

***14th
Annual
Report
2004-05***



SARDA PROTEINS LIMITED

SARDA PROTEINS LIMITED**BOARD OF DIRECTORS**

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

BANKERS

State Bank of Bikaner & Jaipur

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.
 A-31, Naraina Industrial Area,
 Phase-I, New Delhi - 110028
 Ph.: 011 - 51410591, 592, 593, 594

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SARDA PROTEINS LIMITED

DIRECTORS' REPORT

To,
The Members,

Your Directors have pleasure in presenting their Fourteenth Annual Report on the operation of the Company and Audited Accounts for the financial year ending 31.03.2005 with Auditors' Report thereon.

OPERATION

During the year under review, your company has decided to shift its operation from Bhiwadi to Alwar as Alwar is having market yard and more suitable in the long term. Therefore a land and building was purchased and an oil mill was installed. Due to shifting process and very poor marketing conditions the plant was not fully operational and sales has declined to Rs.1089.83 Lacs and a pre tax loss of Rs. 25.41 Lakhs was incurred after providing a depreciation of Rs.13.13 Lakhs during the year. After adjustment of deferred tax the net loss stands at Rs. 15.80 Lakhs for the year.

ACCOUNTS AND FINANCIAL DATA

Rs. In Lacs

| Particulars | Current Year | Previous Year |
|---|--------------|---------------|
| Total Income | 1089.03 | 1278.43 |
| Profit before Depreciation & Misc. Exp. Written off | (12.28) | (5.95) |
| Depreciation & Misc. Exp. & Capital Expenditure w.off | 13.13 | 29.24 |
| Net profit/(Loss) before Tax | (25.41) | (35.19) |
| Provision for Tax | (9.61) | (6.37) |
| Profit / (Loss) after Tax | (15.80) | (28.82) |

TRANSFER TO RESERVE

During the year under review, your company has made a net loss of Rs. 15.80 Lacs (Previous year Loss Rs. 28.82 Lacs) and the same is being carried to Balance Sheet. After adjustment of loss and deferred tax liability as per Accounting Standard AS-22, debit balance in Profit & Loss account stands to Rs. 44.53 Lacs.

DIVIDEND

There is loss in Profit and Loss account. The directors do not recommend any dividend for the year.

MATERIAL CHANGES

During the month of May 2005 the company has sold its Bhiwadi units Land & Building and shifted all its operations at Alwar. Due to shifting process the working of the company has adversely effected.

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 Stock Exchange, Mumbai.

DIRECTORS

During the year, there is no change in the Board of Directors. However Sh. D.P. Sarda will retire by rotation at the conclusion of ensuing Annual General Meeting. Being eligible, he offers himself for reappointment. The board recommends his reappointment.

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.

SARDA PROTEINS LIMITED**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 which has resulted in reducing the fuel cost by two third.

DIRECTORS RESPONSIBILITY STATEMENT

The Directors would like to inform the members that the Audited Accounts for the financial year ended 31st March, 2005 are in full 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.
- 2) The accounting policies are consistently applied and reasonable. Prudent Judgement and estimates are made 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 Loss of the Company for that 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 providing and detection fraud and other irregularities.

- 4) The Directors has prepared the annual accounts on a going concern basis.

ACKNOWLEDGEMENT

Your Directors are pleased to put on record with gratitude the co-operation, 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 : 29th August, 2005

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.**

| Power and Fuel Consumption | Current Year 2004-05 | Previous Year 2003-04 |
|---|---------------------------------|----------------------------------|
| 1. Electricity | | |
| a) Unit consumed (KWH) | 731016 | 733624 |
| Total Amount (Rs.) | 3456244.00 | 3334759.00 |
| Rate/Unit | 4.73 | 4.55 |
| b) Other Generation | | |
| Diesel Generator (KWH) | 27003 | 11200 |
| Total Amount (Rs.) | 184914 | 66952.00 |
| Rate / Unit | 6.85 | 5.97 |
| 2. Fuel | | |
| a) Mustard Husk Consumed (M.Tons) | 296.76 | 243.75 |
| Fuel Amount (Rs.) | | |
| a) Mustard Husk | 266448.00 | 264725.00 |
| 3. Processing of M. Oil Seed and Wheat in Quintals | | |
| a) Mustard Seed | 55145.87 | 54967.68 |
| b) Wheat | 679.82 | 3013.69 |
| 4. Electricity Consumed Per Quintals | | |
| a) Mustard Seed | 13.64 | 13.10 |
| b) Wheat | 8.20 | 8.10 |
| 5. Mustard Husk Consumed (in M. Tons)/ of Seed processed | 0.005 | 0.004 |

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, 2005 | 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

Place : New Delhi

Dated : 29th August, 2005

D.P. SARDA

Director