

## **DIRECTORS' REPORT**

### **TO THE MEMBERS,**

Your Directors have pleasure in presenting the 20<sup>th</sup> Annual Report of the Company together with the Audited Statements of accounts for the year ended March 31<sup>st</sup>, 2011.

### **OPERATION**

During the year under review your companies sales has increased to Rs. 2145.84 Lakhs and a pretax loss of Rs. 32.33 Lakhs was incurred after providing depreciation of Rs. 6.36 Lakhs during the year. After adjustment of deffered tax the net loss stands at Rs. 21.25 Lakhs.

### **FINANCIALS OF THE COMPANY**

<b>Particulars</b>	<b>2010-11</b>	<b>2009-10</b>
Sales Turnover (Net)	214584105	187194829
Other Income	201473	1024129
Expenditure excluding Depreciation	217255070	189742464
Depreciation	635726	692858
Profit for the year before Tax	(3233211)	(2306087)
Provision for Taxation	(1107673)	(562110)
Prior period adjustments	1129981	2873958
Net Profit after Tax	(995557)	1129981

### **DIVIDEND**

Considering the financials of the Company, the directors do not recommend any dividend for the financial year 2010-11.

### **AUDITORS AND AUDITOR'S REPORT**

The company's auditors M/s S.S. Kothari Mehta & Co., New Delhi, will retire at the conclusion of ensuing Annual General Meeting and being eligible for re-appointment have offered themselves for reappointment. They have furnished certificate to the effect that their appointment if made will be in accordance with sub section (1B) of Section 224, of the Companies Act, 1956.

In respect of auditor's qualification, your directos' have to explain that, considering the size and nature of the business of the company, the directors are of the opinion that the internal control systems are effective and adequate and does not require any further measures for internal audit system.

### **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 Kailash Kumar Dhoot and Shri Pawan Kumar Maheshwari retire by rotation at the ensuing Annual General Meeting of the Company. They both are eligible for re-appointment.

### **COMPLIANCE CERTIFICATE**

As per the requirement 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.

Further, it is proposed to appoint, M/s V. M. & Associates, Company Secretaries in Whole-time Practice, for issuance of Compliance Certificate under section 383A of the Companies Act, 1956, for the financial year 2011-12.

## **PARTICULARS OF EMPLOYEES**

Information in accordance with Sub Section (2A) of Section 217 of the Companies Act, 1956 as amended read with Companies (Particulars of Employees) Rules, 1975 is **NIL**.

## **FIXED DEPOSIT**

The company has not invited any fixed deposit during the year under review.

## **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. The company is using Agro waste in place of coal.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, is hereby confirmed:

- (i) that in preparation of the accounts for the financial year ended 31<sup>st</sup> March, 2011, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) that the Directors have selected such accounting policies and applied consistently and made judgments and estimates that were 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 the year under review;
- (iii) that the Directors have taken proper and sufficient care 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 the preventing and detecting fraud and other irregularities;
- (iv) that the Directors have prepared the accounts for the financial year ended 31<sup>st</sup> March, 2011 on a 'going concern basis'.

### **1. ACKNOWLEDGEMENT**

Your Directors wish to place on record their sincere appreciation of dedicated effort of all concerned at all levels.

**PLACE: ALWAR**  
**DATED: 30.08.2011**

**FOR AND ON BEHALF OF THE BOARD**

**D P SARDA**

**DIRECTOR**

## 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 are 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 as per form 'A'

### FORM 'A'

Form for disclosure of particulars with respect to conservation of energy.

	<b>Current Year 2010-11</b>	Previous Year 2009-10
Power And Fuel Consumption		
<b>1 ELECTRICITY</b>		
a) Unit Consumed (KWH)	<b>944100</b>	884541
Total Amount (Rs.)	<b>4319251</b>	4008414
Rate/Unit	<b>4.57</b>	4.53
b) Other Generation		
Diesel Generator (KWH)	<b>4950</b>	2100
Total Amount (Rs.)	<b>55677</b>	19915
Rate/Unit	<b>11.25</b>	9.48
<b>2 FUEL</b>		
a) Mustard Husk Consumed (M. Tons)	<b>267.26</b>	207.06
<b>Fuel Amount (Rs.)</b>		
a) Mustard Husk	<b>660579</b>	489478
<b>3 PROCESSING OF M. SEED IN QUINTALS</b>		
a) Mustard Seed	<b>75821.91</b>	64526.86
<b>4 ELECTRICITY CONSUMED IN KWH PER QUINTAL</b>		
a) Mustard Seed	<b>12.52</b>	13.71
<b>5 MUSTARD HUSK CONSUMED (In M.Tons of Seed Processed)</b>	<b>0.04</b>	0.03

### FORM 'B'

1 Research & Development	Nil
2 Benefit Derived as result of the above	Nil
3 Future Plan of Action	To aim for energy efficient extraction
4 Expenditure on R & D for the year ended 31st Mar 2011	Nil
II Technology Absorption	Nil
III Foreign Exchange Earning and Outgo	Nil
a. Activities relating to exports, incentive to increase export, development of New Exports, Incentive to increase export services and Export Plans	Nil

COMPLIANCE CERTIFICATE

**CIN: L15142RJ1991PLC006353**  
**Nominal Capital Rs. 5,00,00,000/-**

**To,**

The Members,  
**Sarda Protiens Limited**  
**E-172 (A), Matsya Industrial Area,**  
**Alwar- 301030**

We have examined the registers, records, books, documents and papers of **SARDA PROTIENS 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 **31<sup>st</sup> March, 2011**. 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.
- 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, 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.
- 3.** the Board of Directors duly met **8 (Eight)** times on 14.05.2010, 26.05.2010, 10.06.2010, 20.07.2010, 31.08.2010, 03.09.2010, 30.10.2010 and 29.01.2011 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 29<sup>th</sup> September, 2010 to 30<sup>th</sup> September, 2010 (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 **31<sup>st</sup> March, 2010** was held on **30.09.2010** 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 Shri Badri Bishal Sarda and Shri Siddharth 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.
10. 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.
11. other paras of the Companies (Compliance Certificate) Rules, 2001 are either **NIL** or **NOT APPLICABLE** for the current year.

**NOTE:** Pursuant to Section 192A of the Companies Act, 1956, the Company conducted postal ballot, for seeking the approval of the Members of the Company by an Ordinary Resolution to sell, lease or dispose off the whole or substantially the whole of the undertaking(s) of the Company, pursuant to the provisions of section 293(1)(a) of the Companies Act, 1956. The result of the said postal ballot was declared on 05.07.2010.

**PLACE: JAIPUR**  
**DATE: 30.08.2011**

**FOR V. M. & ASSOCIATES**  
**COMPANY SECRETARIES**

**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 **31<sup>st</sup> March, 2011**:

1. E-Form No. 62 dated 26.05.2010 containing calendar of events with regard to postal ballot was filed in time on 29.05.2010.
2. E-Form 17 dated 10.06.2010 for satisfaction of charge of Rajasthan Financial Corporation was filed in time on 05.07.2010.
3. E-Form No. 23 dated 05.07.2010 for registration of Postal Ballot resolution was filed in time on 29.07.2011.
4. E-Form No. 66 along with Compliance Certificate filed u/s 383A for the financial year ended on 31.03.2010, filed on 27.10.2010.
5. E-Form No. 23AC and 23ACA alongwith Balance Sheet and Profit & Loss Account for the year ended on 31.03.2010, filed u/s 220 on 27.10.2010.
6. E-Form No. 20B alongwith Annual Return under Schedule V, for the Annual General Meeting held on 30.09.2010 was filed in time on 25.11.2010.

## **AUDITORS' REPORT**

### **To the members of Sarda Proteins Limited**

1. We have audited the attached Balance Sheet of Sarda Proteins Limited as at March 31, 2011 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. Those 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 the written representations received from directors of the company as on March 31, 2011, and taken on record by the Board of Directors, none of the directors of the company are disqualified as on March 31, 2011 from being appointed as a director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956.
- f) Without qualifying our opinion, attention is invited to note no. 8 of Schedule XIII wherein the company has not provided for diminution in the value of investment in the equity shares of a company for the reasons explained therein.
- g) 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 March 31, 2011;
- ii) In the case of Profit and Loss Account, of the loss 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  
Firm Reg No.- 000756N

Place: New Delhi  
Dated: 30<sup>th</sup> August 2011

**KAMAL KISHORE**  
Partner  
M.No. 078017