

*17th  
Annual  
Report  
2007-08*



**SARDA PROTEINS LIMITED**

**SARDA PROTEINS LIMITED****BOARD OF DIRECTORS**

Sh. D. P. Sarda (Wholetime Director)  
 Sh. C. S. Sarda  
 Sh. M. S. Somani  
 Sh. S. Sarda (Wholetime Director)  
 Sh. K. K Dhoot (Independent)  
 Sh. P. K. Maheshwari (Independent)  
 Sh. B. B. Sarda (Independent)

**BANKERS**

State Bank of Bikaner & Jaipur  
 State Bank of India  
 HDFC Bank Ltd.  
 Axis Bank Ltd.

**AUDITORS**

S. S. Kothari Mehta & Co.  
 Chartered Accountants  
 New Delhi

**REGISTERED OFFICE & WORKS**

E 172 (A), Matsya Industrial Area  
 Alwar - 301030 (Rajasthan)

**ADMINISTRATIVE OFFICE**

14, Shivaji Marg (Najafgarh Road)  
 New Delhi - 110 015

**REGISTRAR & SHARE TRANSFER AGENTS**

Intime Spectrum Registry Ltd.  
 IInd Floor,  
 A-40, Naraina Industrial Area, Phase-II,  
 New Delhi - 110028  
 Phone : 011-41410592, 41410593, 41410594

CONTENTS	PAGE NO.
Directors' Report.....	1
Auditors' Report.....	4
Balance Sheet.....	6
Profit & Loss Account.....	7
Schedule I to XIII.....	8
Cash Flow Statement.....	16
General Business Profile.....	17
Notice.....	18

**SARDA PROTEINS LIMITED****DIRECTORS' REPORT**

To,  
The Members,

Your Directors have pleasure in presenting their Seventeenth Annual Report on the operation of the company and Audited Accounts for the financial year ending 31.03.2008 with Auditors' Report thereon.

**OPERATION**

During the year under review your company's sales have increased to Rs. 2387.47 Lakhs and pretax profit of Rs.6.16 Lakhs was earned after providing the depreciation of Rs.9.68 Lakhs during the year. After adjustment of Fringe Benefit Tax, Income Tax and Deferred Tax the net profit stands at Rs.4.70 Lakhs.

**ACCOUNTS AND FINANCIAL DATA**

Particulars	Rs. In Lacs	
	Current Year	Previous Year
Sales	2387.47	1812.48
Other Income	1.84	4.12
Profit before Depreciation	15.84	22.10
Depreciation	9.68	11.27
Net profit/(Loss) before Tax	6.16	10.83
Provision for Tax	1.45	3.87
Profit / (Loss) after Tax	4.70	6.96

**TRANSFER TO RESERVE**

During the year under review your company has made a net profit of Rs. 4.70 Lakhs (Previous Year Rs. 6.96 Lakhs) and the same is being transferred to general reserve account, the balance of Rs. 25.72 Lakhs is being carried to the Balance Sheet

**DIVIDEND**

There is not adequate profit in Profit and Loss account to declare the dividend. The directors do not recommend any dividend for the year.

**MATERIAL CHANGES**

There are no material changes after the closure of the books.

**DELISTING OF SHARES**

The company has not received confirmation of Delisting from Jaipur, Kolkata and Delhi Stock exchanges and it is awaited. However the shares of company are listed in the Bombay Stock Exchange Ltd. Mumbai.

**DIRECTORS**

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association, Shri K.K. Dhoot, retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for reappointment.

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association, Shri P. K. Maheshwari, retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for reappointment.

In accordance with the provisions of the Companies Act, 1956, and the Articles of Association Shri Siddharth Sarda was appointed as whole-time director of the company w.e.f. 1st Aug. 2008 to 31st July 2013 and his appointment and terms and conditions are to be confirmed at the Annual General Meeting.

**SARDA PROTEINS LIMITED****AUDITORS**

The company's auditors M/s S.S. Kothari Mehta & Co. New Delhi will retire at the conclusion of the ensuing Annual General Meeting and being eligible has offered themselves for reappointment. They have furnished certificate to the effect that their appointment if made will be in accordance with Sub-Section (1-B) of section 224 of the Companies Act, 1956. There is no material qualification expressed by Auditors on the accounts of the company and their notes are self-explanatory.

**FIXED DEPOSITS**

During the financial year under review the company has not accepted any deposits in pursuant to Section 58 A and 58 AA of the Companies Act, 1956 read with Companies (Acceptance of Deposits) Rules 1975.

**PARTICULARS OF EMPLOYEES**

The Company has no employee in the category specified under Section 217 (2A) of the Companies Act, 1956 drawing no less than 24,00,000/= per annum or not less than Rs. 2,00,000/= per month if employed for part of the year.

**FOREIGN EXCHANGE EARNINGS AND OUTGO**

The Company has not earned any foreign exchange and has not spent any amount in foreign exchange during the year.

**INFORMATION REGARDING CONSERVATION OF ENERGY**

Your directors always put stress on utilizing the power and fuel at optimum efficiency. The particulars of power and fuel consumed is annexed in Annexure "A" herewith and forms integral part of the report. The company is using agro waste, in place of coal.

**DIRECTORS RESPONSIBILITY STATEMENT**

The Directors would like to inform the members that the Audited Accounts for the financial year ended 31st March, 2008 are in conformity with the requirement of the companies Act, 1956. These financial results are audited by the Statutory Auditors M/s S.S. Kothari Mehta & Co. The Directors further confirm that:

- 1) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures.
- 2) The director has selected such accounting policies and applied them consistently and made judgements and estimate 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 of the Company for the period.
- 3) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detection of fraud and other irregularities.
- 4) The Directors had prepared the annual accounts on a going concern basis.

**ACKNOWLEDGMENT**

Your Directors are pleased to put on record with gratitude the cooperation, assistance and support extended by employees, customers, suppliers, various government agencies and shareholders of the company.

On behalf of the Board

Place : New Delhi

Date : 3rd Sept., 2008

**D.P. Sarda**

Chairman

**SARDA PROTEINS LIMITED****ANNEXURE 'A'**

Information required under the companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988

- a) The Company has installed Mustard Husk (Agro Waste) firing furnace which has helped in saving of fuel cost.
- b) There are no additional investment proposals.
- c) Impact of measures (a) and above reduction of energy consumption and its impact on the cost of production estimated amount as to cost benefits - Rs. 2.00 Lakhs during the year
- d) Total energy consumption and energy consumption per unit of production as per form 'A'

**Form 'A'****Form for disclosure of particulars with respect to conservation of energy.**

<b>Power and Fuel Consumption</b>	<b>Current Year 2007-08</b>	<b>Previous Year 2006-07</b>
<b>1. Electricity</b>		
a) Unit consumed (KWH)	<b>1300656</b>	1211598
Total Amount (Rs.)	<b>5818570.00</b>	5400894.00
Rate/Unit	<b>4.47</b>	4.46
b) Other Generation		
Diesel Generator (KWH)	<b>5600</b>	13300
Total Amount (Rs.)	<b>53114.00</b>	128588.00
Rate / Unit	<b>9.48</b>	9.67
<b>2. Fuel</b>		
a) Agro waste Consumed (M.Tons)	<b>535.75</b>	411.42
<b>Fuel Amount (Rs.)</b>		
a) Agro waste	<b>929679.95</b>	555731.00
<b>3. Processing of M. Seed in Quintals</b>	<b>100594.85</b>	97123.52
<b>4. Electricity Consumed in Kwh per Quintals of seed crushed</b>	<b>12.99</b>	12.61
<b>5. Argo waste Consumed (in M. Tons)/ Seed processed</b>	<b>0.005</b>	0.004

**FORM 'B'**

I. Research & Development	Nil
II. Benefit derived as a result of the above	Nil
III. Future plan of action	To aim for more energy efficient extraction
IV. Expenditure on R & D for the year ended 31st March, 2008	Nil
V. Technology Absorption	Nil
VI. Foreign Exchange Earning & Outgo	
a) Activities relating to exports, Incentive to increase export, development of New Exports, Incentive to increase export, services and Export Plans	Nil

For & On behalf of the Board

Place : New Delhi

**D.P. SARDA**

Dated : 3<sup>rd</sup> Sept., 2008

Director

**SARDA PROTEINS LIMITED****AUDITORS' REPORT****To the members of Sarda Proteins Limited**

1. We have audited the attached Balance Sheet of Sarda Proteins Limited as at 31<sup>st</sup> March, 2008 and also the Profit & Loss Account and the Cash Flow Statement of the Company for the year ended on that date, annexed thereto.

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We have conducted our audit in accordance with auditing standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 as amended by the Companies (Auditors' Report) (Amendment) Order, 2004 (collectively the Order) issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956 and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
  - a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the 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 appears from our examination of those books;
  - c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - d) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub - section (3C) of Section 211 of the Companies Act, 1956.
  - e) On the basis of information & explanations received from the management and further the written representations received from directors of the company as

on 31<sup>st</sup> March, 2008, and taken on record by the Board, none of the directors of the company are disqualified as on 31<sup>st</sup> March, 2008 from being appointed as a director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956.

- f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the Accounting policies and Notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
  - i) In the case of Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2008;
  - ii) In the case of Profit and Loss Account, of the profit for the year ended on that date; and
  - iii) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For S.S. KOTHARI MEHTA & CO.  
Chartered  
Accountants

Place : New Delhi  
Dated : 29<sup>th</sup> Aug. 2008

Arun K. Tulsian  
Partner  
M. No. 89907

**ANNEXURE TO AUDITORS' REPORT**

(Annexure referred to in our report of even date)

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a phased program of physical verification of its fixed assets which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Management has physically verified certain fixed assets during the year. There were no discrepancies noticed on such verification between the physical balances and fixed assets records.
- (c) No substantial part of fixed assets have been disposed off during the year.
2. (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable.
- (b) The procedures for the physical verification of inventory followed by the management are, in our opinion, reasonable and adequate in relation to the size of the Company and nature of its business.
- (c) In our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been properly dealt with in the books of account.