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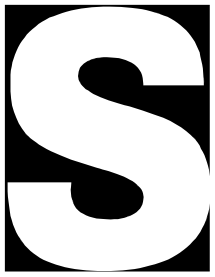

SARDA PROTEINS LIMITED

BOARD OF DIRECTORS

Sh. D. P. Sarda (Wholetime Director)
Sh. S. Sarda (Wholetime Director)
Sh. M. S. Somani
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.

AUDITORS

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

REGISTERED OFFICE & WORKS

E 172 (A), Matsya Industrial Area
Alwar - 301030 (Rajasthan)
e-mail : sardaproteins@yahoo.com

ADMINISTRATIVE OFFICE

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

REGISTRAR & SHARE TRANSFER AGENTS

Link Intime India Pvt. Ltd.
IInd Flooor, 44, Community Center
Naraina Industrial Area, Phase-I,
New Delhi - 110028
Phone : 011-41410592, Fax : 011-41410591
E-mail: delhi@linkintime.co.in

CORPORATE ADVISOR

V. M. & Associates,
Company Secretaries,
403, Royal World, S.C. Road,
Jaipur – 302 001

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DIRECTORS' REPORT

To,

The Members,

Sarda Proteins Limited

Your Directors have pleasure in presenting the Twenty Second Annual Report of your Company along with Audited Accounts for the year ended on 31st March, 2013.

FINANCIAL RESULTS

The financial performance of the Company for the year ended on 31st March, 2013 is as follows:

(Rs. in Lakhs)

Particulars	**2012-13**	2011-12
Sales	**1258.16**	2705.75
Other Income	**18.55**	28.21
Expenditure exluding Depreciation	**1316.28**	2716.35
Depreciation	**5.17**	6.02
Profit/(Loss) before tax	**(44.74)**	11.59
Provision for Taxation	**(12.01)**	3.72
Profit / (Loss) after tax	**(32.73)**	7.87
Profit / (Loss) carried to Balance Sheet	**(34.82)**	(2.09)
Dividend	**–**	–
EPS (Basic)	**(1.34)**	0.32
EPS (Diluted)	**(1.34)**	0.32

OPERATIONS

The sales of the company have gone down for the financial year due to losses in the manufacturing of edible oil. The company has closed down its manufacturing operation and sold the oil mill machinery.

MATERIAL CHANGES

The company is in the process to install the wheat grading plant and packaging of edible oil, trading of grains and oil seeds. In the present year company is in a consolidation phase and is expected to do better in next accounting year.

DIVIDEND

Bearing in mind the financials of the Company, the Directors do not recommend any dividend for the year.

FIXED DEPOSITS

The Company has not accepted or renewed any fixed deposits from public during the year.

DIRECTORS

During the year there has been no change in the Board of Directors. In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Shri Badri Bishal Sarda retires by rotation at the ensuing Annual General Meeting of the Company and Shri Siddharth Sarda, Whole-time director of the company whose tenure ended as on 31.07.2013 is being re-appointed as Whole-time director of the company w.e.f. 01.08.2013. They are eligible for re-appointment.

AUDITORS

M/s. S.S. Kothari Mehta & Co., Chartered Accountants, Statutory Auditors of the Company holds office until the conclusion of the forthcoming Annual General Meeting and is eligible for re-appointment. The Company has received a letter from them to the effect that their appointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956. Accordingly, the said Auditors are proposed to be re-appointed as auditors of the Company for the financial year 2013-14 at the ensuing Annual General Meeting. The notes to the accounts referred to in the Auditors' Report are self-explanatory and therefore do not call for any further comments.

COMPLIANCE CERTIFICATE

As per the requirements of Section 383A of the Companies Act, 1956 and Companies (Compliance Certificate) Rules, 2001, the Company has obtained a Certificate from M/s V. M. & Associates, Company Secretaries in Whole-time Practice, confirming that the Company has complied with the provisions of the Companies Act, 1956 and a copy of the Compliance Certificate is annexed to this report.

The appointment of M/s V.M. & Associates, Company Secretaries in Whole-time Practice, is also sought, for the financial year 2013-14, given in the notice.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, your Directors confirm that:

1. in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed and there are no material departures;
2. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the State of Affairs of the Company for the financial year ended 31st March 2013 and of Loss of the Company for that year;
3. they have taken proper and sufficient care to the best of their knowledge and ability 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;
4. they have prepared the Annual Accounts on a 'going concern' basis.

PARTICULARS OF EMPLOYEES

There are no employees in the Company whose particulars are required to be disclosed under the provisions of section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended, from time to time.

CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars regarding foreign exchange earnings and expenditure are NIL. The directors always put stress on utilizing the power and fuel at optimum efficiency. The Company is using

agro-waste, in place of coal. The particulars of power and fuel consumed is annexed in Annexure "A" herewith and forms integral part of the report.

ACKNOWLEDGEMENT

The Board of Directors place on record their appreciation for the assistance and cooperation received form the Financial institutions, banks, government and local authorities for their strong support and valuable guidance. The directors are thankful to the shareholders for their continuing support to the Company. Your directors also wish to place on record their deep sense of appreciation for the devoted services of the executives, staff and workers of the Company for its success.

By Order of the Board

PLACE: ALWAR
DATE : 16.08.2013

D.P. Sarda
Chairman

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. 3.00 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.

	Power and Fuel Consumption	**Current Year 2012-13**	Previous Year 2011-12
1	**Electricity:**		
a)	Unit consumed (KWH)	**372840**	1066101
	Total Amount (Rs.)	**2305036.00**	5486166.00
	Rate/ Unit	**6.18**	5.15
b)	Other Generation:		
	Disel Generatore (KWH)	**3090**	2100
	Total Amount (Rs.)	**49780**	25878
	Rate/ Unit	**16.11**	12.32
2	**Fuel:**		
a)	Mustard Husk Consumed (M.Tons)	**94.45**	458.02
	Fuel Amount (Rs.)		
a)	Mustard Husk	**236182.00**	1212265.00
3	**Processing of M.Seed in in Tons**		
a)	Mustard Seed	**2878.96**	8703.52
4	**Electricity Consumed in Kwh**		
	Per Tons of Mustard Seed	**130.58**	122.73
5	**Mustard Husk Consumed**		
	(In Tons of Seed Processed)	**0.03**	0.05

FORM 'B'

1.	Research & Development	Nil
2.	Benefit derived as a result of the above	Nil
3.	Future plan of action	To aim for more energy efficient extraction
4.	Expenditure on R & D for the year ended 31st March, 2013	Nil
II	Technology Absorption	Nil
III	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
D.P. SARDA
Chairman

Place : Alwar
Dated : 16.08.2013

COMPLIANCE CERTIFICATE

CIN: L15142RJ1991PLC006353
Nominal Capital Rs. 5,00,00,000/-
To,
The Members,
Sarda Proteins Limited
E-172 (A), Matsya Industrial Area,
Alwar- 301030.

We have examined the registers, records, books, documents and papers of **SARDA PROTEINS LIMITED**, ("the Company") as required to be maintained under the Companies Act, 1956, ("the Act") and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2013. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, 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 provisions and the rules made there under and all entries therein have been duly recorded.
2. the Company has filed the forms and returns as stated in **Annexure 'B'** to this certificate with the Registrar of Companies through the Ministry of Corporate Affairs within time as prescribed under the Act and the rules made there under. However, no forms and returns were required to be filed with the Regional Director, Central Government, Company Law Board or other authorities.
3. the Board of Directors duly met **7 (Seven) times on 30.4.2012, 30.07.2012, 16.8.2012, 20.08.2012, 31.10.2012, 17.11.2012 and 31.01.2013** in respect of which meetings proper notices were given and the proceedings were properly recorded in the Minutes Book maintained for the purpose. However, no circular resolution was passed.
4. the Company closed its Register of Members from **28th September, 2012 to 29th September, 2012** (both days inclusive) and necessary compliance of Section 154 of the Act has been made in this regard.
5. the Annual General Meeting for the financial year ended on 31st March, 2012 was held on **29.09.2012** after giving due notice to the members of the Company and the resolutions passed there at were duly recorded in the Minutes Book maintained for the purpose.
6. the Company has made necessary entries in the register maintained under Section 301 of the Act.
7. the Company has:

a. delivered all the certificates on lodgment thereof for transfer of securities in accordance with the provisions of the Act.

b. duly complied with the requirements of Section 217 of the Act.

8. the Board of Directors of the Company is duly constituted. During the year under review, Mr. Madhu Sudan Somani retired by rotation and being eligible was re-appointed. There was no appointment of additional directors, alternate directors and directors to fill casual vacancy during the financial year.
9. 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.
10. the company has made investments in other body corporates in compliance with the provisions of the Act and has made necessary entries in the register kept for the purpose.
11. the Company has deposited both employee's and employer's contribution to provident fund with the prescribed authorities pursuant to Section 418 of the act.
12. other paras of the Companies (Compliance Certificate) Rules, 2001 are either NIL or NOT APPLICABLE for the current year.

PLACE: JAIPUR
DATE: 16.08.2013

FOR V. M. & ASSOCIATES
COMPANY SECRETARIES
CS V.M. Dave
PARTNER
Certificate of Practice: 452

Annexure A:

Registers as maintained by the Company:

1.	Register of Members	u/s 150
2.	Minutes Book of Board, Committee and General Meeting	u/s 193
3.	Register of Contracts	u/s 301
4.	Register of Directors	u/s 303
5.	Register of Investments	u/s 372A
6.	Register of Share Transfer	———

Annexure B:

Forms and Returns as filed by the Company with the Registrar of Companies, Rajasthan at Jaipur through the Ministry of Corporate Affairs during the financial year ending on **31st March, 2013**:

1. E-Form No. 66 along with Compliance Certificate filed u/s 383A for the financial year ended on 31.03.2012 was filed in time on 04.10.2012.
2. E-Form No. 23AC and 23ACA in XBRL along with Balance Sheet and Profit & Loss Account u/s 220 for the year ended on 31.03.2012 was filed in time on 15.01.2013.
3. E-Form No. 20B along with Annual Return under Schedule V, for the Annual General Meeting held on 29.09.2012 was filed in time on 20.11.2012.

AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT

To the Members of Sarda Proteins Limited

Report on the Financial Statements

We have audited the accompanying Financial Statements of **Sarda Proteins Limited** ('the Company'), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and Notes to Financial Statements comprising of a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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. This responsibility includes the design, implementation and maintenance of internal controls 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.

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 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 controls 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 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.

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 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:

a) In the case of Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
b) In the case of Statement of Profit and Loss, of the loss for the year ended on that date; and
c) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1) As required by the Companies (Auditors' Report) Order, 2003 ('the Order') issued by the Central Government of India in terms of sub – section (4A) of section 227 of the Companies Act, 1956, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2) As required by section 227(3) of the Companies Act, 1956, 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 sub-section (3C) of section 211 of the Companies Act, 1956; and
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, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For **S.S. KOTHARI MEHTA & Co.**
Chartered Accountants
FRN : 000756N
KAMAL KISHORE
Partner
Membership No : 078017

Place: New Delhi
Date : August 16, 2013

ANNEXURE TO AUDITORS' REPORT

(Annexure referred to in our report of even date)

RE : SARDA PROTEINS LIMITED

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 programme 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) Fixed assets disposed off during the year were not substantial.
2. (a) The inventory has been physically verified by the management at reasonable intervals 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.
3. (a) As informed, the Company has not granted any loan, secured or unsecured, to Companies, firms and other parties covered in the register maintained under section 301 of the Companies Act, 1956.

(b) As informed, the company has not taken any loan, secured or unsecured, from companies, firms and other parties covered in the register maintained under section 301 of the Companies Act, 1956.

(c) Since there are no such loans, the comments regarding terms & conditions,repayment of the principal amount & interest thereon and overdue amount are not required.

4. In our opinion and according to the information and explanations given to us during the course of audit, there are adequate internal control systems commensurate with size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods. Further, on the basis of our examination of the books & records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across nor have we been informed of any instance of major weaknesses in the aforesaid internal control systems.

5. (a) Based upon the audit procedures applied by us and according to the information and explanations given to us, there are no particulars of contracts or arrangements which are required to be entered into the register maintained under section 301 of the Companies Act, 1956.

(b) In our opinion and according to the information and explanations given to us, there are no transactions made in pursuance of contracts or arrangements required to be entered in the register maintained under Section 301 of the Companies Act,1956 and aggregating during the year to Rupees five lakhs or more in respect of each party.

6. The Company has not accepted any deposits from the public within the meaning of section 58A and 58AA of the Companies Act, 1956 or any other relevant provisions of the Act including the Companies (Acceptance of Deposit) Rules, 1975.

7. In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business.

8. The Central Government has not prescribed the maintenance of cost records under section 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 and other material statutory dues wherever applicable have been generally regularly deposited with the appropriate authorities during the year and there are no undisputed statutory dues outstanding as on the date of Balance Sheet for a period exceeding six months from the date they became payable.

(b) According to the information & explanations given to us and as per the books and records examined by us, there are no dues of Income Tax, Custom duty, Wealth Tax, Service tax, Sales tax, Excise duty and Cess which have not been deposited on account of any dispute.

10. The Company has accumulated losses, which are not in excess of fifty percent of its net worth. The company has incurred cash losses during the current financial year. However, the company has not incurred cash losses during the immediately preceding financial year.

11. According to the information and explanations given to us and as per the books and records examined by us, the Company has not defaulted in repayment of dues to any financial institution or bank.

12. According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

13. The Company does not fall within the category of Chit fund/ Nidhi / Mutual Benefit fund / Society and hence the related reporting requirements of the Order are not applicable.

14. In respect of the Company's dealing in shares and other investments, proper record has been made of the transactions & contracts and timely entries have been made therein. All the investments are held by the company in its own name.

15. The company has not given any guarantee for loan taken by others from bank or financial institution.

16. According to the information & explanations given to us, the Company has not taken any term loans during the year.

17. According to the information and explanations given to us and on an overall examination of balance sheet of the company, the funds raised on short term basis have not been applied for long term investments.

18. The Company has not made any preferential allotment of shares to parties and Companies covered in the register maintained under section 301 of the Companies Act, 1956.

19. According to the information and explanations given to us, the Company has not issued any debentures nor has any outstanding debentures.

20. The Company has not raised any money by way of public issues during the year.

21. During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of fraud on or by the Company, noticed and reported during the year, nor have we been informed of such case by the management.

For **S.S. KOTHARI MEHTA & Co.**
Chartered Accountants
FRN : 000756N
KAMAL KISHORE
Partner
Membership No : 078017

Place: New Delhi
Date : August 16, 2013