

THIRTY SIXTH

ANNUAL REPORT 2013-2014



SHIVALIK RASAYAN LIMITED

SHIVALIK RASAYAN LIMITED

CIN: L24237UR1979PLC005041

THIRTY SIXTH ANNUAL REPORT 2013-2014

BOARD OF DIRECTORS

Shri Rahul Bishnoi	:	Chairman
Shri S. K. Singh	:	Managing Director
Shri Ashwani Kumar Sharma	:	Non-Independent Director
Shri Anirudh Bishnoi	:	Independent Director
Shri Puneet Chandra	:	Independent Director
Shri Harish Pande	:	Independent Director
Shri Rajiv Mehta	:	Additional Director
Shri Kailash Gupta	:	Additional Director

SENIOR LEADERSHIP

Shri S. K. Singh	:	Managing Director
Shri Vinod Kumar	:	Chief Financial Officer

COMPANY SECRETARY

: Ms. Isha Agarwal

AUDITORS

: **Statutory Auditors**
M/s Rai Qimat & Associates,
24/801, East End Apts.,
Mayur Vihar, Phase-1 Extn.,
Delhi – 110 091

Secretarial Auditors

M/s AMJ & Associates
207, Shree Ganesh Complex, 32B,
Veer Savarkar Block, Shakarpur,
Delhi – 110 092

Cost Auditors

M/s Cheena & Associates
H-28, Street No.9, New Mahavir Nagar,
New Delhi – 110 018

REGISTERED OFFICE AND FACTORY

: Village Kolhupani, P.O.Chandanwari,
Dehradun – 248 007
Tel No.0135-2772038, 2773429

CORPORATE IDENTIFICATION NO (CIN) :

L24237UR1979PLC005041

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 AND TRANSFER AGENT

: 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

BANKERS

: IDBI Bank Limited
Axis Bank Limited
ICICI Bank Limited
Hongkong and Shanghai Banking Corp Ltd
Punjab National Bank

NOTICE

NOTICE is hereby given that the Thirty Sixth Annual General Meeting of the members of Shivalik Rasayan Limited will be held on **Monday the 29th September, 2014** at 10.30 A.M. at the Registered Office of the Company at Village Kolhupani, Dehradun, Uttarakhand – 248007 to transact the following business:-

ORDINARY BUSINESS

1. To consider and adopt the Balance Sheet as on 31st March 2014, Profit & Loss Account for the period from 1st April 2013 to 31st March 2014 and the report of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Harish Pande (holding DIN 1575625) & Shri Puneet Chandra (holding DIN 00907689), who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint M/s Rai Qimat & Associates, Chartered Accountants, Delhi (Firm Registration No.013152C) as statutory auditors of the Company to hold office from the conclusion of this Annual General Meeting until conclusion of the next AGM and to fix their remuneration and to pass the following resolution thereof:

“RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made there under, and pursuant to the recommendations of the audit committee of the Board of Directors, M/s Rai Qimat & Associates, Chartered Accountants, Delhi (Firm Registration No.013152C), be and are hereby re-appointed as the auditors of the Company to hold office from the conclusion of this AGM to the conclusion of the next AGM (subject to ratification of the appointment by the members at next AGM held after this AGM) and that the Board of Directors, be and are hereby authorized to fix such remuneration as may be agreed upon by the Board of Directors and Auditors, in addition to reimbursement of service tax and actual out of pocket expenses incurred in connection with the audit of the accounts of the Company.”

SPECIAL BUSINESS

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

“RESOLVED THAT Shri Rajiv Mehta (DIN 00541441), who was appointed as an Additional Director of the Company w.e.f., 25th January, 2014 and who holds office upto the date of this AGM, in terms of Section 161 of the Companies Act, 2013 (‘the Act’) and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act signifying his intention to propose him as a candidate for the office of a Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

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

“RESOLVED THAT Shri Kailash Gupta (DIN 00147440), who was appointed as an Additional Director of the Company w.e.f., 25th January, 2014 and who holds office upto the date of this AGM, in terms of Section 161 of the Companies Act, 2013 (‘the Act’) and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act signifying his intention to propose him as a candidate for the office of a Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

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

Sd/-

Isha Agarwal
Company Secretary
ACS M.No.25763

Place : New Delhi
Dated : 25th August, 2014

IMPORTANT NOTES:

1. The Register of Members and the Share Transfer books of the Company will remain closed from 24.09.2014 to 29.09.2014 (both days inclusive).
2. **A member entitled to attend and vote at the meeting is entitled to appoint a proxy/proxies to attend and vote instead of himself/herself. Such a proxy/proxies need not be a member of the company. A person can act as proxy on behalf of members.**

The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

NOTICE

3. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
4. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or RTA.
5. Electronic copy of the Annual Report for 2013-14 is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2013-14 is being sent in the permitted mode.
6. The Company's shares are listed with Delhi Stock Exchange and listing fee for the year 2014-15 has been paid. Since the Delhi Stock Exchange is closed itself, stock price is not available till date.
7. **Voting through electronic means:**
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 36th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting Services provided by Central Depository Services (India) Limited (CDSL):

(A) The instructions for members for voting electronically are as under:-

In case of members receiving e-mail:

- i) Log on to the e-voting website
www.evotingindia.com
- ii) Click on "Shareholders" tab.
- iii) Now, select "SHIVALIK RASAYAN LIMITED" from the drop down menu and click on "SUBMIT"
- iv) Now Enter your User ID
 - a. For CSDL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical form should enter Folio Number registered with the Company.
- v) Next enter the Image Verification as displayed and Click on Login.
- vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing passed is to be used.
- vii) If you are a first time user follow the steps given below:-

PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none">• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field.• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.

- viii) After entering these details appropriately, click on "SUBMIT" tab.
- ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatory enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x) For members holding shares in physical form, the details can be used only for e-voting on the resolution contained in this Notice.
- xi) Click on "**SHIVALIK RASAYAN LIMITED**"
- xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

NOTICE

- xiii) Click on the “RESOLUTION FILE LINK” if you wish to view the entire Resolution details.
- xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xv) Once you “Confirm” your vote on the resolution, you will not be allowed to modify your vote.
- xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the voting page.
- xvii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to log on to <http://www.evotingindia.co.in> and register themselves as Corporate.

They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.

- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

(B) In case of members receiving the physical copy:-

- (i) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.

(C) Other Instructions:

- (i) The voting period begins on **23rd September, 2014 (9:00 AM)** and ends on **25th September, 2014 (6:00 PM)**. During this period shareholders’ of the company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **29th August, 2014**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on Resolution is cast by the shareholders, the shareholders shall not be allowed to change it subsequently.
- (ii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Question (“FAQs”) and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
- (iii) The shareholders can opt for only one mode of voting, i.e. either physically by attending AGM or e- voting. If any shareholders opt for e-voting, he/she will not be eligible to vote physically in AGM.

- II. The Company has appointed Mr. Manoj Kumar Jain, Company Secretary in whole-time practice as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
 - III. The Results of e-voting shall be declared on or after the AGM of the Company and the Results declared with Scrutinizer Report shall be placed on the Website of the Company i.e., viz, www.shivalikrasayan.in within two days of passing the Resolution of the AGM of the Company.
 - IV. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.30 am to 5.30 pm) on all working days, up to and including the date of the Annual General Meeting of the Company.
8. **Members are requested:**
- (a) To bring Attendance Slip duly completed and signed at the meeting and not to carry briefcase or bag inside the meeting venue for security reasons;
 - (b) To quote their Folio No./DP Id - Client Id and e-mail ID in all correspondence; and
 - (c) To please note that no gift or gift coupons will be distributed at the meeting.

NOTICE

STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item Nos. 4 & 5

Pursuant to the provisions of Section 161 of the Companies Act, 2013 ('the Act'), Shri Rajiv Mehta and Shri Kailash Gupta were appointed as Additional Directors of the Company w.e.f., 25th January, 2014 and accordingly they shall hold office upto the date of ensuing Annual General Meeting.

Shri Rajiv Mehta is a dynamic business leader. His career spans over 30 years as an entrepreneur in the field of online education and real estate industry.

Shri Kailash Gupta is a fellow member of the Institute of Chartered Accountants of India. Shri Kailash Gupta has specialization in the field of taxation, accounting and development of accounting manual. He has vast knowledge of concurrent, internal audit and internal control.

The Company has received notice(s) in writing under the provisions of Section 160 of the Act from member(s) alongwith required deposit proposing the candidatures of Shri Rajiv Mehta and Shri Kailash Gupta for the office of Director(s), liable to retire by rotation.

The above appointees are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors.

Keeping in view their vast experience, expertise and knowledge, it will be in the interest of the Company that Shri Rajiv Mehta and Shri Kailash Gupta be appointed as Director(s), liable to retire by rotation.

No Director, Key Managerial Personnel or their relatives, except Shri Rajiv Mehta and Shri Kailash Gupta to whom the resolution(s) relate, is concerned or interested, financial or otherwise, in these resolution(s).

The Board recommends the resolutions at item nos. 4 & 5 for approval of the Members as Ordinary Resolution(s).

DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING

(Pursuant to Clause 49 of the Listing Agreement)

Name of Director	Shri Harish Pande	Shri Puneet Chandra
Date of Birth	22.09.1954	30.06.1962
Date of Appointment	22.06.2007	15.11.2006
Experience in specific Functional areas	Shri Harish Pande is a graduate with enrich experience of 30 years in the Marketing of Agro Chemical, Technical & formulations	Shri Puneet Chandra is a BITS Pilani Graduate Chemical Engineer. He has a vast experience in project designing and project management.
Qualification	Graduate	Chemical Engineer
Directorship in other Public Limited Companies/excluding private companies which are subsidiary of public company	No	No
Member/Chairman of Committee of the Board of the Public Limited Companies on which he is Director	No	No

DETAILS OF SHAREHOLDING/OTHER CONVERTIBLE INSTRUMENTS OF NON-EXECUTIVE DIRECTORS OF THE COMPANY

(Pursuant to Clause 49 of the Listing Agreement)

S. No.	Name of Director	No. of Equity Shares	Other convertible Instruments
01.	Shri Harish Pande	Nil	Nil
02.	Shri Puneet Chandra	Nil	Nil
03.	Shri Rajiv Mehta	17000	Nil
04	Shri Kailash Gupta	Nil	Nil

DIRECTORS' REPORT

TO THE MEMBERS,

Your Directors have pleasure in presenting this Thirty Sixth Annual Report together with the audited accounts of the company for the year financial year ended on 31st March 2014.

WORKING RESULTS

The Sales of your company have increased by 23.19% and net profit increased by 26.97% during the year when compared to last year's performance.

Financial Data (Rs. in Lac)	Current Year	Previous Year
Sales	3984.79	3234.63
Other Income	13.01	29.86
Profit for the year before Tax	178.97	135.43
Provision for taxation	58.93	40.62
Deferred Tax Assets/(Liability)	(2.06)	(1.88)
NET PROFIT FOR APPROPRIATION	117.98	92.92

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.178.97 lacs. The management is hopeful to continue the profitability further.

Agrochemical industry has developed substantially in India and reached a size of approximately 1.33 lac metric tons, out of which 50% is exported. There are about 125 technical grade manufacturers and about 800 formulators in the Country. Despite the aforesaid growth in India, per hectare consumption of agrochemicals is only 0.58 kilogram as against 16.6 kilogram in Korea, 11 kilogram in Japan and 4.5 kilogram in USA. Hence there is a substantial potential for growth of this industry in India.

FIXED DEPOSITS

No fresh/renewal of deposits were accepted during the financial year 2013-14.

DIRECTORS' RESPONSIBILITY STATEMENT

On the basis of compliance certificates received from the Executives of the Company, subject to disclosures in the Annual Accounts and also on the basis of the discussion with the Statutory Auditors of the Company from time to time, we state as under:

- i) That in the preparation of the annual accounts for the financial year ended on 31st March, 2014 the applicable accounting standards have been followed and that there has been no material departures.
- ii) That the Directors have selected such accounting policies and applied them consistently and made judgment and estimates that were 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 of the Company for the year under review.
- iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) That the Directors have prepared the annual accounts on a going concern basis.

The Audit Committee constituted by the Board reviews the internal control and financial reporting issues.

DIRECTORS

Pursuant to Section 152 of the Companies Act, 2013, Shri Harish Pande and Shri Puneet Chandra, Directors, liable to retire by rotation at the ensuing Annual General Meeting and being eligible, have offered themselves for re-appointment.

The Company has received requisite notice(s) from the member(s) proposing the candidatures of Shri Rajiv Mehta and Shri Kailash Gupta for appointment as Director(s), liable to retire by rotation, as Independent Director(s).

Pursuant to Section 161 of the Companies Act, 2013, Shri Rajiv Mehta and Shri Kailash Gupta were appointed as Additional Directors on 25th January, 2014. All the above Directors shall hold office upto the date of 36th Annual General Meeting of the Company.

DIRECTORS' REPORT

Brief resume of Directors seeking appointment/re-appointment along with other details as stipulated under Clause 49 of the listing agreement, are provided in the Notice for convening the Annual General Meeting.

STATUTORY AUDITORS

The Statutory Auditors of the Company, M/s Rai Qimat & Associates, Chartered Accountants, Delhi (Firm Registration No.013152C), retire at the ensuing Annual General Meeting and has confirmed their eligibility and willingness to accept office, if re-appointed. The Audit Committee and the Board of Directors recommends the re-appointment of M/s Rai Qimat & Associates, Chartered Accountants, as the Auditors of the Company till the conclusion of next annual general meeting.

The observations of the Auditors and the relevant notes on the accounts are self-explanatory and therefore do not call for any further comments.

SECRETARIAL AUDITORS

The Board of Directors of your Company has appointed M/s AMJ & Associates, Practicing Company Secretary, (Membership No.FCS-5832) Delhi as Secretarial Auditor pursuant to the provisions of Section 204 of the Companies Act, 2013 for the financial year 2014-15.

COST AUDITORS

The Cost Accountant of the Company, M/s Cheena & Associates, Cost Auditors, Delhi (Firm Registration No.0397) were appointed as Cost Auditors of the Company for the financial year 2013-14. Further the Board of Directors has re-appointed them as Cost Auditors for the financial year 2014-15.

CORPORATE GOVERNANCE

Your Company has taken adequate steps to ensure compliance with the provisions of Corporate Governance as prescribed under the Listing Agreement with the Stock Exchange.

A separate Report on Corporate Governance alongwith Report on Management Discussion and Analysis is enclosed as part of the Annual Report.

STATORY DISCULOSURES

None of the Directors of your Company is disqualified as per provision of Section 274(1)(g) of the Companies Act, 1956. Your Directors have made necessary disclosures as required under various provisions of the Companies Act, 1956 and Clause 49 of the Listing Agreement.

During the Year under report, none of the employee of the company was in receipt of remuneration equal to/exceeding the limit prescribed under section 217 (2A) of the Companies Act, 1956

LISTING FEES

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

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)	1261572	1321928
Total Cost (Rs.)	6357052	5819020
Rate / unit (Rs.)	5.04	4.40

Coal (used in boiler)

Quantity (kg.)	1426660	1114905
Total Cost (Rs.)	14248752	10528257
Average Rate (Rs.)	9.99	9.44

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

DIRECTORS' REPORT

PERSONNEL

Personnel relations with all employees remained cordial and harmonious throughout the year. Your Directors wish to place on record their sincere appreciation for the continued, sincere and devoted services rendered by all the employees of the Company.

ACKNOWLEDGEMENT

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

for and on behalf of the Board of Directors

Place : New Delhi
Dated : 25th August, 2014

Sd/-
RAHUL BISHNOI
Chairman
DIN : 00317960

MANGEMENT 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 1230.500 MT to 1365.000 MT. The turnover has gone up from 28.84 Crores to 35.46 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 2013-14.

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.

Internal Control Systems and their Adequacy

The Company has an adequate system of internal control relating to purchase of stores, raw materials including components, plant & machinery, equipment and other similar assets and for the sale of goods commensurate with the size of the Company and nature of its business. The Company also has Internal Control System for speedy compilation of accounts and Management Information Reports and to comply with applicable laws and regulations.

The Company has an effective Budgetary Control System. The Management reviews the actual performance with reference to budgets periodically. The Company has a well-defined organization structure, authority levels and internal rules and regulations for conducting business transactions.

The Company has already formed an Audit Committee and has four five times in the year. Audit Committee ensures proper compliance with the provisions of the listing Agreement with Stock Exchanges, Companies Act, reviews the adequacy and effectiveness of the internal control environment and monitors implementation of internal audit recommendations. Besides the above, Audit Committee is actively engaged in overseeing financial disclosures and in reviewing your Company's risk management policies.

Environment, Occupational Health & Safety

Your Company is committed to conducting its operations with due regard to the environment and providing a safe and healthy workplace for employees. The collective endeavor of your Company's employees at all levels is directed towards sustaining and continuously improving standards of environment, occupational health and safety in a bid to attain and exceed international benchmarks.

for and on behalf of the Board of Directors

Place : New Delhi
Dated : 25th August, 2014

Sd/-
RAHUL BISHNOI
Chairman
DIN : 00317960

REPORT ON CORPORATE GOVERNANCE

CORPORATE GOVERNANCE

In compliance with Clause 49 of the Listing Agreement with Stock Exchanges the Company submits the Report on the matters mentioned in the said Clause and practice followed by the Company.

1. Company Philosophy on Code of Governance

SRL's philosophy on Corporate Governance envisages the attainment of the highest level of transparency and accountability, in all facets of its operations and in all its interactions with its stakeholders including shareholders, employees, the Government and the lenders.

SRL's believes that all its operations and actions must serve the underlying goal of enhancing overall shareholders' value, over a sustained period of time.

2. Board of Directors

a) Composition of the Board (As on March 31, 2014)

The Board of Directors of the Company comprises of eight Directors with three Executive Directors (including Executive Chairman) and five Independent Non- Executive Directors. The Board consists of eminent persons with considerable professional expertise and experience in business and industry, finance, audit, law and public enterprises. None of the Directors on the Board is a Member of more than ten Committees and Chairman on more than five Committees across all the companies in which he is a Director. All the Directors have made disclosures regarding their directorships and memberships on various Committees across all Companies in which they are Directors and Members.

The Companies and category of Directors as on 31.03.2014 is as follows:

Name of Director	Designation	Category
Shri Rahul Bishnoi	Chairman	Promoter/Executive Chairman
Shri S. K. Singh	Managing Director	Executive, Non-independent
Shri Ashwani Kumar Sharma	Director	Executive, Non-independent
Shri Anirudh Bishnoi	Director	Non Executive, Non-independent
Shri Harish Pande	Director	Non Executive, Independent
Shri Kailash Gupta	Director	Non Executive, Independent
Shri Puneet Chandra	Director	Non Executive, Independent
Shri Rajiv Mehta	Director	Non Executive, Independent

None of the Directors of the Company except the Chairman & Managing Director and Executive Director has any pecuniary relationship with the Company except to the extent of receipt of sitting fees for meetings of the Board/Committee(s) of Directors attended by them.

No Director is related to any other Director on the Board in terms of the definition of 'relative' given under the Companies Act, 1956.

As mandated by the revised Clause No. 49, all the Independent Directors on the Company's Board are Non- Executive and:

- Apart from receiving Director's remuneration, do not have any material pecuniary relationships or transactions with the company, its promoters, its Directors, its Senior Management, its Subsidiaries and Associates, which may affect independence of the Directors.
 - Are not related to promoters or persons occupying management positions at the Board level or at one level below the Board.
 - Have not been an executive of the Company in the immediately preceding three financial years of the Company.
 - Are not partners or executive or were not partner or executive of the Statutory Audit Firm or the Internal Audit Firm or the Internal Audit Firm and Legal Firms or Consulting Firms, which have material association with the Company.
 - Are not material suppliers, service providers or customers or lessors or lessee of the Company, which may affect independence of the Directors.
 - Are not substantial shareholders of the Company, i.e. do not own two percent or more of the block of voting shares.
 - Have furnished a declaration at the time of their appointment and also annually that they satisfy the conditions of their being independent as laid down under Clause No. 49 of the Listing Agreement.
- All such declarations are placed before the Board.

REPORT ON CORPORATE GOVERNANCE

Information supplied to the Board

The Board has complete access to all information with the Company, inter-alia, the information as required under the revised Clause No. 49 of the Listing Agreement is regularly provided to the Board as a part of Agenda.

Compliance reports of all applicable laws to the Company

The periodical internal reports submitted by the concerned executives of the Company with regard to compliance of all laws applicable to the Company including steps taken by the Company to rectify instances of non-compliances, if any, are being reviewed by the Board.

b) Board Meetings and attendance record of each Director

Eight Board Meetings are held during the financial year 2013-14. The dates on which the meetings were held are 30.04.2013, 20.05.2013, 04.06.2013, 20.08.2013, 03.10.2013, 12.11.2013, 25.01.2014 & 31.03.2014 and the gap between the two meetings were not more than 120 days.

Attendance of each Director at the Board Meetings, last Annual general Meeting and number of other Directorships and Chairmanship/ Membership of Committee of each Director in various companies is as follows:

Name of the Director	Attendance Particulars		No. of other Directorship and Committee Member/ Chairmanship		
	Board Meetings	Last AGM	Other Directorship (in Public Co.) Excluding private companies which are subsidiary of public company	No. of Membership(s) of Board Committees in other Companies	No. of Chairmanship(s) of Board Committees in other Companies
Shri Rahul Bishnoi	8	Yes	--	--	--
Shri S. K. Singh	8	Yes	--	--	--
Shri Ashwani Kumar Sharma	8	Yes	--	--	--
Shri Anirudh Bishnoi	6	Yes	--	--	--
Shri Harish Pande	7	Yes	--	--	--
Shri Puneet Chandra	4	No	--	--	--
Shri Kailash Gupta	1	No	--	--	--
Shri Rajiv Mehta	1	Yes	--	--	--

3. Audit Committee

Presently, the Audit Committee comprises of three member Directors viz. Shri Harish Pande, Shri Anirudh Bishnoi and Shri S. K. Singh. Shri Harish Pande and Shri Anirudh Bishnoi are Non-Executive and Shri S. K. Singh is Executive member of the Committee. All the members are Non-independent Director except Shri Harish Pande. The Chairman of the Audit Committee attended the Annual General Meeting (AGM) held on 30.09.2013. All the Members of the Audit Committee have accounting and financial management expertise.

The terms of reference role and power of the Audit Committee as revised and stipulated by the Board of Directors from time to time are in conformity and in line with the statutory and regulatory requirements as prescribed under section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement, which include the following:

Role of Audit Committee

1. Overseeing of the Company's financial reporting process and the disclosures of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of the Statutory Auditors and the fixation of audit fees.
3. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.

REPORT ON CORPORATE GOVERNANCE

4. Reviewing, with the Management, the Annual Financial Statements before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Clause No. (2AA) of Section 217 of the Companies Act, 1956.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of Judgment by Management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications in the draft audit report.
5. Reviewing, with the Management, the quarterly Financial Statements before submission to the Board for approval.
6. Reviewing, with the Management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter.
7. Reviewing, with the Management, performance of Statutory and adequacy of the Internal Control Systems.
8. Reviewing the adequacy of Internal Audit Function, if any, including the structure of the Internal Audit Department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
9. Discussion with Internal Auditors any significant findings and follow up thereon.
10. Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control system of a material nature and reporting the matter to the Board.
11. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
12. To look into the reasons for substantial defaults in the payments to the depositors, debenture holders, shareholders (in case of non- payment of declared dividends) and creditors.
13. Carrying out any other function as is mentioned in terms of reference of the Audit Committee.
14. To review the following information:
 - The Management Discussion and Analysis of financial condition and results of operations.
 - Statement of significant related party transactions (as defined by the Audit Committee), submitted by Management;
 - Management letters/ letters of internal control weakness issued by the Statutory Auditors;
 - Internal Audit Reports relating to internal control weaknesses; and
 - The appointment, removal and terms of remuneration of Internal Auditors.
15. Approval of appointment of CFO after assessing the qualifications, experience and background etc. of the candidate.

Power of Audit Committee

- a) To investigate any activity within its terms of reference
- b) To seek any information from any employee.
- c) To obtain outside legal or other professional advice.
- d) To secure attendance of outsiders with relevant expertise, if it considers necessary.

Details of Meetings and Attendance

During the year, the Audit Committee had met five times on 10.05.2013, 12.08.2013, 12.11.2013, 12.02.2014, 12.05.2014 & 26.05.2014. The attendance of each Committee members is as under:

Name of Member	No. of meetings held	Meetings Attended
Shri Harish Pande	5	5
Shri Anirudh Bishnoi	5	5
Shri S. K. Singh	5	5

The head of Finance, internal Auditors and Statutory Auditors are permanent invitees to the Audit Committee Meetings. Further, representatives from various departments of the Company also attended the meetings as and when desired by the members of the Committee to answer and clarify questions raised at the Audit Committee. The company Secretary acts as the Secretary to the Committee.

REPORT ON CORPORATE GOVERNANCE

4. Nomination and Remuneration Committee (Erstwhile Remuneration Committee)

The Board of Directors of the Company at their meeting held on 30th May, 2014 renamed the Remuneration Committee' to Nomination and Remuneration Committee'.

Presently, the Nomination and remuneration Committee consists of three Members viz. Shri Harish Pande, Shri Anirudh Bishnoi and Shri Rajiv Mehta. All the members of the Nomination and Remuneration Committee are Non – Executive Directors. The Company Secretary acts as the Secretary to the Committee.

The Nomination and Remuneration Committee has been constituted to recommend/review the remuneration package of the Managing/Whole – time Directors based on performance and defined criteria.

5. Stakeholders' Relationship Committee (Erstwhile Investors' Grievance Committee)

The Board of Directors of the Company at their meeting held on 30th May, 2014 renamed the Shareholders'/ Investors' Grievance committee' to 'Stakeholders' Relationship Committee.

Presently the Stakeholders' Relationship Committee consists of Shri Harish Pande, Shri Anirudh Bishnoi and Shri Rajiv Mehta. The Committee, inter- alia approves issue of duplicate certificates, oversees and reviews all matters connected with the securities transfers. The Committee also looks into redressal of shareholders'/Investors' complaints The Committee oversees the performance of the Registrar and Share Transfer Agent and recommends measures for overall improvement in the quality of Investor services. The Company Secretary acts as the Secretary to the Committee.

During the year, the Stakeholders' relationship Committee had met on 30.04.2013, 29.06.2013, 07.08.2013 & 07.02.2014.

No complaints received during the year under review and there is no outstanding complaints as on 31.03.2014. There were no valid share transfers pending for registration for more than 30 days as o the said date.

Ms. Isha Agarwal, Company Secretary has been designated as Compliance Officer to monitor the share transfer and liaison with the regulatory authorities.

6. Board Procedure

The Board Meetings of the Company are convened by the Company Secretary on the direction of the Chairman. Sufficient notice in writing is given to all Directors for the Board Meetings and / or other Committee Meetings. All important matters concerning the working of the Company along with requisite details are placed before the Board.

7. Compliance Certificate

Compliance Certificate for Corporate Governance from Auditors of the Company is annexed herewith.

8. General Body Meetings

The details of Annual General Meeting held in the last 3 years are as under:

AGM	Day, Date & Time	Venue	Special Resolution Passed
35 th	30 th Sept., 13, 3:00 PM	Village Kolhupani, P.O.Chandwani, Dehradun (Uttarakhand)	Nil
34 th	29 th Sept., 12, 3:00 PM	Village Kolhupani, P.O.Chandwani, Dehradun (Uttarakhand)	A special resolution was passed relating to re-appointment of Whole Time Director
33 rd	30 th Sept., 11, 3:00 PM	Village Kolhupani, P.O.Chandwani, Dehradun (Uttarakhand)	Nil

9. Disclosures

a) Related Party Transactions

Related party transactions in terms of Accounting Standard-18 are set out in the notes to accounts. These transactions are not likely to have a conflict with the interest of the Company.

b) Disclosure of Accounting Treatment

In the preparation of financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India to the extent applicable.

REPORT ON CORPORATE GOVERNANCE

c) Disclosures of Risk Management

The Company has laid down procedures to inform the members of the Board about the risk assessment and minimization procedures. The Company has framed the risk assessment and minimization procedure, which is periodically reviewed by the Audit Committee and the Board.

d) Proceeds from public issue, right issue, preferential issue, FCCB issue, etc.

During the year, the Company has not raised any funds from public issue, right issue, preferential issue and FCCB issue.

e) Particulars of Directors to be appointed/ re-appointed

Information pertaining to particulars of Directors to be appointed and re-appointed at the forth coming Annual General Meeting is being included in the Notice convening the Annual General Meeting.

f) Management Discussion and Analysis

A Management Discussion and Analysis Report forms part of the Annual Report and includes discussions on various matters specified under Clause 49(IV)(F) of the Listing Agreement.

g) Penalties or stricture imposed on the Company by Stock Exchange or SEBI or any Statutory Authority

No penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority on any matter related to Capital Markets during the last three years.

h) Code of Conduct

The Company had adopted the code of conduct and ethics for Directors and senior Management. The code has been circulated to all the Members of the Board and Senior Management and the same has been put on the Company's website www.shivalikrasayan.in. The Board Members and Senior Management have affirmed their compliance with the code and a declaration signed by the Chairman and Managing Director appointed in terms of the Companies Act, 1956.

i) Board of Directors' Responsibility Statement

The Board in its Report to the Members of the Company have confirmed that the Annual Accounts for the year ended March'31, 2014 have been prepared as per applicable Accounting Standards and policies and that sufficient care has been taken for maintain adequate accounting records.

10. Non-Mandatory Requirements under Clause 49 of the Listing Agreement

The status of compliance with the non-mandatory requirements of Clause 49 of the Listing Agreement is provided below:

(i) The Board

The Chairman of the company is the Executive Chairman.

All the Directors including Independent directors are appointed/re-appointed by the Board from time to time.

(ii) Nomination and Remuneration Committee

The Company has set up a Nomination and Remuneration Committee. The composition, terms of reference and other details of the same are provided in this report under the section "Nomination and Remuneration Committee".

(iii) Shareholders' Rights

The quarterly, half yearly and annual financial results of the Company are published in the newspapers and are also posted on the Company's website. The complete Annual Report is sent to each and every shareholder of the Company.

(iv) Audit Qualifications

There are no Audit Qualifications in the Company's financial statements for the year under reference.

11. Means of Communication

The quarterly un-audited financial results duly approved by the Board of Directors are sent to all the Stock Exchanges where the Company's shares are listed immediately after the Board Meeting. The same are also published in 'English' and 'Hindi' newspapers in terms of the Listing Agreement within the stipulated period and in the format as prescribed by the Stock Exchanges and the Company posts its financial results for all quarters on its own website i.e. www.shivalikrasayan.in.

REPORT ON CORPORATE GOVERNANCE

12. SEBI Complaints Redress System (SCORES)

The Company processes the investors' complaints received by it through computerized complaints redress system. The salient features of this system are computerized database of all inward receipts and action taken on by them, online submission of Action Taken reports (ATRs) along with supporting documents electronically in SCORES. The investors can view online the current status of their complaints submitted through SEBI Complaints Redress System (SCORES).

13. General Shareholders Information

(a) Annual General Meeting to be held

Date : 29.09.2014

Day : Monday

Time : 10:30AM

Venue & Registered Office: Village Kolhupani, P.O.Chandanwari, Dehradun – 248007 (Uttarakhand)

(b) Book Closure Date

24th Sept., 2014 to 29th Sept., 2014 (both days inclusive)

(c) Listing of Equity Share on Stock Exchanges

The equity shares are listed on Delhi Stock Exchange. Stock market price are not available as Delhi Stock Exchange is closed itself.

(d) DEMAT ISIN Number in NSDL & CDSL : INE788J01013

(e) Address for Correspondence for Shares transfer and related matters:

For shares held in physical form:

The Company's Registrar & Shar Transfer Agent (RTA), address at:

Beetal Financial & Computer Services Pvt. Ltd.

(Unit : Shivalik Rasauan Ltd.)

BEETAL House. 3rd Floor, 99, Madangir

Behid Local Shopping Centre

Near Dada Harsukh Dass Mandir

New Delhi – 110062

Tel No. : 011 – 29961281-83, Fax No. 011 – 29961284

For shares held in Demat form : To the Depository Participants (DP)

(f) Share Transfer System

Presently the shares, which are received in physical form, are transferred within a period of 10-12 days from the date of receipt, subject to the documents being valid and complete in all respects.

(g) Distribution of Share holding as on 31.03.2014

Range in Numbers	No. of Shareholders	No. of Shares	% of total equity
UP to 5000	759	119789	3.5026
5001 to 10000	34	29206	0.8540
10001 to 20000	30	44892	1.3126
20001 to 30000	6	15360	0.4491
30001 to 40000	7	23480	0.6865
40001 to 50000	4	18500	0.5409
50001 to 100000	8	67560	1.9754
100001 and Above	35	3101213	90.6787
TOTAL	883	3420000	100.000

(h) Categories of Shareholders as on 31.03.2014

Category	No. of Shares	% of Shareholding
Promoters & Group Companies	2435120	71.20
Financial Institutions & Banks	129780	3.80
Others	855100	25.00
Total	3420000	100.00

REPORT ON CORPORATE GOVERNANCE

(i) **Dematerialization of Shares and liquidity**

Nearly 72.62% of total equity share capital is held in dematerialized form upto 31.03.2014 with NSDL/CDSL. The shares of the Company are listed on DSE.

(j) **Plant Locations**

Kolhupani, P.O. Chandanwari , Dehradun -248007
Phone : 0135 -2772038 , 2773429

(k) **Address for Correspondence**

The shareholders may address their communication/ grievances/ queries/ suggestions to:

Beetal Financial & Computer Services Pvt. Limited (Unit : Shivalik Rasayan Ltd.) BEETAL House. 3 rd Floor, 99, Madangir Behid Local Shopping Centre Near Dada Harsukh Dass Mandir, New Delhi – 110062 Tel No. : 011 – 29961281-83Fax No. 011 – 29961284	Shivalik Rasayan Ltd. 1506, Chiranjiv Tower,43, Nehru Place, New Delhi – 110019 Tel No. : 011 – 26221811, 011- 26418182 Fax No. 011 – 26243081 E-mail : srl@vsnl.com, srl@airtelmail.in
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SECRETARIAL COMPLIANCE CERTIFICATE

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 and the Companies Act, 2013 to the extent applicable 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, 2014**. 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 30th April 2013, 20th May 2013, 04th June 2013, 20th August 2013, 03rd October 2013, 12th November 2013, 25th January 2014 and 31st March 2014 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 10th May 2013, 12th August 2013, 12th November 2013 and 12th February 2014. The Investor Grievances Committee duly met Four times respectively on 10th May 2013, 12th August 2013, 12th November 2013 and 12th February 2014 and the Share Transfer Committee duly met Four times respectively on 30th April 2013, 29th June 2013, 7th August, 2013 and 7th February 2014 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 Register of Members and share transfer book from 24th September 2013 to 30th September 2013 (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 31/03/2013 was held on 30th September, 2013 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 provisions of Section 295 of the Act are applicable.
9. As per the explanations and information given to us, the company has not made any transaction to which the provisions of section 297 of the Act are applicable.
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 such amount was outstanding.
V. The company has complied with the requirements of section 217 of the Act.
14. The Board of the directors of the company are duly constituted and there was appointment of two additional directors in the company during the financial year.
15. No appointment or reappointment of Managing Director and Whole time Director was made during the financial year 2013-2014.
16. The company has not appointed any sole-selling agents during the financial year.
17. The company was not obtained any specific approval 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.

SECRETARIAL COMPLIANCE CERTIFICATE

18. The directors have disclosed their interest in other firms/ companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The company has not issued any 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. As explain to us the companies has not made any loans or advance or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.
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.
29. The company has not altered the provision of the Memorandum with respect to share capital of the company during the year under scrutiny.
30. The company has not altered its Articles of Associations of the company during the year under scrutiny.
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 financial year.
33. The provisions of section 418 of the Act relating to Constitution of Provident Fund Trust are not applicable to the company. However the Company has deposited the contribution to Provident Fund with prescribed authorities as required under the Act.

for AMJ & Associates
Company Secretaries

Sd/-
Manoj Kumar Jain
(Partner)
C.P. No.: 5629

Place: New Delhi
Date : 25.08.2014

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

SECRETARIAL COMPLIANCE CERTIFICATE

Annexure "B"

Forms and Returns as filed by the Company with the ROC, or other authorities during the financial year ending 31st March, 2014.

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 (Balance Sheet & P & L A/c)	220	31.03.2013	04.11.2013 Vide S.R. N. Q22155501	No	Yes
2.	Form-20B (Annual Return)	159	30.09.2013	28.11.2013 Vide S.R. N. Q25746546	Yes	No
3.	Form-66 (Compliance Certificate)	383A	31.03.2013	23.10.2013 Vide S.R. N. Q15811896	Yes	No
4.	Form-23C	233B	Appointment of Cost Auditor	22.08.2013 Vide S.R. N. S21917224	No	Yes
5.	Form-23C	233B	Appointment of Cost Auditor	27.06.2013 Vide S.R.N. S21379698	Yes	No
6.	Form-32	303	Change in Director	29.11.2013 Vide S.R.N.B90310624	No	Yes
7.	Form-32	303	Appointment of Directors	07.02.2014 Vide S.R.N.B95605606	Yes	No
8.	Form-1 (XBRL)	Section 233B(4) and Cost Audit Rules	Cost Audit Report and other documents with CG	28.03.2014 Vide S.R. N. S29752904	Yes	No

AUDITORS REPORT ON CORPORATE GOVERNANCE

To the shareholders of
Shivalik Rasayan Limited,
Dehradun

We have examined the compliance of Corporate Governance by **M/s Shivalik Rasayan Limited** for the Year ending on **31st March, 2014** 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

Date: 25.08.2014
Place: New Delhi

INDEPENDENT AUDITORS' OPINION

To the Members of
Shivalik Rasayan Limited

1. Report on the Financial Statements

We have audited the accompanying financial statements of Shivalik Rasayan Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3. Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:-

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
- (b) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date, and
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

5. Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, 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 purposes 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, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

INDEPENDENT AUDITORS' OPINION

- (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act.
- (e) On the basis of the written representations received from the directors as on 31st March, 2014 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

for **RAI QIMAT & ASSOCIATES**
Chartered Accountants

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

Place : New Delhi
Dated: 26th May, 2014

INDEPENDENT AUDITORS' OPINION

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 2014.

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 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, 2014 for a period of more than six months from the date they became payable.
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.

INDEPENDENT AUDITORS' OPINION

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)
Partner
M.No.080857

Place : New Delhi
Dated: 26th May 2014

SHIVALIK RASAYAN LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2014

Particulars	Note	As at 31st March, 2014 (Amount Rs.)		As at 31st March, 2013 (Amount Rs.)
EQUITY AND LIABILITIES				
Shareholders' Funds				
Share Capital	1	34,200,000		34,200,000
Reserves & Surplus	2	<u>60,137,734</u>	94,337,734	<u>48,339,806</u>
Share application money pending allotment				
-				
Non-current liabilities				
Long-term borrowings	3	-		-
Deferred tax liabilities (Net)	4	2,118,325		1,912,045
Other Long term liabilities	5	-		-
Long-term provisions	6	<u>1,251,138</u>	3,369,463	<u>1,004,291</u>
Current Liabilities				
Short-term borrowings	7	-		201,620
Trade payables	8	70,473,240		60,151,024
Other current liabilities	9	2,965,908		9,905,740
Short-term provisions	10	<u>9,453,992</u>	82,893,140	<u>5,956,539</u>
TOTAL			<u>180,600,337</u>	<u>161,671,065</u>
ASSETS				
Non-current assets				
Fixed Assets				
Tangible assets	11	63,681,052		66,028,167
Long-term loans and advances	12	6,223,504		5,723,504
Other non-current assets	13	<u>8,789,609</u>	78,694,165	<u>8,465,179</u>
Current assets				
Inventories	14	5,320,364		17,317,551
Trade receivables	15	90,679,741		59,779,104
Cash and cash equivalents	16	2,236,008		2,308,729
Short-term loans and advances	17	3,507,589		1,752,165
Other current assets	18	<u>162,470</u>	101,906,172	<u>296,665</u>
TOTAL			<u>180,600,337</u>	<u>161,671,065</u>

Sd/-
(VINOD KUMAR)
FINANCE MANAGER

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

Sd/-
(RAHUL BISHNOI)
CHAIRMAN

AUDITORS' REPORT

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

Sd/-
(QIMAT RAI GARG)

Partner

M.No.080857

Place : New Delhi
Dated : 26th May, 2014

SHIVALIK RASAYAN LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2014

PARTICULARS	Note	2013-14 (Amount Rs.)	2012-13 (Amount Rs.)
INCOME			
Revenue from Operations	19	354,644,897	288,434,061
Other income	20	1,301,046	2,986,294
Total Revenue		355,945,943	291,420,355
EXPENDITURE			
Cost of materials consumed	21	246,905,135	189,937,238
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	22	3,184,657	5,586,810
Employee benefits expense	23	22,861,153	20,790,036
Finance costs	24	2,654,211	3,113,928
Depreciation and amortization expense	25	1,444,198	1,462,914
Other expenses	26	60,999,086	56,986,091
Total expenses		338,048,440	277,877,017
Profit Before Tax		17,897,503	13,543,338
Provision for Current tax		5,893,295	4,062,424
Profit after Tax		12,004,208	9,480,914
Deferred Tax Assets/Liability		(206,280)	(188,473)
Profit for the year		11,797,928	9,292,441
Earning per equity share of face value of Rs.10 each Basic and Diluted (in Rs.)		3.51	2.77

Sd/-
(VINOD KUMAR)
FINANCE MANAGER

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

Sd/-
(RAHUL BISHNOI)
CHAIRMAN

AUDITORS' REPORT

Signed in terms of our report of even date attached
for RAI QIMAT & ASSOCIATES
Chartered Accountants

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

Place : New Delhi
Dated : 26th May, 2014

SHIVALIK RASAYAN LIMITED
Notes on Financial Statements for the Year ended 31st March, 2014

PARTICULARS	Note No.	As at 31st March, 2014 (Amount Rs.)	As at 31st March, 2013 (Amount Rs.)
SHARE CAPITAL	1		
Authorised capital 3500000 equity shares of Rs.10/- each		35,000,000	35,000,000
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>

The details of shareholders holding more than 5% :

Name of the Shareholder	<u>As at 31st March, 2014</u>		<u>As at 31st March, 2013</u>	
	No. of Shares	% held	No. of Shares	% held
Growel Capital Services Pvt. Ltd.	2435120	71.20%	2373120.00	69.39%
	<u>2435120</u>	<u>71.20%</u>	<u>2373120.00</u>	<u>69.39%</u>

The reconciliation of the number of shares outstanding is set out below :

Particulars	<u>As at 31st March,</u>		<u>As at 31st March,</u>	
	<u>2014</u>		<u>2013</u>	
	No. of Shares		No. of Shares	
Equity Shares at the beginning of the year	3420000		3420000	
Add: Shares issued during th year	0		0	
Equity Shares at the end of the year	<u>3420000</u>		<u>3420000</u>	

RESERVES AND SURPLUS

2

Share Premium Reserve

As per last Balance Sheet

	19,725,193	19,725,193
--	------------	------------

General Reserves

As per last Balance Sheet	28,614,613	19,322,172
Add: Transferred from P&L A/c	<u>11,797,928</u>	<u>9,292,441</u>
	40,412,541	28,614,613

Profit and Loss Account

As per last Balance Sheet	-	-
Add: Profit for the year	<u>11,797,928</u>	<u>9,292,441</u>
	11,797,928	9,292,441

Less: Appropriations

Transferred to General Reserve	<u>11,797,928</u>	<u>9,292,441</u>
	-	-

Total	<u>60,137,734</u>	<u>48,339,806</u>
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LONG TERM BORROWINGS

3

Unsecured

Vehicle Loan-from bank	-	-
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Total	<u>-</u>	<u>-</u>
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DEFERRED TAX LIABILITY (NET)

4

Deferred Tax Liability arising on account of:

Depreciation	2,395,455	2,381,096
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Deferred Tax Assets arising on account of:

Expenditure incurred-allowable in future	189,784	158,725
Retirement Benefits	<u>87,346</u>	<u>310,326</u>
	277,130	469,051

	<u>277,130</u>	<u>469,051</u>
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Total	<u>(2,118,325)</u>	<u>(1,912,045)</u>
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OTHER LONG TERM LIABILITIES	5		
Land Instalment payable to GIDC		-	-
Total		<u>-</u>	<u>-</u>
LONG-TERM PROVISIONS	6		
Provision for Leave Encashment		1,251,138	1,004,291
Total		<u>1,251,138</u>	<u>1,004,291</u>
SHORT TERM BORROWINGS	7		
from Bank		-	-
Vehicle Loan-from bank		-	201,620
Total		<u>-</u>	<u>201,620</u>
TRADE PAYABLE	8		
Sundry Creditors		70,473,240	60,151,024
Total		<u>70,473,240</u>	<u>60,151,024</u>
OTHER CURRENT LIABILITIES	9		
Electricity Bill Payable		527,054	493,747
Security from Employees		37,000	53,000
Service Tax & Cess Payable		26,263	7,233
Sales Tax Payable		301,560	277,789
Tax Deducted at Source Payable		457,176	461,848
Land Instalment payable to GIDC		1,616,855	8,612,123
Total		<u>2,965,908</u>	<u>9,905,740</u>
SHORT TERM PROVISIONS	10		
Provisions for Salary/Bonus/PF,PPF		3,560,697	1,894,115
Current Tax		5,893,295	4,062,424
Total		<u>9,453,992</u>	<u>5,956,539</u>
LONG TERM LOANS AND ADVANCES	12		
Security Deposits		1,323,504	1,323,504
Advance Income Tax		4,900,000	4,400,000
Total		<u>6,223,504</u>	<u>5,723,504</u>
OTHER NON-CURRENT ASSETS	13		
Miscellaneous Expenditure (to the extent not written off or adjusted)		60,000	75,000
Pre-operative Expenditure#		8,729,609	8,390,179
Total		<u>8,789,609</u>	<u>8,465,179</u>
# Pre-operative Expenses include expenses incurred amounting Rs.87,18,364/- by the company towards development of project at Dahej, Gujarat and Rs.11,245/- incurred on development of new project at Dehradun			
INVENTORIES	14		
(Valued at cost or market value, whichever is lower, as certified by the management)			
Raw Material		3,757,491	10,558,274
Coal		200,000	1,312,000
Packing & Consumable Stores		789,785	1,689,532
Work-in-progress		190,588	993,995
Finished stock		382,500	2,763,750
Total		<u>5,320,364</u>	<u>17,317,551</u>
TRADE RECEIVABLE	15		
Sundry Debtors		90,679,741	59,779,104
Total		<u>90,679,741</u>	<u>59,779,104</u>

CASH AND CASH EQUIVALENTS	16			
Cash in hand			37,049	78,033
Balance with banks			2,198,959	2,230,696
Fixed deposits with Bank			-	-
Total			<u>2,236,008</u>	<u>2,308,729</u>
SHORT TERM LOANS AND ADVANCES	17			
Loan & Advances to Employees			741,415	226,124
Advance to suppliers			1,244,000	584,000
Balance with Customs, Excise Authorities			1,522,174	942,041
Total			<u>3,507,589</u>	<u>1,752,165</u>
OTHER CURRENT ASSETS	18			
Interest Accrued on Fixed Deposits			25,930	25,930
Tax Deducted at Sources			98,095	270,735
Discounting Charges Refundable			38,445	-
Total			<u>162,470</u>	<u>296,665</u>
REVENUE FROM OPERATIONS	19			
Sales of Products			398,479,009	323,463,485
Less: Excise Duty			43,834,112	35,029,424
Total			<u>354,644,897</u>	<u>288,434,061</u>
OTHER INCOME	20			
Interest from Fixed Deposits		980,947	2,707,349	
Interest From othres		76,142	44,924	
Other non operating income		243,957	234,021	
Total			<u>1,301,046</u>	<u>2,986,294</u>
COST OF MATERIALS CONSUMED	21			
Imported			33,102,014	23,256,862
Indigenous			213,803,121	166,680,376
Total			<u>246,905,135</u>	<u>189,937,238</u>
CHANGE IN INVENTORIES OF FINISHED GOODS & STOCK-IN-PROCESS	22			
Inventories (at close)				
Finished Goods		382,500	2,763,750	
Stock-in-Process		190,588	573,088	993,995
				3,757,745
Inventories (at commencement)				
Finished Goods		2,763,750	8,371,250	
Stock-in-Process		993,995	3,757,745	973,305
Total			<u>(3,184,657)</u>	<u>(5,586,810)</u>
EMPLOYEE BENEFITS EXPENSE	23			
Salaries and Wages		20,585,554	19,407,564	
Contribution to Provident Fund		546,726	582,318	
Staff Welfare Expenses		1,728,873	800,154	
Total			<u>22,861,153</u>	<u>20,790,036</u>
FINANCE COSTS	24			
Interest cost			2,225,054	2,394,753
LC Discounting Charges			142,669	576,579
Bank Charges			286,488	142,596
Total			<u>2,654,211</u>	<u>3,113,928</u>
DEPRECIATION	25			
Depreciation Expense (Refer Note No.11)			1,444,198	1,462,914
Total			<u>1,444,198</u>	<u>1,462,914</u>

OTHER EXPENSES

26

Stores, Chemicals and Packing Material		9,451,770		6,211,662
Fuel and Power Expenses		21,756,144		17,771,381
Ice consumed		2,702,179		2,513,939
Rent, Rates & Fees		1,360,437		1,679,507
Printing & Stationery		1,305,098		931,574
Postage & Telephone		333,081		282,100
Travelling & Conveyance		1,635,154		2,015,537
Vehicle Maintenance & Running		710,198		458,355
Professional & Legal Expenses		421,045		1,522,451
Business Promotion		432,648		575,875
Insurance		702,794		561,302
Charity & Donation		185,657		187,210
Advertisement Expenses		250,515		271,839
Diwali Expenses		1,108,478		898,475
Office Maintenance		148,731		105,348
Water & Electricity		115,450		100,100
Repair & Maintenance				
Plant & Machinery	3,883,438		5,673,146	
Building	500,332		1,427,096	
ETP & Others	<u>1,500,787</u>	5,884,557	<u>786,204</u>	7,886,446
Auditors Remuneration		70,000		47,000
Freight and Cartage		2,837,944		1,953,016
General Expenses		403,735		531,139
Marketing & Sales Expenses		8,930,633		9,935,762
Fire & Safety		110,717		116,963
Environment/Pollution Control Expenses		127,121		414,110
Preliminary Exp. w/o		<u>15,000</u>		<u>15,000</u>
Total		<u>60,999,086</u>		<u>56,986,091</u>

Sd/-

(VINOD KUMAR)
FINANCE MANAGER

Sd/-

(S.K. SINGH)
MANAGING DIRECTOR

Sd/-

(RAHUL BISHNOI)
CHAIRMAN**AUDITORS' REPORT**Signed in terms of our report of even date attached
for RAI QIMAT & ASSOCIATES
Chartered Accountants

Sd/-

(QIMAT RAI GARG)

Partner

M.No.080857

Place : New Delhi

Dated : 26th May, 2014

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

PARTICULARS	GROSS BLOCK				DEPRECIATION BLOCK				NET BLOCK	
	As On 01.04.2013	Additions during the year	Sold during the year	As on 31.03.2014	Upto 01.04.2013	During the year	Sold / Adjstmt.	Up to 31.03.2014	As on 31.03.2014	As on 31.03.2013
Land at Dehradun	2360502	0	0	2360502	0	0	0	0	2360502	2360502
Land at Dahej	43989298	0	0	43989298	0	0	0	0	43989298	43989298
Building	3780443	0	0	3780443	2805101	41258	0	2846359	934084	975342
Plant & Machinery	43558825	0	0	43558825	29629389	906018	0	30535407	13023418	13929436
Water & Effluent treatment Pl.	937708	0	0	937708	627942	19055	0	646997	290711	309766
Furniture & Fixture	790315	0	0	790315	381455	45006	0	426461	363854	408860
Workshop Equipment	20582	0	0	20582	20078	0	0	20078	504	504
Laboratory Equipment	803218	0	0	803218	448965	38153	0	487118	316100	354253
Electric Installation	1061067	0	0	1061067	525784	36656	0	562440	498627	535283
Safety Equipment	132208	0	0	132208	79766	6280	0	86046	46162	52442
Office Equipment	441079	44144	0	485223	311113	22841	0	333954	151269	129966
Airconditioner	300475	82000	0	382475	188375	10956	0	199331	183144	112100
Generator	1889656	0	0	1889656	259590	89759	1154832	1504181	385475	1630066
Cycle	1300	0	0	1300	1260	0	0	1260	40	40
Computer	494694	125771	0	620465	339859	43236	0	383095	237370	154835
Vehicle	1947153	0	0	1947153	861679	184980	0	1046659	900494	1085474
TOTAL	102508523	251915	0	102760438	36480356	1444198	1154832	39079386	63681052	66028167
PREVIOUS YEAR	99972544	2535979	0	102508523	35017442	1462914	0	36480356	66028167	64955102

Sd/-
(VINOD KUMAR)
FINANCE MANAGER

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

Sd/-
(RAHUL BISHNOI)
CHAIRMAN

AUDITORS' REPORT

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

Sd/-
(QIMAT RAI GARG)

Partner
M.No.080857

Place : New Delhi
Dated : 26th May, 2014

SHIVALIK RASAYAN LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

PARTICULARS	<-----2013-14----->		<-----2012-13----->	
	AMOUNT	AMOUNT	AMOUNT	AMOUNT
A. Cash flow from Operating Activities				
Net Profit before tax as per P&L		17897503		13543338
Adjustments for				
Financial Charges	2654211		3113928	
Depreciation	1444198		1462914	
Interest Received	(1057089)		(2752273)	
		3041320		1824569
Operating Profit before Working Capital Changes		20938823		15367907
Adjustments for				
Trade & other receivables (net)	(31465046)		(12662586)	
Inventories	11997187		2349936	
Trade Payables & Other liabilities	(6879837)		(27536478)	
		(26347696)		(37849128)
Cash generated from Operations		(5408874)		(22481221)
Financial Charges	(2654211)		(3113928)	
Tax Paid	(4900000)		(4,400,000)	
		(7554211)		(7513928)
Net Cash Flow from Operating Activities		(12963085)		(29995149)
B. Cash Flow from Investing Activities				
Addition to Fixed Assets	(251915)		(2535979)	
Sale of Fixed Assets	0		0	
Interest Received	1057089		2752273	
Net Cash Flow from Investing Activities		805174		216294
C. Cash Flow from Financing Activities				
Net proceeds of long term borrowings	(453127)		8693339	
Net proceeds of short term borrowings	201620		17977067	
Net Cash Flow from Financing Activities		(251507)		26670406
NET INCREASE IN CASH & CASH EQUIVALENTS		(12409418)		(3108449)
CASH & CASH EQUIVALENTS AT THE START OF THE YEAR		5417178		5417178
CASH & CASH EQUIVALENTS AT THE CLOSE OF THE YEAR		2236008		2308729
		(3181170)		(3108449)

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 QIMAT & ASSOCIATES**
Chartered Accountants

Sd/-
(QIMAT RAI GARG)

Place : New Delhi
Dated : 26th May, 2014

Partner
M.No.080857

SIGNIFICANT ACCOUNTING POLICIES

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 & cycle 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 by the company during the current financial year.

vi) Retirement benefits

Post employment and other long term employee benefits are recognized as an expense in the Profit & Loss account for the year in which the employee has rendered services. The expense is recognized at the present value of the amounts payable determined using actuarial techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the Profit and Loss account.

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) Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961. Deferred tax resulting from “timing difference” between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred tax assets is recognized and carried forward only to the extent that there is a virtual certainty that the asset will be realized in future.

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 Uttaranchal Environment & Pollution Control Board, Dehradun.

3. 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.
4. As per direction of Institute of Chartered Accountants of India, net sales are shown after deducting excise duty paid thereon.

SIGNIFICANT ACCOUNTING POLICIES

G. CIF Value of Imported Raw Materials Rs.3,26,01,003/- Rs.2,32,81,909/-

	Rs.	Rs.
H. Remuneration to Directors		
Salary	21,10,540/-	19,19,760/-
Perks	53,000/-	27,500/-
	21,63,540/-	19,47,260/-

7. Other Income Rs.2,43,957/- (Previous Year Rs.2,34,021/-) includes Sale of Unusable Stores Rs.1,05,000/- (Previous Year Rs.1,70,273/-), Insurance Claim received Rs.85,647/- (Previous Year Rs.33,748/-), Other Miscellaneous Income Rs.53,310/- (Previous Year Rs.30,000/-) and Interest Rs.27,52,273/- (Previous Year Rs.27,52,273/-).

8. Related Parties Transactions

The company has not taken or given any loan to any companies or individual in which directors have significant influence.

9. Balance with banks other than Scheduled Banks in Current Account are as under:-

	<u>Current Year</u>	<u>Previous Year</u>
	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. Nil
b) Present value of minimum lease payments		Rs. Nil
c) Amount Due	Minimum lease payments	Present value of minimum lease payments
(i) Not later than one year	Rs. Nil	Rs. Nil
(ii) Later than one year	Rs. Nil	Rs. Nil

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.

	<u>Current Year</u>	<u>Previous Year</u>
Profit after Taxation (Rs.)	1,20,04,208	94,80,914
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.)	3.51	2.72
f) Diluted Earnings per Share (Rs.)	3.51	2.72

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 QIMAT & ASSOCIATES**
Chartered Accountants

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

Place: New Delhi
Dated: 26th May, 2014

SHIVALIK RASAYAN LIMITED

CIN: L24237UR1979PLC005041

Regd. Office: Village Kolhupani, P.O.Chandanwari, Dehradun – 248007 (Uttarakhand)

**ATTENDANCE SLIP
36th Annual General Meeting**

Reg. Folio/DP & Client No..... No.of shares Held:.....

I/we certify that I/we am/are a registered shareholder/Proxy for the Registered Shareholder of the Company. I/we hereby record my/our presence at the 36th Annual General Meeting of the Company being held on **Monday, the 29th day of September, 2014 at 10:30 A.M.** at Village Kolhupani, P.O.Chandanwari, Dehradun – 248007 (Uttarakhand) and at any adjournment thereof.

Member's name :

Proxy's name :

.....
Member's Proxy's Signature

- Note: 1. Please fill this attendance slip and hand it over at the entrance of the Hall.
- 2. Members /Proxy Holders/Authorised Representatives are requested to show their Photo ID proof for attending the meeting.
- 3. Authorized Representatives of Corporate Member(s) shall produce proper authorization issued in their favour.

Form No.MGT-11

SHIVALIK RASAYAN LIMITED
CIN: L24237UR1979PLC005041

Regd. Office: Village Kolhupani, P.O.Chandanwari, Dehradun – 248007 (Uttarakhand)

PROXY FROM

(Pursuant to section 105(6) of the companies Act, 2013 and rules 19(3) of the Companies (management and Administration) rules, 2014)

Name of the member (s):

Registered Address:

E. Mail Id: Folio No./Client Id:..... DP ID:.....

I/We, being the member(s) holding..... of the above named company, hereby Appoint

1.Name :Address :

.....Email ID:Signature:or failing him

2.Name :Address :

.....Email ID:Signature:or failing him

3.Name :Address :

.....Email ID:Signature:as my/our

Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 36th Annual General Meeting of the Company to be held on **Monday, the 29th day of September, 2014 at 10:30 A.M.** at Village Kolhupani, P.O.Chandanwari, Dehradun – 248 007 (Uttarakhand) and at adjournment thereof in respect of such resolutions as are indicated below:

Sl. No.	Resolutions Ordinary Business	Optional*	
		For	Against
1	To adopt the Audited Financial Results for the year ended on 31st March, 2014		
2	To appoint a Director in place of Shri Harish Pande and Shri Puneet Chandra who retires by rotation and being eligible offers himself for re-appointment		
3	To re-appoint M/s Rai Qimat & Associates, Chartered Accountants as Statutory Auditors of the Company and fixing their Remuneration		
	Special Business		
4	Appointment of Shri Rajiv Mehta as an independent Director of the Company		
5	Appointment of Shri Kailash Gupta as an independent Director of the Company		

Signed this day of2014

Affix
Revenue
Stamp

Signature of Proxy holder(s)

Signature of the Shareholder

- Note: 1. This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- 1. For Resolutions, Explanatory Statements and Notes, please refer to the Notice of 36th Annual General Meeting of the Company.
- 2. It is Optional to put "X" in the appropriate column against the Resolutions indicated in the Box. If you leave the, "For" or "Against" column blank against ny or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- 3. Please complete all details including details of Member(s) in above box before submission.

BOOK POST / UPC

If Undelivered please return to :

Shivalik Rasayan Limited

1506, Chiranjiv Tower

43, Nehru Place

New Delhi - 110019