

**34<sup>th</sup>**

**ANNUAL REPORT**

**2012**

**SHIVALIK RASAYAN LIMITED**

## SHIVALIK RASAYAN LIMITED

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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
<b>AUDITORS</b>	:	M/s Rai Qimat & Associates, Chartered Accountants, 24/801, East End Apts. Mayur Vihar, Phase-1 Extn. Delhi - 110091
<b>REGISTERED OFFICE AND FACTORY</b>	:	Village Kolhupani, P.O. Chandanwari, Dehradun - 248 007
<b>CORPORATE OFFICE</b>	:	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
<b>SHARE REGISTRAR</b>	:	M/s Beetal Financial & Computer Services Pvt. Limited BEETAL House, 3 <sup>rd</sup> Floor, 99, Madangir, Behind Local Shopping Complex, New Delhi - 110 062 Tel No. (011) 29961281, 29961282 E-mail: beetal@beetalfinancial.com

## NOTICE

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NOTICE is hereby given that the Thirty Fourth Annual General Meeting of Shivalik Rasayan Limited will be held on Saturday the 29th September, 2012 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 2012, Profit & Loss Account for the period from 1st April 2011 to 31st March 2012 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 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.”

### SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modifications(s), the following Resolution as an Ordinary Resolution:-  
“RESOLVED THAT pursuant to the provisions of Section 269, 309, 311 and other applicable provisions, if any, of the Companies Act, 1956, approval of the members be and is hereby accorded to the re-appointment of Shri Ashwani Sharma, as a Whole-time Director of the Company with effect from 18th July, 2012 for a period of 5 years, i.e., up to 17th July, 2017, as approved by the Board of Directors at its meeting held on 17th July, 2012, on the terms and conditions as detailed in the Explanatory Statement attached hereto.”

By order of the Board  
for Shivalik Rasayan Ltd.

Sd/-  
**S. K. Singh**  
Managing Director

Place : New Delhi  
Dated : 4th June, 2012

### 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.

SHIVALIK RASAYAN LIMITED

## DIRECTORS' REPORT

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

#### Item No.4

Board at its meeting held on 17th July, 2012 re-appointed Shri Ashwani Sharma as a whole-time Director of the Company with effect from 18th July, 2012 for a period of 5 years, i.e., up to 17th July, 2017. The terms and conditions of the remuneration payable to Shri Ashwani Sharma during the tenure of his appointment was determined by the Board of Directors vide Board Resolution passed on 17th July, 2012 as detailed below:-

1. Period of Appointment : 18th July, 2012 to 17th July, 2017
  2. **Details of Remuneration:**
    - a) Salary: Rs.36,000/- per month. The annual increments will be decided by the Board and will be merit based and after taking into account the performance of the Company.
    - b) Perquisites and Allowances :
      - i. Housing: House rent allowance as may be decided by the Board from time to time subject to a limit of 60% of salary.
      - ii. Medical reimbursement / allowance: Reimbursement of actual expenses for self and family and/or allowances, subject to a ceiling of half month's salary per year.
      - iii. Leave travel concession/allowance: For self and family once in a year, subject to a ceiling of one month's salary per year.
      - iv. Personal accident insurance: As per the rules of the company.
      - v. Company car and telephone: Expenses in relation to use of Company car and telephone for official purposes.
    - c) Other benefits :
      - i. Earned/privilege leave: As per the rules of the company.
      - ii. Company's contribution to provident fund: As per the rules of the company, to the extent it is not taxable under the Income Tax Act, 1961.
      - iii. Gratuity: Gratuity payable shall be in accordance with the provisions of the Payment of Gratuity Act, 1972.
      - iv. Encashment of leave: Encashment at the end of the tenure, as per the rules of the company.
- The aggregate of the salary, perquisites and allowances, and other benefits taken together shall always be subject to the overall ceilings laid down in Sections 198 and 309 of the Companies Act, 1956.
3. **Termination:** The agreement may be terminated by either party by giving two months notice, in writing, of such termination. If, at any time, Shri Ashwani Sharma ceases to be director of the Company for any cause whatsoever, the agreement shall forthwith be terminated.
  4. **Duties:** Shri Ashwani Sharma shall perform such duties as may from time to time be entrusted to him, subject to the superintendence and control of the Board of Directors.

This Explanatory note, together with the accompanying Notice, should be treated as an abstract under Section 302 of the Companies Act, 1956.

Except Shri Ashwani Sharma, no other Director is concerned or interested in this Resolution.

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

## DIRECTORS' REPORT

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### TO THE MEMBERS

Your Directors have pleasure in presenting their 34th Annual Report together with an audited statement of account for the year ended on 31st March 2012 and Auditors' Report thereon.

### WORKING RESULTS

The Sales of your company have increased by 3.66% and net profit increased by 43.57% during the year when compared to last year's performance.

Financial Data (Rs. in Lac)	Current Year	Previous Year
Sales	2863.97	2762.84
Other Income	23.16	15.17
Profit for the year before Tax	126.51	88.62
Provision for taxation	33.78	19.89
Deferred Tax Assets/(Liability)	(5.38)	(7.57)
NET PROFIT FOR APPROPRIATION	87.35	60.84

### 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.126.51 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' REPORT**

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### **DIRECTORS**

Shri Ashwani Sharma was re-appointed as the whole time Director of the Company effective from 18th July, 2012 for a period of 5 years i.e., up to 17th July, 2017 by the Board in view of his appreciable performance as Director of the company.

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.

### **LISTING FEES**

The Annual Listing Fee for the year 2011-12 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.

# DIRECTORS' REPORT

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## 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)	1006950	1276887
Total Cost (Rs.)	6774597	5378826
Rate / unit (Rs.)	6.72	4.21

##### Coal (used in boiler)

Quantity (kg.)	1366055	1244795
Total Cost (Rs.)	14396759	10387600
Average Rate (Rs.)	10.54	8.34

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. 287.73 Lacs

#### 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.

#### 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, 2012

**SHIVALIK RASAYAN LIMITED**

Sd/-  
**RAHUL BISHNOI**  
Chairman

## **MANAGEMENT DISCUSSION AND ANALYSIS**

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### **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 1144.480 MT to 1170.600 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**

Malathion Technical has registered a sale of Rs.119.31 lacs during FY 2011-12.

### **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 and other statutory payment.



## 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, 2012 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, 2012,

#### 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	8	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	5	No	No

\* Excludes Directorship in Private Limited Companies

#### d) Disclosures

- (i) The details of related party transaction with the Company as required by Accounting Standard (AS-18) on Related Party Transactions have been given in notes to financial statements 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.
- (ii) No Non-executive director is holding any equity shares of the company.

#### e) Remuneration of Directors, sitting fees etc. for the year 2011-12

Shri S. K. Singh, Managing Director and Shri Ashwani Sharma was paid salary and perquisites of Rs.10,57,260. Besides this Managing Director and Director was entitled to Company's contribution to provident fund and gratuity fund.

## REPORT ON CORPORATE GOVERNANCE

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

### 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, 2012, 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, 2012, 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.

## REPORT ON CORPORATE GOVERNANCE

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### 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.

#### (iii) Composition

As on 31st March, 2012, 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:

## REPORT ON CORPORATE GOVERNANCE

Financial Year	Date	Time	Venue
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
2008-09	30th Sept., 09	3.00 PM	Village Kolhupani, P.O.Chandanwari, Via Prem Nagar, Dehradun

### Additional Shareholders Information

a) **Annual General Meeting**

Date : 29th September 2012  
Venue : Village Kolhupani, P.O.Chandanwari,  
Via Prem Nagar, Dehradun  
Time : 3:00 p.m.

b) **Book Closure**

The Register of Members and Share Transfer Books of the Company shall remain closed from 24th September 2012 to 29th September 2012 (Both days inclusive)

c) **Listing at stock exchange and Stock Price**

Company's shares are listing with Delhi Stock Exchange and listing fee for the financial year ended 31.03.2012 has been paid. Since the Delhi Stock Exchange is closed itself, stock price is not available till date.

The ISIN numbers allotted to the company for demat of Shares are as under:

NSDL - INE788J01013  
CDSL - INE788J01013

d) **Distribution of shareholding as on 31st March 2012**

Category	No. Of Shares	% of Shares holding
Promoters & Group Companies	2373120	69.39
Financial Institutions & Banks	129780	3.79
Others	917100	26.82
<b>Total</b>	<b>3420000</b>	<b>100</b>

e) **Plant Location & Registered Office**

Village Kolhupani, P.O.Chandanwari, Via Prem Nagar, Dehradun

f) **Address for Correspondence**

Shivalik Rasayan Limited, 1506, Chiranjiv Tower, 43, Nehru Place, New Delhi - 110 019  
Telephone: 011-26221811, 26418182, Fax: 011-26213081  
Website: www.shivalikrasayan.in  
E-mail - srl@vsnl.com, srl@airtelmail.in

## SECRETARIAL COMPLIANCE CERTIFICATE

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To

The Members,

**SHIVALIK RASAYAN LIMITED**

**Dehradun**

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, 2012. 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 Eight Times respectively on 26th April 2011, 1st June 2011, 1st July 2011, 27th July 2011, 1st October 2011, 15th November 2011, 20th February 2012 and 31st March 2012 in respect of which proper notices were given and the proceedings were properly recorded and signed in the minutes Book maintained for the purpose. The Audit Committee duly met Four times respectively on 12th May 2011, 25th July 2011, 30th October 2011 and 30th January 2012. The Investor Grievances Committee duly met Four times respectively on 12th May 2011, 25th July 2011, 30th October 2011 and 30th January 2012 and The Share Transfer Committee duly met Four times respectively on 20th July 2011, 31st October 2011, 11th November 2011 and 30th November 2011 in respect of all the committee meetings all the requirements were duly complied with and minutes of committee meetings were placed before the Board for taking note.
5. The company closed its Registrar of Members and share transfer book from 25th September 2011 to 30th September 2011 (both days inclusive) during the financial year and necessary compliances of section 154 of the Act has been made.
6. The Annual General Meeting for the financial year ended on 31/03/2011 was held on 30th September, 2011 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. There was no allotment of shares 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.

**SHIVALIK RASAYAN LIMITED**

## SECRETARIAL COMPLIANCE CERTIFICATE

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14. The Board of the director of the company is duly constituted. There was no appointment of additional, alternate or casual director in the board meetings during the financial year.
15. There were no appointed of Managing Director/Whole time Director/ Manager during the financial year 2011-2012.
16. The company has not appointed any sole-selling agents during the financial year.
17. The company has 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 shares 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.
29. The company has not altered the provision of the Memorandum with respect to share capital of the company during the year under scrutiny and complied with provisions of the Act.
30. The company has not altered its Articles of Associations of the company during the year under scrutiny and complied with provisions of the Act.
31. As explain by the Company representative there was/were no prosecution initiated against or show cause notices received by the company and no fines or penalties or any other punishment was imposed on the company during the financial year, for offences under the Act.
32. The company has not received any money as security from its employees during the year.
33. The provisions of section 418 of the Act relating to Provident Fund are not applicable to the company.

for **AMJ & Associates**  
Company Secretaries

Sd/-

Manoj Kumar Jain  
(Partner)

C.P. No. : 5629

Place: New Delhi

Date : 4th June, 2012

## SECRETARIAL COMPLIANCE CERTIFICATE

Annexure "A"

Registers as maintained by the Company :

1. Register of Members U/s 150 of the Act
2. Minutes Books of the Meetings of directors, members and committees u/s 193 of the Act.
3. Books of Accounts including Cost Accounts Records U/s 209
4. Register of Directors, Managing Directors, Manager and Secretary U/s 303
5. Register of directors' shareholding u/s 307.
6. Register of particulars of contracts in which directors are interested u/s 301
7. Share Transfer Register
8. Board Meeting Attendance Register

Annexure "B"

Forms and Returns as filed by the Company with the ROC, or other authorities during the financial year ending 31st March, 2012.

S. No.	Form No./Return	Filed U/s	For	Date of filing and Receipt Number	Whether Filed within prescribed time	Whether additional fees paid
1	Form -23AC-XBRL and 23ACA-XBRL	220	31.03.2011	30.12.2011 Vide S.R. N. P84180249	Yes	No
2	Form-20B (Annual Return)	159	30.09.2011	04.11.2011 Vide S.R. N. P78217197	Yes	No
3	Form-66 (Compliance Certificate)	383A	31.03.2011	04.11.2011 Vide S.R. N. P78216538	No	Yes
4	Form-23C For App of Cost Auditor	233B (2)	For App of Cost Auditor	14.06.2012 Vide S.R. N. S08798647	Yes	No

## **AUDITORS REPORT ON CORPORATE GOVERNANCE**

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To the shareholders of  
**Shivalik Rasayan Limited,**  
Dehradun

We have examined the compliance of Corporate Governance by Shivalik Rasayan Limited for the Year ending on 31st March, 2012 as stipulated by Clause 49 of the Listing Agreement of the Company with the Stock Exchanges.

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 provisions relating to 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 us, we certify that the Company has complied in all material aspects with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement to the extent it was applicable on the Company.

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 **AMJ & Associates**  
(*Company Secretaries*)

Sd/-  
**(Manoj Kumar Jain)**  
Partner  
C.P.NO. - 5629

Place: New Delhi  
Date: 4th June, 2012



## AUDITORS' REPORT

TO THE MEMBERS OF SHIVALIK RASAYAN LIMITED

- 1) We have audited the attached Balance Sheet of M/s Shivalik Rasayan Limited as at 31st March 2012 and also the annexed Profit and Loss account and the Cash Flow Statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2) We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3) As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of section 227(4A) of the Companies Act, 1956, and on basis of such check as we considered appropriate and according to the information and explanations given to us, we set out in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
- 4) Further to our comments in the Annexure referred to in paragraph 3 above, 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;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account;
  - d) In our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
  - e) On the basis of written representations received from the Directors as on 31st March, 2012 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2012 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956; and
  - f) In our opinion and the best of our information and according to the explanations given to us, the said accounts read together with the notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India: -
    - i) In the case of the Balance Sheet, of the state of affairs of the company as at 31st March, 2012;
    - ii) In the case of Profit and Loss Account, of the profit for the year ended on that date; and
    - iii) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

for **RAI QIMAT & ASSOCIATES**  
Chartered Accountants

Place : New Delhi  
Dated: 4th June, 2012

Sd/-  
**(QIMAT RAI GARG)**  
Proprietor  
M.No. 080857

SHIVALIK RASAYAN LIMITED

## **ANNEXURE TO THE AUDITORS' REPORT**

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Annexure to the auditors' report of even date to the members of Shivalik Rasayan Limited on the financial statements for the year ended 31st March 2012.

1. a) The company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.  
b) All the fixed assets of the company have been physically verified by the management during the year in accordance with the reasonable system of verification once in a year, which in our opinion is reasonable, having regard to the size of the company and nature of the assets. No material discrepancies between the book records and physical inventory have been noticed on such verification.  
c) No substantial fixed assets have been disposed off during the year hence going concern does not affect.
2. a) The inventory has been physically verified during the year by the Management. In our opinion, the frequency of verification is reasonable.  
b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.  
c) In our opinion and according to the information and explanations given to us, the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of accounts.
3. The company has not granted or taken any loans, secured or unsecured, to/from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of inventory and fixed assets and with regard to the sale of goods. During the course of our audit, no major weakness has been noticed in the internal control system.
5. Based upon the audit procedures performed and according to the information and explanations given to us, during the year there are no contracts or arrangements that need to be entered into the register maintained in pursuance of section 301 of the Companies Act, 1956.
6. In our opinion and according to the information and explanations given to us, the company has not accepted any deposit from the public under section 58A, 58AA or any other relevant provisions of the Companies Act, 1956. Therefore, the provisions of clause 4(vi) of the Companies (Auditor's report) Order, 2003 (as amended) are not applicable to the company.
7. In our opinion, the Company has a reasonable internal audit system commensurate with the size and nature of its business.
8. We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the company pursuant to the Order made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956, and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determining whether they are accurate or complete.
9. a) The company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues applicable to it.  
b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other undisputed statutory dues were outstanding at 31st March, 2012 for a period of more than six months from the date they became payable.

## **ANNEXURE TO THE AUDITORS' REPORT**

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10. In our opinion and according to the information and explanation, the company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
11. In our opinion and according to the information and explanations given to us, the company has not made any default in repayment of dues to a financial institution or bank. There are no dues to debenture holders.
12. In our opinion and according to the information and explanations given to us, the company has not granted any loan and advances on the basis of securities by way of pledge of shares, debentures and other securities.
13. 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.
14. In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the company.
15. According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
16. In our opinion and according to the information and explanations given to us, the company did not have any term loan during the year.
17. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, in our opinion, that funds raised on short-term basis have not been used for long-term investments and vice versa.
18. According to the information and explanations given to us, the company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. In our opinion and according to the information and explanations given to us, the Company has not issued any secured debentures during the period covered by our report. Accordingly, the provisions of clauses 4(xix) of the Companies (Auditor's report) Order, 2003 (as amended) are not applicable to the company.
20. During the period covered by our audit report, the company has not raised any money by way of public issues.
21. During the year course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management.

for **RAI QIMAT & ASSOCIATES**  
Chartered Accountants

Sd/-  
(**QIMAT RAI GARG**)  
Proprietor  
M.No. 080857

Place : New Delhi  
Dated: 4th June, 2012

**SHIVALIK RASAYAN LIMITED**  
**BALANCE SHEET AS AT 31ST MARCH, 2012**

PARTICULARS	SCHEDULES	AS AT 31.3.2012 AMOUNT(Rs.)		AS AT 31.3.2011 AMOUNT(Rs.)	
<b>EQUITY AND LIABILITIES</b>					
<b>Shareholders' Funds</b>					
Share Capital	1	34,200,000		34,200,000	
Reserves & Surplus	2	39,047,362	73,247,362	30,312,321	64,512,321
<b>Share application money pending allotment</b>			-		-
<b>Non-current liabilities</b>					
Long-term borrowings	3	201,620		402,608	
Deferred tax liabilities (Net)	4	1,723,572		1,185,416	
Other Long term liabilities	5	8,612,123		-	
Long-term provisions	6	1,072,360	11,609,675	2,099,520	3,687,544
<b>Current Liabilities</b>					
Short-term borrowings	7	18,178,687		179,413	
Trade payables	8	33,958,247		27,306,724	
Other current liabilities	9	9,350,617		1,381,146	
Short-term provisions	10	5,167,961	66,655,512	3,678,839	32,546,122
<b>TOTAL</b>			<b>151,512,549</b>		<b>100,745,987</b>
<b>ASSETS</b>					
<b>Non-current assets</b>					
Fixed Assets	11				
Tangible assets		64,955,102		20,870,032	
Long-term loans and advances	12	4,181,528		2,568,574	
Other non-current assets		-	69,136,630	-	23,438,606
<b>Current assets</b>					
Inventories	13	19,667,487		8,926,232	
Trade receivables	14	55,336,741		54,013,700	
Cash and cash equivalents	15	5,417,178		11,626,788	
Short-term loans and advances	16	1,639,938		2,528,706	
Other current assets	17	314,574	82,375,919	211,955	77,307,381
<b>TOTAL</b>			<b>151,512,549</b>		<b>100,745,987</b>

Sd/-  
**(VINOD KUMAR)**  
FINANCE MANAGER

Sd/-  
**(S.K. SINGH)**  
MANAGING DIRECTOR

Sd/-  
**(RAHUL BISHNOI)**  
CHAIRMAN

**AUDITORS' REPORT**

Signed in terms of our separate report of even date attached  
**For RAI QIMAT & ASSOCIATES**  
Chartered Accountants

Sd/-  
**(QIMAT RAI GARG)**  
F.C.A.  
Proprietor

Place: New Delhi  
Dated: 4th June, 2012

**SHIVALIK RASAYAN LIMITED**  
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2012

PARTICULARS	Note	FOR THE YEAR 2011 - 12 AMOUNT (Rs.)	FOR THE YEAR 2011-12 AMOUNT (Rs.)
<b>INCOME</b>			
Revenue from Operations	18	259,446,226	250,372,475
Other income	19	2,315,818	1,517,759
Total Revenue		<u>261,762,044</u>	<u>251,890,234</u>
<b>EXPENDITURE</b>			
Cost of materials consumed	20	179,887,827	173,373,009
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	21	(7,597,293)	6,229,472
Employee benefits expense	22	18,170,080	15,726,254
Finance costs	23	3,163,948	133,849
Depreciation and amortization expense	24	1,350,773	1,149,561
Other expenses	25	54,135,488	46,459,725
Total expenses		<u>249,110,823</u>	<u>243,071,870</u>
Profit Before Tax		12,651,221	8,818,364
Provision for Current tax		3,378,023	1,975,857
Profit after Tax		9,273,198	6,842,507
Deferred Tax Assets/Liability		(538,156)	(757,546)
Profit for the year		<u>8,735,042</u>	<u>6,084,961</u>
Earning per equity share of face value of Rs.10 each Basic and Diluted (in Rs.)		2.71	2.00

Sd/-  
**(VINOD KUMAR)**  
FINANCE MANAGER

Sd/-  
**(S.K. SINGH)**  
MANAGING DIRECTOR

Sd/-  
**(RAHUL BISHNOI)**  
CHAIRMAN

**AUDITORS' REPORT**

Signed in terms of our separate report of even date attached  
For RAI QJMAT & ASSOCIATES  
Chartered Accountants

Sd/-  
**(QIMAT RAI GARG)**  
F.C.A.  
Proprietor

Place: New Delhi  
Dated: 4th June, 2012

**SHIVALIK RASAYAN LIMITED**

**SHIVALIK RASAYAN LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March, 2012**

PARTICULARS	<---2011-12--->		<---2010-11--->	
	AMOUNT	AMOUNT	AMOUNT	AMOUNT
<b>A. Cash flow from Operating Activities</b>				
Net Profit before tax as per P&L		12651221		8818363
Adjustments for				
Financial Charges	1617672		14354	
Depreciation	9273198		1149561	
Interest Received	(2095090)		(985253)	
		8795780		(1797195)
<b>Operating Profit before Working Capital Changes</b>		<b>21447000</b>		<b>7021168</b>
Adjustments for				
Trade & other receivables (net)	(536892)		(18551018)	
Inventories	(10741255)		10342836	
Trade Payables & Other liabilities	(16110116)		(798879)	
		(27388263)		(9007061)
<b>Cash generated from Operations</b>		<b>(5941263)</b>		<b>(1985893)</b>
Financial Charges	(1617672)		(14354)	
Tax Paid	(3000000)		(1,500,000)	
		(4617672)		(1514354)
<b>Net Cash Flow from Operating Activities</b>		<b>(10558935)</b>		<b>(3500247)</b>
<b>B. Cash Flow from Investing Activities</b>				
Addition to Fixed Assets	(45435843)		(6601149)	
Sale of Fixed Assets	0		0	
Interest Received	2095090		985253	
<b>Net Cash Flow from Investing Activities</b>		<b>(43340753)</b>		<b>(5615896)</b>
<b>C. Cash Flow from Financing Activities</b>				
Net proceeds of long term borrowings	(7922131)		0	
Net proceeds of short term borrowings	(17999274)		0	
<b>Net Cash Flow from Financing Activities</b>		<b>(25921405)</b>		<b>0</b>
<b>NET INCREASE IN CASH &amp; CASH EQUIVALENTS</b>		<b>(79821093)</b>		<b>(9116143)</b>
<b>CASH &amp; CASH EQUIVALENTS AT THE START OF THE YEAR</b>		<b>11626788</b>		<b>18645910</b>
<b>CASH &amp; CASH EQUIVALENTS AT THE CLOSE OF THE YEAR</b>		<b>5417178</b>		<b>11626788</b>
		<b>(6209610)</b>		<b>(7019122)</b>

Note : Previous year figures have been recast/regrouped wherever necessary to confirm to the classification adopted for the current year.

Sd/-  
**(VINOD KUMAR)**  
FINANCE MANAGER

Sd/-  
**(S.K. SINGH)**  
MANAGING DIRECTOR

Sd/-  
**(RAHUL BISHNOI)**  
CHAIRMAN

**AUDITORS' REPORT**

Signed in terms of our separate report of even date attached  
For RAI QJMAT & ASSOCIATES  
Chartered Accountants

Sd/-  
**(QJMAT RAI GARG)**  
F.C.A.  
Proprietor

Place: New Delhi  
Dated: 4th June 2012

**SHIVALIK RASAYAN LIMITED**  
Notes on Financial Statements for the year ended 31st March, 2012

PARTICULARS	Note No.	AS AT 31.03.2012 AMOUNT(Rs.)	AS AT 31.03.2011 AMOUNT(Rs.)
<b>SHARE CAPITAL</b>	<b>1</b>		
Authorised capital 3500000 equity shares of Rs.10/- each		<u>35,000,000</u>	<u>35,000,000</u>
Issued, subscribed and paid up 3420000 equity shares of Rs.10/- each fully paid up		<u>34,200,000</u>	<u>34,200,000</u>
<b>RESERVES AND SURPLUS</b>	<b>2</b>		
<b>Share Premium Reserve</b>			
As per last Balance Sheet		19,725,193	19,725,193
<b>General Reserves</b>			
As per last Balance Sheet		10,587,127	4,502,168
Add: Transferred from P&L A/c Profit and Loss Account		<u>8,735,042</u>	<u>6,084,960</u>
		19,322,169	10,587,128
As per last Balance Sheet		-	-
Add: Profit for the year		<u>8,735,042</u>	<u>6,084,960</u>
		8,735,042	6,084,960
Less: Appropriations			
Transferred to General Reserve		<u>8,735,042</u>	<u>6,084,960</u>
		-	-
<b>Total</b>		<u><b>39,047,362</b></u>	<u><b>30,312,321</b></u>
<b>LONG TERM BORROWINGS</b>	<b>3</b>		
<b>Unsecured</b>			
Vehicle Loan-from bank		<u>201,620</u>	<u>402,608</u>
<b>Total</b>		<u><b>201,620</b></u>	<u><b>402,608</b></u>
<b>DEFERRED TAX LIABILITY (NET)</b>	<b>4</b>		
Deferred Tax Liability arising on account of: Depreciation		2,202,207	1,973,797
Deferred Tax Assets arising on account of: Expenditure incurred-allowable in future Retirement Benefits		147,276 331,359 <u>478,635</u>	139,630 648,751 <u>788,381</u>
<b>Total</b>		<u><b>(1,723,572)</b></u>	<u><b>(1,185,416)</b></u>
<b>OTHER LONG TERM LIABILITIES</b>	<b>5</b>		
Land Instalment payable to GIDC		<u>8,612,123</u>	-
<b>Total</b>		<u><b>8,612,123</b></u>	<u><b>-</b></u>
<b>LONG-TERM PROVISIONS</b>	<b>6</b>		
Provision for Leave Encashment		1,072,360	815,189
Provision for Gratuity		-	1,284,331
<b>Total</b>		<u><b>1,072,360</b></u>	<u><b>2,099,520</b></u>
<b>SHORT TERM BORROWINGS</b>	<b>7</b>		
from Bank		17,977,699	-
Vehicle Loan-from bank		<u>200,988</u>	<u>179,413</u>
<b>Total</b>		<u><b>18,178,687</b></u>	<u><b>179,413</b></u>

SHIVALIK RASAYAN LIMITED

PARTICULARS	Note No.	AS AT 31.03.2012 AMOUNT(Rs.)	AS AT 31.03.2011 AMOUNT(Rs.)
<b>TRADE PAYABLE</b>	<b>8</b>		
Sundry Creditors		33,958,247	27,306,724
<b>Total</b>		<b>33,958,247</b>	<b>27,306,724</b>
<b>OTHER CURRENT LIABILITIES</b>	<b>9</b>		
Electricity Bill Payable		518,484	305,143
Security from Employees		48,000	34,000
Service Tax & Cess Payable		6,250	17,231
Sales Tax Payable		150,076	320,022
Tax Deducted at Source Payable		787,945	704,750
Land Instalment payable to GIDC		7,839,862	-
<b>Total</b>		<b>9,350,617</b>	<b>1,381,146</b>
<b>SHORT TERM PROVISIONS</b>	<b>10</b>		
Provisions for Salary/Bonus/PF,PPF		1,789,938	1,702,982
Current Tax		3,378,023	1,975,857
<b>Total</b>		<b>5,167,961</b>	<b>3,678,839</b>
<b>LONG TERM LOANS AND ADVANCES</b>	<b>12</b>		
Security Deposits		1,181,528	1,068,574
Advance Income Tax		3,000,000	1,500,000
<b>Total</b>		<b>4,181,528</b>	<b>2,568,574</b>
<b>INVENTORIES</b>	<b>13</b>		
(Valued at cost or market value, whichever is lower, as certified by the management)			
Raw Material		7,680,841	6,070,802
Coal		1,285,750	97,500
Packing & Consumable Stores		1,356,341	1,010,668
Work-in-progress		973,305	1,078,512
Finished stock		8,371,250	678,750
<b>Total</b>		<b>19,667,487</b>	<b>8,926,232</b>
<b>TRADE RECEIVABLE</b>	<b>14</b>		
Sundry Debtors		55,336,741	54,013,700
<b>Total</b>		<b>55,336,741</b>	<b>54,013,700</b>
<b>CASH AND CASH EQUIVALENTS</b>	<b>15</b>		
Cash in hand		170,713	387,240
Balance with banks		2,116,844	11,239,548
Fixed deposits with Bank		3,129,621	-
<b>Total</b>		<b>5,417,178</b>	<b>11,626,788</b>
<b>SHORT TERM LOANS AND ADVANCES</b>	<b>16</b>		
Loan & Advances to Employees		186,138	379,057
Advance to suppliers		586,560	1,422,888
Balance with Customs, Excise Authorities		867,240	726,761
<b>Total</b>		<b>1,639,938</b>	<b>2,528,706</b>
<b>OTHER CURRENT ASSETS</b>	<b>17</b>		
Interest Accrued on Fixed Deposits		19,609	14,110
Tax Deducted at Sources		204,965	92,845
Miscellaneous Expenditure (Asset)		90,000	105,000
<b>Total</b>		<b>314,574</b>	<b>211,955</b>



PARTICULARS	Note No.	AS AT 31.03.2012		AS AT 31.03.2011
		AMOUNT(Rs.)		AMOUNT(Rs.)
<b>REVENUE FROM OPERATIONS</b>	<b>18</b>			
Sales of Products			286,397,144	276,283,898
Less: Excise Duty			26,950,918	25,911,423
<b>Total</b>			<b>259,446,226</b>	<b>250,372,475</b>
<b>OTHER INCOME</b>	<b>19</b>			
Interest from Fixed Deposits		1,997,569		985,253
Interest From othres		97,521		-
Other non operating income		220,728		532,506
<b>Total</b>		<b>2,315,818</b>		<b>1,517,759</b>
<b>COST OF MATERIALS CONSUMED</b>	<b>20</b>			
Imported			52,013,345	74,062,791
Indigenous			127,874,482	99,310,218
<b>Total</b>			<b>179,887,827</b>	<b>173,373,009</b>
<b>CHANGE IN INVENTORIES OF FINISHED GOODS &amp; STOCK-IN-PROCESS</b>	<b>21</b>			
Inventories (at close)				
Finished Goods		8,371,250		678,750
Stock-in-Process		973,305	9,344,555	1,068,512
Inventories (at commencement)				
Finished Goods		678,750		6,382,500
Stock-in-Process		1,068,512	1,747,262	1,594,234
<b>Total</b>		<b>7,597,293</b>		<b>(6,229,472)</b>
<b>EMPLOYEE BENEFITS EXPENSE</b>	<b>22</b>			
Salaries and Wages		16,247,886		14,405,059
Contribution to Provident Fund		510,171		477,990
Staff Welfare Expenses		1,412,023		843,205
<b>Total</b>		<b>18,170,080</b>		<b>15,726,254</b>
<b>FINANCE COSTS</b>	<b>23</b>			
Interest cost			1,617,672	14,354
LC Discounting Charges			1,475,730	-
Bank Charges			70,546	119,495
<b>Total</b>			<b>3,163,948</b>	<b>133,849</b>
<b>DEPRECIATION</b>	<b>24</b>			
Depreciation Expense			1,350,773	1,149,561
<b>Total</b>			<b>1,350,773</b>	<b>1,149,561</b>

PARTICULARS	Note No.	AS AT 31.03.2012 AMOUNT(Rs.)	AS AT 31.03.2011 AMOUNT(Rs.)
<b>OTHER EXPENSES</b>	<b>25</b>		
Stores, Chemicals and Packing Material		5,616,859	5,624,790
Fuel and Power Expenses		21,905,749	16,862,418
Ice consumed		2,398,649	1,799,775
Rent, Rates & Fees		1,330,934	1,250,381
Printing & Stationery		1,536,333	232,035
Postage & Telephone		278,611	279,853
Travelling & Conveyance		1,876,861	1,861,332
Vehicle Maintenance & Running		499,289	434,454
Professional & Legal Expenses		1,443,257	651,956
Business Promotion		409,374	2,136,420
Insurance		572,108	518,604
Charity & Donation		22,500	40,701
Advertisement Expenses		167,188	112,291
Diwali Expenses		733,746	645,894
Office Maintenance		75,133	84,154
Water & Electricity		108,620	73,940
Repair & Maintenance			
Plant & Machinery		3,190,243	2,582,562
Building		229,053	-
ETP & Others		218,566	1,401,936
Auditors Remuneration		40,000	52,120
Freight and Cartage		1,943,678	2,147,049
General Expenses		357,170	322,904
Marketing & Sales Expenses		8,759,882	7,088,264
Fire & Safety		68,551	61,052
Environment/Pollution Control Expenses		338,134	179,840
Preliminary Exp. w/o		15,000	15,000
<b>Total</b>		<b>54,135,488</b>	<b>46,459,725</b>

Sd/-  
**(VINOD KUMAR)**  
FINANCE MANAGER

Sd/-  
**(S.K. SINGH)**  
MANAGING DIRECTOR

Sd/-  
**(RAHUL BISHNOI)**  
CHAIRMAN

**AUDITORS' REPORT**

Signed in terms of our separate report of even date attached  
**For RAI QIMAT & ASSOCIATES**  
Chartered Accountants

Sd/-  
**(QIMAT RAI GARG)**  
F.C.A.  
Proprietor

Place: New Delhi  
Dated: 4th June 2012

**SHIVALIK RASAYAN LIMITED**  
**NOTE-11 OF FIXED ASSETS AS PER THE COMPANIES ACT.**

PARTICULARS	GROSS BLOCK		DEPRECIATION BLOCK			NET BLOCK		
	As On 01.04.2011	Additions during the year	Upto 01.04.2011	During the year	Sold / Adjstmt.	Up to 31.03.2012	As on 31.03.2012	As on 31.03.2011
Land at Dehradun	2360502	0	0	0	0	0	2360502	2360502
Land at Dahej	0	42697339	0	0	0	0	42697339	0
Building	3780443	0	272585	41298	0	2763843	1016600	1057858
Plant & Machinery	40075957	2466008	27845802	849022	0	28694824	13847141	12230155
Water & Effluent treatment plant	902773	34935	590247	18640	0	608887	328821	312526
Furniture & Fixture	679427	28832	299959	39383	0	339342	368917	379468
Workshop Equipment	20582	0	20078	0	0	20078	504	504
Laboratory Equipment	582543	179429	379268	31626	0	410894	351078	203275
Electric Installation	1061067	0	452472	36656	0	489128	571939	608595
Safety Equipment	132208	0	67206	6280	0	73486	58722	65002
Office Equipment	441079	0	269211	20951	0	290162	150917	171868
Airconditioner	278625	0	161040	13235	0	174275	104350	117585
Generator	1889656	0	80072	89759	0	169831	1719825	1809584
Cycle	1300	0	1260	0	0	1260	40	40
Computer	383386	29300	285750	18983	0	304733	107953	97636
Vehicle	1947153	0	491719	184980	0	676699	1270454	1455434
<b>TOTAL</b>	<b>54536701</b>	<b>45435843</b>	<b>33666669</b>	<b>1350773</b>	<b>0</b>	<b>35017442</b>	<b>64955102</b>	<b>20870032</b>
<b>PREVIOUS YEAR</b>	<b>47935552</b>	<b>6601149</b>	<b>32517108</b>	<b>1149561</b>	<b>0</b>	<b>33666669</b>	<b>20870032</b>	<b>15418445</b>

SHIVALIK RASAYAN LIMITED

26

Sd/-  
(VINOD KUMAR)  
FINANCE MANAGER

Sd/-  
(S.K. SINGH)  
MANAGING DIRECTOR

Sd/-  
(RAHUL BISHNOI)  
CHAIRMAN

**AUDITORS' REPORT**  
Signed in terms of our separate report of even date attached  
For RAI QIMAT & ASSOCIATES  
Chartered Accountants

Sd/-  
(QIMAT RAI GARG)  
F.C.A.  
Proprietor

Place: New Delhi  
Dated: 4th June 2012

## NOTES TO FINANCIAL STATEMENTS

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### 1. Significant Accounting Policies

#### i) Basis of Accounting

The accounts have been prepared under the historical cost convention except where otherwise stated.

All the incomes and expenditure have been accounted for on accrual basis, except where otherwise stated.

#### ii) All fixed assets are stated at cost less accumulated depreciation.

#### iii) Depreciation

Depreciation has been calculated for the year on all assets of the Company on straight line method at the rates specified in Schedule - XIV (inserted by the Companies Amendment Act, 1988) to the Companies Act, 1956. However, depreciation has not been provided on workshop equipment as these have already reached their retention values.

#### iv) Inventories

Inventories are valued at cost or net realizable value, whichever is lower. Cost of inventories is ascertained on the weighted average basis. Further, in respect of the manufactured inventories, i.e. process stocks and finished goods, appropriate share of manufacturing expense is included on direct cost basis.

#### v) Investments

No Long term investments are made by the company during the current financial year.

#### vi) Retirement benefits

The actuarial valuation of the Gratuity liability has been arrived at Rs.32,68,960/- by the company. Out of this, a sum of Rs.19,82,513/- has been paid in previous year and balance of Rs.12,86,447/- has been paid in current year to Life Insurance Corporation of India creating a trust namely Shivalik Rasayan Limited Employees Group Gratuity Trust.

#### vii) Revenue Recognition

a) Sales are accounted for on dispatch of goods from the factory to the customers. Net Sales are stated exclusive of returns, sales tax, excise duty and applicable trade discounts and allowances.

b) The claims are accounted for on settled basis.

#### viii) Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

ix) A deferred tax asset or deferred tax liability is recorded for timing differences, namely the differences that originate in one accounting period and reverse in another, based on the tax effect of the aggregate amount being considered. The tax effect is calculated on the accumulated timing differences at the end of an accounting period based on prevailing enacted or substantially enacted regulations. Deferred tax assets are recognized only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

### 2. Contingent Liabilities -

(as confirmed and certified by the management)

Guarantee issued by the Banker on behalf of the company Rs.2,00,000/- (Previous year Rs.2,00,000/-) to Uttarakhand Environment & Pollution Control Board, Dehradun.

3. Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. Nil (Previous year Rs. Nil).

4. The Company has provided Rs.33,78,023/- as provision for Income Tax by debiting to Profit & Loss Account.

## NOTES TO FINANCIAL STATEMENTS

5. In the opinion of the Management, the value on realization of current assets, loans and advances in the ordinary course of business will not be less than the amount at which they are stated in the Balance Sheet.
6. As per direction of Institute of Chartered Accountants of India, net sales are shown after deducting excise duty paid thereon.
7. The company has pledged its fixed deposit receipts aggregating Rs.50,000/- (Previous Year Rs.50,000/-) with Punjab National Bank, Indira Nagar Branch, Dehradun as security against guarantee issued in favor of Sales-Tax Officer.
8. Profit before tax of the Company for the Financial Year ended 31/03/2011 and 31/03/2012 was Rs. 88.18 Lakh and Rs.126.65 Lakh respectively. Company hopes to maintain its profitability in future also.
9. Commission for marketing the products of the company has been paid to the selling agents this year Rs.87,59,882/- (previous year Rs.70,88,264/-).
10. Additional information pursuant to the provisions of Schedule VI to the Companies Act, 1956.  
(Certified by the management but not verified by the Auditors being technical matter)

	Current Year		Previous Year	
A. Production Data:				
Actual Production				
Malathion Technical	78.000 MT		103.500 MT	
Dimethoate Technical	1212.100 MT*		1124.980 MT	
NaSH (By Product)	608.559 MT		568.089 MT	
	* Includes 8MT Dimethoate Technical received back from parties			
B. Finished goods Product	Current Year		Previous Year	
	Qty.	Amount	Qty.	Amount
Malathion Technical				
Opening Stock	Nil	Nil	19.500 MT	2476500
Closing Stock	Nil	Nil	Nil	Nil
Dimethoate Technical				
Opening Stock	3.750 MT	678750	23.250 MT	3906000
Closing Stock	45.250 MT	8371250	3.750 MT	678750
NaSH (By Product)				
Opening Stock	17.267 MT	Nil	20.978 MT	Nil
Closing Stock	44.506 MT	Nil	17.267 MT	Nil
C. Turnover Product-Sales				
Malathion Technical	78.000 MT	11930879	123.000 MT	16749610
Dimethoate Technical	1170.600 MT	272222075	1144.480 MT	257287968
NaSH	581.320 MT	2244190	571.800 MT	2246320
Others	Nil	Nil	Nil	Nil
D. Consumption	Current Year		Previous Year	
	Consumption	Value	Consumption	Value
Raw Material and consumable	consumed			
Organic Chemicals	2719987 Kg/Lt.	91312215	2587481 Kg/Lt.	86064661
Inorganic Chemicals	1905338 Kg/Lt.	88477900	1817635 Kg/Lt.	86939872
Others	5138 Kg/No.	97712	9537 Kg/No.	5669584

## NOTES TO FINANCIAL STATEMENTS

E.	Consumption of imported and indigenous raw materials and stores and percentage of each consumption.	% of Consumption	Value	% of Consumption	Value
	<b>Phosphorus Pentasulphide</b>				
	Imported	39.03%	28773704	33.63 %	56531460
	Indigenous	60.97%	44939468	66.37 %	19779906
	<b>Methanol</b>				
	Imported	100%	23239641	100 %	17531331
	Indigenous	-	-	-	-
	<b>Others</b>				
	Imported	-	-	-	-
	Indigenous	100 %	82935014	100 %	84831420
F.	Personal Expenses				
	a) Employees drawing remuneration of Rs.24,00,000/- or more per annum employed throughout the year:		Current Year	Previous Year	
	Number of Employees		Nil	Nil	
	b) Employees drawing remuneration of Rs.2,00,000/- or more per month employed part of the year:				
	Number of Employees		Nil	Nil	
G.	CIF Value of Imported Raw Materials		Rs.5,24,37,301/-	Rs.9,38,42,697/-	
H.	Remuneration to Directors		Rs.	Rs.	
	Salary		10,07,760/-	9,40,560/-	
	Perks		<u>49,500/-</u>	<u>49,500/-</u>	
			<u>10,57,260/-</u>	<u>9,90,060/-</u>	
11.	Other Income Rs.2,20,728/- (Previous Year Rs.5,32,506/-) includes Sale of Unusable Stores Rs. 1,57,000/- (Previous Year Rs.4,50,730/-), Insurance Claim received Rs.14,728/- (Previous Year Rs.10,776/-), Other Miscellaneous Income Rs.49,000/- (Previous Year Rs.71,000/-) and Interest Rs.20,95,090/- (Previous Year Rs.9,85,253/-).				
12.	Related Parties Transactions The company has not taken or given any loan to any companies or individual in which directors have significant influence.				
13.	Balance with banks other than Scheduled Banks in Current Account are as under:-				
		Current Year		Previous Year	
		Nil		Nil	
	Maximum amount deposited at any time during the year was as under:-				
		Nil		Nil	
14.	Particulars in respect of car taken on lease required to be disclosed under the Accounting Standard 19 on 'Leases' issued by Institute of Chartered Accountants of India.				
	a) Minimum lease payments outstanding		Rs. 2,01,620/-		
	b) Present value of minimum lease payments		Rs. 4,02,608/-		

## NOTES TO FINANCIAL STATEMENTS

c) Amount Due	Minimum lease payments	Present value of minimum lease payments
(i) Not later than one year	Rs. 201620/-	200988/-
(ii) Later than one year	Rs. 200988/-	402608/-

15. As per management information, the Company is complying with all the regulations of Delhi Stock Exchange.
16. The company has not dealt with any organization covered under the "Micro, Small & Medium Enterprises Development Act, 2006" during the year as certified by the management.
17. Earnings per Share

The following is a computation of earnings per share and a reconciliation of the equity shares used in the computation of basic and diluted earnings per share.

	Current Year	Previous Year
Profit after Taxation (Rs.)	92,73,198	68,42,506
a) Basic earnings per equity share - weighted average number of equity shares outstanding	34,20,000	34,20,000
b) Effect of dilutive potential equity shares	Nil	Nil
c) Dilutive earnings per equity share - weighted average number of equity shares and potential Equity share equivalents outstanding	34,20,000	34,20,000
d) Nominal Value of Equity Shares (Rs.)	10.00	10.00
e) Basic Earnings per Share (Rs.)	2.71	2.00
f) Diluted Earnings per Share (Rs.)	2.71	2.00

18. Previous year figures have been recast / regrouped wherever necessary to confirm the classification adopted for the current year.

Sd/-  
**(VINOD KUMAR)**  
FINANCE MANAGER

Sd/-  
**(S.K. SINGH)**  
MANAGING DIRECTOR

Sd/-  
**(RAHUL BISHNOI)**  
CHAIRMAN

### AUDITORS' REPORT

Signed in terms of our separate report of even date attached  
For **RAI QJMAT & ASSOCIATES**  
Chartered Accountants

Place: New Delhi  
Dated: 4th June 2012

Sd/-  
**(QJMAT RAI GARG)**  
Proprietor  
M.No. 080857

**SHIVALIK RASAYAN LIMITED**  
**Balance Sheet Abstract and Company's General Business Profile**

I. Registration Details    Registration No.     State Code  (Refer Code List I)  
 Balance Sheet Date   

II Capital Raised during the year (Amount to Rs. Thousands)

Public Issue    Rights Issue    Bonus Issue    Private Placement  
           

III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

Total Liabilities    Total Assets  
   

Sources of :    Paid up Capital    Reserves & Surplus    Secured Loans    Unsecured Loans  
 Funds                  
 Applications :    Net Fixed Assets    Investments    Net Current Assets    Misc. Expenditure  
 of Funds                  
 Accumulated Losses

IV. Performance of Company (Amount in Rs. Thousands)

Turnover    Total Expenditure  
   

Profit / Loss before tax    Profit / Loss after tax    Earning per Share in Rs.    Divided  
 + -          + -             

(Please tick Appropriate box + for Profit - for Loss)

V. Generic Names of Three Principal Products / Services of Company (as per monetary terms)

Item Code No.      
 (ITC Code)  
 Product Description      
 Item Code No.      
 (ITC Code)  
 Product Description      
 Item Code No.      
 (ITC Code)  
 Product Description   

Sd/-    Sd/-    Sd/-  
**(VINOD KUMAR)**    **(S.K. SINGH)**    **(RAHUL BISHNOI)**  
 FINANCE MANAGER    MANAGING DIRECTOR    CHAIRMAN

Place: New Delhi  
 Dated: 4th June, 2012



FORM OF PROXY  
**SHIVALIK RASAYAN LIMITED**  
DEHRADUN

I/We \_\_\_\_\_ of \_\_\_\_\_ in the District of \_\_\_\_\_ being a member of SHIVALIK RASAYAN LIMITED hereby appoint Mr. \_\_\_\_\_ or failing him, Mr. \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_ as my/our proxy in my / our absence to attend and vote for me/us and on my/our behalf at Thirty Forth Annual General Meeting of the Company to be held at 3.00 p.m. on Saturday the 29th September, 2012 and at any adjournment thereof. As witness my/our hand/hands this \_\_\_\_\_ day of \_\_\_\_\_ 2012.

Signed by the said \_\_\_\_\_

In the presence \_\_\_\_\_

- Notes:** i) The Proxy need not be a member  
ii) The Proxy duly signed across Rs.1./- revenue stamp should reach the Company's Registered Office at least 48 hours before the time fixed for meeting.

----- CUT HERE -----

ATTENDANCE SLIP  
**SHIVALIK RASAYAN LIMITED**  
Village Kolhupani, P.O. Chandanwari  
Dehradun – 248 007

Please complete attendance slip and hand it over at the entrance of the Meeting Hall. Joint Shareholders may obtain additional Attendance Slip or request.

NAME AND ADDRESS OF THE SHAREHOLDERS.

L.F. No(s)  
No. of Share(s) held:

I hereby record my presence at THRITY FORTH ANNUAL GENERAL MEETING of the Company on Saturday the 29th September, 2012.

SIGNATURE OF THE SHAREHOLDERS / PROXY

Strike out whichever is not applicable.

**SHIVALIK RASAYAN LIMITED**

# ***BOOK POST / UPC***

If Undelivered please return to :

**Shivalik Rasayan Limited**

1506, Chiranjiv Tower

43, Nehru Place

New Delhi - 110019