

DIRECTORS' REPORT

To,

The Members,

Your Directors have pleasure in presenting their Nineteenth Annual Report on the operation of the company and Audited Accounts for the financial year ending 31.03.2010 with Auditors' Report thereon.

OPERATION

During the year under review your company's sales have decreased to Rs. 1871.94 Lakhs and pretax loss of Rs.23.06 Lakhs was incurred after providing the depreciation of Rs.6.92 Lakhs during the year. After adjustment of Fringe Benefit Tax, Income Tax and Deferred Tax the net loss stands at Rs 17.44 Lakhs.

ACCOUNTS AND FINANCIAL DATA

Rs. In Lacs

Particulars	Current Year	Previous Year
Sales	1871.94	2456.17
Other Income	10.24	3.53
Profit before Depreciation	(16.14)	9.04
Depreciation	6.92	8.10
Net profit/(Loss) before Tax	(23.06)	0.94
Provision for Tax	(5.62)	(2.07)
Profit / (Loss) after Tax	(17.44)	3.01

TRANSFER TO RESERVE

During the year under review your company has made a net loss of Rs. 17.44 Lakhs (Previous Year Profit Rs. 3.01 Lakhs) and the same is being transferred to general reserve account, the balance of Rs. 11.29 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

Due to continuous losses and looking over the bleak position of the manufacturing of edible oil business it has been decided to change the business and dispose off the fixed assets of the company. A postal resolution has been passed by members to sell/lease the fixed assets of the company.

DIRECTORS

During the year there has been no change in the Board of Director.

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

AUDITORS

The company's auditors M/s S.S. Kothari Mehla & 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.

SARDA PROTEINS LIMITED



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.

COMPLIANCE CERTIFICATE

As per the provisions of Section 383A of the Companies Act 1956, M/s V.M. & Associates., Company Secretaries in whole time practice were appointed for the period and a Compliance Certificate from them is annexed hereto and forming part of the report.

DIRECTORS RESPONSIBILITY STATEMENT

The Directors would like to inform the members that the Audited Accounts for the financial year ended 31st March, 2010 are in conformity with the requirement of the companies Act, 1956. These financial results are audited by the Statutory Auditors M/s S.S. Kolhari 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 Loss 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 safe guarding the assets of the company and for preventing and detection of fraud and other irregularities.


- 4) The Directors had prepared the annual account 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 : Alwar
Date : 3rd Sep. 2010


D.P. Sard
Chairman

SARDA PROTEINS LIMITED

SARDI INDUSTRIES AND S

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'

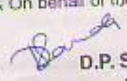
Form 'A'**Form for disclosure of particulars with respect to conservation of energy.**

Power and Fuel Consumption	Current Year 2009-10	Previous Year 2008-09
1. Electricity	884541	1107495
a) Unit consumed (KWH)	4008414.00	4945316.00
Total Amount (Rs.)	4.53	4.47
Rate/Unit		
b) Other Generation	2100	--
Diesel Generator (KWH)	19915.00	--
Total Amount (Rs.)	9.48	--
Rate / Unit		
2. Fuel	207.06	365.17
a) Mustard Husk Consumed (M.Tons)		
Fuel Amount (Rs.)	489478.25	730027.00
a) Mustard Husk		
3. Processing of M. Seed in Quintals	64526.86	86420.35
a) Mustard Seed		
4. Electricity Consumed in Kwh per Quintals	13.71	12.82
a) Mustard Seed	0.03	0.04
5. Mustard Husk Consumed (In M.Tons of Seed Processed)		

FORM 'B'

- I
 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, 2010 Nil
 II Technology Absorption Nil
 III Foreign Exchange Earning & Outgo Nil
 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
 Director

 Place : Alwar
 Dated : 3rd Sep. 2010
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(3)

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SARDA PROTEINS LIMITED



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 thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2010. 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 thereunder and all entries therein have been duly recorded.

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, with additional filing fees prescribed under the Act and the rules made thereunder. However, no forms and returns were required to be filed with the Regional Director, Central Government, Company Law Board or other authorities.

the Board of Directors duly met 9 (nine) times on 03.04.2009, 30.04.2009, 15.05.2009, 26.07.2009, 29.08.2009, 01.09.2009, 10.10.2009, 23.01.2010, and 25.01.2010 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.

the Company closed its Register of Members from 29th September, 2009 to 30th September, 2009 (both days inclusive) and necessary compliance of Section 154 of the Act has been made, *except newspaper publication in this regard.*

the Annual General Meeting for the financial year ended on 31st March, 2009 was held on 30.09.2009 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.

the Company has made necessary entries in the register maintained under section 301 of the Act.
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 Shri Madhu Sudan Somani and Shri Damodar Prasad Sarda, retired by rotation and being eligible were re-appointed. However, 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 thereunder.

SARDA PROTEINS LIMITED



10. a show cause notice has been received by the Company for timely non-filing of Balance Sheet. In this regard an application for Compounding of Offence u/s 621A was filed with the Central Government and the same is still pending.
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: 31.03.2010

FOR V. M. & ASSOCIATES
COMPANY SECRETARIES

V. M. DAVE
PARTNER
C.P.No. 452

Annexure A

Registers as maintained by the Company:

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

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, 2010:

- E-Form No. 66 along with Compliance Certificate filed u/s 383A for the financial year ended on 31.03.2009, filed on 24.11.2009 with additional filing fees.
- E-Form No. 23AC and 23ACA alongwith Balance Sheet and Profit & Loss Account for the year ended on 31.03.2009, filed u/s 220 on 25.11.2009 with additional filing fees.
- E-Form No. 20B alongwith Annual Return under Schedule V, for the Annual General Meeting held on 30.09.2009 was filed in time on 30.11.2009.