

35th

ANNUAL REPORT

2013

SHIVALIK RASAYAN LIMITED

SHIVALIK RASAYAN LIMITED

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 Rai Qimat & Associates, Chartered Accountants, 24/801, East End Apts. Mayur Vihar, Phase-1 Extn. Delhi - 110091
REGISTERED OFFICE AND FACTORY	:	Village Kolhupani, P.O. Chandanwari, Dehradun - 248 007
CORPORATE OFFICE	:	1506, Chiranjiv Tower, 43, Nehru Place, New Delhi - 110 019 Tel No. (011) 26221811, 26418182 E-mail: srl@vsnl.com, srl@airtelmail.in Website: www.shivalikrasayan.in
SHARE REGISTRAR	:	M/s Beetal Financial & Computer Services Pvt. Limited BEETAL House, 3rd Floor, 99, Madangir, Behind Local Shopping Complex, New Delhi - 110 062 Tel No. (011) 29961281, 29961282 E-mail: beetal@beetalfinancial.com

NOTICE

NOTICE is hereby given that the Thirty Fifth Annual General Meeting of Shivalik Rasayan Limited will be held on Monday the 30th September, 2013 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 2013, Profit & Loss Account for the period from 1st April 2012 to 31st March 2013 and the report of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Tejasvi Bishnoi & Shri Ashwani Sharma, 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 Rai Qimat & Associates, 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."

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

Place : New Delhi
Dated : 4th June, 2013

Sd/-
S. K. Singh
Managing Director

NOTES:

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.
4. The Register of Members and Share Transfer Books of the Company shall remain closed from 24th September 2013 to 30th September 2013 (Both days inclusive).

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors have pleasure in presenting their 35th Annual Report together with an audited statement of account for the year ended on 31st March 2013 and Auditors' Report thereon.

WORKING RESULTS

The Sales of your company have increased by 12.94% and net profit increased by 6.38% during the year when compared to last year's performance.

Financial Data (Rs. in Lac)	Current Year	Previous Year
Sales	3234.63	2863.97
Other Income	29.86	23.16
Profit for the year before Tax	135.43	126.51
Provision for taxation	40.62	33.78
Deferred Tax Assets/(Liability)	(1.88)	(5.38)
NET PROFIT FOR APPROPRIATION	92.92	87.35

DIVIDEND

The company has recovered accumulated losses and financial positions of the company does not allow this year to recommend any dividend.

CURRENT OUTLOOK

The profit before tax is Rs.135.43 lacs. The management is hopeful to continue the profitability further.

CORPORATE GOVERNANCE

Your Company has fully complied with the requirements of Clause 49 of the Listing Agreement regarding Corporate Governance.

A report of Corporate Governance Practices and Management Discussion and Analysis are given as annexure to this report.

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

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

DIRECTORS' REPORT

SECRETARIAL COMPLIANCE CERTIFICATE

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

LISTING FEES

The Annual Listing Fee for the year 2012-13 had been paid to Delhi Stock Exchange where the company's shares are listed.

AUDITORS

M/s Rai Qimat & Associates, Chartered Accountants, New Delhi retires 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.

COST AUDITORS

The company has appointed M/s Cheena & Associates, Cost Auditors for conducting Cost Audit for the financial year 2012-13

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)	1321928	1006950
Total Cost (Rs.)	5819020	6774597
Rate / unit (Rs.)	4.40	6.72

Coal (used in boiler)

Quantity (kg.)	1114905	1366055
Total Cost (Rs.)	10528257	14396759
Average Rate (Rs.)	9.44	10.54

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: 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.

SHIVALIK RASAYAN LIMITED

DIRECTORS' REPORT

ACKNOWLEDGEMENT

The Board takes this opportunity to sincerely thank all its stakeholders namely, shareholders, customers, suppliers/contractors, employees, government agencies, local authorities for their continued trust and support to the company.

for and on behalf of the Board of Directors

Place : New Delhi
Dated : 4th June, 2013

Sd/-
RAHUL BISHNOI
Chairman

MANAGEMENT DISCUSSION AND ANALYSIS

Product

SHIVALIK RASAYAN LIMITED continues to be the manufacturer of Dimethoate Technical and Malathion Technical in India. Both the products are old generic products and have limited demand.

Dimethoate Technical

Sales of Dimethoate Technical have been increased from 1170.600 MT to 1230.500 MT. The turnover has gone up from 27.62 Crores to 28.64 Crores. This is because of the increase in the prices of raw material as well as of sales price.

Malathion Technical

The company did not make Malathion Technical during financial year 2012-13.

Opportunities & challenges

The import from China remains major threat for Dimethoate Technical. The usages of Dimethoate Technical is more or less same as compare to last year. The management is considering diversifying the activities of the company in term to include more agro chemicals into its fold. Some new registrations are also being applied to the Central Insecticides Board.

Financial Review

The demand for Dimethoate Technical was good and company could achieve the higher turnover because of its low manufacturing cost in comparison to Chinese product. The management expects to continue the same scenario during the year subject to the normal monsoon.

Company has been regular in meeting its obligations towards payment to regulatory bodies and other statutory payment.

for and on behalf of the Board of Directors

Place : New Delhi
Dated : 4th June, 2013

Sd/-
RAHUL BISHNOI
Chairman

REPORT ON CORPORATE GOVERNANCE

Company's philosophy on Corporate Governance

Good corporate practices ensure that a Company meets its obligations to optimize shareholders value. Corporate governance has assumed great significance in India in the recent past in the form of amendment in the Companies Act, 1956 and Listing Agreement with Stock Exchanges. Most of the provisions of the Corporate Governance code prescribed by the Companies Act and the Listing Agreement have been complied with and balance will be complied within the prescribed period.

Board of Director

a) Composition of the Board

As on 31st March, 2013 the Board of Directors comprised of Seven Directors out of which four are Non-Executive Directors, One Chairman, One Managing Director and one Executive Director. Out of the Seven Directors Company has Four Independent Directors.

b) Number of Board Meetings

Board of Directors met Eight times, during the year ended 31st March, 2013,

c) Directors' attendance record and Directorship in other public Limited Companies:

Name of the Director	Position	Board Meetings held during the year	Board Meetings attended during the year	Whether attended last AGM	Directorship in other public Limited Companies*
Shri Rahul Bishnoi	Chairman	8	8	Yes	No
Shri S. K. Singh	Managing Director	8	8	Yes	No
Shri Ashwani Sharma	Executive Director	8	8	Yes	No
Shri Harish Pande	Independent Director	8	7	Yes	No
Shri Anirudh Bishnoi	Independent Director	8	6	Yes	No
Shri Tejasvi Bishnoi	Independent Director	8	7	Yes	No
Shri Puneet Chandra	Independent Director	8	4	No	No

* Excludes Directorship in Private Limited Companies

d) Disclosures

- The details of related party transaction with the Company as required by Accounting Standard (AS-18) on Related Party Transactions have been given in Schedule 8 of the Notes of Accounts. Besides this, Company has no materially significant transaction with the related parties viz. Promoters, Directors or the management or relatives and their subsidiaries, etc. that may have a potential conflict with the interest of the Company at large.
- No Non-executive director is holding any equity shares of the company.

e) Remuneration of Directors, sitting fees etc. for the year 2012-13

Shri S. K. Singh, Managing Director and Shri Ashwani Sharma, Director was paid salary and perquisites of Rs.19,47,260. Besides this Managing Director and Director was entitled to Company's contribution to provident fund and gratuity fund.

No commission and Sitting fees paid to non-executive directors for the year ended on 31st March 2012.

REPORT ON CORPORATE GOVERNANCE

Committees of the Board

a) Audit Committee

(i) Terms of Reference

Apart from all the matters provided in Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956, the Audit Committee reviews report of the internal auditors, meets statutory auditors as and when required and discusses their findings, suggestions, internal control system, scope of audit, observations of auditors and other related matters. It also reviews major accounting policies followed by the company.

(ii) Composition

As on 31st March, 2013, the Committee consists of three non-executive and independent Directors, namely Shri Harish Pande, Shri Anirudh Bishnoi and Shri Tejasvi Bishnoi.

(iii) Attendance record of the Audit Committee

The Committee met four times during the year. The attendance record of the members at the meetings is as follows:-

Name of the member	Status	No. of meetings attended
Shri Harish Pande	Chairman	4
Shri Anirudh Bishnoi	Member	4
Shri Tejasvi Bishnoi	Member	4

b) Investors' Grievance Committee

(i) Terms of Reference

The Committee has been constituted to look into the redressal of shareholders and investor complaints, non-receipt of Balance Sheet and any other matter relating to shareholders/investors grievance.

(ii) Composition

As on 31st March, 2013, the committee comprises of three non-executive Directors.

(iii) Attendance record of the Investors Grievance Committee

The committee met four times during the year. The attendance record of the members at the meetings is as follows:

Name of the member	Status	No. of meetings attended
Shri Harish Pande	Chairman	4
Shri Anirudh Bishnoi	Member	4
Shri Tejasvi Bishnoi	Member	4

(iv) Investors complaints received and resolved during the year

During the year under review, Company has not received any complaint from the investors.

c) Share Transfer Committee

(i) Terms of Reference

The Committee of the Board of Directors has been constituted to review and approve the request for transfer/transmission of shares and issue of duplicate shares certificates. The Share Transfer Committee also reviews the status of Shareholding pattern of the Company and significant changes, if any.

REPORT ON CORPORATE GOVERNANCE

(iii) Composition

As on 31st March, 2013, the Committee consists of three non-executive and independent Directors, namely Shri Harish Pande, Shri Anirudh Bishnoi and Shri Tejasvi Bishnoi

(iii) Attendance record of the Audit Committee

The Committee met four times during the year. The attendance record of the members at the meetings is as follows:-

Name of the member	Status	No. of meetings attended
Shri Harish Pande	Chairman	4
Shri Anirudh Bishnoi	Member	4
Shri Tejasvi Bishnoi	Member	4

Management

a) Management discussion and analysis

Management discussion and analysis report forms part of this Annual Report.

b) Disclosure on Risk Management

The company has further strengthened the Risk Management System in the Company. The Board of Directors periodically reviews the Risk Assessment and minimizing procedure thereof.

Shareholders

a) Means of Communication

The quarterly, half-yearly and annual Audited Financial Results of the Company are sent to the Stock Exchanges immediately after they are approved by the Board. The results are published in accordance with the guidelines of Stock Exchanges.

b) Investor Grievances

As mentioned earlier, the Company has constituted an Investors Grievance Committee for redressing shareholders and investors' complaints. Shri Harish Pande, Director of the company is the Chairman to the Committee as well as Compliance Officer.

c) Share Transfers

All share transfers are handled by Company's Registrar and Share Transfer Agent M/s Beetal Financial & Computer Services (P) Limited, Beetal House, 3rd Floor, Madangir, Behind Local Shopping Centre, New Delhi - 110 062.

d) General Body Meetings

Details of the last three Annual General meetings are as under:

Financial Year	Date	Time	Venue
2011-12	29th Sept., 12	3.00 PM	Village Kolhupani, P.O.Chandanwari, Via Prem Nagar, Dehradun
2010-11	30th Sept., 11	3.00 PM	Village Kolhupani, P.O.Chandanwari, Via Prem Nagar, Dehradun
2009-10	29th Sept., 10	3.00 PM	Village Kolhupani, P.O.Chandanwari, Via Prem Nagar, Dehradun