

30th
ANNUAL REPORT

2008

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 Thirtieth Annual General Meeting of Shivalik Rasayan Limited will be held on Wednesday the 10th Sept., 2008 at 3.00 P.M. at the Registered Office of the Company at Village Kolhupani, Dehradun to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the Balance Sheet as on 31st March 2008, Profit & Loss Account for the period from 1st April 2007 to 31st March 2008 and the report of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Anirudh 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 FURTHER THAT pursuant to the provisions of section 94 of the Companies Act, 1956, the Authorised Capital of the Company be and is hereby increased from Rs.75,00,000/- (Rupees Seventy Five Lacs) to Rs.3,50,00,000/- (Rupees Three Crores Fifty Lacs) by creation of 27,50,000 Equity shares of Rs.10/- (Rupees Ten) each ranking pari-passu with the existing equity shares of the Company."

"RESOLVED FURTHER THAT the existing clause V of the Memorandum and Association be substituted by the following clause as V:

- V. The Authorised share capital of the company is Rs.3,50,00,000/- (Rupees Three Crores Fifty Lacs Only) divided into 35,00,000 (Thirty Five Lac Only) Equity shares of Rs.10/- (Rupees Ten) each."

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

Place : New Delhi
Dated : 28th June 2008

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 require 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

The present Authorised Capital of the Company is Rs.75,00,000/- divided into 7,50,000 Equity shares of Rs.10/- each. In order to facilitate raising fund by issue of a additional shares for increased activities of the company, increase in share capital of the Company is necessary, therefore it is proposed to increase the present Authorised Capital from Rs.75,00,000/- (Rupees Seventy Five Lacs) to Rs.3,50,00,000/- (Rupees Three Croes Fifty Lacs) by creation of 27,50,000 Equity shares of Rs.10/- (Rupees Ten) each ranking pari-passu with the existing equity shares of the Company.

The Memorandum of Association of the Company is proposed to be altered in order to reflect the proposed change in Authorised Capital require approval of the members. The directors recommend the resolution in the best interest of the company.

None of the Directors are interested in the resolution.

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

Place : New Delhi
Dated : 28th June 2008

S. K. Singh
Managing Director

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors have pleasure in presenting their 30th Annual Report together with an audited statement of account for the year ended on 31st March 2008 and Auditors' Report thereon.

WORKING RESULTS

The Sales of your company have dropped by 8% during the year when compared to last year's performance though the net profits have increased.

Financial Data (Rs. in Lac)	Current Year	Previous Year
Sales	1695.27	1843.39
Other Income	6.22	8.11
Profit before Depreciation	56.52	30.87
Depreciation	8.57	7.11
Profit fro the year before Tax	47.95	23.75
Provision for taxation	(4.83)	(0.00)
Deferred Tax Assets/(Liability)	(11.29)	(7.71)
NET PROFIT FOR APPROPRIATION	31.83	16.04

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.56.52 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 this year in terms of efficiency and improved its margin. Though China factor remained an issue. But company could convince its customers and retained their faith in its products.

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 Anirudh 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:-

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.

REVOCATION OF TRADING FROM DELHI STOCK EXCHANGE

The compliance with Delhi Stock Exchange (DSE) has been done and all the dues have been paid. The Delhi Stock Exchange vide its letter dated 5th May 2008 has revoked its suspension of trading. Now company's shares are tradable on DSE.

AGREEMENT WITH REGISTRAR & SHARE TRANSFER AGENT

The company has appointed the Registrar & Share Transfer Agent to get the equity shares of the company admitted for dematerialization with National Securities Depository Limited and/or Central Depository Services Limited and any other Depository. Soon the company will get the dematerialization facility of share and will be informed to the shares holder accordingly.

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.

DIRECTORS' REPORT

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
Units (Kwh)	1035015	1053909
Total Cost (Rs.)	3126914	2865282
Rate / unit (Rs.)	3.02	2.72

Coal (used in boiler)

Quantity (kg.)	1006320	897920
Total Cost (Rs.)	6326309	5759657
Average Rate (Rs.)	6.29	6.41

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 : 28th June 2008

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, 2008. 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 Eleven Times respectively on 9th April 2007, 22nd June 2007, 27th June 2007, 16th July 2007, 26th July 2007, 31st July 2007, 27th September 2007, 29th October 2007, 10th December 2007, 15th January 2008 and 31st March 2008 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 31/03/2007 was held on 29th September, 2007 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.