

29th
ANNUAL REPORT

Report *2007* Junction.com

SHIVALIK RASAYAN LIMITED

SHIVALIK RASAYAN LIMITED

BOARD OF DIRECTORS

Shri Rahul Bishnoi	:	Chairman
Shri S. K. Singh	:	Managing Director
Shri Anirudh Bishnoi	:	Director
Shri Tejasvi Bishnoi	:	Director
Shri Ashwani Sharma	:	Director
Shri Puneet Chandra	:	Director
Shri Harish Pande	:	Director

AUDITORS	:	M/s Ramkrishna & Company, Chartered Accountants, D-63, Panchsheel Enclave, New Delhi – 110 017
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REGISTERED OFFICE AND FACTORY	:	Village Kolhupani, P.O. Chandanwari, Dehradun – 248 007
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CORPORATE OFFICE	:	1506, Chiranjiv Tower, 43, Nehru Place, New Delhi – 110 019
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NOTICE

NOTICE is hereby given that the Twenty Ninth Annual General Meeting of Shivalik Rasayan Limited will be held on Friday the 29th September, 2007 at 3.00 P.M. at the Registered Office of the Company at Village Kishinupani, Dehradun to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the Balance Sheet as on 31st March 2007, Profit & Loss Account for the period from 1st April 2006 to 31st March 2007 and the report of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Tejasvi Bishnoi, who retires by rotation and being eligible offers himself for re-appointment.
3. 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 224 and other applicable provisions, if any, of the Companies Act, 1956, approval of the members be and is hereby accorded for re-appointment of M/s Ramkrishna & Company, Chartered Accountants, as auditors of the Company to hold office from the conclusion of this Annual General Meeting, till the conclusion of the next Annual General Meeting of the company on such remuneration as may be fixed by the Board of Directors plus Services Tax, reimbursement of actual traveling and out-of-pocket expenses incurred by them for the purpose of audit."

SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:-

"RESOLVED THAT Shri Puneet Chandra, who was appointed as an Additional Director of the Company by the Board of Directors and who holds office under Section 260 of the Companies Act, 1956 until the date of the Annual General Meeting and in respect of whom the Company has received a Notice in writing proposing his candidature for the Office of a Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

5. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:-

"RESOLVED THAT Shri Harish Pande, who was appointed as an Additional Director of the Company by the Board of Directors and who holds office under Section 260 of the Companies Act, 1956 until the date of the Annual General Meeting and in respect of whom the Company has received a Notice in writing proposing his candidature for the Office of a Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

By order of the Board
for **Shivalik Rasayan Ltd.**

Place : New Delhi
Dated : 27th June 2007

S. K. Singh
Managing Director

NOTICE

1. The relevant explanatory statement pursuant to section 173(2) of the Companies Act, 1956 is annexed hereto.
2. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the company. A Proxy Form is sent herewith. The Proxy Form duly completed should reach the Registered Office of the company not later than 48 hours before the start of the meeting.
3. If any more information is required by any shareholder, he is requested to convey the same to the Registered Office of the Company so as to reach us at least one week before the date of the meeting.

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

Item No. 4

Shri Puneet Chandra was co-opted as Additional Director by the Board with effect from 15th November, 2006 in terms of Section 260 of the Companies Act, 1956 and holds office until the date of ensuing Annual General Meeting.

Shri Puneet Chandra is a chemical engineer of vast experience of Agro-chemical industry. He provides his valuable guidance to the company in the field of Agro-chemical on latest innovation and research. He started his career at the age of 25 years and today has an experience over 18 years in the field of Agro-chemical. Therefore, he will prove to be a great asset on the Board of Directors of the company.

A notice under Section 257 of the Companies Act, 1956 has been received from a Member along with a deposit of Rs.500/- proposing his candidature for the Office of Director.

The Board of Directors recommend passing of the proposed resolution by the members.

Item No. 5

Shri Harish Pande was co-opted as Additional Director by the Board with effect from 22nd June, 2007 in terms of Section 260 of the Companies Act, 1956 and holds office until the date of ensuing Annual General Meeting.

Shri Harish Pande has vast experience of Agro-chemical industry. He started his career at the age of 23 years and today has an experience over 30 years in the field of Agro-chemical. Therefore, he will prove to be a great asset on the Board of Directors of the company.

A notice under Section 257 of the Companies Act, 1956 has been received from a Member along with a deposit of Rs.500/- proposing his candidature for the Office of Director.

The Board of Directors recommend passing of the proposed resolution by the members.

By order of the Board
for **Shivalik Rasayan Ltd.**

Place : New Delhi
Dated : 27th June 2007

S. K. Singh
Managing Director

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors have pleasure in presenting their 29th Annual Report together with an audited statement of account for the year ended on 31st March 2007 and Auditors' Report thereon.

WORKING RESULTS

The Sales of your company have improved by 7% during the year when compared to last year's performance

Financial Data (Rs. in Lac)	Current Year	Previous Year
Sales	1843.39	1719.89
Other Income	8.11	7.96
Profit before Depreciation	30.87	37.22
Depreciation	7.11	6.51
Deferred Tax Assets/(Liability)	(7.71)	(12.31)
NET PROFIT FOR APPROPRIATION	16.04	18.39

DIVIDEND

In view of accumulated losses of the company, the Directors regret their inability to recommend payment of any dividend.

CURRENT OUTLOOK

The company has made a profit of Rs.30.87 lacs before depreciation. This year also the company focused on the sales of Dimethoate Technical. The company continued to supply Malathion Technical for export through third parties in this year also.

The company has really improved its turnover as compared to the last year. But the profit margin has come down. The main reason for this is Chinese pressure on the both product and erratic price pattern of raw material specially diesel and phosphorus. The increase in the diesel prices have also contributed in the form of high landed cost. The factors are really beyond the control of the management. Though the management has tried to maintain efficiency by putting Rs.15.02 lacs in Plant & Machinery during the year.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of provisions of Section 217(2AA) of the Companies Act, 1956, your directors confirm as under:-

that in preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

that the directors have selected such accounting policies 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 or loss of the company for that period; that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

that the directors have prepared the annual accounts on a going concern basis.

DIRECTORS' REPORT

DIRECTORS

Shri Tejasvi Bishnoi retires by rotation and is eligible for re-appointment.

SECRETARIAL COMPLIANCE CERTIFICATE

A Secretarial Compliance Certificate pursuant to Section 383A of the Companies Act, 1956, is attached herewith.

QUALIFICATION IN THE AUDITORS' REPORT

The qualifications in the Auditors' Report have been well explained in the Notes to Financial Statements and are self-explanatory. Further, the Directors would like to clarify as under:-

- a) The company has been making a provision towards the payment of gratuity liability in its books of account as per the provisions of the Payment of Gratuity Act, 1972. Similarly, liability towards leave encashment is being provided for encashable leave due to the employees on the basis of last salary drawn. Accounting Standard (AS) – 15 "Accounting for Retirement Benefits in the Financial Statements of Employers" issued by the Institute of Chartered Accountants of India, states that the liability towards retirement benefits should be ascertained and provided for on the basis of actuarial valuation. Further, it requires that the company should make contribution to a trust fund or insurer for this purpose. The circumstances of the company so far do not permit it to bear expenses for an Actuarial Valuation and contribute to a trust fund from the already scarce sources of funds. However, your Directors are hopeful that with the improving position of the company, steps will be taken to comply with the relevant provisions in the future.
- b) The equity shares of the company were initially listed on the Delhi Stock Exchange (DSE). However, the company went into huge losses and a winding up order of the company was also passed in the year 1990. Thereafter, n4 listing or trading of the shares of the company was taking place on the DSE. The company had requested the DSE that taking into account the circumstances of the case, listing fees should be waived.

AUDITORS

M/s Ramkrishna & Company, Chartered Accountants, New Delhi retire at the conclusion of this Annual General Meeting and being eligible, offer themselves for re-appointment. A letter has been received from them stating that the re-appointment, if made, will be in accordance with the provisions of Section 224(1B) of the Companies Act, 1956.

CONSERVATION OF ENERGY/TECHNOLOGY ABSORPTION/RESEARCH AND DEVELOPMENT

1. Disclosure of Particulars with respect to Conservation of Energy

Power and Fuel consumption

Electricity

	Current Year	Previous Year
Unites (Kwh)	1053909	1049927
Total Cost (Rs.)	2865292	2816838
Rate / unit (Rs.)	2.72	2.68

Coal (used in boiler)

Quantity (kg.)	897920	1150425
Total Cost (Rs.)	5759657	6465749
Average Rate (Rs.)	6.41	5.62

DIRECTORS' REPORT

The company is taking measures to achieve more efficiency in power and fuel consumption. The quality of coal used is being monitored to bring down consumption levels.

2. Technology Absorption

The company could not undertake any technology absorption measures due to constraint of funds.

3. Foreign exchange earnings and outgo: Rs.Nil

PARTICULARS OF EMPLOYEES

There were no employees as per the requirements of Section 217(2A) of the Companies Act, 1956.

PERSONNEL

The company continued to maintain harmonious and cordial relations with its workers. The Directors wish to place on record their appreciation for the services and untiring efforts of the employees at all levels.

for and on behalf of the Board of Directors

Place : New Delhi
Dated : 27th June 2007

RAHUL BISHNOI
Chairman

SECRETARIAL COMPLIANCE CERTIFICATE

To
The Members,
SHIVALIK RASAYAN LIMITED

We have examined the registers, records, books and papers of **SHIVALIK RASAYAN LIMITED** as required to be maintained under the Companies Act, 1956 (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the company for the financial year ended on 31st March, 2007 In my/ our opinion and to the best of my/our information and according to the examinations carried out by me/us and explanations furnished to me/us by the company, its officers and agents, I/We certify that in respect of the aforesaid financial year:

- 1 The company has kept and maintained all registers as stated in Annexure "A" to this certificate, as per the provision of the Act and the rules made there under and all entries therein have been duly recorded.
- 2 The company has duly filed the forms and returns as stated in Annexure "B" to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities as per detail prescribed therein.
- 3 The company being limited Company, the comments are not required.
- 4 The Board of Directors duly met Seven Times respectively on 14th April 2006, 14th June 2006, 15th September 2006, 30th September 2006, 15th November 2006, 20th February 2007 and 31st March 2007 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the minutes Book maintained for the purpose.
- 5 The company did not close its Registrar of Members during the financial year.
- 6 The Annual General Meeting for the financial year ended on 31/03/2006 was held on 29th September, 2006 after giving due notice to the members of the company and the resolutions passed there at were duly recorded in Minutes Book maintained for the purpose.
- 7 No Extra Ordinary General Meetings was held during the Financial Year.
- 8 As per the explanations and information given, the company has not advanced any loan to its directors/ person/company/ to which Section 295 of the Act.
- 9 The company has complied with the provisions of section 297 of the Act.
- 10 The company has made necessary entries in the register maintained under section 301 of the Act.
- 11 As there were no instances falling within the purview of section 314 of the Act, the company has not obtained any approvals from the Board of directors, members or Central Government.
- 12 The company has not issued any duplicate share certificates during the financial year.
- 13 I. The company has delivered all the certificates on lodgment thereof for transfer in accordance with the provisions of the Act. However, there was no allotment/transmission of securities during the financial year.
 II. The company has not deposited any amount in a separate bank account as no dividend was declared during the financial year.
 III. The company was not required to post warrants to any member of the company as no dividend was declared during the financial year.

IV. The company was not required to deposit any amount in unpaid dividend account, application money due for Refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investors Education and protection Fund as there was no amount outstanding.

V. The company has complied with the requirements of section 217 of the Act.

- 14 The Board of the director of the company is duly constituted. There was an appointment of additional director in the board meeting during the financial year.
- 15 The company has not appointed any Managing Director/Whole time Director/ Manager during the financial year.
- 16 The company has not appointed any sole-selling agents during the financial year.
- 17 The company was not obtained any approvals of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as prescribed under the various provisions of the Act during the financial year.
- 18 The directors have disclosed their interest in other firms/ companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
- 19 The company has not issued any securities during the financial year.
- 20 The company has not bought back any shares during the financial year.
- 21 There was no redemption of preference shares or debentures during the financial year.
- 22 There were no transactions necessitating the company to keep in abeyance rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
- 23 The Company has not invited/accepted any deposit including any unsecured loans falling within the purview of sections 58A during the financial year.
- 24 The amount borrowed by the company from its directors, members, banks, public financial institutions and others during the financial year are within the borrowing limits of the company and that the necessary resolutions as per the section 293(1)(d) of the Act have been passed.
- 25 The companies has complied the provisions of the Act regarding loans and Investments, or given guarantees or provided securities to other bodies corporate.
- 26 The company has not altered the provision of the Memorandum with respect to situation of the company's registered office from one state to another during the year under scrutiny.
- 27 The company has not altered the provision of the Memorandum with respect to the objects of the company during the year under scrutiny.
- 28 The company has not altered the provision of the Memorandum with respect to name of the company during the year under scrutiny and complied with provisions of the Act.