

22nd ANNUAL REPORT

ADI RASAYAN LIMITED

2013-14

Directors : Sanjiv Joshi - Executive Director
Ashish S Pandare - Independent Director
Lalji Ramraj Yadav - Independent Director
Mandar Subhash Palav - Independent Director

Auditors : Gupta Saharia & Co
Chartered Accountants

Bankers : Allahabad Bank
Borivali (West), Branch

Registered Office : Gf-64, Block-I, Titanium City Center (Mall)
Near Sachin Tower, 100ft. road, Satellite,
Ahemdabad- 380015

Registrar and Share
Transfer Agent : System Support Services
209, Shivai Ind Estate,
89, Andheri Kurla Road,
Saki Naka, Andheri E,
Mumbai – 400 072

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 22nd ANNUAL GENERAL MEETING OF THE MEMBERS OF ADI RASAYAN LIMITED WILL BE HELD ON SATURDAY, 27TH SEPTEMBER, 2014 AT 10:00 A.M AT THE SHRI SARASWATI EDUCATION SOCIETY, NEAR HOTEL PRESIDENT, SWASTIK CROSS ROAD, NAVARANGPURA, AHMEDABAD-380009 TO TRANSACT THE FOLLOWING BUSINESS.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Profit and Loss Account of the Company for the year ended 31st March, 2014 and Balance Sheet as at that date, Cash Flow statement for the year ended 31st March, 2014 and Report of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Sanjiv Joshi- Director of the Company, who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. To appoint **Mr. Ashish Pandare**, as an Independent Director of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to provisions of Sections 149, 152 read with schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Ashish Pandare, who was appointed as a Director liable to retire by rotation and whose terms expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of the Director, be and is hereby appointed as an Independent Director of the Company to hold office for 1 (year) year for a term upto the conclusion of the 23rd Annual General Meeting of the Company in the calendar year 2015."

4. To appoint **Mr. Mandar Palav**, as an Independent Director of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to provisions of Sections 149, 152 read with schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Mandar Palav, who was appointed as a Director liable to retire by rotation and whose terms expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of the Director, be and is hereby appointed as an Independent Director of the Company to

hold office for 1 (one) year for a term upto the conclusion of the 23rd Annual General Meeting of the Company in the calender year 2015."

5. To appoint **Mr. Lalji Yadav**, as an Independent Director of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s), the following reolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to provisions of Sections 149, 152 read with schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Lalji Yadav, who was appointed as a Director liable to retire by rotation and whose terms expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of the Director, be and is hereby appointed as an Independent Director of the Company to hold office for 1 (One) year for a term upto the conclusion of the 29th Annual General Meeting of the Company in the calender year 2015."

6. "To consider and if thought fit, to pass with or without modification, the following resolution as ordinary Resolution";

Appointment of M/s. Mohandas & Co., Chartered Accountants as Statutory Auditor:

"RESOLVED THAT pursuant to provision of Section 224 and other applicable provisions, if any, of the Companies Act, 1956 and further subject to such approval as may be necessary, consent and approval of the Company be and is hereby accorded for the appointment of M/s. Mohandas & Co, Chartered Accountants, as Statutory Auditor of the Company, to fill the casual vacancy arising on account of the resignation received from the existing Auditor M/s Gupta Saharia & Co. , Chartered accountants, until the conclusion of the next Annual General Meeting of the Company on such remuneration as maybe fixed in this behalf by the Board of Directors of the Company in consultation with the Auditor and Audit Committee thereof."

By Order Of the Board
ADI RASAYAN LIMITED

Sd/-
Sanjiv Joshi
Chairman

DATE: 2nd August, 2014

PLACE: Ahmedabad

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and such proxy need not be a member of the company.
2. The Proxy Form to be effective should be deposited with the company not less than 48 hours before the time fixed for the commencement of the meeting.
3. The Register of Members and Share Transfer Register of the Company shall remain closed from **Saturday, the 20th Day of September, 2014** to **Saturday the 27th Day September, 2014** (both days inclusive).
4. Members are requested to notify immediately any change in their addresses to the Company's Registered Office at **GF-64, BLOCK-I, TITANIUM CITY CENTER (MALL), NEAR SACHIN TOWER, 100FT. ROAD, SATELLITE, AHMEDABAD- 380015.**
5. Members/Proxies are requested to produce the attendance slip duly signed, sent along with the Annual Report and Accounts, for admission to the meeting hall.
6. As a measure of economy, copies of the Annual Reports and Accounts will not be distributed at the Meeting. Members are therefore, requested to bring their copies to the meeting. Members who are holding shares in identical order or names in more than one folio are requested to write to the company to enable the company to consolidate their holdings in one folio.
7. The Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013, relating to the special business as set out above is annexed.
8. As required under Clause 49 IV(G) of the Listing Agreement, details of the Directors, seeking appointment and re-appointment at the ensuing Annual general Meeting are as follows:

Name of Director	Mr. Sanjiv Joshi	Mr. Mandar Palav	Mr. Lalji Yadav	Mr. Ashish Pandare
Date of Appointment	10/08/2012	18/01/2011	22/04/2009	22/04/2009
Qualification	B.Com	B.Com, Company Secretary	B.Com, Chartered Accountants	B.Com
Experience in specific functional area.	Administration	Secretarial and Compliance	Audit and Taxation	Accounts
Chairman / Member of the committee of other companies*	NIL	Two	Two	One

- Directorship of Other Companies are not considered.

9. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically.

10. In compliance with the 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 to the members the facility to exercise their right to vote at the 22nd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services Limited (CDSL) on all resolutions set forth in this Notice:

The procedure and instructions for the same are as follows:

E-VOTING INSTRUCTIONS:-

A. In case of members receiving e-mail:

i) Log on to the e-voting website www.evotingindia.com during the voting period.

ii) Click on "Shareholders" tab

iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"

iv) Now Enter your User ID

a. For CDSL: 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.

Next enter the Image Verification as displayed and Click on Login.

v) if you are holding shares in dematerialised form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.

If you are a first time user, follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
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. (Sequence number has been provided as SI No in the address label)
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
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. # Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

Step-8: After entering these details appropriately, click on "SUBMIT" tab.

Step-9: 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 mandatorily 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 other 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.

Step-10: For Members holding shares in physical form, the details can be used only for e-voting on the Resolutions contained in this Notice.

Step-11: Click on the EVSN for ADI RASAYAN LIMITED on which you choose to vote.

Step-12: 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.

Step-13: Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

Step-14: 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.

Step-15: Once you "CONFIRM" your vote on the Resolution, you will not be allowed to modify your vote.

Step-16: You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

Step-17: 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.

Step- 18: Note for Institutional Shareholders

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
- 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 compliance 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 the accounts 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.

Step – 19: In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

B) In case of members receiving the physical copy:

a) Please follow all steps from sl. no. (1) to sl. no.(19) above to cast vote.

4. b) The voting period begins on 22nd September, 2014, at 09.00 am and ends on 23rd September, 2014. at 6.00 pm During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cutoff date (record date) of 29th August, 2014 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

5. The Results shall be declared on or after the Annual General Meeting (AGM) of the Company. This Notice as well as the Results declared along with the Scrutinizer's Report shall be placed on the Company's website and on the website of CDSL within two (2) days of passing of the resolutions at the Annual General Meeting (AGM) of the Company on 27th September, 2014 and communicated to the Stock Exchange(s).

DATE: 2nd August, 2014

PLACE: Ahmedabad

By Order Of the Board
FOR ADI RASAYAN LIMITED

Sd/-

Mr. Sanjiv Joshi
Chairman

STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013 ("the Act")

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

Item No. 3,4 and 5:

Mr. Ashish Pandare, Mr. Mandar Palav and Mr. Lalji Yadav are Independent Directors of the Company and have held the positions as such for more than 2 (two) years.

The Securities and Exchange Board of India (SEBI) has amended Clause 49 of the Listing Agreement inter alia stipulating the conditions for the appointment of Independent Directors by a listed Company.

It is proposed to appoint Mr. Ashish Pandare, Mr. Mandar Palav and Mr. Lalji Yadav as Independent Directors of the Company under Section 149 of the Act and Clause 49 of the Listing Agreement to hold the office up to conclusion of 24th Annual General Meeting of the Company in the calendar year 2016.

Mr. Ashish Pandare, Mr. Mandar Palav and Mr. Lalji Yadav are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as a Directors.

The Company has received notices in writing from Members alongwith the deposit of requisite amount under section 160 of the Act proposing the candidatures of each of Mr. Ashish Pandare, Mr. Mandar Palav and Mr. Lalji Yadav for the office of Directors of the Company.

The Company has also received declarations from Mr. Ashish Pandare, Mr. Mandar Palav and Mr. Lalji Yadav that they meet with the criteria of Independence as prescribed both under sub-section (6) of Section 149 of the Act (the Companies Act, 2013) and under Clause 49 of the Listing Agreement.

In the opinion of the Board, Mr. Ashish Pandare, Mr. Mandar Palav and Mr. Lalji Yadav fulfill the conditions for appointment as Independent Directors as specified in the Act and the Listing Agreement. Mr. Ashish Pandare, Mr. Mandar Palav and Mr. Lalji Yadav are Independent of management.

Brief resume of Mr. Ashish Pandare, Mr. Mandar Palav and Mr. Lalji Yadav, nature of their expertise in specific functional areas and names of Companies in which they hold Directorships and memberships/ Chairmanships of Board Committees, shareholding and relationships between Directors inter-se stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

Copy of the draft letters for respective appointments of Mr. Ashish Pandare, Mr. Mandar Palav and Mr. Lalji Yadav as Independent Directors setting out terms and conditions are available for inspection by members at the Registered Office of the Company.

This statement may also be regarded as a Disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

Mr. Ashish Pandare, Mr. Mandar Palav and Mr. Lalji Yadav are interested in the resolutions set out respectively at Items No.3, item no. 4 and item No.5, of the Notice with, Save and except the above, none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board commends the Ordinary Resolutions set out at Item No.4, Item No.5 and Item No. 6 of the Notice for approval of the Members.

Item No.6 :

M/s Gupta Saharia & Co., Chartered Accountants were appointed as an Auditor of the Company at the last Annual General Meeting held on 25th September, 2013 to hold the office till the conclusion of the forthcoming Annual General Meeting. The Company has received a letter stating their resignation as Auditor of the Company, therefore creating casual vacancy in the office of the Auditor.

It is proposed to appoint M/S Mohandas & Co., Chartered Accountants, Mumbai as Statutory Auditor of the Company, to fill the Casual vacancy caused by the aforesaid resignation and to hold the office till the conclusion of 25th Annual General Meeting (AGM), i.e. up to FY 2016-17 of the Company on such remuneration as may be fixed in this behalf by the Board of Directors of the Company in constitution with the Audit Committee made thereof.

A certificate has been received from M/s Mohandas & Co., Chartered Accountants, Mumbai to effect that they are qualified for appointment as Auditors of the Company and the proposed appointment, if made by the Company will be within the limits specified u/s 224 (1B), of the Companies Act, 1956.

None of the Directors are in any way consent or interested in the said resolution.

The Board recommends the resolution set forth in the item No. 6 for the approval of Members.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS,

**Place: Ahmedabad
Date: 02th August 2014**

**Sd/-
Director**

**Sd/-
Director**

BUSINESS RESPONSIBILITY REPORT

Section A: General Information about the Company

1. Corporate Identification Number (CIN) of the Company: L24231GJ1992PLC018572
2. Name of the Company: Adi Rasayan Limited.
3. Registered Office: GF-64, BLOCK-I, TITANIUM CITY CENTER (MALL), NR. SACHIN TOWER, 100FT. ROAD, SATELLITE, AHMEDABAD-380015.
4. Website: www.adirasayan.com
5. E mail ID: adirasayan@gmail.com
6. Financial Year reported:2013-14
7. Sector(s) that the Company is engaged in (industrial activity code-wise): trading in chemical products.

Section B: Financial Details of the Company

1. **Paid UP capital (INR): ` 6,47,93,000/-**
2. **Total turnover (INR): ` 5,64,800/-**
3. **Total profit after taxes (INR): ` 2,00,180/-**

Section C: Other details

NIL

Section D: BR Information

1. **Details of the Director/ Directors responsible for BR**
 - a) Details of the Director/ Directors responsible for implementation of BR policy/ policies

The Corporate Social Responsibility and Governance CS & G) Committee of the Board of Directors is responsible for implementation of BR Policies. The following are the members of CSR & G Committee:

DIN : 03249718

Name : Mr. Mandar Palav

Designation: Director

DIN : 03363874

Name : Mr. Ashish Pandare

Designation: Director

b) Details of BR Head:

Particulars

Details

DIN Number

03249718

Name

Mr. Mandar Palav

Designation

Director

E mail ID

mandar.palav@gmail.com

Governance related to BR

- **Frequently of the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company**

The CSR & G Committee annually assess the BR performance of the Company.

- **BR and sustainability Reports published, frequency and link of published reports**

ADI publishes its Sustainability Report annually based on Global Reporting initiative's latest reporting guidelines.

Stakeholder engagement:

Businesses should respect the interest of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

Stakeholder engagement at ADI, aims to provide transparency in communications and continual improvement. It's a dialogue that defines the ADI approach of understanding stakeholder needs, and developing action plans to fulfill them.

1. Mapping of internal and external stakeholders

ADI's major stakeholders have been mapped and the key categories are as below:

- i) Government and regulatory authorities
- ii) Employees
- iii) Customers
- iv) Local community
- v) Investors and shareholders

ADI's engages with its identified stakeholders on an on-going basis through a constructive consultation process. There is a structured stakeholder engagement programme, which entails specific engagement mechanism for each stakeholder group. The Company follows a system of timely feedback and response through formal and informal channels of communication to ensure that the stakeholder information remains current and updated.

DIRECTORS' REPORT TO THE SHAREOWNERS

Dear Members,

Yours Directors have pleasure in presenting their 22nd Annual Report on the business and operations of the Company for the year ended 31st March, 2014.

1. FINANCIAL RESULTS & OPERATIONS:

Accounting year 2013-2014 is the 22nd year of operation of the Company. During the year under review, Company continued to do the business only in single segment. i.e. trading activities. Despite this, the company still incurs the losses. The management is putting every effort to come out of the red.

2. DIVIDEND:

During the year under review, owing to the accumulated losses, the Directors do not recommend any dividend.

3. FIXED DEPOSITS:

During the year under review, the Company has not invited or accepted any Fixed Deposits from the public.

4. DIRECTORS:

Mr. Sanjiv Joshi, Director of the Company who retires by rotation as per the Articles of Association of the Company and being eligible offers themselves for re-appointment as Directors of the Company.

During the year, the Board has proposed and approved the appointment of Mr. Dilip Nadkarni and Mr. Deepak Chaudhary as the Directors of the Company. However, afterwards, both of them have regretted their inability to act as a Director of the Company, due to their personal reasons. Board considered the same and has not persuade with the matter.

5. PARTICULARS OF EMPLOYEES:

There were no employees during the whole or part of the year who were in receipt of remuneration in excess of limits as set out in terms of the provisions of section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules 1975 as amended.

5. AUDITORS:

M/s. Gupta Saharia & Co., Chartered Accountants holds office upto the conclusion of the ensuing Annual General Meeting. The Company has received a letter stating their resignation as Auditor of the Company, therefore creating casual vacancy in the office of the Auditor

The Board recommends M/s. Mohandas & CO. Chartered Accountants, as statutory auditors of the Company for the year 2013 -14, who have also confirmed their appointment shall be within the limits prescribed under Section 224(1B) of the Companies Act, 1956, if appointed.

Necessary Resolutions for their appointment has been proposed for the consideration of the Members of the Company.

6. AUDITOR'S REPORT:

There are no adverse observations made by the Auditors in their Report.

6. AUDIT COMMITTEE:

Audit Committee is consisting of Mr. Ashish S. Pandare - Chairman, Mr. Lalji Ramraj Yadav and Mr. Mandar Palav as Members of the Audit Committee.

7. SHAREHOLDERS AND INVESTOR GRIEVANCE COMMITTEE:

Shareholders and Investor Grievance Committee is consisting of Mr. Lalji Yadav – Chairman, Mr. Mandar Palav and Mr. Ashish Pandare as Members of the Shareholders and Investors Grievance Committee.

8. DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to Section 217 (2AA) of the Companies Act, 1956, The Directors confirm that:

- a) In the presentation of the Annual Accounts, the applicable Accounting Standards except revised AS 15 applicable for Accounting Treatment for Gratuity, Leave Encashment and other Retirement Benefits have been followed and that no material departures except to the extent disclosed have been made from the same;
- b) The Directors had selected such Accounting policies and applied them consistently and judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- c) The Directors had 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, and,
- d) The Directors had prepared the Annual Accounts on a going concern basis.

9. STATEMENTS OF PARTICULARS UNDER COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988:

Information in accordance with the provisions of Section 217(1)(e) of the Act read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo is not applicable in case of your Company.

10. STOCK EXCHANGES:

The Company's shares are listed on the Bombay Stock Exchanges. The trading in the shares of the Company is traded on Bombay Stock Exchange (BSE) Limited.

12. PARTICULARS OF EMPLOYEES:

The Company has no employee in the category specified under Section 217(2A) of the Companies Act, 1956.

13. FOREIGN EXCHANGE:

During the year under review, there were no foreign exchanges Earnings or outgo.

14. CORPORATE GOVERNANCE:

The Corporate Governance Report forms an integral part of this Report and is set out as separately in this Report. The Certificate of the Auditors of the Company certifying compliance with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with Stock Exchanges is annexed with the Report on Corporate Governance.

15. MANAGEMENT DISCUSSION & ANALYSIS REPORT:

The Management Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement is given elsewhere in this Annual Report.

16. HUMAN RESOURCES:

Progressive policies to encourage excellence both in individual and team spirit are in place.

17. ACKNOWLEDGEMENTS:

Your Directors wish to place on record their appreciation for the assistance and co-operation received from the Company's Bankers, Government Agencies, Financial Institutions, Customers, Investors and Business constituents and look forward to maintain the same in future.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS,

**Place : Ahmedabad
Date : 02nd August, 2014**

**Sd/-
Director**

**Sd/-
Director**

ANNEXURE 'A' TO DIRECTORS' REPORT

RESEARCH & DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO.

A. Research & Development

1. Future plan of action

The Company is taking necessary steps for the revival of operations.

B. Technology absorption:

1. Efforts in brief made towards technology absorption, adoption and innovation.

No new technology was introduced during the Year ended 2013 -14.

2. Benefits derived as a result of the above efforts.

None

3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year): Nil

C. Foreign Exchange Earnings and Outgo

Nil

1. Earning- FOB value of Exports

Nil

2. Outgo- CIF Value of Imports

Nil

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS,

**Place : Ahmedabad
Date : 02nd August, 2014**

**Sd/-
Director**

**Sd/-
Director**

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your Directors have pleasure in presenting the Management Discussion and Analysis report for the year ended on 31st March 2014.

INDUSTRY STRUCTURE, DEVELOPMENT:

The Company was operating in the chemical industries. Now mainly engaged in trading of various goods and merchandise.

PERFORMANCE & SEGMENT-WISE PERFORMANCE:

The Company is doing trading business in various goods and merchandise. Company is looking for trying to explore the overseas market for its business and searching out healthy corporate houses for the merger of the Company.

The trading of the company's shares has been suspended on the stock exchanges due to non compliance of the listing agreement. However, the Company has paid all listing fees and initiated steps to revoke the suspension of trading in equity shares of the Company.

Since the company is only into single segment of trading, segment wise performance is not reported.

OPPORTUNITIES AND THREATS:

The Company was primarily in the business of manufacturing and sales of chemicals, which had earlier taken potential for expansion and development. However with the passage of time due to global competition, narrow margin of profits and strict quality controls, the sales and profitability of the Company were adversely affected. Further, the Indian economy is now integrated with the world economy to a very large extent and therefore vulnerable to the direct impact of global slowdown; such an impact could adversely affect the Company's performance. Therefore, the Company has decided to close down the manufacturing activity long back & concentrated on the trading activities.

STRENGTH:

The existing management has a strong technical, finance and administrative expertise in various industries and corporate sectors including the business of the Company.

RISKS AND CONCERNS:

Your company is working essentially in global market place. The chemical Industries is undergoing a vast technological up gradation resulting in newer manufacturing techniques at lower cost of production and improved technical qualities. However since the company is into trading activity It is attributed to all the risk and concerns attached with the trading industries as a whole.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The internal control system is looked after by Directors themselves, who also looked after the day to day affairs to ensure compliances of guide lines and policies adhere to the management instructions and policies to ensure improvements in the system. The Internal Audit reports are regularly reviewed by the management. The Company has proper and adequate internal control system commensurate with the size of the business operations geared towards achieving efficiency in its

various business operations, safeguarding assets, optimum utilization of resources and compliance with statutory regulations. Efforts for continued improvement of internal control system are being consistently made in this regard.

HUMAN RESOURCES VIS-À-VIS INDUSTRIAL RELATIONS

The Company values and appreciates the dedication and drive with which its employees have contributed towards improved performance during the year under review. The relations with workers and staff are cordial during the year under review. All issues pertaining to staff matters are resolved in harmonious and cordial manner.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates changes in the Government regulations, tax laws, and other statutes and other incidental factors.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS,

Place : Ahmedabad
Date : 02nd August 2014

Sd/-
Director

Sd/-
Director

DECLARATION UNDER CODE OF CONDUCT

As the Executive Director of **Adi Rasayan Limited** and as required by Clause 49 (i) (d) (ii) of the Listing Agreement, I, Sanjiv Joshi, Executive Director, hereby declare that all the Board Members and the Senior Management personnel of the Company have affirmed Compliance with the Company's Code of Business Conduct and Ethics, for the Financial Year 2013 -14.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS,

Place : Ahmedabad
Date : 02nd August 2014

Sd/-
Chairman

REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2013-14
(PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT)

The Company pursuant to Clause 49 of the listing agreement with the Stock Exchanges furnishes its report on the code on Corporate Governance.

1. Company's Philosophy on Code of Governance:

Your Company is fully committed to the principles of transparency, integrity and accountability in all spheres of its operations and has been practicing the principles of good corporate governance over the years. In keeping with this commitment, your Company has been upholding fair and ethical business and corporate practices and transparency in its dealings and continuously endeavors to review strengthen and upgrade its systems and procedures so as to bring in transparency and efficiency in its various business segments.

Your Board of Directors present the Corporate Governance Report for the year 2013-14 based on the disclosure requirements under Clause 49 of the Listing Agreement existing as on 31st March 2014.

2. Board of Directors:

The Board of Directors of the company is composed of committed persons with considerable experience in varied fields and comprises a majority of Non-Executive Directors. The Board is properly constituted as per Clause 49 of the Listing Agreement.

None of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees across all the Companies in which he is a Director. Necessary Disclosures regarding Committee positions in other Public Companies as on March 31, 2014 have been made by the Directors.

During the financial year ended 31st March, 2014, 6 Meetings of the Board of Directors were held as on 29/05/2013, 30/05/2013, 05/08/2013, 14/11/2013, 21/01/2014 and 14/02/2014.

Sr. No	Name of Directors	Category of Directors	No. of Board Meetings during	Whether attended last AGM	Number of other Directorship	No of membership of Committees in other Public Ltd Companies
1	Mr. Sanjiv Joshi	Executive Director	6	Yes	Nil	Nil
2	Mr. Ashish S. Pandare	Independent Director	6	Yes	1	2
3	Mr. Lalji R. Yadav	Independent Director	6	Yes	2	2
4	Mr. Mandar S. Palav	Independent Director	6	Yes	2	2

Notes:

1. Excludes alternate Directorships and Directorships in foreign companies and private companies which are neither a subsidiary nor a holding company of a public company.
2. Excludes Committees other than Audit Committee and Shareholders'/ Investors' Grievance Committee and Companies other than public limited companies.

The Board periodically reviews compliance reports of all the laws applicable to the Company and has put in place procedures to review steps to be taken by the Company to rectify instances of non-compliance, if any.

Particulars of Re-appointed Directors:

Mr. Mandar Palav, who retires by rotation and being eligible for re- appointment have offered themselves for re- appointment.

Board Committees

The Board has constituted the following Committees of Directors:

(a) Audit Committee:

i. Terms of Reference

The role and terms of reference of Audit Committee covers are as mentioned under Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956, besides other terms as may be referred by the Board of Directors.

ii. Composition

The Audit Committee comprised of Mr. Ashish S. Pandare Chairman, Mr. Lalji Ramraj Yadav and Shri Mandar Palav as Members. The composition of the Board of Directors is in accordance with Clause 49 of the Listing Agreement.

During the 2013-14 under review 6 meetings of the Audit Committee were held on, 29/05/2013, 30/05/2013, 05/08/2013, 14/11/2013, 21/01/2014 and 14/02/2014. The attendance of members is as follows:

Name	Category	Meetings during the year 2013-14	
		Held	Attended
Mr. Ashish S. Pandare - Chairman	Independent, Non – Executive Director	6	6
Mr. Lalji Ramraj Yadav - Member	Independent, Non – Executive Director	6	6
Mr. Mandar Palav - Member	Independent, Non – Executive Director	6	6

A brief description of the terms of reference of the Audit Committee is as follows:

To review Internal Audit Reports, Statutory Auditors' Report on the financial statements, to generally interact with the Internal Auditors and Statutory Auditors, to review the adequacy of internal control systems, to select and establish accounting policies, to review financial statements before submission to the Board, to recommend the appointment and removal of external auditor and fixation of audit fees and other matters specified under Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956.

b. Share Transfer & Shareholders' / Investors' Grievance Committee :

(i) Terms of references

- a) To scrutinize and approve registration of transfer of shares / debentures / warrants issued / to be issued by the company.
- b) To exercise all power conferred on the Board of Directors under Article 43 of the Article of Association.
- c) To decide all questions and matters that may arise in regard to transmission of shares / debentures / warrants issued / to be issued by the Company.
- d) To approve and issue duplicate shares / debentures / warrants certificates in lieu of those reported lost,
- e) To refer to the Board and any proposal of refusal of registration of transfer of shares / debentures / warrants for their consideration.
- f) To look into shareholders and investors complaints like transfer of shares, non-receipt of declared dividends, etc., and
- g) To delegate all or any of its power of Officers / Authorized Signatories of the Company.

(ii) Composition

The Share Transfer & Shareholders' / Investors' Grievance Committee met 6 times during the 2013-14 respectively on 29/05/2013, 30/05/2013, 05/08/2013, 14/11/2013, 21/01/2014 and 14/02/2014. The attendance of the members is as follows:

Name	Category	Meetings during the year 2013-14	
		Held	Attended
Mr. Lalji Yadav - Chairman	Independent, Non-Executive Director	6	6
Mr. Ashish Pandare - Member	Independent, Non-Executive Director	6	6
Mr. Mandar Palav - Member	Independent,	6	6

The constitution and terms of reference of the Share Transfer & Shareholders'/ Investors' Grievance Committee is in agreement with the guidelines prescribed under Clause 49 of the Listing Agreement entered into with the Stock Exchanges.

This committee (i) approves and monitors transfers, transmission, splitting and consolidation of securities and issue of duplicate Certificates by the Company; (ii) looks into various issues relating to shareholders, including the redressed of shareholders' and investors' complaints like transfer of shares, non-receipt of Balance Sheet, dividend etc.; and (iii) carries out the functions envisaged under the Code of Conduct for Prevention of Insider Trading adopted in terms of Regulation 12(1) of the SEBI (Prohibition of Insider Trading) Regulations, 1992.

1. General Body Meetings:

(a) Location and time where last three Annual General Meetings were held:

Financial Year	Date	Time	Location
2012-2013	20-09-13	03.30 p.m.	Cultural Centre Hall, BCA Charitable Trust, Nr. Chandra Nagar Bus Stand, Narayan Nagar Road, Paldi Ahmedabad -380007
2011-2012	29-09-12	11.00 a.m.	23, Sarvopari Mall, Opp. Utsav Party plot, Sola Road, Ahmedabad-380063.
2010-2011	23-09-11	11.00 a.m.	Parking Plot, Indrapuri Apartments, Ellisbridge, Ahmedabad-380006

(a) Whether Special Resolutions were put through postal ballot last year : No

(b) Are votes proposed to be conducted through postal ballot this year : No

2. Other disclosures:

(a) Related Party Transactions

Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the Directors or the management,

their subsidiaries or relatives etc. that may have potential conflict with the interests of Company at large:

None of the transactions with any of the related parties were in conflict with the interest of the Company at large.

(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.

(c) Disclosures on Risk Management

During the year under review, a detailed exercise on Business Risk Management was carried out covering the entire spectrum of business operations and the Board has been informed about the risk assessment and minimization procedures as required under Clause 49 of the Listing Agreement. The Company has framed the Risk Assessment and Minimization- Procedure which will be periodically reviewed by the Board.

(d) Code of Conduct

The Board of Directors has not adopted the Code of Ethics and Business Principles for the Non-executive Directors as also for the employees including Executive Director.

(e) Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years:

None

REMUNERATION OF DIRECTORS

Details of remuneration paid to Directors

None of Directors have been paid during the year.

3. General Shareholder information:

(a) AGM date, time and venue: Annual General Meeting will be held on Saturday, 27th September, 2014, at 10.30 A.M. at Shri Saraswati Education Society, Near Hotel President, Swastik Cross Road, Navarangpura, Ahmedabad-380009.

(b) **Financial Year:** The Financial Year is from 1st April 2014 to 31st March 2015.
Tentative Schedule

Unaudited Results for quarter ending June 30, 2014 : End of July 2014

Unaudited Results for quarter ending September 30, 2014 : End of October 2014

Unaudited Results for quarter ending December 31, 2014 : End of January 2015

Unaudited Results for quarter ending March 31, 2015 : End of April 2015
Audited Results for year ending March 31, 2015 : End of July 2015
AGM for year ending March 31, 2015 : End of September 2015

- (c) **Book Closure period:** Saturday 20th September, 2014 to Saturday 27th September, 2014 (both days inclusive).
- (d) **Dividend payment: The Company has not declared any dividend.**
- (e) **Stock Exchanges where securities are listed.**
The Company's securities are listed at Bombay Stock Exchange Limited.

STOCK MARKET DATA:

Your Company has paid the annual listing fees to the BSE for the financial year 2013-14. Month wise data is mentioned below:

Month	Open	High	Low	Close	No. of Shares	No. of Trades	Total Turnover	* Spread	
								H-L	C-O
Apr-13	13.93	16.05	13.24	16.05	4,06,700	43	63,12,350	2.81	2.12
May-13	15.25	17.25	13.2	13.2	7,07,200	84	1,08,93,880	4.05	-2.05
Jun-13	12.7	15.97	11.93	15	59,100	29	8,22,038	4.04	2.3
Jul-13	15	15	13.6	14.9	31,200	6	4,46,915	1.4	-0.1
Oct-13	15.6	17.15	15.6	17.15	15,000	3	2,45,500	1.55	1.55
Nov-13	18	31.7	18	31.7	2,46,114	862	66,11,211	13.7	13.7
Dec-13	30.2	31.4	22.3	25.7	7,91,783	3,221	2,06,37,967	9.1	-4.5
Jan-14	26.45	39	24.45	27.05	5,03,096	690	1,54,31,799	14.55	0.6
Feb-14	25.7	25.7	16.3	16.3	65,131	115	14,29,891	9.4	-9.4
Mar-14	16	16.3	11.5	12.1	34,010	186	4,61,998	4.8	<u>-3.9</u>

- (f) Scrip code: 531592 - Bombay Stock Exchange Limited
- (g) Registrar and Transfer Agent : SYSTEM SUPPORT SERVICES
209, Shivai Industrial Estate,
89, Andheri Kurla Road,
Saki Naka, Andheri E, Mumbai – 400072.
- (h) **Share transfer system with number of shares transferred:**
Share transfers in physical form are registered and returned within a period of 15-20 days from the date of receipt, in case documents are complete in all respects. The Share Transfer & Shareholders' / Investors' Grievance Committee meets at least every fortnight.

- (i) **Dematerialization of shares and liquidity:** Yes
- (j) Outstanding GDRs/ Warrants, Convertible Bonds, conversion date and its impact on equity. Nil
- (k) **Distribution of Shareholding and Shareholding Pattern as on 31st March, 2014.**

(i) Distribution of Shareholding as on 31st March, 2014:

No. of Shares	No. of Shareholders	% of holding
001 to 500	1119	59.553
0501 to 1000	583	31.027
1001 to 2000	52	2.767
2001 to 3000	20	1.064
3001 to 4000	10	1.064
4001 to 5000	7	0.373
5001 to 10000	35	1.863
10001 & Above	53	2.821
TOTAL	1879	100.00

(ii) Shareholding pattern as at 31st March, 2014:

	No. of Shares held	% to Total Shares
Promoter Group*	00	0.00
Mutual Funds and UTI	00	0.00
Banks & Financial institutions & Insurance Companies etc.	00	0.00
Corporate Bodies	1329887	20.398
General Public	5188813	79.587
NRIs/ OCBs	1000	0.015
TOTAL	6519700	100.00

(I) Address for correspondence:

The Company's Registered Office is situated at:

GF-64, BLOCK-I, TITANIUM CITY CENTER (MALL), NR. SACHIN TOWER,
100FT. ROAD, SATELLITE, AHMEDABAD-380015.

Non-Mandatory Requirements:

The Company is not yet implementing the non-mandatory requirements under Clause 49 of the Listing Agreement. However, adoption of other non-mandatory requirements under Clause 49 of the Listing Agreement is being reviewed by the Board from time to time.

WHISTLE BLOWER POLICY

Clause 49 of the Listing Agreement between listed companies and the Stock Exchanges, inter-alia, provides, a non-mandatory requirement, for all listed companies to establish a mechanism called "Whistle Blower Policy" for employees to report to the management instances of unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy.

The purpose of this policy is to provide a framework to promote responsible and secure whistle blowing. It protects employees wishing to raise a concern about serious irregularities within the Company. The policy neither releases employees from their duty of confidentiality in the course of their work, nor is it a route for taking up a grievance about a personal situation.

The Executive Director of the Company has the right to amend or modify this Policy in whole or in part, at any time without assigning any reason, whatsoever.

CEO/CFO CERTIFICATION

**To,
The Board of Directors
Adi Rasayan Limited**

We, do hereby certify that:

- (a) We have reviewed financial statements and the Cash Flow statement for the year and that to the best of my knowledge and belief:
 - (i.) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii.) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standard, applicable laws and regulations,
- (b) There are to the best of our Knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal, or in violation of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committees.
 - (i) Significant changes in internal control over financial reporting during the year.
 - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management having a significant role in the Company's internal control system over financial reporting.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS,

**Place : Ahmedabad
Date : 02nd August 2014**

**Sd/-
Director**

**Sd/-
Director**

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of:

Adi Rasayan Limited

GF-64, BLOCK-I, TITANIUM CITY CENTER (MALL),
NR. SACHIN TOWER, 100FT. ROAD,
SATELLITE, AHMEDABAD-380015

We have examined the compliance of conditions of Corporate Governance by **ADI RASAYAN LIMITED** for the year ended 31st March, 2014 as stipulated in Clause 49 of the Listing Agreement(s) of the said Company with the Stock Exchange(s).

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 conditions of 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 to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned listing Agreement(s).

We state that no investor grievance is pending for a period exceeding one month against the Company as per records maintained by 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 GUPTA SAHARIA & CO.
Chartered Accountants**

**Sd/-
SANJAY JAIN
PARTNER
Membership No. 112646**

**Place : Ahmedabad
Date : 30th May,2014**

GUPTA SAHARIA & CO

CHARTERED ACCOUNTANTS

4, Atlanta Evershine Nagar, Malad (West), Mumbai-400 064. Mob No: 91-9892288831

INDEPENDENT AUDITOR'S REPORT

To the Members of

ADI RASAYAN LIMITED

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

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 referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). 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.

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 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 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 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 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.

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 March 31, 2014;
- b) In the case of the Profit and Loss Account, of the profit/ loss for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

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 purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
 - c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For GUPTA SAHARIA & CO.
Chartered Accountants
FRN: 103446W
Sd/-

(SANJAY JJAIN)
(Partner)
Membership No. : 112646

Place: Mumbai
Date: 30/05/2014

The Annexure referred to in paragraph 1 of the Our Report of even date to the members of ADI RASAYAN LIMITED. On the accounts of the company for the year ended 31st March, 2014.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.

(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
(c) In our opinion and according to the information and explanations given to us, no fixed asset has been disposed during the year and therefore does not affect the going concern assumption.
2. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.

(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 on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the provisions of clauses iii (b), iii(c) and iii (d) of the order are not applicable to the Company.

(e) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not taken loans from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Thus sub clauses (f) & (g) are not applicable to the company.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.

5. a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.

b) As per information & explanations given to us and in our opinion, the transaction entered into by the company with parties covered u/s 301 of the Act does not exceeds five lacs rupees in a financial year therefore requirement of reasonableness of transactions does not arises.
6. The Company has not accepted any deposits from the public covered under section 58A and 58AA of the Companies Act, 1956.
7. As per information & explanations given by the management, the Company has an internal audit system commensurate with its size and the nature of its business.
8. The Central Government has not prescribed the maintenance of the cost records U/s. 209(1)(d) of the Companies Act, 1956 for any of the products of the company.
9. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2014 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.
10. The Company have accumulated losses of Rs. 7,56,45,501/- as at 31.03.2014. The company has not incurred cash losses during the financial year covered by our audit.
11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

13. The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
14. According to information and explanations given to us, the Company did not deal in Shares, Mutual funds & other Investments. Proper records & timely entries have been maintained in regard to investments made by company in its own name.
15. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
16. Based on our audit procedures and on the information given by the management, we report that the company has not raised any term loans during the year.
17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31st March, 2014, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.
19. The Company has no outstanding debentures during the period under audit.
20. The Company has not raised any money by public issue during the year.
21. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

For GUPTA SAHARIA & CO.
Chartered Accountants
FRN: 103446W
Sd/-
(SANJAY J.JAIN)
(Partner)
Membership No. : 112646

Place: Mumbai
Date: 30/05/2014

ADI RASAYAN LIMITED
Statement Of Profit & Loss for the year ended 31st March, 2014

Particulars	Note No	For the Year Ended 31st March 2014	For the Year Ended 31st March 2013
I. Revenue from Operations	10	-	36,34,750
II. Indirect Income	11	5,64,800	2,108
III. Total Revenue (I + II)		5,64,800	36,36,858
IV. Expenses:			
<u>Manufacturing Expenses</u>	12	-	32,55,000
<u>Administrative & Selling Expenses</u>			
Employee Benefit Expenses	13	1,38,050	1,12,500
Other Administrative and Selling Expenses	14	2,08,158	2,17,737
Other Misc. Expenses		-	-
Finance Costs		-	-
Depreciation and Amortization Expense		14,812	3,984
Total Expenses		3,61,020	35,89,221
V. Profit before Exceptional and Extraordinary Items and Tax (III - IV)		2,03,780	47,637
VI. Exceptional Items		-	-
VII. Profit before Extraordinary Items and Tax (V - VI)		2,03,780	47,637
VIII. Extra Ordinary Items		-	-
IX. Profit before Tax (VII - VIII)		2,03,780	47,637
X. Tax Expense:			
(1) Provision for Taxation		-	-
(2) Deferred Tax		3,600	(1,840)
XI. Profit/ (Loss) for the period from Continuing Operations (IX - X)		2,00,180	49,477
XII. Profit/Loss from Discontinuing Operations		-	-
XIII. Tax Expense of Discontinuing Operations		-	-
XIV. Profit/ (Loss) from Discontinuing Operations (after Tax) (XII - XIII)		-	-
XV. Profit/ (Loss) for the Period (XI + XIV)		2,00,180	49,477
XVI. Earnings Per Equity Share			
(1) Basic		0.03	0.01
(2) Diluted		-	-
Summary of significant accounting policies	1		

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For GUPTA SAHARIA & CO
CHARTERED ACCOUNTANTS

Sd/-
(SANJAY J. JAIN)
PARTNER
MEM. NO : 112646
Firm No. 103446W
Place: Ahmedabad
Date: 30/05/2014

For and on behalf of the Board

Sd/- Sd/-
(Ashish Pandare) (Lalji Yadav)
Director Director

ADI RASAYAN LIMITED
Annexures to the Balance Sheet

Particulars	As At 31st March 2014		As At 31st March 2013	
NOTE # 1				
Share Capital				
Authorised Capital				
70,00,000 Equity Shares of Rs 10/- each	7,00,00,000		7,00,00,000	
Issued				
65,19,700 Equity Shares of Rs10/- each	6,51,97,000		6,51,97,000	
Subscribed				
(a) Subscribed and fully paid up				
65,19,700 Equity shares of Rs. 10 each with voting rights	6,51,97,000		6,51,97,000	
(b) Subscribed but not fully paid up	-		-	
Details of Shareholders holding more than 5% shares in the Company				
Name of the Shareholder	As at 31st March, 2014		As at 31st March, 2013	
	No of Shares	%	No of Shares	%
Kishore Gandhi	-	-	-	0.00
Sanjay Adani	-	-	-	0.00
Shashikant Gandhi	-	0.00	5,80,300	8.90
Vikram Ramniklal Shah	-	-	-	0.00
	5,80,300	8.90	5,80,300	8.90
NOTE # 2				
Reserves and Surplus				
(a) Capital Reserve	-		-	
As per last Balance Sheet	-		-	
Addition during the year	-		-	
(b) Securities Premium				
As per last Balance Sheet	-		-	
Addition during the year	-		-	
(c) Surplus i.e. Balance in the Statement of Profit & Loss				
As per last Balance Sheet	(7,58,45,681)		(7,58,95,158)	
Addition during the year	2,00,180		49,477	
Allocations & Appropriations				
Transfer to Reserves				
	(7,56,45,501)		(7,58,45,681)	
	(7,56,45,501)		(7,58,45,681)	
NOTE # 3				
Long-Term Borrowings				
Unsecured Loan				
(a) Loans and advances from related parties				
Secured	-		-	
Unsecured	1,05,85,851		1,10,05,851	

(b) Deposits			
Secured	-		-
Unsecured	-		-
Status Equity & Finance Ltd	55,000		
	1,06,40,851		1,10,05,851
NOTE # 4			
Trade Payables			
Acceptances	18,76,899		60,31,899
other the Acceptances	-		-
	18,76,899		60,31,899
NOTE # 5			
Current Liabilities			
Audit Fees Payable	15,000		10,000
Professional Fees Payable	5,000		
	20,000		10,000
NOTE # 7			
Trade Receivables			
Secured, Considered Good			
- Outstanding for a period exceeding six months	-		-
- Others	-		-
Less: Allowance for Bad & Doubtful Debts	-		-
Unsecured, Considered Good			
- Outstanding for a period exceeding six months	19,28,877		23,94,127
- Others	-		36,34,750
Less: Allowance for Bad & Doubtful Debts	-		-
	19,28,877		60,28,877
NOTE # 8			
Cash and Cash Equivalents			
Balance with Banks	2,380		1,80,648
Cash on Hand	90,540		1,03,680
	92,920		2,84,328
NOTE # 9			
Other Current Assets (Residual Head)			
Others (specify nature)			
- TAX DEDUCTED AT SOURCE	-		-
- MVAT CREDIT WITH MAHARASHTRA GOVT.	33,709		33,709
- DEPOSIT WITH SALES TAX	-		-
	33,709		33,709

ADI RASAYAN LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31,2014

Note - 6 Fixed Assets

Amount in Rs.

Sr. No.	Particulars	Gross Block				Depreciation				Net Block		
		Rate of Depreciation	Value as on 01.04.2013	Addition During the year	Deletion During the Year	Value as on 31.03.2014	Depreciation as on 01.04.2013	Addition During the year	Deletion During the Year	Depreciation as on 31.03.2014	WDV as on 31-3-2014	WDV as on 31-3-2013
(A)	Tangible Assets											
1	Computer & Equipment	40	0	26,050	0	26,050	0	10,420	0	10,420	15,630	26,050
										0		
										0		
2	Office Furniture	18.10	0	24,266		24,266		4,392	0	4,392	19,874	24,266
	TOTAL		0	50,316	0	50,316	0	14,812	0	14,812	35,504	50,316

CERTIFICATE ON CORPORATE GOVERNANCE BY STATUTORY AUDITORS OF THE COMPANY

To,

The Shareholders,

ADI RASAYAN LIMITED

Address : 23, Sarvopari Mall,

Opp. Utsav Party Plot,

Sola Road, Ahmedabad 380063

We have reviewed the implementation of Corporate Governance produced by the Company during the year ended on 31st March,2013 with the relevant records and documents maintained by the company, Furnished to us for our review and the report on Corporate Governance as approved by the Board of Directors.

The Compliance of the conditions of the Corporate Governance is the responsibilities of the Management. Our examination is neither an audit nor an expression of opinion on the financial statements of the Company.

On the basis of the above and according to the information and explanations given to us, in our opinion, the Company has complied with Clause 49 the Listing Agreement except compliance of clause 49(ii)(1)(1). We further state that our examination of such compliances is neither an assurance as to future viability of the Company nor the efficiency or effectiveness with the management has conducted the affairs of the Company.

For GUPTA SAHARIA & CO
CHARTERED ACCOUNTANTS

Place: Mumbai
Date: 30/05/2014

(SANJAY J. JAIN)
PARTNER
MEM. NO : 112646
Firm No. 103446W

ADI RASAYAN LIMITED**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014**

PARTICULARS	31-03-2014	31-03-2013
	(Rupees)	(Rupees)
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit /(Loss) before tax and Extra Ordinary items	2,00,180.00	49,477.00
<u>Adjustment for:-</u>		
Depreciation	14,812.00	3,984.00
Misc. Balance Written Off	-	-
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGE	2,14,992.00	53,461.00
<u>Adjustment for:-</u>		
Increases Trade and other receivables	41,00,000.00	(34,12,528.00)
Decreases Trade Payables	(41,44,999.75)	32,65,000.00
Others receivables/Current Assets/Deferred Tax Assets	3,600.00	(1,840.00)
Cash generated from operations	<u>(41,399.75)</u>	<u>(1,49,368.00)</u>
Direct Taxes Paid	-	-
Extra-Ordinary Items	-	-
NET CASH FLOW FROM OPERATING ACTIVITIES I	<u>1,73,592.25</u>	<u>(95,907.00)</u>
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	-	(54,300.00)
Sale of Fixed Assets	-	-
New Investments	-	-
Sale of Investments	-	-
Interest Received	-	-
Dividend Received	-	-
NET CASH USED IN INVESTING ACTIVITIES II	<u>-</u>	<u>(54,300.00)</u>
C CASH FLOW FROM FINANCING ACTIVITIES		
Loan From Directors & Relatives	(3,65,000.00)	(1,08,544.00)
Preceeds from issue of share capital	-	-
Preceeds from Long term borrowings	-	-
Repayment of Financial Liability & Advances	-	-
Dividend Paid	-	-
Loan Given	-	1,37,000.00
NET CASH USED IN FINANCING ACTIVITIES III	<u>(3,65,000.00)</u>	<u>28,456.00</u>
NET INCREASE/(DECREASE) IN CASH OR CASH EQUIVALEN'	(1,91,407.75)	(1,21,751.00)
Add:- CASH & CASH EQUIVALENTS AS AT BEGNNING	<u>2,84,327.00</u>	<u>4,06,078.00</u>
CASH & CASH EQUIVALENTS AT AT END	<u>92,919.25</u>	<u>2,84,327.00</u>

For ADI RASAYAN LIMITED

Sd/-

Sd/-

Place: Ahmedabad

Date: 30/05/2014

(Ashish Pandare)

(Lalji Yadav)

AUDITORS' CERTIFICATE

We have examined the attached Cash Flow Statement of ADI RASAYAN LIMITED for the period ended 31st March, 2014. The statement has been prepared by the Company in accordance with the requirements of clause 32 of the Listing Agreement with the Stock Exchanges and is based on and in agreement with correspondence Profit & Loss Account and Balance Sheet of the Company covered by our report of 30.05.2014 to the members of the Company.

In terms of our Certificate of even date

For GUPTA SAHARIA & CO
CHARTERED ACCOUNTANTS

Sd/-

(SANJAY J. JAIN)

PARTNER

MEM. NO : 112646

Firm No. 103446W

Place: Ahmedabad

Date: 30/05/2014

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES FOLLOWED BY COMPANY

A. System of Accounting :

- I. The financial statements have been prepared to comply in all material respects with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.
- II. The Company is a Small and Medium Sized Company (SMC) as defined in the General Instructions in respect of Accounting Standards notified under the Companies Act, 1956. Accordingly, the Company has complied with the Accounting Standards as applicable to a Small and Medium Sized Company.
- III. The Company, generally, follows the mercantile system of accounting and recognizes income and expenditure on accrual basis except those with significant uncertainties.
- IV. The company has suspended manufacturing activities during the year 2003-04 and there are no intentions to resume the manufacturing activities. In spite of this fact the accounts have been prepared on the basis of going concern.

B. Fixed Assets :

Fixed assets are stated at cost (or revalued amounts, as the case may be), less accumulated depreciation and impairment losses. Cost comprises the purchase price and any directly attributable cost including borrowing costs of bringing the asset into existence and working condition at the locations for its intended use.

C. Depreciation :

Depreciation on the fixed assets is provided on "WRITTEN DOWN VALUE" as per the rates specified in COMPANIES ACT, 1956. Proportionate depreciation is charged for additions/deletions during the year. Individual asset costing less than Rs 5000 each is depreciated in full in the year of purchase.

D. Revenue Recognition :

Interest income is recognized on time proportion basis.

Revenue from Sales is recognized when all significant risks and rewards of the ownership have been transferred to buyer.

Revenue from Services rendered is recognized on accrual basis as per contractual arrangement with the parties.

E. Income Tax :

Tax expense comprises both current and deferred taxes. Current income- tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets are recognised on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty that such deferred tax assets can be realised against future taxable profits. Unrecognised deferred tax assets of earlier years are re-assessed and recognised to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realised.

As there is no virtual certainty that the Company would be able to make taxable profits in the next few years. Deferred tax Assets representing losses during the year have not been recognized in the books of accounts. Deferred Tax assets/liability, which arose on account of timing differences have been recognized to the extent possible.

F. Provisions :

A provision is recognised when an enterprise has a present obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent Liability is not recognized in the financial statements but is disclosed.

As per our attached report of even date

For GUPTA SAHARIA & CO
CHARTERED ACCOUNTANTS

For and on behalf of the Board

Sd/-

Sd/-

Sd/-

(SANJAY JAIN)

Partner

Membership No.: 112646

Date: 30th May, 2014

Place: Ahmedabad

Director

Director

ADI RASAYAN LIMITED

Regd off: GF-64, BLOCK-I, TITANIUM CITY CENTER (MALL), NR. SACHIN TOWER, 100FT. ROAD, SATELLITE, AHMEDABAD-380015.

ATTENDANCE SLIP

Shareholders attending the meeting in person or by proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

I hereby record my presence at the **22nd Annual General Meeting** of the Company at SHRI SARASWATI EDUCATION SOCIETY, NEAR HOTEL PRESIDENT, SWASTIK CROSS ROAD, NAVARANGPURA, AHMEDABAD-380009 on **Saturday 27th September, 2014** at **10:30 A.M.**

Name of the Shareholder

Signature

Folio No. _____

(Full name of Proxy)

Note: No Duplicate Attendance Slip will be issued at the meeting hall. You are requested to bring your copy of Annual Report to the Meeting.

----- (TEAR) -----

ADI RASAYAN LIMITED

Regd off: GF-64, BLOCK-I, TITANIUM CITY CENTER (MALL), NR. SACHIN TOWER, 100FT. ROAD, SATELLITE, AHMEDABAD-380015.

PROXY FORM

I/We.....of.....
..... in the district of being a member/members of the
above named Company hereby appoint of
..... in the district of..... or failing him
..... of In the district of
..... as my / our proxy to vote for me/us on my our behalf at
the **22nd Annual General Meeting** of the Company to be held SHRI SARASWATI EDUCATION SOCIETY, NEAR HOTEL PRESIDENT, SWASTIK CROSS ROAD, NAVARANGPURA, AHMEDABAD-380009, on **Saturday, 27th September, 2014 at 10.30 A.M.** and at any adjournment thereof.

Signed this..... day of, 2014.

Reg. Folio No.....

No. of Shares

REVENUE
STAMP

Note: This form in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company, not less than 48 hours before the meeting.

If undelivered please return to:

ADI RASAYAN LIMITED

Registered Office:

GF-64, BLOCK-I, TITANIUM CITY CENTER (MALL),
NR. SACHIN TOWER, 100FT. ROAD,
SATELLITE, AHMEDABAD-380015.