Agrocel Industries Limited	8.10	7.86
Kamaljiyot Investments Limited	5.40	5.24
Madison Investments Private Limited	1.62	1.57
Deepak N Mehta	4.66	-
Pinkesh Mehta	1.49	
Shruti A. Shroff	1.69	1.67
Shipra Trading and Finance Pvt. Ltd	8.65	7.33
Sam Organics Limited	63.02	77.54
B) Closing Balance as at end of the year :		
Outstanding's Payables		
Transchem Agritech Ltd.		-
Agrocel Industries Limited	75.42	75.00
Kamaljiyot Investments Limited	50.00	50.00
Madison Investments Private Limited	15.00	15.00
Bimal V. Mehta	50.00	50.00
Anshul Life Sciences	16.61	15.84
Shruti A. Shroff	15.61	15.61
Shipra Trading And Finance Pvt Ltd	67.01	50.55
Sam Organics Limited	484.97	596.10
Pinkesh Mehta	24.30	-
Bharti D Mehta	6.48	
Deepak N Mehta	54.19	-
Receivables Including Trade Advance		
Excel Crop Care Limited	1.49	2.96
Agrocel Industries Limited	2.19	9.43
Hyderabad Chemicals Product Limited	-	42.28
Transchem Agritech Limited		122.59
Indenting Agency Deposit		
Anshul Life Sciences	4.00	4.00
Remuneration Payable to Key Management Personnel		
Deepak N Mehta	0.50	2.49
Pinkesh P Mehta	1.25	1.23

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

Particulars	Year ended 31st March, 2014	Year ended 31st March, 2013
Profit available to Equity share holders (Rs. In Lacs)	753.36	735.00
Weighted average number of equity shares outstanding during the year (Nos.)	5,872,040	5,872,040
Basic and Diluted Earnings per Share ₹	12.83	12.52

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

Note No. : 30 Disclosures under Accounting Standards as notified under the Companies (Accounting Standard) Rules, 2006 Cont'd...

(D) Disclosures under Accounting Standard 20 (Earnings Per Share) Cont'd...

Particulars	Year ended 31st March, 2014	Year ended 31st March, 2013
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 ₹ 139.30 lacs (P.Y. ₹ 105.63 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: ₹ in Lacs

Particulars	Year ended 31st March, 2014	Year ended 31st March, 2013
a) Revenue expenses debited to appropriate heads of account	117.99	108.01
b) Depreciation on Research and Development Assets	33.87	35.31
Total	151.86	143.32

(a) Capital Expenditure incurred during the year on Research and Development ₹ 81.99 Lacs (Previous Year ₹ 24.68 Lacs).

(b) The Company has been granted approval for claiming deduction u/s 35 (2AB) of the income Tax Act, 1961. Thus, the company has considered weighted deduction u/s 35 (2AB) of the income Tax Act, 1961.

(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 31st March, 2014	As on 31st March, 2013
Sales	US \$ (In lacs)	19.59	24.99
Purchases	US \$ (In lacs)	9.59	15.82

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

Particulars	As on 31st March, 2014 in Lacs	As on 31st March, 2013 in Lacs
Trade receivables		
- USD	40.71	31.72
- Euros	-	0.19
- GBP	-	0.10
Trade Payables		
- USD	27.32	25.96
- Euros	-	0.05
- GBP	-	0.00
- SGD	-	0.04

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

Note No. 31 Other Disclosures Cont'd...

(D) Provision for Taxation includes provision for Wealth Tax amounting to ₹ 1.33 lacs
(Previous Year ₹ 1.05 lacs).

(E) Donation includes Donation made to Bhartiya Janata Party (Political Party) ₹ Nil (Previous Year ₹ 1.50 Lacs)

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, 2014

A. C. Shroff (Chairman)
A. G. Shroff (Managing Director)
Bimal V. Mehta (Executive Director)
M. D. Patel (Director)
A. P. Shah (Vice President & Chief Financial Officer)
S. K. Solanki (Vice President & Company Secretary)

Place : Vadodara
Date : 30th May, 2014

**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	(981.96)	-
3 Total Assets	3201.70	18.62 18654.00
4 Total Liabilities	3201.70	18.62 18654.00
5 Investment	5.05	-
6 Total Income	3064.74	-
7 Profit Before Tax	4.30	-
8 Provision for Deferred Tax	0.00	-
9 (Profit)/Loss After Tax	4.30	-
10 Proposed Dividend		
11 Country	India	U.K

As on 31.03.2014: 1 GBP = Rs. 99.84

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 (Vice President & Chief Financial Officer)
S. K. Solanki (Vice President & Company Secretary)

Place : Vadodara
Date : 30th May, 2014



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, 2014 |
| 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, 2014, amounted to: | |
| (i) for the subsidiary company's financial year ended as in (2) above. | - |
| (ii) for previous financial years of the subsidiary company | - |
| (b) dealt with in the accounts of Transpek Industry Limited for the year ended 31st March, 2014, 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, 2014 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 (Vice President & Chief Financial Officer)
 S. K. Solanki (Vice President & Company Secretary)

Place : Vadodara
 Date : 30th May, 2014



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, 2014
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, 2014, amounted to:	
(i) for the subsidiary company's financial year ended as in (2) above.	4.30
(ii) for previous financial years of the subsidiary company	(287.29)
(b) dealt with in the accounts of Transpek Industry Limited for the year ended 31st March, 2014, 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, 2014 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 (Vice President & Chief Financial Officer)
S. K. Solanki (Vice President & Company Secretary)

Place : Vadodara

Date : 30th May, 2014

ATTENDANCE SLIP

TRANSPEK INDUSTRY LIMITED

[CIN: L23205GJ1965PLC001343]

Regd. Office: 6th floor, Marble Arch, Race Course Circle, Vadodara-390 007.

Email: secretarial@transpek.com Website: www.transpek.com

Phone: +91 265 2335444-47, 2335757, 2358236, 2342262, 2334141

Fax: +91 265 2335758



FORTY EIGHTH ANNUAL GENERAL MEETING

I / We hereby record my / our presence at the Forty Eighth Annual General Meeting of the Company at Hotel Surya Palace, Opp. Parsi Agiyari, Sayajigunj, Vadodara - 390 020 on Thursday, the 28th day of September, 2014 at 3:30 P.M.

Member's Folio / DP ID-Client No.

Member's / Proxy's name in Block

Member's / Proxy's Signature

NOTE:

1. Please complete the Folio / DP ID-Client No. and name, sign this Attendance Slip and hand it over at the Attendance Verification Counter at the Entrance of Meeting Hall.
2. Electronic copy of the Annual Report for the year 2013- 2014 and Notice of the Annual General Meeting (AGM) along with Attendance Slip and Proxy Form are being sent to all the members whose email address as are registered with the Company / Depository Participant unless any member has requested for a hard copy of the same. Members receiving electronic copy and attending the AGM can print copy of this Attendance Slip
3. Physical copy of the Annual Report for the year 2013- 2014 and Notice of the Annual General Meeting along with Attendance Slip and Proxy Form is sent in the permitted mode(s) to all members whose email address is not registered or have requested for a hard copy.

PROXY FORM



48th annual report
 2013-14

TRANSPEK INDUSTRY LIMITED

[CIN: L23205GJ1965PLC001343]

Regd. Office: 6th floor, Marble Arch, Race Course Circle, Vadodara-390 007.

Email: secretarial@transpek.com Website: www.transpek.com

Phone: +91 265 2335444-47, 2335757, 2358236, 2342262, 2334141 Fax: +91 265 2335758

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s) : _____

Registered Address : _____

E-mail Address : _____

Folio / DP ID-Client ID No. : _____

I / We being the member(s) holding _____ shares of the above named Company hereby appoint:

(1) Name: _____ Address: _____

E-mail ID: _____ Signature: _____ or failing him/her;

(2) Name: _____ Address: _____

E-mail ID: _____ Signature: _____ or failing him/her;

(3) Name: _____ Address: _____

E-mail ID: _____ Signature: _____ or failing him/her;

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the Forty Eighth Annual General Meeting of the Company, to be held on Thursday, the 18th day of September, 2014 at 3:30 P.M. at Hotel Surya Palace, Opp. Parsi Agiyari, Sayajigunj, Vadodara - 390 020 and at any adjournment thereof in respect of such resolutions as are indicated below:

RESOLUTION NO.	PARTICULARS OF RESOLUTION	OPTIONAL FOR AGAINST	
	ORDINARY BUSINESS / ORDINARY RESOLUTION		
1.	Adoption of Financial Statements for the year ended on March 31, 2014		
2.	Declaration of Dividend		
3.	Re-appointment of Dipesh K. Shroff Director retiring by rotation		
4.	Re-appointment of Ravi A. Shroff Director retiring by rotation		
5.	Appointment of Statutory Auditors		
6.	To regularize the appointment of Smt. Geeta Amit Goradia from additional to independent Director and will not be subject to retirement by rotation by passing an ordinary resolution		

RESOLUTION NO.	PARTICULARS OF RESOLUTION	OPTIONAL	
		FOR	AGAINST
	SPECIAL BUSINESS		
7.	To regularize the appointment of Shri. Hemant J. Bhatt from additional to independent Director and will not be subject to retirement by rotation by passing an ordinary resolution		
8.	Consider change in status of Dr. Bernd Dill from rotational to independent Director and not liable to retire by rotation by passing an ordinary resolution		
9.	Consider change in status of Shri Ninad D. Gupte from rotational to independent Director and not liable to retire by rotation by passing an ordinary resolution		
10.	Consider change in status of Shri Nimish U. Patel from rotational to independent Director and not liable to retire by rotation by passing an ordinary resolution		
11.	To borrow money, together with the moneys already borrowed exceeding aggregate of its paid-up capital and free reserves apart from temporary loans by passing special resolution		
12.	Company's contribution to bona fide and charitable funds etc by passing special resolution		
13.	To consider and approve the acceptance of Fixed Deposits from the members of the Company to the extent of 25% of the aggregate of paid up capital and free reserves of the Company by passing special resolution		
14.	To consider the payment to Non-Executive Rotational Directors as well as the Non Rotational Non-Executive Independent Directors, such sum by way of remuneration not exceeding 1% (one percent) by passing a special resolution		
15.	Ratification of remuneration payable to Cost Auditor for the year 2014-15 by passing ordinary resolution		
16.	Alteration of Article 150 of the Articles of Association of the Company by passing special resolution		
17.	Alteration of the terms and conditions of the Original Agreement entered into by and between the Company and Shri Bimal V. Mehta, Whole-time Director designated as Executive Director of the Company by passing special resolution		

Signed this _____ day of _____ 2014

Signature of Shareholder _____

Signature of Proxy holder(s) _____

Affix
Revenue
Stamp not
less than
Re. 1/-

NOTES :

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Statement pursuant to section 102 of the Companies' Act 2013 and Notes, please refer to the Notice of the forty eight Annual General Meeting.
3. It is optional to put an 'x' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he / she thinks appropriate.
4. Please complete all details including details of member(s) in above box before submission.

Vadodara Central Jail inmates who were imparted training in plumbing through ITI, Padra in order to enable them to earn their livelihood after their release



General awareness programme on HIV in TIL's campus



TRANSPEK INDUSTRY LIMITED

REGISTERED OFFICE

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Phone : +91 2662 244444, 244318, 244309, 244207
Fax : +91 2662 244439



TRANSPEK INDUSTRY (EUROPE) LIMITED

A wholly owned subsidiary of Transpek Industry Limited.

REGISTERED OFFICE

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Telefax : +44 (O) 207 9287771
Email : tileurope@gmail.com



Sam Fine O Chem Limited

A subsidiary of Transpek Industry Limited.

REGISTERED OFFICE

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