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**24th  
Annual  
Report  
2014–15**



**SARDA PROTEINS LIMITED**

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**BOARD OF DIRECTORS**

Shri Damodar Prasad Sarda	-	Whole-time Director
Shri Siddharth Sarda	-	Whole-time Director
Shri Madhu Sudan Somani	-	Director
Shri Kailash Kumar Dhoot	-	Director (Independent)
Shri Pawan Kumar Maheshwari	-	Director (Independent)
Shri Badri Bishal Sarda	-	Director (Independent)
Smt Krishna Devi Sarda	-	Director

**COMPLIANCE OFFICER**

Shri Damodar Prasad Sarda

**PRINCIPAL BANKERS**

SBBJ, SBI, HDFC

**AUDITORS**

M/s. Khetawat Agarwal & Company,  
Chartered Accountants,  
Alwar

**REGISTERED OFFICE & WORKS**

G 1 - 177 (A), Matsya Industrial Area,  
Alwar 301030, Rajasthan India  
Tel: 91- 0144-2881392  
E-mail : sardaproteins@yahoo.com  
Website : www.sardaproteins.com  
CIN : L15142RJ1991PLC006353

**CORPORATE ADVISOR**

V. M. & Associates,  
Company Secretaries,  
Jaipur

**VENUE**

G 1 - 177 (A), Matsya Industrial Area,  
Alwar 301 030 (Raj.)  
Dated: Tuesday, 30<sup>th</sup> November 2015  
at 2:30 P.M.

**CORRESPONDENCE OFFICE**

G 1 - 177 (A), Matsya Industrial Area,  
Alwar 301030, Rajasthan India  
Tel: 91- 0144-2881392  
e-mail : sardaproteins@yahoo.com

**REGISTRAR & TRANSFER AGENT**

Link Intime India Pvt. Ltd,  
44 Community Center, 2nd Floor,  
Naraina Industrial Area, Phase I,  
Near PVR, Naraina, New Delhi - 110028  
Tel : 011 - 4141 0592/93/94  
Email : delhi@linkintime.co.in

**CONTENTS****Page No**

Notice	3
Directors' Report	6
Auditor's Report	20
Balance Sheet	24
Profit & Loss A/c	25
Notes on Accounts	26
Cash Flow Statement	38
Attendance/Proxy	39

## NOTICE

Notice is hereby given that the **24th (Twenty Fourth) Annual General Meeting (AGM)** of the Members of Sarda Proteins Limited will be held on Monday the 30th day of November, 2015 at 2.30 P.M. at its Registered Office situated at G 1-177 (A), Matsya Industrial Area, Alwar 301030 (Raj.) to transact the following businesses:

### ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2015, the reports of the Auditor's and Directors' thereon.
  2. To appoint a Director in place of Mr. Siddharth Sarda DIN:00763412, who retires by rotation and being eligible, offers himself for reappointment.
  3. To ratify the appointment of M/s Khetawat Agarwal & Company, Chartered Accountants, Alwar (FRN 003960C) as statutory auditors of the Company and to authorize Board to fix their remuneration.
- To consider and if thought fit, to pass the following Resolution as an Ordinary Resolution.

**"RESOLVED THAT** pursuant to the provisions of Section 139 (2) and 142(1) and other applicable provisions, if any, of the Companies Act, 2013 read with The Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), consent of the company be and is hereby accorded ratifying the appointment (for the financial year 2015-16) of M/s Khetawat Agarwal & Company, Chartered Accountants, Alwar (FRN 003960C) as Statutory auditors of the company to hold office till the conclusion of the Annual General Meeting of Company to be held in the calendar year 2019 pursuant to resolution approved by the shareholders in the 23rd AGM held on 30th September, 2014 at such remuneration as may be mutually decided by the Auditor and Board of Directors."

### SPECIAL BUSINESS:

4. To appoint Mrs. Krishna Devi Sarda (DIN: 07100074), as a Director of the Company.

To consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and all other applicable provisions (if any) of the Companies Act, 2013 and The Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Mrs. Krishna Devi Sarda (DIN: 07100074), a non-executive Director who was appointed as an Additional Director on 23rd March, 2015 pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of 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 her candidature for the office of Director, be and is hereby appointed as a Director of the Company w.e.f. the date of Annual General Meeting, liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to settle any question, difficulty or doubt that may arise in giving effect to this resolution and to do all such acts, deeds, things as may be necessary, expedient and desirable in this regard."

**BY ORDER OF THE BOARD OF DIRECTORS  
FOR SARDA PROTEINS LIMITED**

SD/-

**DAMODAR PRASAD SARDA  
DIN: 00763377  
CHAIRMAN**

PLACE : ALWAR

DATE : 4th November, 2015

### NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY (A Copy of the Proxy Form is attached at the last Page of Annual Report). THE INSTRUMENT APPOINTING A PROXY MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE AGM.

A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

2. Corporate members intending to send their authorized representative to attend the AGM are requested to send to the Company, a certified copy of the Board Resolution authorizing their representative to attend and vote at the AGM on their behalf.
3. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday 21st November, 2015 to Monday, 23rd November, 2015. (both days inclusive) for the purpose of AGM.
5. The Register of Directors and Key Managerial Personnel (KMP) and their shareholding and Register of Contracts or Arrangements in which Directors are interested maintained under Sections 170 and 189 of the Companies Act, 2013 respectively will be available for inspection by the members at AGM.
6. Members are requested to:
  - a) Notify the change in address if any, with Pin Code numbers immediately to the Company (in case of shares held in physical mode).
  - b) Bring their copy of the Annual Report and Attendance Slip with them at the Annual General Meeting.
  - c) Quote their Regd. Folio Number/DP and Client ID Nos. in all their correspondence with the Company or its Registrar and Share Transfer Agent.
7. Non-Resident Indian Members are requested to inform Registrar and Share Transfer Agent of the Company in any case change in their residential status on return to India for permanent settlement, particulars of their bank account maintained in India with complete name, branch account type, account number and address of the bank with pin code number, if not furnished earlier.
8. In terms of Articles of Association of the Company read with Section 152 of the Companies Act, 2013 Mr. Siddharth Sarda DIN: 00763412 Director of the company, retires by rotation at the ensuing meeting & being eligible, offers himself for re-appointment. The Board of Directors of the Company recommend his re-appointment.
9. A statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the meeting is annexed hereto.
10. Members who hold shares in the physical form in the multiple folios in identical names or joint holdings in the same order of names are requested to send the Share Certificate to Link Intime India Pvt. Ltd., RTA, for consolidation into single folio.
11. The Notice of AGM along with the Annual Report 2014-15 is being sent by the permitted mode.
12. The Members who have not registered their email address so far, are requested to register their e-mail address for receiving all

communications including Annual Report, Notices, Circulars, etc. from the Company electronically.

13. Relevant documents referred to in the proposed resolutions are available for inspection at the Registered Office of the Company during business hours on all working days up to the date of the Annual General Meeting.
14. Annual Report and AGM Notice is available at the website of the Company at [www.sardaproteins.com](http://www.sardaproteins.com).
15. Members desirous of getting any information about the accounts and/or operation of the Company are requested to write to the Company at least seven days before the date of meeting to enable us to keep the information ready at the meeting.
16. The Company has engaged the services of Link Intime India Pvt. Ltd. as Agency to provide remote e-voting facility.
17. In compliance with Section 108 of the Companies Act, 2013 read with Rule 20 of The Companies (Management and Administration) Rules, 2014 and substituted by The Companies (Management and Administration) Amendment Rules, 2015 & Clause 35B of the Listing Agreement, the Company is offering remote e-voting facility to the members to enable them to cast their votes electronically from a place other than the venue of the AGM ('remote e-voting') provided by Central Depository Services (India) Ltd (CDSL). Please note that remote e-voting is optional and not mandatory.
18. The facility for voting through polling paper shall be made available at the AGM & members who have not already cast their vote by remote e-voting shall be able to exercise their right at the AGM. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
19. The remote e-voting facility would remain open from Thursday, 26th November, 2015 (9.00 A.M.) to Sunday, 29th November, 2015 (5.00 P.M.). During this period, shareholders of the company holding shares either in the physical form or in dematerialised form, as on the cut-off date of Monday, 23rd November, 2015, may cast their vote electronically. The E-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is casted by the shareholder, the shareholder shall not be allowed to change it subsequently.
20. The voting right of the members shall be in the proportion to the equity shares held by them in the paid up equity share capital of the Company as on Monday, 23rd November, 2015 ('cut-off date').
21. CS Manoj Maheshwari, FCS 3355, Practising Company Secretary, Jaipur has been appointed as a scrutinizer to scrutinize the remote e-voting & poll process to be carried out at the AGM in a fair and transparent manner.
22. A person who has acquired shares & become a member of the company after the dispatch of notice of AGM & holding shares as of cut-off date, may obtain the login ID & password by sending a request at [evoting@cdsl.co.in](mailto:evoting@cdsl.co.in). However, if the person is already registered with the CDSL for remote e-voting then the existing user ID & password can be used for casting vote.
23. The final results including the Remote E-voting & poll results of the AGM shall be declared within two days from the conclusion of the AGM. The final results along with the scrutinizer's report shall be placed on the Company's website [www.sardaproteins.com](http://www.sardaproteins.com) immediately after the result is declared by the Chairman.
24. E-voting instructions:
  - i) To initiate the voting process, log on to the e-voting website viz. [www.evotingindia.com](http://www.evotingindia.com).
  - ii) Click on "Shareholders" tab to cast your votes.
  - iii) Now Enter your User ID
    - a) For CDSL: 16 digits beneficiary ID,
    - b) Members holding shares in Physical Form should enter Folio Number registered with the Company.

- iv) Thereafter, enter the image verification Code as displayed and click on "Login" tab.
- v) If you are holding shares in demat form and had earlier logged on to [www.evotingindia.com](http://www.evotingindia.com) and casted your vote for any company electronically, then your existing login id and password is to be used. If you have forgotten the password then enter User ID and the image verification code and click on forgot password & enter the details as prompted by the system.
- vi) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>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.</li> <li>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.</li> <li>Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
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#	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> <li>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.</li> </ul>

- vii) After entering these details appropriately, click on "SUBMIT" tab.
- viii) 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.
- ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- x) Now select the relevant Electronic Voting Sequence Number (EVSN) along with "Company Name" on which you choose to vote.
- xi) 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.
- xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiii) 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.

- xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvi) 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.
- xvii) Additional instructions for non-individual shareholders and custodians
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

Members receiving Notice by Post/ Courier:

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

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](http://www.evotingindia.com) under help section or write an email to [helpdesk.voting@cdslindia.com](mailto:helpdesk.voting@cdslindia.com).

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

### **ITEM NO. 4**

Mrs. Krishna Devi Sarda was appointed as an Additional Director of the Company w.e.f. 23rd March, 2015 pursuant to the provisions of Section 161(1) of Companies Act, 2013 and the Articles of Association of the Company. In terms of the provisions of Section 161(1) of the Act, Mrs. Krishna Devi Sarda would hold office up to the date of the ensuing Annual General Meeting. The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mrs. Krishna Devi Sarda for the office of Director of the Company.

Mrs. Krishna Devi Sarda has given her:

- (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of The Companies (Appointment & Disqualification of Directors) Rules, 2014,
- (ii) intimation in Form DIR-8 in terms of The Companies (Appointment & Disqualification of Directors) Rules, 2014, to the effect that she is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013.

None of the other Directors/Key Managerial Personnel of the Company/their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution, except Mrs. Krishna Devi Sarda, being appointee and Mr. Damodar Prasad Sarda and Mr. Siddharth Sarda, being relatives of the appointee. The Board recommends the Resolution set out at this item of the Notice for approval by the shareholders.

**BY ORDER OF THE BOARD OF DIRECTORS  
FOR SARDA PROTEINS LIMITED**

**SD/-  
DAMODAR PRASAD SARDA  
DIN: 00763377  
CHAIRMAN**

**PLACE : ALWAR  
DATE : 4th November, 2015**

## BOARD'S REPORT

DEAR MEMBERS,

### SARDA PROTEINS LIMITED

Your Directors have pleasure in presenting their 24th Annual Report together with the Audited Financial Statements of the Company for the year ended March 31, 2015.

#### 1. FINANCIAL HIGHLIGHTS : (Amount in Rs. In Lakhs)

Particulars	2014-15	2013-14
SALES	497.05	243.97
Other Income	6.45	2.82
Expenses	516.28	260.76
Profit/(Loss) before Depreciation and Extra Ordinary Income	(12.79)	(13.98)
Depreciation	4.23	3.29
Extra Ordinary Income	78.63	0.00
Profit/(Loss) before Taxes	61.62	(17.27)
Provision for Taxes	2.47	(5.12)
Net Profit/(Loss)	59.15	(12.15)

Previous year figures have been re-grouped and rearranged wherever considered necessary.

#### 2. OPERATIONS AND COMPANY'S AFFAIRS:

The Company's performance has slight better then last year in terms of sales and gross profit. The net profit has improved due to extraordinary income received due to sales of Land and Building of the company.

#### 3. DIVIDEND:

There is not adequate surplus to declare any dividend during the year. Your directors do not recommend any dividend for the year.

#### 4. CAPITAL STRUCTURE

During the FY 2014-15 there is no change in capital structure of the Company and paid up share capital of the Company stands at Rs. 2,43,48,500/- (Rupees Two Crores Forty Three Lac Forty Thousand and Five Hundred).

#### 5. NUMBER OF MEETINGS OF BOARD OF DIRECTORS

During the financial year 2014-15, the Board of Directors of the Company met 10 (Ten) times on 29th April, 2014, 13th May, 2014, 28th May, 2014, 31st July, 2014, 27th August, 2014, 04th October, 2014, 10th November, 2014, 22nd December, 2014, 10th February, 2015 and 23rd March, 2015 .

Frequency and quorum at these meetings were in conformity with the provisions of the Companies Act, 2013 and the Listing Agreement entered into by the company with the Stock Exchanges. All the Board members and the senior management personnel have affirmed compliance with the Code of Conduct during the year ended on 31st March, 2015.

#### 6. DECLARATION OF INDEPENDENCE BY INDEPENDENT DIRECTORS

All the Independent Non-Executive Directors of the company viz. Mr. Kailash Kumar Dhoot, Mr. Badri Bishal Sarda and Mr. Pawan Kumar Maheshwari, have submitted the declaration of independence as required pursuant to Section 149(7) of the Companies Act, 2013, stating that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

#### 7. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

During the year, Mrs. Krishna Devi Sarda (DIN: 07100074) was appointed as an additional director of the Company w.e.f. 23.03.2015.

During the year, Mr. Damodar Prasad Sarda was appointed as Chief Financial Officer (CFO) of the Company, pursuant to Section 203 of the Companies Act, 2013 read with the rules made there under and Ms. Jyoti Soni was appointed as a Company Secretary of the Company pursuant to Section 203 of the Companies Act, 2013 read with the rules made there under.

In accordance with the provisions of Section 152(6) of the Companies Act, 2013 and the Company's Articles of Association, Mr. Siddharth Sarda DIN:00763412, Director of the Company will retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, has offered himself for reappointment.

#### 8. TRANSFER TO RESERVES

During the period under review, no amount is being transferred to the reserves of the Company.

#### 9. NOMINATION & REMUNERATION POLICY:

The Company follows a policy on "Nomination and Remuneration of Directors, Key managerial Personnel and Senior Management". The policy is approved by the Nomination & Remuneration Committee and the Board. More details on the same are given in Annexure "I".

#### 10. AUDITORS

##### • Statutory Auditors

M/s. Khetawat Agarwal & Company, Chartered Accountants, Alwar (FRN 003960C) have been appointed as Statutory Auditors of the company at the last AGM held on 30.09.2014 for a period of five years subject to ratification by members at every consequent Annual General Meeting. Therefore, ratification of appointment of Statutory Auditors is being sought from the members.

The company has received letter from M/s. Khetawat Agarwal & Company, Chartered Accountants, Alwar to the effect that their appointment, if made, would be within the prescribed limits under Section 139 of the Companies Act, 2013 and that they are not disqualified for appointment within the meaning of Section 141 of the said Act.

The Notes on Financial Statements referred to in the Auditor's Report for the financial year ended 31st March, 2015 are self-explanatory and does not call for any further comments.

##### • Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed M/s V. M. & Associates, Company Secretaries in Practice, Jaipur (FRN: P1984RJ039200) as Secretarial Auditor of the Company to carry out the secretarial audit of the company for the F.Y. 2014-15. The Secretarial Audit Report is annexed herewith as Annexure "II" and it carries following qualifications:

- Newspaper Communications for Board Meetings and Result declarations were not published by the Company;
- Limited Review Reports of Auditors have not been intimated to the Stock Exchange along with the financial results; and
- Intimation and Outcome for all the Board Meetings held have not been communicated to the Stock exchange.

In respect of above stated qualifications, your Directors would like to clarify that:

Considering the size and working of the business, and keeping in view the financial position, the Company was unable to publish the advertisements in newspaper.

Due to non-employment of a Whole-time Company Secretary in the Company the compliances remained pending and as a result of inadvertence the same could not be complied with. The Company strives to ensure the due compliances in future.



The Secretarial Audit report for the financial year ended 31 March, 2015 is self explanatory and does not call for any further comments.

## • Internal Auditors

Pursuant to the provisions of Section 138 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, the Board has appointed M/s Amit M Agarwal, Chartered Accountants, Alwar as Internal Auditor of the Company to carry out the internal audit of the company for the F.Y. 2014-15.

The Internal Audit report for the financial year ended 31 March, 2015 is self explanatory and does not call for any further comments.

## 11. LOANS AND INVESTMENTS BY THE COMPANY

During the year under review, the company has not granted any loans, guarantees or provided securities in excess of limits prescribed under Section 186(2) of the Companies Act, 2013 and has not made any investment through more than two layers of investment Companies. The loan and advances provided is proposed to be utilised by the recipient are provided in the Financial Statements (Please refer to Note 12 and 16 in the financial Statement.

## 12. RELATED PARTY TRANSACTIONS

There were no contracts or arrangements entered into by the company in accordance with provisions of Section 188 of the Companies Act, 2013.

There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

## 13. CODE OF CONDUCT

The Board has laid down a Code of Conduct for all Board members and senior management personnel of the Company, which is available on website of the company i.e. [www.sardaproteins.com](http://www.sardaproteins.com).

The Company has obtained confirmations for the compliance with the said code from all its Board members and senior management personnel for the year ended March, 31, 2015.

## MATERIAL CHANGES DURING THE FINANCIAL YEAR UNDER REVIEW

The information required under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 relating to Material Changes And Commitments, there are no such material changes and commitments which affecting the financial position of the company.

## 14. EXTRACT OF THE ANNUAL RETURN

The extract of the Annual Return in form MGT 9 as on the financial year ended 31st March, 2015 is annexed herewith as Annexure "III".

## 15. RISK MANAGEMENT

The Company has developed and implemented a risk management policy which encompasses practices relating to identification, assessment monitoring and mitigation of various risks to key business objectives. The Risk management framework of the Company seeks to minimize adverse impact of risks on our key business objectives and enables the Company to leverage market opportunities effectively.

The various key risks to key business objectives are as follows:

The company has contracts of materials and sometimes hedges the same in the NCDEX and has some risk in their as sometime market goes in different directions. The directors keep strict watch on it.

## 16. EVALUATION OF PERFORMANCE OF BOARD/ COMMITTEES/ KMP/ INDIVIDUAL DIRECTORS:

Pursuant to the provisions of the Companies Act, 2013, a separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board who were evaluated on parameters such as their presence, leadership, level of engagement and contribution and independence of judgment thereby safeguarding the interest of the Company. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The board also carried out annual performance evaluation of the working of its Audit, Nomination and Remuneration as well as stakeholder relationship committee. The Directors expressed their satisfaction with the evaluation process.

## 17. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2014-15

- Number of complaints received: NIL
- Number of complaints disposed off: NIL

## 18. FIXED DEPOSITS

The Company has not invited, accepted or renewed deposits from public within the meaning of Section 73 of the Companies Act, 2013, read with The Companies (Acceptance of Deposits) Rules, 2014 during the year under review.

## 19. PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

Your Company continuously strives to conserve energy, adopt environment friendly practices and employ technology for more efficient operations.

The particulars relating to the energy conservation and technology absorption, as required under Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are given in the ANNEXURE IV to this Report.

## 20. COMPOSITION OF AUDIT COMMITTEE

### Composition

The Audit Committee comprises of three Directors, two of whom are Non-Executive, Independent Directors. The Chairman of the Audit Committee possesses knowledge by corporate finance, accounts and company law.

The constitution of the Audit Committee of Directors is as under:

Names of Members	Designation
Mr. Kailash Kumar Dhoot DIN: 00168546	Chairman Independent, Non-Executive
Mr. Badri Bishal sarda DIN: 01264693	Member Independent, Non-Executive
Mr. Damodar Prasad Sarda DIN: 00763377	Member Whole time Director

## Terms of Reference:

- a) The recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- b) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- c) Examination of the financial statement and the auditor's report thereon;
- d) Approval or any subsequent modification of transactions of the company with related parties;
- e) Scrutiny of inter-corporate loans and investments;
- f) Valuation of undertakings or assets of the company, wherever it is necessary;
- g) Evaluation of internal financial controls and risk management systems;
- h) Monitoring the end use of funds raised through public offers and related matters.
- i) The role of Audit Committee shall inter alia include the roles as prescribed in clause 49 of the listing agreement.

## 21. LISTING OF SECURITIES

The equity shares of the company are listed and traded in the BSE Limited and the listing fee for the year 2015-16 has been duly paid. Scrip Code: 519242. The company has applied for delisting to Calcutta Stock Exchange Association Limited on 2nd Sep 2003 and has not paid any listing fees since then and neither received any communication from the said exchange in this matter.

## 22. VIGIL MECHANISM

As per Section 177 of the Companies Act, 2013, a Vigil Mechanism has been established in order to ensure that the activities of the Company and its employees are conducted in a fair, honest and transparent manner. The Vigil Mechanism Policy has been uploaded on the website of the Company i.e. [www.sardaproteins.com](http://www.sardaproteins.com).

The functioning of the vigil mechanism is reviewed by the Audit Committee from time to time.

## 23. REMUNERATION RELATED DETAILS

- A. None of the employees of the company was in receipt of the remuneration exceeding the limits prescribed u/s 197 (12) read with rule 5, sub-rule 2 of The Companies (Appointment and Remuneration of Managerial Personnel) of the Companies Act, 2013 during the year under review.
- B. The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are forming part of this report as Annexure "V".

## 24. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors of the Company hereby state and confirm that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed and that there are no material departures from the same;
- the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the directors had prepared the annual accounts on a going concern basis;
- the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and;
- the directors had devised proper systems to ensure compliances with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 25. INTERNAL FINANCIAL CONTROL SYSTEMS:

The Company has put in place an adequate system of internal control commensurate with its size and nature of business. These systems provide a reasonable assurance in respect of providing financial and operational information, complying with applicable statutes, safeguarding of assets of the Company and ensuring compliance with corporate policies. The Audit Committee reviews adherence to internal control systems and internal audit reports.

## 26. ACKNOWLEDGEMENT:

The Board of Directors wish to place on record its sincere appreciation for due co-operation received from the Company's Bankers, Government, Advisors, Shareholders etc. The Directors are also thankful to the employees at all levels for their continued support.

BY ORDER OF THE BOARD OF DIRECTORS  
FOR SARDA PROTEINS LIMITED

SD/-  
DAMODAR PRASAD SARDA  
DIN: 00763377  
CHAIRMAN

PLACE : ALWAR  
DATE : 4th November, 2015



**Annexure to the Directors' Report**  
**NOMINATION AND REMUNERATION POLICY**  
**OF THE COMPANY**

**Nomination and Remuneration Committee :**

**The Broad terms of reference of the Nomination and Remuneration Committee are as follows :**

- I. To recommend to the Board a policy relating to identification, appointment and remuneration for the Company's senior management including its Key Managerial Person and Board of Directors.
- ii. To carry out evaluation of every director's performance.
- iii. To recommend to the Board a policy relating to remuneration for the Company's senior management including its Key Managerial Person and Board of Directors.
- iv. To recommend remuneration of the Managing Director(s) and Whole-time Directors.
- v. To carry out other functions as is mandated by the Board from time to time and /or enforced by any statutory notification, amendment or modification, as may be applicable.

**Remuneration Policy :**

The remuneration of Whole-time Director / Key Managerial Personnel is proposed by the Committee and subsequently approved by the Board of Directors and further by the shareholders, if required. Executive remuneration is evaluated annually against performance and a benchmark of other companies in the same field, which in size and complexity are similar to the Company. In determining packages of remuneration, the Committee may consult with the Chairman and Chief Financial Officer appropriate.

Total remuneration shall be comprised as follows:

- v A fixed base salary, set at a level aimed at attracting and retaining executives with professional and personal competences required to drive the Company's performance.
- v Annual increment based on the performance appraisal by the Chairman / Managing Director / Committee and can under normal circumstances not exceed 25% of the fixed base salary.
- v Provident Fund contributions, made in accordance with applicable laws and employment agreements.
- v Gratuity and Severance payment shall be in accordance with applicable laws and employment agreements.

Form No. MR-3

**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31.03.2015**

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of  
The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,  
The Members,  
Sarda Proteins Limited  
CIN: L15142RJ1991PLC006353  
G 1 -177 (A), Matsya Industrial Area,  
Alwar - 301 030 (Rajasthan)

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Sarda Proteins Limited** (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2015 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (**Not applicable to the Company during the Audit Period**);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009(**Not applicable to the Company during the Audit Period**);
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28<sup>th</sup> October, 2014 (**Not applicable to the Company during the Audit Period**);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008(**Not applicable to the Company during the Audit Period**);

- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009(**Not applicable to the Company during the Audit Period**); and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998(**Not applicable to the Company during the Audit Period**).

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (**Not notified hence not applicable to the Company during the audit period**); and
- (ii) The Listing Agreement entered into by the Company with the Stock Exchange.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. as mentioned above *subject to the following observations*:

- a. *Newspaper Communications for Board Meetings and Result declarations were not published by the Company;*
- b. *Limited Review Reports of Auditors have not been intimated to the Stock Exchange along with the financial results; and*
- c. *Intimation and Outcome for all the Board Meetings held have not been communicated to the Stock exchange.*

**We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

**We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period the company has duly passed the resolutions under section 180(1) (a) and 180(1)(c) of the Companies Act, 2013, read with its applicable rules, as amended.

**For V.M. & Associates  
Company Secretaries**

CS Vikas Mehta  
ACS No.:28964  
C P No.: 12789

Place : Jaipur  
Date : 4th November, 2015