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***21st  
Annual  
Report  
2011-12***



**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. P. Sarda (Independent)

**BANKERS**

State Bank of Bikaner & Jaipur  
State Bank of India  
HDFC Bank Ltd.  
Axis 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 Floor,  
A-40, Naraina Industrial Area, Phase-II,  
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**

Your Directors have pleasure in presenting the Twenty First Annual Report of your Company along with Audited Annual Accounts for the year ended 31<sup>st</sup> March, 2012.

**OPERATION**

During the year under review your company's sales have increased to Rs. 2701.07 Lakhs and a pre tax profit of Rs.11.59 Lakhs was earned after providing depreciation of Rs. 6.02 Lakhs and after providing tax of Rs. 3.72 Lakhs a net profit of Rs. 7.87 Lakhs was earned.

**FINANCIAL OF THE COMPANY**

The financial performance of the Company for the year ended on 31<sup>st</sup> March, 2012 is as follows:

Rupees in Lakhs

Particulars	2011-12	2010-11
<b>Sales</b>	<b>2701.07</b>	<b>2445.84</b>
<b>Other Income</b>	<b>32.89</b>	<b>2.01</b>
<b>Expenditure excluding Depreciation</b>	<b>2716.35</b>	<b>2173.83</b>
<b>Depreciation</b>	<b>6.02</b>	<b>6.36</b>
<b>Profit/(Loss) before tax</b>	<b>11.59</b>	<b>(32.33)</b>
<b>Provision for Taxation</b>	<b>3.72</b>	<b>(11.07)</b>
<b>Profit / (Loss) after tax</b>	<b>7.87</b>	<b>21.25</b>
<b>Profit / (Loss) carried to Balance Sheet</b>	<b>(2.09)</b>	<b>(9.96)</b>
<b>Dividend</b>	<b>--</b>	<b>--</b>
<b>EPS (Basic)</b>	<b>0.32</b>	<b>(0.87)</b>
<b>EPS (Diluted)</b>	<b>0.32</b>	<b>(0.87)</b>

**MATERIAL CHANGES**

There are no material changes.

**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 Madhu Sudan Somani retires by rotation at the ensuing Annual General Meeting of the Company. He is eligible for re-appointment.

Shri Damodar Prasad Sarda, whole-time director is reappointed for a further period of 5 years w.e.f. 1st February, 2012, this reappointment is proposed to be confirmed at the ensuing Annual General Meeting.

**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 2012-13 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.

**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 2012 and of profit 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.

**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 year 2012-13, given in the notice.

**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.

**ACKNOWLEDGEMENT**

The Board of Directors place on record their appreciation for the assistance and cooperation received from 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.

For and on behalf of the Board of Directors

PLACE : ALWAR  
DATE : 30.08 2012

Sd/-  
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.**

<b>Power and Fuel Consumption</b>		<b>Current Year 2010-12</b>	<b>Previous Year 2010-11</b>
<b>1 Electricity:</b>			
a) Unit consumed (KWH)		1066101	944100
Total Amount (Rs.)		5486166	4319251
Rate/ Unit		5.15	4.57
b) Other Generation:			
Disel Generatore (KWH)		2100	4950
Total Amount (Rs.)		25878	55677
Rate/ Unit		12.32	11.25
<b>2 Fuel:</b>			
a) Mustard Husk Consumed (M.Tons)		458.015	267.026
Fuel Amount (Rs.)			
a) Mustard Husk		1212265	660579
<b>3 Processing of M.Seed in Quintals</b>			
a) Mustard Seed		87035.18	75821.91
<b>4 Electricity Consumed in Kwh per Quintals</b>			
a) Mustard Seed		12.27	12.52
<b>5 Mustard Husk Consumed (In Tons of Seed Processed)</b>		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, 2012 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

Place : Alwar  
Dated : 30.08.2012

**D.P. SARDA**  
Director

**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 **31<sup>st</sup> March, 2012**. 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 **5 (Five)** times on 14.05.2011, 30.07.2011, 30.08.2011, 14.10.2011 and 31.01.2012 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, 2011 to 30<sup>th</sup> September, 2011 (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, 2011** was held on **30.09.2011** 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 Kailash Kumar Dhoot and Shri Pawan Kumar Meheshwari, retired by rotation and being eligible were re-appointed. Mr. Damodar Prasad Sarda has been reappointed as the whole time director of the company for a period of five years w.e.f. 1st February, 2012. However, there was no appointment of additional directors, alternate directors and directors to fill casual vacancy during the financial year.

9. the reappointment of Mr. Damodar Prasad Sarda, whole time director has been made in compliance with the provisions of section 269 read with schedule XIII to the Act.
10. 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.
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.

FOR V. M. & ASSOCIATES  
COMPANY SECRETARIES

V. M. DAVE  
PARTNER  
Certificate of Practice: 452

PLACE: JAIPUR  
DATE: 16.08.2012

#### **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, 2012**:

1. E-Form No. 66 along with Compliance Certificate file u/s 383A for the financial year ended on 31.03.2011 was filed in time on 31.10.2011.
2. E-Form No. 23AC and 23ACA in XBRL alongwith Balance Sheet and Profit & Loss Account u/s 220 for the year ended on 31.03.2011 was filed in time on 29.11.2011.
3. E-Form No. 20B alongwith Annual Return under Schedule V, for the Annual General Meeting held on 30.09.2011 was filed in time on 28.11.2011.
4. E-Form No. 25C dated 31.01.2012 for re-appointment of Whole Time Director was filed in time on 29.02.2012.

**AUDITORS' REPORT**

To the members of Sarda Proteins Limited

1. We have audited the attached Balance Sheet of Sarda Proteins Limited ('the Company') as at March 31, 2012 and also Statement of Profit & Loss and the Cash Flow Statement 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 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, Statement of Profit & 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 & Loss 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, 2012, and taken on record by the Board of Directors, we report that none of the directors of the company are disqualified as on March 31, 2012 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. the case of Balance Sheet, of the state of affairs of the Company as at March 31, 2012;
  - ii. In the case of Statement of Profit and Loss, of the profit for the year ended on that date; and
  - iii. 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

FRN : 000756N

Place: New Delhi

Date : August 16, 2012

**Kamal Kishore**

Partner

Membership No : 078017

**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 of the Company 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. There are no accumulated losses as at the end of the financial year. The company has not incurred cash losses during the current financial year. However, the Company had incurred cash losses in 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. The Company has not issued any debentures during the year nor are there 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

Place: New Delhi  
Date : August 16, 2012

**Kamal Kishore**  
Partner  
Membership No : 078017