



SHIVALIK RASAYAN LIMITED
45TH ANNUAL REPORT
2022-23



ADAPTABILITY
SUSTAINABILITY
RELIABILITY

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INVESTOR INFORMATION

Market Capitalisation as at March 31, 2023	BSE: Rs. 974.26 Crores NSE: Rs. 967.95 Crores
CIN	L24237UR1979PLC005041
BSE Code	539148
NSE Symbol	SHIVALIK
Bloomberg Code	SHVK:IN
Dividend Declared	10%
AGM Date	September 29, 2023
AGM Mode	VC/OAVM

For more investor-related information, please visit:

<https://shivalikrasayan.com/annual-reports/>

Scan this QR code to view the online version of the report



Disclaimer:

This document contains statements about expected future events and financials of Shivalik Rasayan Limited ('The Company'), which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this annual report.

ADAPTABILITY SUSTAINABILITY RELIABILITY



At Shivalik Rasayan Limited, we operate with a strategic fusion of foresight and business acumen, adeptly navigating the intricacies of the contemporary pharmaceutical landscape. Seamlessly interweaving adaptability and sustainability into every facet of our operations, we possess the agility to swiftly respond to emerging trends through flexible transformations. Fuelled by our exceptional ingenuity and entrepreneurial drive, we consistently challenge the limits of our capabilities, ushering in an era characterised by boundless progress.

As we forge a future, drawing inspiration from our solid foundation, we continue to make substantial investments in cutting-edge research and development, as well as state-of-the-art production facilities. Our team of accomplished scientists, driven by prudence and vision, is instrumental in pushing the boundaries of API and agrochemical innovation, bolstering our extensive and high-value product and process portfolio.

Through our strategic initiatives, we harness the power of sustainable practices, ensuring continuous supply of high-quality products that exemplify quality and engender trust among our customers. As we embark on the path to solidify our role as a premier API manufacturer, our commitment to adaptability, sustainability, and reliability propels us forward, scripting a trajectory of resounding success in all our endeavours.



INTRODUCTION OF THE COMPANY

DELIVERING EXCELLENCE. ENSURING RELIABILITY.

■ Driving better health outcomes through innovative products and India-manufactured agrochemicals and APIs

At Shivalik Rasayan Limited (hereon referred to as 'Shivalik' or 'Shivalik Rasayan' or 'Our Company'), we have established a formidable footprint both domestically and internationally as a leading Indian manufacturer of agrochemicals and active pharmaceutical ingredients (APIs). We have effectively harnessed our experience to attain a position of excellence in the industry. Today, we proudly stand as the largest producer of Dimethoate Technical and second-largest producer of Malathion Technical in India. Our reliability, world-class research and development endeavours, and an innate capacity to fulfil global demand propel us to set new benchmark in the industry.

At Shivalik, as a reflection of our sustained commitment to innovation, we were recently granted two US patents by USPTO in December 2022 for the manufacturing processes of Highly Pure Fingomolid Hydrochloride and Highly Pure Temozolomide. Additionally, our dedicated R&D team continues to develop import substitutes to China, having successfully created 12 API products, two agrochemical molecules, and two advanced intermediates of agrochemicals.

Pursuing on this trajectory, our Company's innovative vision draws its strength for Shivalik's strategic operations. Our manufacturing facility in Dehradun, Uttarakhand, paired with an advanced R&D centre in Bhiwadi, drives our endeavours. Moreover, aligning with our vision of creating products with unmatched global standard, we have established a WHO-GMP compliant facility in Dahej, Gujarat, to produce quality APIs. A recent landmark achievement involves the submission of our Company's first US Drug Master File to the FDA for Bortezomib, a testament to our ongoing journey of broadening our exceptional product portfolio, while extending our global footprint.





MISSION



To be fast-growing and leading API's & Agro chemicals and advanced intermediates Company with leadership in quality and costs.

VISION



Impact

Our core values reside in our commitment to customers in meeting timelines, quality and cost.



Knowledge

Our values exist owing to our talented pool of scientists and associated teams for their consistent and rigorous efforts for innovation and achieving affordability for our products.



Care

We value our team, teamwork, high level of integrity, mutual trust and respect among each other.

SHIVALIK'S FACILITIES



Research and Development centre at Bhiwadi, Rajasthan, recognised by the Department of Scientific and Industrial Research (DSIR), Government of India



API facility at Dahej II - a USFDA/ EU-compliant facility



Dehradun facility is equipped with the latest equipment and cutting-edge technology



Agrochemical and synthetic organic chemical plant commissioned and shall start commercial production from September 2023



RESEARCH AND DEVELOPMENT

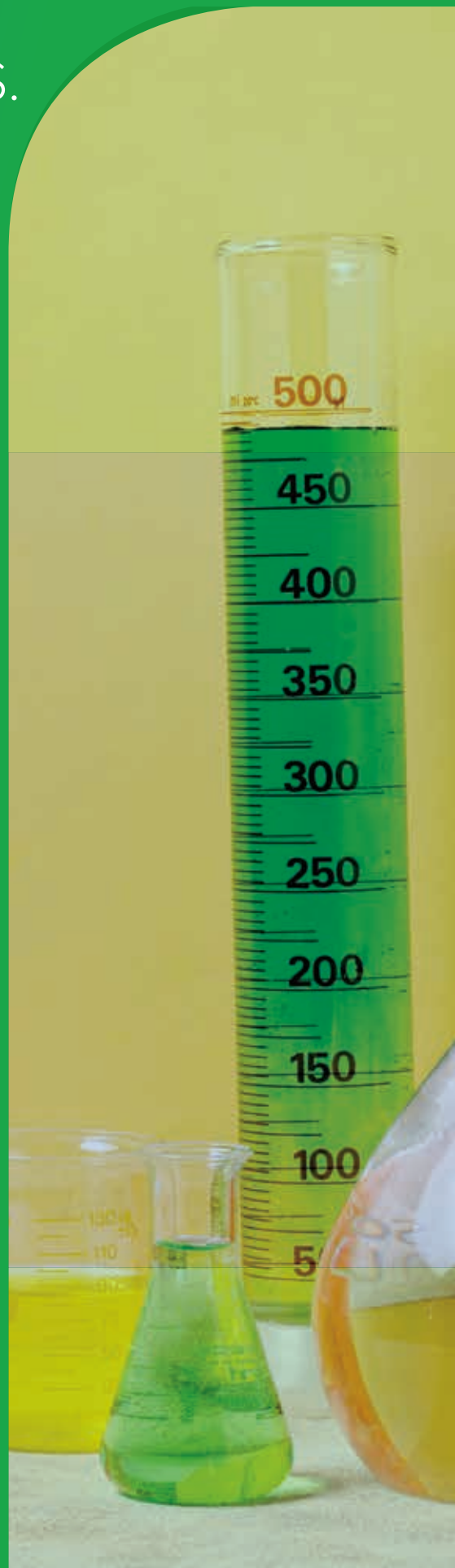
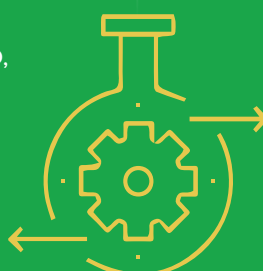
UNLOCKING OPPORTUNITIES. MOULDING THE FUTURE.

- At Shivalik Rasayan, we comprehend the integral role of R&D within the chemical industry. To maintain a competitive edge and meet the growing demand for high-quality products, our Company consistently engages in innovation by embracing new technologies. Bolstered by a team of seasoned and adept professionals, we drive various aspects of R&D, including process development, formulation development, and market research on both domestic and international fronts. This constant focus on R&D has significantly boosted our capabilities, positioning us for a promising future.

Within the realm of analytical research, our Company leads the way in method validation, impurity profiling, and product assessment. Moreover, the R&D team emphasises on cost optimisation and the creation of non-infringing processes for APIs. By harnessing the power of R&D, Shivalik Rasayan consistently pushes boundaries and explores new possibilities, strategically shaping the future through innovative advancements.

R&D Centre: Highlights

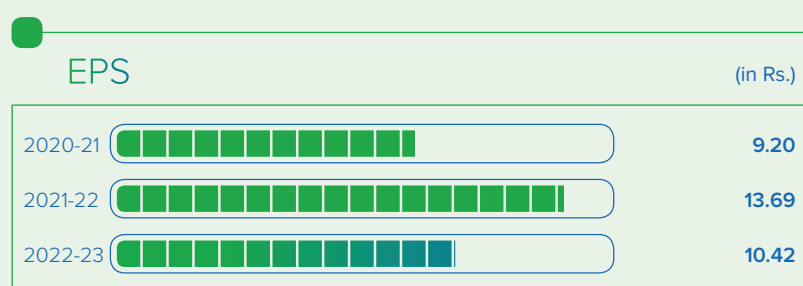
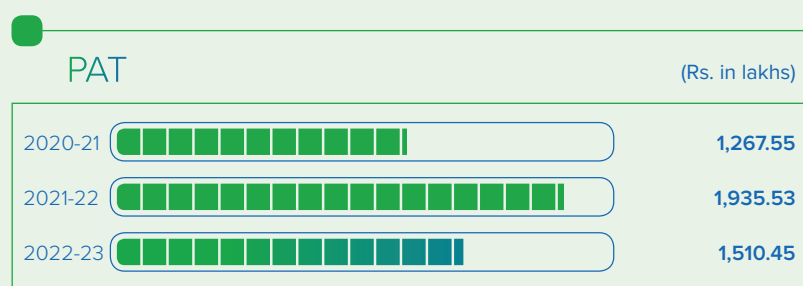
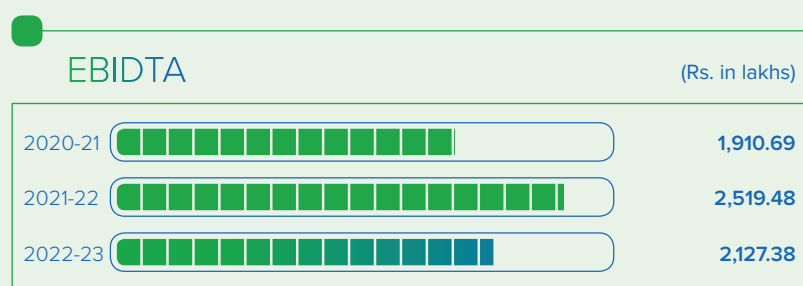
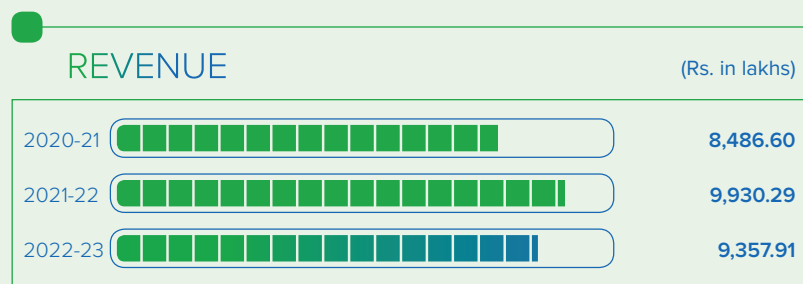
- ▶ R&D Centre Approved by DSIR (Department of Scientific & Industrial Research, Government of India)
- ▶ World-class Setup for Development of APIs, Intermediates & Process Improvement of Complex Molecules
- ▶ Chemical R&D, Formulation R&D, Analytical R&D (for both Oncology & Non-Oncology Products)
- ▶ Gas Chromatography, FTIR, HPLC, LCMS, UV, Combiflash, Particle Size Analyser, Rota Evaporator, Dedicated Stability Chambers for Accelerated Stability Studies, Photostability and Various Zones
- ▶ Latest formulation R&D Scale Equipment like RMG, FBD, Roller Compactor, Coater in Isolator, Lyophiliser, Liquid Injection Filling Machine, and Walk-in Fuming Hoods, among others





FINANCIAL OVERVIEW

SUSTAINING GROWTH. STRENGTHENING FUTURE.



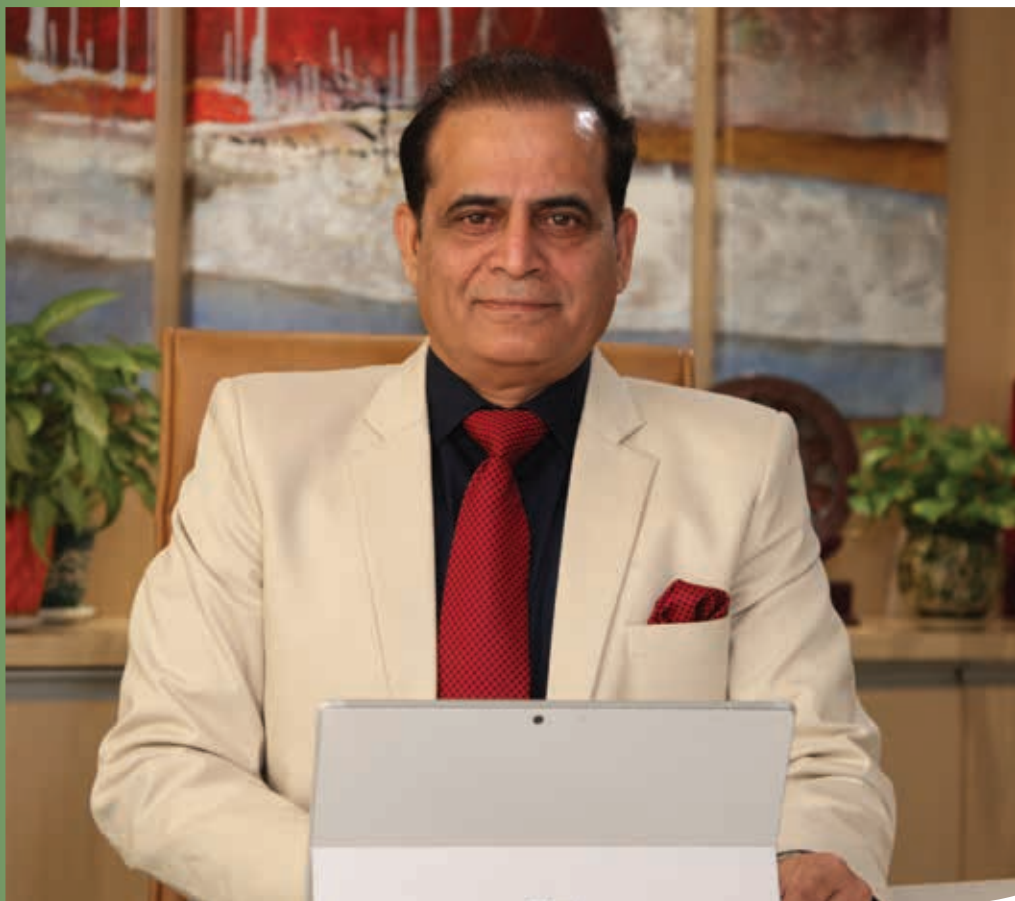


MANAGEMENT MESSAGE

CHAIRMAN'S COMMUNIQUE



Aligned with our growth strategy, We have invested Rs. 120 Crores to establish a greenfield agro facility at Dahej to manufacture insecticides & fungicides. The Plant has been commissioned and shall start production from September 2023



Dear Shareholders,

I am privileged to present to you our Company's performance for the fiscal year concluding March 31, 2023. On this occasion, I want to extend my heartfelt gratitude to each and every one of you, as your constant support and unfaltering faith in our endeavours have been instrumental in our achievements, and we hold this in high regard.

Economic Overview

Indian economy continued to shine bright in 2022-23, propelled by robust domestic demand, thriving exports, and ample investments, while growing with an impressive rate of 7.2%, becoming the world's fastest-growing major economy. Amidst this remarkable economic upswing, the pharmaceutical sector exhibited an exceptional growth rate of 14.9%, fuelled by surging demand for generics, exports, and Government support. This makes pharma one of India's fastest-growing sectors.



The domestic pharma market, currently valued at Rs. 1.75 lakh Crores, is thriving with opportunities. Moreover, with inherent strengths, including robust production, skilled workers, and favourable regulations, India's buoyant pharma sector is poised to continue flourishing and emerge as a global front runner.

As the patents for 22 pesticides are set to expire by 2030, this anticipated USD 4.1 billion market unveils a vast realm of opportunities for manufacturing expansion. We foresee massive potential in manufacturing these soon-to-be off-patent pesticides. Leveraging our experienced R&D team, we aim to capture early market advantages.

Operational Overview

I am honoured to share that our Company has tied up with a Chinese marketing company to market API's in China. The dossier for one molecule has been submitted to the Chinese regulatory authority NMPA, while dossiers for the other two are under evaluation. This showcases our capabilities in meeting global quality and regulatory standards. Additionally, we are in advanced discussions with major Japanese customers to develop non-infringing process of ibrutinib and Lenvatinib APIs. This highlights our growing presence and acceptance in key international markets.

We have invested Rs. 120 Crores to establish a greenfield agro facility at Dahej to manufacture insecticides & fungicides. The Plant has been commissioned and shall start production from September 2023.

Additionally, our R&D team has developed non-infringing processes for new agrochemicals and intermediates, including Azoxystrobin Technical, Chlorantraniliprole Technical (CTPR), Trifloxystrobin Technical, Dinotefuran and Pymetrozine. These will be taken up for production at the new facility once ready. Furthermore, we have submitted regulatory applications for 34 new high value, low volume agrochemical products to CIB&RC, approvals for which are expected in near future. The new facility will complement our robust product pipeline and strategic registrations to power the next phase of growth for Shivalik Rasayan. By strategically investing for the future and simultaneously leveraging present opportunities, our Company is aptly poised to consistently generate value for our stakeholders.

Financial Overview

Despite challenges, 2022-23 was a year of steady progress and robust growth for us. Amidst economic headwinds, we achieved: Revenues to Rs. 93.57 Crores; EBITDA to Rs. 21.27 Crores; and PAT to Rs. 15.10 Crores. Throughout the year, we made significant strides in transforming Shivalik Rasayan into a more resilient, agile and value-accretive organization. I am pleased to report that our performance reflects the inherent strengths of our business model and strategies. We not only delivered strong financial results but also laid the foundations for a stronger future across parameters.

Closing Note

As we chart a course towards a thriving future built upon our prosperous present, I am confident that we are strongly positioned to attain greater leadership in the market through targeted, strategic decisions aligned with our disciplined operations. Our world-class infrastructure and relentless emphasis on R&D will empower us to continue adapting with emerging trends and opportunities. I sincerely thank all our stakeholders for their unwavering support; our suppliers, bankers and partners for their sustained cooperation; and our Board for their invaluable guidance. I am extremely proud of our highly skilled team's stellar work and dedication, giving me utmost confidence that we will uninterruptedly march ahead, serving our commitments with excellence. It is the collective efforts of our extended family that has enabled Shivalik Rasayan to emerge as an industry frontrunner renowned for outstanding quality, reliability, technology and customer centricity. Together, we aspire to scale new heights in the coming years.

Best Wishes,

Rahul Bishnoi

Chairman



BOARD OF DIRECTORS

RAHUL BISHNOI

Chairman

SURESH KUMAR SINGH

Vice Chairman

Corporate Social Responsibility
Committee - Chairperson

DR. VIMAL KUMAR SHRAWAT

Managing Director

ASHWANI KUMAR SHARMA

Executive Director

Corporate Social Responsibility
Committee - Member

DR. AKSHAY KANT CHATURVEDI

Executive Director

HARISH PANDE

Independent Director

Audit Committee - Chairperson

Nomination and Remuneration
Committee - Chairperson

Stakeholders' Relationship
Committee - Chairperson

Risk Management
Committee - Chairperson

Corporate Social Responsibility
Committee - Member

KAILASH GUPTA

Independent Director

ARUN KUMAR

Independent Director

Audit Committee - Member

Nomination and Remuneration
Committee - Member

Stakeholders' Relationship
Committee - Member

Risk Management
Committee - Member

Corporate Social Responsibility
Committee - Member

SANGEETA BISHNOI

Independent Director

SUMITA DWIVEDI

Independent Director

RAVI KUMAR BANSAL

Independent Director

SANJAY BANSAL

Non-Executive Director

Audit Committee - Member

Nomination and Remuneration
Committee - Member

Stakeholders' Relationship
Committee - Member

Risk Management
Committee - Member