



BOARD OF DIRECTORS : **J.P. Agrawal**
(Whose Time Director)

Kailash Chand Sharma
(Managing Director)

Surendra Singh Arora
(Whole Time Director)

Sharad Kumar Jain
(Additional Director)
w.e.f. 24.08.2009

Umesh Trivedi
Giriraj Gupta
Hitesh Yadav

AUDITORS : **Bhutoria Ganesan & Co.**
Chartered Accountants
Bhopal (M.P.)

COMPANY LAW ADVISOR : **D.K. Jain & Co.**
Company Secretaries
Indore (M.P.)

BANKER : **Andhra Bank**
Bhopal (M.P.)

REGISTERED OFFICE & FACTORY : **Nagpur - Kalan**
Ordinance Factory Road,
Itarsi (M.P.)
Ph. : 07572-262636
Fax : 07272-262639

SHARE TRANSFER AGENT : **Ankit Consultancy Pvt. Ltd.**
Geeta Bhawan Square,
Alankar Point, 2nd Floor,
A.B. Road, Indore (M.P.)
Ph. : 0731-2491298

18th Annual Report 2008-09

NOTICE

NOTICE is hereby given that the 18th Annual General Meeting of the Members of NATRAJ PROTEINS LTD. will be held at the Registered Office of the Company at Nagpur-Kalan Ordinance Factory Road, Itarsi 461111 (M.P.) on Monday the 28th Sept., 2009 at 2.00 P.M. to transact the following business:

I. ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2009 and Profit & Loss Account of the company for the year ended 31st March 2009 together with the report of the Directors & Auditor's thereon on that date.
2. To appoint a director in place of Shri Giriraj Gupta, who retires by rotation.
3. To appoint a director in place of Shri Surendra Singh Arora, who retires by rotation.
4. To appoint Auditors and to fix their remuneration.

II. SPECIAL BUSINESS BY ORDINARY RESOLUTION:

5. To consider and if thought fit, to pass with or without modification(s) if any, the following Ordinary Resolution :

RESOLVED THAT Shri Sharad Jain, who was appointed as an additional director by the Board w.e.f. 24th August, 2009 and in respect of whom a notice under section 257 of the Companies Act, 1956 have been received from members signifying their intention to propose Shri Sharad Jain as a candidate for the office of the director of the Company at the forth coming annual general meeting be and is hereby elected and appointed as a director and he is liable to retire by rotation.

BY ORDERS OF THE BOARD

For Natraj Proteins Ltd.


K.C. SHARMA

MANAGING DIRECTOR

Place : Itarsi

Dated: 24th August, 2009

NOTE :

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.**
2. Register of Members and Share Transfer Book of the Company will remain closed from 25th September, 2009 to 28th September, 2009 (both days inclusive).
3. a) Members are requested to notify immediately any change of address;
(i) To their Depository Participants (DPs) in respect of their electronic share accounts; and
(ii) To the Company's Share Transfer Agents in respect of their physical share folios, if any.
b) In case the mailing address on this Annual Report is without the PINCODE, members are requested to kindly inform their PINCODE immediately
4. Non-resident Indian Shareholders are requested to inform Share Transfer Agents immediately:
a) The change in the residential status on return to India for permanent settlement.
b) The particulars of NRE Account with a Bank in India, if not furnished earlier.
5. All documents referred to in the accompanying notice are open for inspection at the Registered office of the Company on all working days, except Saturdays between 11.00 A.M. to 1.00 P.M.
6. Members who are holding shares in identical order of names in more than one folio are requested to send to the Company the details of such folios together with the share certificates for consolidating their holdings in one folio. The share certificates will be returned to the members after making requisite changes thereon.
7. Members desirous of obtaining any information concerning Accounts and Operations of the Company are requested to address their questions in writing to the Company at least 7 days before the date of the Meeting so that the information required may be made available at the Meeting.
8. The Company has connectivity from the CDSL & NSDL and equity shares of the Company may also be held in the Electronic form with any Depository Participant (DP) with whom the members/investors have their depository account. The .SIN No. For the Equity Shares of the Company is INE444D01016. In case of any query/difficulty in any matter relating thereto may be addressed to the Share Transfer Agents Ankit Consultancy Pvt. Ltd., Alankar Point, Gita Bhawan Chouraha, A.B. Road, Indore (M.P.).
9. As per the provisions of the Companies Act, 1956, facility for making nominations is now available to INDIVIDUALS holding shares in the Company. The Nomination Form-2B prescribed by the Government can be obtained from the Share Transfer Agent or may be down loaded from the website of the Department of Company affairs.
10. The Company shall make available transport facilities from Itarsi to factory premises for attending the Annual General Meeting.
11. Pursuant to the recommendation of SEBI Committee on Corporate Governance for reappointment of the retiring directors, a statement containing details of the concerned directors is attached hereto.

**STATEMENT REGARDING THE DIRECTORS PROPOSED FOR APPOINTMENT**

NAME OF APPOINTEE	AGE/ YEARS	QUALIFI- CATIONS	EXPERTISE/EXPERIENCE	DATE OF APPOINTMENT	OTHER DIRECTOR- SHIPS, IF ANY
Shri Giriraj Gupta Independent Director	49	B.E. (Ch.)	28 years experience in Soya Industry as advisor.	31.01.2003	Shiv Edibles Ltd.
Shri S.S.Arora Whole-Time Director	59	B.Com.	More than 30 years in the Soya & manufacturing industries	21.11.1990	None
Shri Sharad Jain	45	B.Sc	23 years experience in Soya Industry Additional Director and Real Estate business	24.08.2009	None

ANNEXURE TO THE NOTICE**EXPLANATORY STATEMENT IN PURSUANT TO THE PROVISIONS OF SECTION 173 (2) OF
THE COMPANIES ACT, 1956 IN RESPECT TO THE SPECIAL BUSINESS:****ITEM NO. 5:**

Shri Sharad Jain was appointed by the Board as additional director of the Company w.e.f 24th August, 2009 in order to broad base the Board of directors and to utilize his expert knowledge and advises.

The Company has received a notice u/s 257 of the Companies Act, 1956 from members proposing his appointment for the office of the director of the Company. Looking into his experience and qualifications, your Board recommends the appointment of him as the director of the Company and proposes to pass the respective resolution as set out in item No. 5 of the Notice for approval as an Ordinary Resolution.

Except, Shri Sharad Jain, none other directors are interested or concerned in the resolution.

BY ORDERS OF THE BOARD

Place: Itarsi

Dated: 24th August, 2009

For Natraj Proteins Ltd.

K.C. SHARMA
MANAGING DIRECTOR
Director**CORRIGENDA to the Annual Report 2008-09****Corrections to be noted in the Annual Report 2008-09 of Natraj Proteins Ltd.**

S.No.	Page No.	Particulars given in the Annual Report	The correct particulars to be read in their places
1	2	Day and date of the Annual General Meeting in the notice of Annual General Meeting 'Monday the 28 th Sept., 2009'	'Tuesday, the 29 th Sept., 2009'
2	11	1. Point No.11(1) date, time and venue of AGM '28 th Sept., 2009' 2. Point No. 1(vi) last date for receipt of Proxy '26.09.2009'	'29 th Sept., 2009' '27.09.2009'
3	Back cover page	In proxy form and attendance slip 'Monday the 28 th Sept., 2009'	'Tuesday, the 29 th Sept., 2009'

DIRECTORS' REPORT

To,
The Members,
Natraj Proteins Limited

Your Board of directors has pleasure in presenting their 18th Annual report on the business and operations of the Company along with the Audited Balance Sheet and Profit & Loss Accounts for the year ended 31st March 2009.

1. FINANCIAL RESULTS :

Financial Results of the company for the year under review along with the comparative figures for previous year are as follows :

Particulars	(Amt in Rs.)	
	Year ended 31st March	
	2009	2008
Total sales/Income from operations	1684736057	1604270726
Profit before interest, depreciation & tax	69990798	35806676
Less: Interest	13996857	16521397
Depreciation	6890383	5282129
Profit Before Tax	49103558	14003149
Less: Income Tax Related to Previous Year	2219411	0
Less: Provision for Income Tax	9000000	4274500
Less: Provision for Deferred Tax	8121960	0
Less: Fringe Benefit	77228	49140
Net Profit After Tax	29684960	9679509
Add: Balance carried from Profit & Loss A/c	64231338	53052356
Less: Transactional Liability – Deferred Tax Related	13451734	1499473
Total surplus of profit carried to Balance Sheet	80464564	64231338

2. DIVIDEND:

In order to strengthen the capital base and looking to the future prospects of the company, your directors do not recommend any dividend during the year and the funds are proposed to be utilized for Company's business activities of the company.

3. REVIEWS ON OPERATIONS:

3.1. SOYA DIVISION

During the year under review, the monsoon was quite favorable for the company's raw material viz, soya seeds and it was able to procure adequate seed for its crushing and manufacturing requirements. During the year under review the company has achieved turnover of Rs.16847.36 Lacs as compared to Rs. 16042.70 Lacs in the previous year. The profit of the Company was also recorded at Rs. 296.85 Lacs as compared to Rs. 96.80 Lacs in the previous year.

Your company's DOC being exported to other countries through the merchant exporters and in view of the decrease of the value of the Indian Rupee as compared to US \$ the realization of the company sales of the Company was comparatively better than previous year.

Your directors look forward for better working results in the years to come and good parity on export of DOC. However, this year monsoon was not according to the required norms for soya crops and as the members are aware that the company is based on the SOYA seeds, an agricultural product, which is purely dependent on the monsoon and the climatic conditions of the Country, therefore the company may face problem in procurement of seeds of good quality on competitive price, which may effect the working of the Company.

WIND POWER DIVISION

The company has purchased Wind Power Mill in the state of Tamil Nadu for 750 KW capacity, with the investment of Rs.3.34 Crores. The wind mill has generated 150432 Units during the year.

4. CORPORATE GOVERNANCE:

Corporate governance assumes a great deal of importance in the business life of the company. The driving forces of the corporate



governance at company are its core values, belief in people, entrepreneurship, customer's orientations and the Pursuit of Excellence. The company's goal is to find creative and productive ways of delighting its stakeholders, i.e., investors, customers and associates, while fulfilling the role of a responsible corporate representative committed to the best practices.

Your company has complied with the mandatory requirements of Clause 49 of the listing agreement within the stipulated time. A report on the Corporate Governance has been annexed to the Directors' Report.

5. DIRECTORS :

The Board consists of executive and non-executive directors including independent directors who have wide and varied experience in different disciplines of corporate functioning. Shri Giriraj Gupta, independent director will retire at the forthcoming Annual General Meeting. Shri Surendra Singh Arora, whole-time directors of the Company whose tenure as whole-time director is upto 31st July, 2010 subject to that he must be validly appointed as a director of the Company during his tenure as whole-time director is also liable to retire by rotation at the forthcoming Annual General Meeting. Shri Sharad Jain was appointed as an Additional Director of the Company by the Board w.e.f. 24th August, 2009 and the Company has received a notice u/s 257 from a member of the company for proposing his appointment as a director at the forth coming annual general meeting.

Your directors submit necessary resolutions for respective appointment before the members of the Company.

6. DEPOSITS :

Your Company has not accepted deposits from the general public within the meaning of the provisions of section 58A of the Companies Act, 1956. There was no overdue/unclaimed deposit as at the date of the Balance Sheet. The Company Law Board or National Company Law Tribunal or Reserve Bank of India or any other Court or Tribunal against the Company has assed no order.

7. DIRECTORS' RESPONSIBILITY STATEMENT :

In accordance with the provisions of section of 217(2AA) of the Companies Act, 1956, your directors state that:

- In the preparation of accounts, the applicable accounting standards have been followed.
- Accounting policies selected were applied consistently. Reasonable and prudent judgments and estimates were made so as to give a true and fair view of the state of affairs of the company as at the end of March 31, 2009 and the profits of the company for the year ended on that date.
- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities.
- The annual accounts of the company have been prepared on the going concern basis.

8. AUDITORS :

M/s. Bhutoria Ganesan & Co., Chartered Accountants, the statutory Auditors of the company retires at the close of this Annual General Meeting and is eligible for re-appointment. The Company has received confirmation from the Auditors that their re-appointment will be within the limits prescribed under section 224(1B) of the Companies Act, 1956. The Audit Committee of the Board has recommended their re-appointment. The necessary resolution is being placed before the shareholders for approval.

9. AUDITORS' REPORT :

The report of the auditors of the company and notes to the accounts are self explanatory and therefore do not call for any further comments and may be treated as adequate compliance of section 217(3) of the Companies Act, 1956.

10. INSURANCE :

The assets of company are adequately insured against the loss of fire and other risks, which has been considered necessary by the management.

11. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, PARTICULAR OF EMPLOYEES AND FOREIGN EXCHANGE EARNINGS AND OUTGO :

Information as required under section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules 1988 have been annexed herewith.

12. SHARE CAPITAL & LISTING :

The Equity Shares of the Company may also be kept in the electronic form as your company has connectivity from the Central Depository Services Ltd. (CDSL) and National Depository Services Ltd. (NSDL) to provide facilities to all members and investors to hold the Company's shares in dematerialised form.

Equity shares are listed with the Mumbai, Madhya Pradesh and Ahmedabad Stock Exchanges. The Company is regular in payment of annual listing fees to all the Stock Exchange and there were no suspension of trading in any stock exchange during the year under review.

13. PERSONNEL :

The Company continues to have cordial relations with its employees during the year under review.

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT :**A. INDUSTRY STRUCTURE AND DEVELOPMENTS :**

As so many new projects for SOYA industries have commissioned in past in the state of Maharashtra and surrounding areas of the state of Madhya Pradesh, to get advantage of the Soya production in the crushing activities, however, due to bad monsoon conditions, the Soya units may suffer due to non availability of good quality adequate seed in the year 2009-10.

B. BUSINESS OVERVIEW AND FUTURE OUTLOOK :

While we cannot predict a further performance will believe considerable opportunities will exist for sustained, profitable growth, not only in the developing countries but also in the developed western countries. The Company plans to launch oil in consumable packing to take the retail market, for good profitability.

C. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY :

The Company has reasonable system of internal control comparing authority levels and the powers, supervision, checks, policies and the procedures. The Company is having the Audit Committee under the Chairmanship of Shri Umesh R. Trivedi. The said Committee reviews the adequacy of internal controls systems and the Compliance thereof.

Further the annual financial statement of the company are reviewed and approved by the committee and placed before the Board for the consideration. The Committee also reviewed the internal controls system during the year.

D. ENVIRONMENTS, SAFETY AND ENERGY CONSERVATION :

The company is taking the steps for the environment safety and the energy conservatism. Your company has recorded further reduction in specific energy consumption over the previous year, through productivity improvements, induction of innovative energy-efficient process technologies and recycling/reuse of energy stream where feasible.

To conserve ground water, your company has embarked on rainwater harvesting projects at the manufacturing site and greening of barren land around factory. Further a comprehensive health check of all its employees.

E. CAUTIONARY STATEMENT :

Statement made in the management discussion and analysis report as regards the expectations or predictions are forward looking statements within the meaning of applicable Laws and Regulations. Actual performance may deviate from the explicit or implicit expectations.

F. SWOT ANALYSIS FOR THE COMPANY**Strengths :**

- Strong R & D capability well linked with business.
- Integrated supply chain.
- Ability to deliver cost saving.
- High quality of manpower resources.
- Centralised manufacturing activities.

Weaknesses :

- Manufacturing activities are mainly dependent on the availability of seed, which is directly related to the monsoon.
- Since, the bulky products, the Company's transportation activities of the Oil and DOC are based on the availability of racks from the Indian Railway, some times it is not available as and when required and disturb the dispatch schedule.
- The Company's product being indirectly exported, which has exchange control risk and the parity of the profitability is based on the exchange rates. This year as the rupee was appreciated, the profitability of the Company was a so affected to some extent.

Threats:

- Monsoon activities.
- Competition from the manufacturers.

Opportunities :

- Good monsoon will provide good opportunities to the company.
- Price competitiveness.

G. MARKETING AND EXPORT:

Though the Company do not export directly, but it plans for direct export in coming season for better realization. The Company's export/gross revenue largely effects the exchange ratio of Indian Rupee viz a viz US \$ and Euro \$.

14. ACKNOWLEDGEMENTS :

Your directors wish to place on record their sincere appreciation and acknowledge with gratitude for the assistance, cooperation and encouragement by valued customers, suppliers, bankers, shareholders and employees of the company and look forward for their continued support.

Place: Itarsi

Dated: 24th August, 2009

For Natraj Proteins Ltd.

For and on behalf of the Board

Sd/-
K.C. SHARMA

CHAIRMAN & MANAGING DIRECTOR

**Annexure to the Directors' Report:**

[Information as per the Companies (Disclosure of particular in Report of Board of Directors) Rules, 1988]

A. CONSERVATION OF ENERGY:

1	Year Ended	
	31.03.2009	31.03.2008
i) Electricity:		
a) Units in (K.W.)	2803453	3360790
b) Total Amount (Rs. in lacs)	125.99	147.59
c) Rate per KW (in Rs.)	4.49	4.39
ii) a) Coal (Qty.in M.T.)	7827.245	9974.535
b) Total cost (Rs. In lacs)	174.90	215.5
	2234.54	2160.55
2	Production in M.T.	
a) Crude Oil	10648.668	13091.609
b) Refined Oil	10561.853	11826.240
c) De-oiled Cake	53107.313	68930.428
d) Acid Oil	184.605	206.850
e) Gums	580.67	1193.470
f) Fatty Acid	16.105	12.240
g) Lecithin	429.565	75.090

B. TECHNOLOGY ABSORPTION:

The company is making continuous efforts for the technological development of the plant and refinery. The technology selected by your company for solvent plant and refinery is well proven within the country and the company is making all the efforts to update its technology, the company had also established a laboratory for Research & Development facilities for quality control purpose.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the year under review, your company has made exports through the export houses. There are no direct export earnings and there is no inflow or outflow of foreign exchange during the year under review (previous year Nil).

D. PARTICULARS OF EMPLOYEES:

Particulars of the employees as required under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of the Employees) Rules 1975, are not applicable since, none of the employee of the company is drawing more than Rs. 24,00,000/- P.A. or Rs.2,00,000/- P.M. for the part of the year, during the year under review.

For Natraj Proteins Ltd.

For and on behalf of the Board

Place: Itarsi

Dated: 24th August, 2009

Sd/-
K.C.SHARMA

CHAIRMAN & MANAGING DIRECTOR

CORPORATE GOVERNANCE REPORT
REPORT OF COMPLIANCE WITH CLAUSE 49
OF THE LISTING AGREEMENT OF THE STOCK EXCHANGES

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company's philosophy on code of Governance as adopted by the Board is as under:

- (i) Ensure that the quantity, quality and frequency of financial and managerial information, which management shares with the Board, fully places the Board members in control of the company's affairs.
- (ii) Ensure that the Board exercises its fiduciary responsibilities towards shareowners and creditors, thereby ensuring high accountability.
- (iii) Ensure that the extent to which the information is disclosed to present and potential investors is maximised.
- (iv) Ensure that the decision-making is transparent and documentary evidence is traceable through the minutes of the meetings of the Board/Committee thereof.
- (v) Ensure that the Board, Employees and all concerned are fully committed to maximising long-term value to the shareowners and the company.
- (vi) Ensure that the core values of the company are protected.

2. BOARD OF DIRECTORS :

(i) Details of Directors :

The Company is having six directors in the Board and having optimum composition of three independent directors in the Board and three directors of the Company. Details of directors of the Company as at 31st March 2009 are as under:

Directors	Executive / Non Executive / Independent	No. of outside directorship held		No. of outside Committee positions held	
		Public	Private	Member	Chairman
Shri Jagdish P. Agrawal	Executive/Promoter	-	-	-	-
Shri Surendra S. Arora	Executive/Promoter	-	-	-	-
Shri Kailash C. Sharma	Executive/Promoter	-	-	-	-
Shri Umesh Trivedi	NED/IND	-	-	-	-
Shri Giriraj Gupta	NED/IND	2	1	-	-
Shri Hitesh Yadav	NED/IND	-	-	-	-

(ii) Details of Board Meetings held during the year :

During the financial year 2008-09, there was total Eleven meeting of the Board of directors of the Company. Details regarding date, venue, strength of the Board and directors present at the respective meetings are as under:

Date of Board Meetings	Place of meetings	Total Strength of the Board	No. of Directors present
30/04/2008	Itarsi, M.P.	6	4
05/06/2008	Itarsi, M.P.	6	5
30/07/2008	Itarsi, M.P.	6	5
25/08/2008	Itarsi, M.P.	6	5
15/09/2008	Itarsi, M.P.	6	5
26/09/2008	Itarsi, M.P.	6	3
20/10/2008	Itarsi, M.P.	6	4
31/10/2008	Itarsi, M.P.	6	5
31/01/2009	Itarsi, M.P.	6	5
04/03/2009	Itarsi, M.P.	6	4
20/03/2009	Itarsi, M.P.	6	5

3. CODE OF CONDUCT

The Board of directors of the Company has laid down a Code of Conduct for all Board members and members of senior management of the company. The Board Members and Senior Management have affirmed compliance with the "Code of Conduct" for the year ended March 31, 2009.

**4. AUDIT COMMITTEE:****(A) Brief description of terms of reference :**

- (i) Review with the management the quarterly/half-yearly financial statements.
- (ii) Hold separate discussion with Head-Internal Audit, Statutory Auditors and among members of the Audit Committee to find out whether the company's financial statements are fairly presented in conformity with the Accounting Standards issued by the Central Government..
- (iii) Review the company's financial and risk management policies and the adequacy of internal control systems.
- (iv) Review the adequacy of accounting records maintained in accordance with the provisions of the Companies Act 1956.
- (v) Review the performance of Statutory Auditors and recommend their appointment and remuneration to the Board, considering their independence & effectiveness.
- (vi) Perform other activities consistent with the Company's Memorandum and Articles, the Companies Act, 1956 and other Governing Laws.

(B) Composition of Committee :

S.No	Name	Designation	Position in Committee
1.	Mr. Umesh R. Trivedi	Director NED/IND	Chairman
2.	Mr. Giriraj Gupta	Director NED/IND	Member
3.	Mr. Hitesh Yadav	Director NED/IND	Member

The Statutory Auditors and Whole-time Director of the Company were also invited by the Committee to express their views in the Meeting. The Chairman of the Audit Committee has also attended the Annual General Meeting of the members of the company.

(C) Meetings of the Audit Committee :

During the financial year 2008-09 the Audit Committee met 4 (Four) times on the 30th April, 2008, 30th July, 2008, 31st Oct., 2008 and 30th January, 2009 under the Chairmanship of Shri Umesh R. Trivedi, in which proper quorum was present.

The Committee considered the draft Annual Accounts for the year 2008-09. The Committee also reviewed financial and risk management policy of the Company and defaults, if any in payment to the creditors, financial institutions and reasons thereof.

5. SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE :**(A) Brief description of terms of reference :**

The Company has a 'Shareholders Grievance & Transfer Committee' at the Board level to look into the Redressing of shareholders and investor's complaints like:

- (i) Transfer of Shares, transmissions and delay in confirmation in D-mat of shares.
- (ii) Non-receipt of Annual Report, etc.

(B) Composition of Committee and number of meetings held :

S.No	Name	Designation	Position in Committee
1.	Mr. Umesh R. Trivedi	Director NED/IND	Chairman
2.	Mr. Giriraj Gupta	Director NED/IND	Member
3.	Mr. Hitesh Yadav	Director NED/IND	Member

- (i) Name and designation of Compliance Officer : Shri K.C.Sharma,
Managing Director
- (ii) Number of shareholders complaints received during the year : Nil
- (iii) Number of complaints solved during the year : Nil
- (iv) Number of complaints pending at the end of the year : Nil

The Company has given powers to implement transfer, transmission and D-mat of Shares to the Share Transfer Agent and to resolve the relating problems as professional agency. The Committee meets only on specific nature of complaints not resolved within a period of 14 days from the date of its receipts.

6. REMUNERATION COMMITTEE :**(a) Brief description of terms of reference :**

The terms of reference of the Committee are to review and recommend compensation payable to the executive directors. The Committee also ensures that the compensation policy of the Company provides for performance-oriented incentives to management.

(B) Composition of Committee and number of meetings held:

S.No	Name	Designation	Position in Committee
1.	Mr. Umesh R. Trivedi	Director NED/IND	Chairman
2.	Mr. Giriraj Gupta	Director NED/IND	Member
3.	Mr. Hitesh Yadav	Director NED/IND	Member

During the year under review, no meetings of the Remuneration Committee was held.

c) Payment of non-executive directors and composition of the Committee :

The Company is not paying any remuneration to the non-executive/independent Directors except, sitting fees for the attending of the Board or the committee meetings.

d) Remuneration paid to directors during the year :

S.No.	Name of Directors	Status	Sitting fee (Rs.)	Salary/remuneration (Rs.)
1	Shri Kailash Chand Sharma	Director/ CMD	0	600000
2	Shri Jagdish Prasad Agrawal	Director/ WTD	0	600000
3	Shri Surendra Singh Arora	Director/WTD	0	600000
4	Shri Giriraj Gupta	Director/NED		0
5	Shri Umesh Trivedi	Director/NED		0
6	Shri Hitesh Yadav	Director/NED		0

7. WHISTLE-BLOWER POLICY

We have established a mechanism for employee to report concerns about unethical behavior, actual or suspected fraud, or violation of our code of conduct or ethics policy. The mechanism also provides for adequate safeguard against victimization of employee who avails of the mechanism and also provides for direct access to the chairperson of the audit committee in exceptional cases. We further affirm that during the financial year 2009-2010, no employee has denied access to the audit committee

8. VENUE AND TIME OF THE LAST THREE ANNUAL GENERAL MEETINGS :

Location and time, where last three AGMs were held:

Financial Year	2005-06	2006-07	2007-08
Date	29.09.2006	29.09.2007	29.09.2008
Time	2.00 P.M.	2.00 P.M.	2.00 P.M.
Venue	Registered Office	Registered Office	Registered Office
No of special item/businesses transacted	4	3	NIL

The Company has obtained necessary approval of the members under section 149(2A) of Companies Act, 1956 by way of postal ballot process and the results of the same were declared on 7th July, 2007 for amendment in the Other Object Clause No. III(C) of Memorandum of Association by inclusion of four new objects for diversify/expand the business of the Company and to enter in the business of power generation, real estate and civil constructions including contractorship and consumer goods for various varieties as in the line of Reliance Retails and which may now be conveniently or advantageously be combined with the existing business of the company.

One extra ordinary general meeting was held dated 4th April, 2008 in which four special businesses were transacted related to the appointment of Shri Ritesh Sharma u/ 314 w.e.f. 1st Feb., 2008 and revision in the remuneration payable to the Managing and Whole-time Directors of the Company w.e.f. 1st April, 2008.

9. DISCLOSURES ON MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS :

There are no material significant related party transactions made by the Company with its promoters, directors or the management, their subsidiaries or relative that may have potential conflict with the interests of company at large. Register of contracts containing transactions in which directors are interested is placed before the Board regularly for its approval.

- (i) During the last three years there was no penalty, strictures imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority, on any matter related to capital markets.

10. MEANS OF COMMUNICATION:

Quarterly results of the Company are published in leading newspapers such as Freepress Journal in English and Chotha Sansar in Hindi. The results were promptly submitted to the Stock Exchanges where the shares of the Company are listed. The Management Discussion and Analysis have been given in the Directors' Report.

**11. GENERAL INFORMATION TO SHAREHOLDERS**

- ◆ (i) **Date, Time and Venue of Annual General Meeting** : 28th Sept., 2009
at 2.00 P.M. at Nagpur Kalan,
Ordinance Factory Road,
Itarsi (M.P.)
- (ii) **Financial Calendar:** : April to March
 - First Quarter Results : On 31st July 2009
 - Second Quarter Results : On or before 31st October 2009
 - Third Quarter Results : On or before 31st January 2010
 - Results for the year ended : On or before 30th April, 2010
- (iii) **Dates of Book Closure 2009** : From 25th Sep 2009 to 28th Sept.
- (iv) **Board meeting for consideration of Annual Accounts** : 24th August, 2009
- (v) **Posting of Annual Report** : 3rd Sept., 2009
- (vi) **Last date for receipt of Proxy** : 26.09.2009
- (vii) **Listing on Stock Exchanges** : *The Stock Exchange, Madhya Pradesh
Mumbai Stock Exchange Ltd., Mumbai
*The Stock Exchange, Ahmedabad

* The Company has passed special resolution for the voluntary delisting of shares from the Stock exchange Madhya Pradesh and Ahmedabad at the Annual General Meeting held on 29.09.2004

(viii) Scrip Code :

- The Stock Exchange, Madhya Pradesh : N.A.
- The Stock Exchange, Ahmedabad : N.A.
- Mumbai Stock Exchange Ltd., Mumbai : 530119

(ix) Demat ISIN No. for CDSL and NSDL

: INE444D01016

(x) Stock Market Data :Mumbai Stock Exchange Ltd., Mumbai :

Highest and lowest price of Equity Shares during each month in the last financial year 2008-09

Month	Highest (Rs.)	Lowest (Rs.)	Total Volume in No. of Shares
April, 2008	18.71	13.60	34595
May, 2008	16.15	12.00	8494
June, 2008	16.75	10.58	14131
July, 2008	16.64	10.25	12024
August, 2008	17.90	14.80	6848
September, 2008	20.95	12.65	3426
October, 2008	14.00	9.82	6797
November, 2008	13.00	10.20	724
December, 2008	13.12	10.41	3160
January, 2009	13.00	9.03	2740
February 2009	12.85	9.25	17537
March, 2009	11.00	8.31	6408

(xi) Share Transfer System :

Shareholders/Investors' Grievance Committee also approves share transfers and meets at frequent intervals. The Company's Share Transfers Agent Ankit Consultancy Pvt. Ltd. Process these transfers. Share transfers are registered and returned within a period of 15 days from the date of receipt, if the documents are clear in all respects. In cases where shares are transferred after sending notice to the transferors, in compliance of applicable provisions, the period of transfer is reckoned from the date of expiry of the notice.

(xii) Dematerialisation/Rematerialisation :

Based on a SEBI directive, Company's shares are traded in electronic (demat) form. As on 31st March 2009, the Company's shares are held by shareowners in dematerialised form, aggregating 15.27% of the Equity Share Capital. NSDL : 5,34,848 forming 11.7% of the total equity capital CDSL : 1,58,427 forming 3.49% of the total equity capital

(xiii) Status of investors/shareholders complaint :

(i) Number of complaints received during the year	:	10
(ii) Number of complaints solved during the year	:	10
(iii) Number of complaints pending at the end of the year	:	0

(xiv) Distribution of Share owning as on 31st March, 2009 :

Share Holding of Nominal Value of Rs.	No. of Owners	% of Share Holders	Share Amount Rs.	% to Total
Upto 1000	122	8.94	66660	0.15
1001-2000	66	4.84	120830	0.27
2001-3000	24	1.76	67500	0.15
3001-4000	331	24.27	1319440	2.91
4001-5000	186	13.64	926230	2.04
5001-10000	289	21.19	2269790	5.00
10001-20000	139	10.19	2187760	4.82
20001-30000	52	3.81	1324220	2.92
30001-40000	36	2.64	1248510	2.75
40001-50000	32	2.35	1380500	3.04
50001-100000	39	2.86	3581990	7.89
100001- Above	48	3.52	30906570	68.08
TOTAL	1,364	100.00	4,54,00,000	100.00

(xv) Categories of Shareholders as on 31st March, 2009:

Sr.	Category	No. of Shares held	holding % of share
A	Promoter Holding		
1	Promoters		
	Indian Promoters	2032500	44.769
	Foreign Promoters	0	0
2	Persons Acting in Concert	0	0
	Sub Total	2032500	44.769
B	Non Promoters Holding		
3.	Intutional investors	0	0
(a)	Mutual Funds and UTI	0	0
(b)	Bank, financial Institutions, companies (Central/ State Govt./Non- Govt. Institutions)	71300	1.570
(c)	FIs	0	0
	Sub Total	71300	1.570
4	Others	0	0
(a)	Private corporate Bodies	111599	2.48
(b)	Indian Public	2163280	47.65
(c)	NRI/OCBs	161321	3.55
(d)	Any other	0	0
	Sub Total	2436200	53.656
	GRAND TOTAL	4540000	100.000



NATRAJ PROTEINS LIMITED

- (xvi) Details of the promoter's shares Under pledge. : 12,59,500 equity shares consisting 61.97% of the Promoters holding.
- (xvii) Details of shares credited in the suspense account : There were no instance for returning the undelivered shares therefore, no shares were credited in the escrow account as per Clause 5(a) of the Listing Agreement.
- (xviii) Address for Communication : Shareholders should address their correspondence to the Company's Share Transfer Agent, Ankit Consultancy Pvt. Ltd., Alankar Point, Gita Bhawan Chouraha, A.B.Road, Indore (M.P.) and may also contact at the registered office of the Company.
- (xix) Name and Designation of Compliance officer : Shri K.C.Sharma, Managing Director
- (xx) Plant Location, Head Office & Address for correspondence : Nagpur-Kalan Ordinance Factory Road, Itarsi (M.P.)

Place: Itarsi

Dated: 24th August, 2009

For Natraj Proteins Ltd. By order of the Board

Sd/-
K.C.SHARMA

CHAIRMAN & MANAGING DIRECTOR

MANAGEMENT RESPONSIBILITY STATEMENT

The Institute of Chartered Accountants of India in full conformity with the requirements of the Companies Act, 1956 and the Accounting Standards issues the financial statements. The management of Company accepts responsibility for the integrity and objectivity of these financial statements, as well as, for estimates and judgments relating to matters not concluded by the year-end. The management believes that the financial statements reflect fairly the form and substance of transactions and reasonably presents the company's financial condition, and results of operations. To ensure this, the company has installed a system of internal controls, which is reviewed, evaluated and updated on an ongoing basis. Our internal auditors have conducted periodic audits to provide reasonable assurance those the company's established policies and procedures have been followed. However, there are inherent limitations that should be recognised in weighing the assurances provided by any system of internal controls. M/s. BHUTORIA GANESAN & CO, Chartered Accountants, the Statutory Auditors of the Company have audited these financial statements.

A.K.SONI
MANAGER (F & A)

Itarsi, 24th August, 2009

For Natraj Proteins Ltd.

Sd/-
K.C.SHARMA

MANAGING DIRECTOR

Director

CERTIFICATE OF STATUTORY AUDITORS**ON CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGES**

To

The Board of directors
Natraj Proteins Limited

We have examined the compliance of conditions of Corporate Governance procedures as stipulated in Clause 49 of Listing Agreement entered into by the company with the Stock Exchanges, for the financial year beginning 1st April 2008 and ending on 31st March 2009.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have conducted our review on the basis of the relevant records and documents maintained by the company and furnished to us for review and the information and explanations given to us by the company. Based on such review, in our opinion, the Corporate Governance Report of the company, referred to above, reflects on a fair basis the status of compliance by the company with the Clause 49 of the Listing Agreement of the Stock Exchanges, relating to Corporate Governance, for the FY 2008-09 and that no investors grievances is pending for a period exceeding one month against the Company as per the records mentioned by the Share Department/Share Transfer Agent of the Company.

We further state that such compliance is neither an assurance or as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For BHUTORIAGANESAN & CO.
CHARTERED ACCOUNTANTS

For Natraj Proteins Ltd.

Sd/-
R.GOKULAKRISHNAN

Bhopal

Director

Ankita Jain

B Com., ACS, MBA (Pursuing)

C/o. Mr. Niren Mehta
6/3, R.S. Bhandari Marg
Opp. New Agarwal Stores, New Palika
INDORE 452 003 (M.P.) India
Ph. : 0731-2543093, Cell : 97545 58377
e-mail : acsankita@gmail.com

COMPLIANCE CERTIFICATE

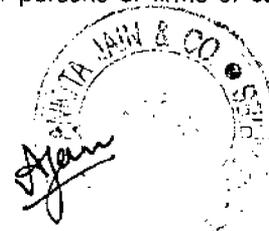
CIN :L00153MP1990PLC006090

Nominal Capital: Rs 5,00,00,000

To,
The Members
NATRAJ PROTEINS LIMITED
Nagpur-Kalan,
Ordinance Factory Road,
Itarsi (M.P.) 461111

We have examined the registers, records, books and papers of **Natraj Proteins Ltd.** (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended **31st March 2009** (from 01.04.2008 to 31.03.2009). In our opinion and to the best of our information and according to the examinations carried out and explanations furnished to us by the Company and its management, 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 of the Act and the rules made there under and all entries therein have been recorded.
2. the Company has filed the forms and returns as stated in **Annexure 'B'** to this certificate, with the Registrar of Companies or other authorities within the time prescribed under the Act and the Rules made thereunder, except the Form 23AC, 23ACA, 20B, 8 which were filed after the prescribed time with adequate late filing fee wherever it is required.
3. the company, being a public limited company, comments are not required.
4. the Board of directors met **Eleven (11) times** on 30th April, 2008; 5th June, 2008; 30th July, 2008; 25th August, 2008; 15th Sept., 2008; 26th Sept., 2008; 20th Oct., 2008; 31st Oct., 2008; 31st January, 2009; 4th March, 2009 and 20th March, 2009 and in respect of which meetings, the proceedings were properly recorded in the Minutes book maintained for the purpose.
5. the Company closed its Register of Member from 24th Sept, 2008 to 29th Sept, 2008 (Inclusive of Both Days) and necessary compliance of section 154 of the Act has been made.
6. the Annual General Meeting for the financial year ended on **31st March, 2008** was held on **29th Sept., 2008** and after given notice to the members of the Company and the resolutions passed thereat were recorded in Minutes book maintained for the purpose.
7. 1 (One) Extra ordinary General Meeting was held during the financial year and the resolutions passed thereat were recorded in the Minutes Book maintained for the purpose.
8. the company has not advanced any loans to its directors or persons or firms or companies, referred to under section 295 of the Act.



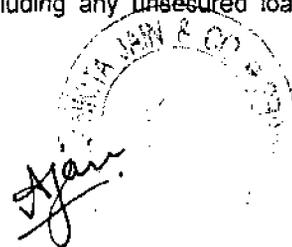
Conti..2

Natraj Proteins Ltd.

(2)

9. the Company has complied with the provisions of section 297 of the Act in respect of contracts specified in that section.
10. the Company has made necessary entries in the register maintained under section 301 of the Act.
11. the Company has obtained necessary approval from the Board of Directors and members pursuant to provisions section 314 of the Act wherever applicable.
12. the company has issued any duplicate share certificates during the financial year and complied with the provisions of the Act.
13. the Company:
 - I. was has delivered certificates on of securities on lodgments of shares for transfer and transmission during the financial year.
 - ii. was not required to deposit any amount in a separate Bank Account as no dividend was declared during the financial year.
 - iii. was not required to post warrants to any member of the company as no dividend was declared during the financial year.
 - IV. was not required to transfer any amount in unpaid dividend account, application money due for refund, matured deposit, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of 7years to Investors Education and Protection Fund.
 - V. has complied with the requirements of section 217 of the Act.
14. the Board of directors of the Company is duly constituted. The appointment of directors were duly made. However there was no appointment of additional, alternate director or directors to fill casual vacancy during the financial year.
15. the company has not appointed any Managing Director/Whole-time Director during the financial year. However, it has revised remuneration of the Managing and Whole-time Directors w.e.f. 1st April, 2008 within the provisions of section 269 read with the Schedule XIII of the Companies Act, 1956 and complied with the provisions of the Act, except that the Form 23 to that effect was not filed to the Registrar till the date of this certificate.
16. the Company has not appointed any sole selling agents during the financial year.
17. the Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director,
18. 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.
19. the Company has not issued any shares and other securities during the year under the review.
20. the Company has not bought back any shares during the financial year.
21. there was no redemption of preference shares/debentures during the financial year.
22. there were no transactions necessitating the company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. the Company has not invited/accepted any deposits including any unsecured loans falling within the purview of section 58A during the financial year.

Conti...3

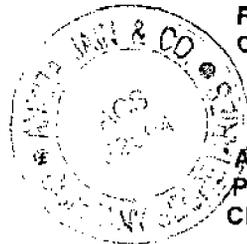


A handwritten signature in blue ink is written over a circular stamp. The stamp contains the text 'NATRAJ PROTEINS LTD.' around the perimeter and 'CHIEF EXECUTIVE OFFICER' in the center.

Natraj Proteins Ltd.
(3)

24. the amount borrowed by the company from the financial institutions, banks and others during the financial year ending 31st March, 2009 are within the borrowing limits of the company.
25. the company has not made any loans or advances or given guarantees or provided securities to other bodies corporate u/s 372A of the Companies Act, 1956 and consequently entries have been made in the register kept for the purpose.
26. the Company has not altered the provisions of the Memorandum with respect to situation of the company's registered office from one State to another during the year under scrutiny.
27. the Company has not altered the provisions of the Memorandum with respect to the Objects of the Company during the year under scrutiny.
28. the Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
29. the Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
30. the Company has not altered its articles of association during financial year,
31. there was no prosecution initiated or show cause notice received by the Company and no fines or penalty or any other punishment was imposed on the Company during the financial year for offences under the Act. However, the Company has received a show cause notice u/s 159, 166, 210 and 220 for the year 2007-08 vide Letter No. RoC-G/JTA/T/SCN/207-08/6090/2009/2357 dated 4th Feb., 2009 for which reply was submitted vide Letter No. NPL/ROC/09 dated 10th Feb., 2009.
32. the Company has not received any money as security from its employees during the financial year.
33. the Company has not established any separate trust for its employees u/s 418 of the Act.

Date: 24TH Aug. 2009
Place: Indore



For, ANKITA JAIN & CO.
COMPANY SECRETARIES

ANKITA JAIN
PROPRIETOR
CP NO. 8410

Conti..4

Natraj Proteins Ltd.
(4)
COMPLIANCE CERTIFICATE
Annexure-A

Registers as maintained by the Company

S.NO.	PARTICULARS	SECTIONS/RULES
1	Register of deposits	Section 58A
2	Register of Charges	Section 143
3	Copies of instruments creating charge	Section 136
4	Register of Members	Section 150
5	Registers and returns kept at the Registered Office, viz Annual Returns together with copies of certificate, etc.	Section 163
6	Minute Book containing minutes of - Board Meeting - General Meeting - Audit Committee - Remuneration Committee	Section 193
7	Register of particulars of contracts in which Directors are interested and Register for disclosure of interest by the directors	Section 301
8	Register of Directors, MD/M/Secretary	Section 303
9	Register of Director's shareholdings	Section 307

For, ANKITA JAIN & CO.
COMPANY SECRETARIES

Ankita Jain
ANKITA JAIN
PROPRIETOR
CP NO. 8410

Date: 24TH Aug. 2009
Place: Indore

ANNEXURE-B

Forms and Returns as filed by the Company with Registrar of Companies, during the financial year ending 31st March, 2009.

S. No.	Form No.	Section/ Rules	For dated	Filed on dated	Whether Within Time	Whether late filing fee paid	Remarks/ RoC Receipt No./ Dated
1	23AC,23ACA	2200	29/09/2008	24/11/2008	No	Yes	P26743880
2	20B	159,161	29/09/2008	05/03/2009	No	Yes	P31042443
3	8	125	24/03/2008	13/05/2008	No	Yes	A37540762
4	17	135	19/07/2008	05/08/2008	Yes	N.A.	A42635995
5	17	135	19/07/2008	07/08/2008	Yes	N.A.	A42760850
6	DIN-3	Rule 6	25/02/2009	26/02/2009	Yes	N.A.	A57004830

For, ANKITA JAIN & CO.
COMPANY SECRETARIES

Ankita Jain
ANKITA JAIN
PROPRIETOR
CP NO. 8410

Date: 24TH Aug. 2009
Place: Indore

**AUDITOR'S REPORT**

The Members,
NATRAJ PROTEINS LTD.
ITARSI

1. We have audited the attached Balance Sheet of Natraj Proteins Ltd. as at 31.03.2009 and the relative Profit and Loss account for the year ended on 31-3-2009 and also cash flow statement for the year ended on that date. These financial statements are the responsibility of the management of the Company. Our responsibility is to express an opinion of 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 management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order 2003 as amended by Companies (Auditor's Report) (Amendment) order, 2004, issued by the Central Government of India in terms of sub section(4A) of Section 227 of the Companies Act, 1956, we enclose in the annexure a statement of the matters specified in the paragraph 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to above, we report as follows:
 - i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit. In our opinion proper books of accounts as required by law have been kept by the company so far as appears from our examination of such books.
 - ii) The Balance Sheet and Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts.
 - iii) In our opinion, these financial statements have been prepared in compliance with the Accounting Standards referred to in section 211(3C) of the Act.
 - iv) On the basis of written representations received from the Directors of the company as on 31st March, 2009, and taken on record by the Board of Directors we report that prima facie none of the director is disqualified as on 31st March 2009 from being appointed as a director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956.
 - v) In our opinion and to the best of our information and according to the explanations given to us the said statement of Accounts read together with notes thereon gives information as required by the Companies Act, 1956 in the manner so required and give a true and fair view:
 - a) In the case of Balance Sheet of the state of affairs of the Company as at 31.03.2009.
 - b) In the case of Profit and Loss Account, of the Profit of the company for the year ending 31.03.2009.
 - c) In the case of Cash Flow Statement, of the cash flows, for the year ended on that date.

For BHUTORIA GANESAN & CO.
Chartered Accountants

For Natraj Proteins Ltd.

Sd/-
R.GOKULAKRISHNAN
(PARTNER)
M.NO 402792

BHOPAL
24-08-2009

18th Annual Report 2008-09

ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR AUDIT REPORT OF DATED 24.08.2009 FOR 2008-09

1. (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management in accordance with regular programme of verification, which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. Discrepancies have been appropriately dealt with in the books of account.
- (c) There was sale of one Truck during the year.
2. (a) Physical verification of inventory has been conducted at reasonable intervals by the management;
- (b) The procedures of physical verification of inventory followed by management reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
3. (a) The company has taken loans, unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. There are 18 (Eighteen) parties and amount involved is Rs.105.83 Lacs.
- (b) The rate of interest and other terms and conditions of unsecured loans taken by the company, are prima facie not prejudicial to the interest of the company;
- (c) The payment of the principal amount and interest are also regular;
- (d) There is no overdue of more than one lacs.
4. In our opinion and according to the information and explanation given to us, there are adequate internal systems commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods. During the course of audit, we have not come across any continuing failure to correct major weaknesses has been noticed in the internal control in respect of these areas.
5. (a) The transactions needed to be entered into a register in pursuance of section 301 of the Companies Act, 1956 have been entered.
- (b) The transactions have been carried out at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. The company has not accepted deposits from the public during the year, within the meaning of sec 58A of the companies Act 1956, the directives issued by the Reserve Bank of India and the provisions of sections 58A and 58AA of the Act and the rules framed there under, where applicable, have been complied with. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.
7. In our opinion, the company has an internal audit System However the same has to be strengthened in commensurate with its size and nature of its business.
8. The Central Govt. has not prescribed compulsory maintenance of cost records any of the products of the Company.
9. (a) The company is generally regular in depositing 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 any other statutory dues with the appropriate authorities to the extent applicable. According to the information and explanations given to us, no undisputed amounts payable in respect of such statutory dues were in arrears, as at 31st March 2009, for a period of more than six months from the date they become payable.
- (b) According to the information and explanations given to us, and as per the records of the company, income tax, sales tax, service tax, custom duty, excise duty, Mandi tax and Cess which have not been deposited on account of dispute are given below:

Name of the Status	Nature of the dues	Amount (Rs. in lacs)	Period to which it relates	Forum where the dispute is pending
Income Tax	Income Tax	15.90	1994-95, 1995-96, 1996-97	Before Settlement Commission, Petition has been filed with M.P.High Court for stay
Income Tax	Income Tax	10.49	Asst. Year 2004-2005	Appeal Before CIT 1(A), Bhopal.
Commercial Tax	C.S.T	18.23	1998-1999	Appeal before Appellate Commissioner, Bhopal



NATRAJ PROTEINS LIMITED

10. The company does not have any accumulated losses at the end of the financial year and it has not incurred cash losses in the year under report and in the immediately preceding financial year.
11. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
12. According to the information and explanations given to us and based on the documents and records produced to us the Company has not granted any loan and advances on the basis of security of by way of pledge of shares, debentures and other securities.
13. The provisions of special statute applicable to chit fund are not applicable to the company.
14. The company is not dealing or trading in shares, securities, debentures and other investments, hence relevant provision is not applicable to the company.
15. According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
16. As per the records produced, the term loans have been applied for the purpose for which such loans were obtained.
17. According to the information and explanations given to us and on an overall examination of the balance sheet and cash flow statement of the company, we report that funds raised on short term basis have not been used for long term investment.
18. During the year the company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. There are no debentures issued by the company during the year that require creation of security or charge and therefore the requirement is not applicable.
20. During the year under audit, there was no public issue of shares.
21. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management we report that no frauds on or by the company have been noticed or reported during the course of audit.

For BHUTORIA GANESAN & CO.
Chartered Accountants

For Natraj Proteins Ltd.


Director

Sd/-
R.GOKULAKRISHNAN
(PARTNER)

M.NO 402792

BHOPAL
24-08-2009

18th Annual Report 2008-09

**NATRAJ PROTEINS LTD., ITARSI
BALANCE SHEET
AS AT 31st MARCH., 2009**

PARTICULARS	SCH NO	AS ON 31.03.2009	AS ON 31.03.2008
SOURCES OF FUNDS			
SHAREHOLDERS FUNDS			
Share Capital	A	41933500	41933500
Reserves and Surplus	B	80464584	63522337
LOAN FUNDS			
Secured Loans	C	177214811	179967043
Unsecured Loans	D	38832811	34974429
Deferred Tax Liability		21578804	0
TOTAL SOURCES OF FUNDS		357019179	320397309
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	E	171947837	136445820
Less Depreciation		70235317	63558631
Net Block		101712820	72887189
Capital Work in Progress	F	731551	3757372
TOTAL		102444171	76644581
NET CURRENT ASSETS			
CURRENT ASSETS, LOANS AND ADVANCES	G	300261221	283597627
LESS CURRENT LIABILITIES	H	45696212	39844879
NET CURRENT ASSETS		254575009	243752748
TOTAL APPLICATION OF FUNDS		357019179	320397309
NOTES FORMING PART OF ACCOUNTS	R		

AS PER OUR REPORT OF EVEN DATE
For BHUTORIA GANESAN & CO,
CHARTERED ACCOUNTANTS

Sd/-
R.GOKULAKRISHNAN
(PARTNER)

PLACE: BHOPAL
DATE :24/08/2009

For Natraj Proteins Ltd.

FOR AND BEHALF OF BOARD

Sd/-
KAILASH CHAND SHARMA
(MANAGING DIRECTOR)

Sd/-
J.P. AGRAWAL
(DIRECTOR)

PLACE: ITARSI
DATE: 24/08/2009



**NATRAJ PROTEINS LTD., ITARSI
MANUFACTURING, TRADING, PROFIT & LOSS ACCOUNT
FOR THE YEAR ENDING 31.03.2009**

PARTICULARS	SCH CODE	FOR THE YEAR ENDING 31.03.2009	FOR THE YEAR ENDING 31.03.2008
INCOME			
SALES	I	1684738057	1604270726
OTHER INCOME	J	3645773	2383499
ACCRETION/DECRETION OF FINISHED GOODS	K	-59696913	64800991
TOTAL INCOME		1628684817	1671455216
EXPENDITURE			
CONSUMPTION OF RAW MATERIAL & MANUFACTURING EXPENSES	L	1465270577	1556946507
EMPLOYEES REMUNERATION AND BENEFITS	M	9509057	4660083
ADMINISTRATION EXPENSES	N	7389498	6746973
SELLING AND DISTRIBUTION EXPENSES	O	86424886	67294978
INTEREST	P	13906557	16521397
TOTAL EXPENDITURE		1672099975	1652169938
PROFIT BEFORE DEPRECIATION		55903941	19285279
DEPRECIATION E		6890383	5282129
INCOME TAX RELATED TO PREVIOUS YEAR		2218441	0
PROVISION FOR CURRENT TAX		9009006	4274500
FRINGE BENEFIT TAX		77228	49140
DEFERRED TAX		6121980	0
NET PROFIT C/F TO BALANCE SHEET		29384556	9679510
BASIC & DILUTED EARNINGS PER SHARE	Q	5.53	2.13
NOTES FORMING PART OF ACCOUNTS	R		

AS PER OUR REPORT OF EVEN DATE
For **BHUTORIA GANESAN & CO,**
CHARTERED ACCOUNTANTS

FOR AND BEHALF OF BOARD

sd/-
R.GOKULAKRISHNAN
(PARTNER)

sd/-
KAILASH CHAND SHARMA
(MANAGING DIRECTOR)

PLACE: BHOPAL
DATE :24/08/2009

sd/-
J.P. AGRAWAL
(DIRECTOR)
PLACE: ITARSI
DATE: 24/08/2009

**NATRAJ PROTEINS LIMITED**

NATRAJ PROTEINS LTD., ITARSI
SCHEDULES FORMING PART OF THE BALANCE SHEET
AS AT 31.03.2009

PARTICULARS	AS AT 31.03.2009	AS AT 31.03.2008
SCHEDULE - A : SHARE CAPITAL		
AUTHORISED		
50,00,000 Equity Shares of Rs. 10/ each	50000000	50000000
ISSUED, SUBSCRIBED AND PAID UP		
45,40,000 Equity shares of Rs. 10/ each	45400000	45400000
Less: Calls in Arrears	3466500	3466500
(Calls due from Directors NIL)		
TOTAL	41933500	41933500
SCHEDULE - B : RESERVES AND SURPLUS		
General Reserve	1500000	1500000
Surplus in Profit & Loss Account		
Opening Balance	52731838	53051829
Less: Transactional Liability- Deferred tax related to earlier years	13451734	0
Less : Retirement benefit	0	709001
Add: Profit during the year	29684960	9679509
TOTAL	80464564	63522337
SCHEDULE - C : SECURED LOANS		
Bank Borrowings for Working capital (Including Export Packing Credit)	167882183	167886380
Term Loan	9322618	12080663
TOTAL	177214811	179967043

The bank borrowings are secure by way of first charge on hypothecation of all raw materials, finished goods, stock in process, packing materials other claims and receivables and also by personal guarantees of directors. Further it is secured by way of first charge on the entire fixed assets of the company. Further the borrowings are secured by way of pledge of 12,59,500 no shares of total face value Rs. 125.95 lacs in the company belonging to the promoters.

As on 31-03-2009 the bank borrowings were secured by way of charge on hypothecation of all raw materials, finished goods, stock in process, packing materials other claims and receivables and also by personal guarantees of directors. Further it was secured by way of first charge on the entire fixed assets of the company.

SCHEDULE - D : UNSECURED LOANS	AS AT 31.03.2009	AS AT 31.03.2008
Fixed Deposits from Public	10582811	9674429
Interest free deposit from Public	500000	500000
Interest free deposit from members	750000	750000
Others-Security Deposits from Soyabean Parties	24,000,000	24050000
		0
TOTAL	35832811	34974429

DEPRECIATION AS PER COMPANIES ACT

NATRAJ PROTEINS LTD ITARSI

SCHEDULE - E : FIXED ASSETS

DESCRIPTION OF ASSETS	GROSSBLOCK		DEPERECIATION		NETBLOCK				
	AS AT 01.04.2008	ADDITIONS /SOLD	AS AT 31.03.2009	UP TO 31.03.2008	FOR THE YEAR	ADJUST MENT	UP TO 31.03.2009	AS AT 31.03.2009	AS AT 31.03.2008
Land (Freehold)	242803	0	242803	0	0		0	242803	242803
LAND (WIND MILL)									
Site Development	1470914	600000	600000	0	0		0	600000	1167507
Factory Building	6973784	0	1470914	303407	23976		327383	1143531	3932523
Godown Building	19512567	0	6973784	3041261	232924		3274185	3699599	17259500
Office Building	3060510	0	19512567	2253067	318055		2571122	16941445	2694689
Plant & Machinery	47009688	0	3060510	365821	49886		415707	2644803	23260623
Boiler	7155494	0	47009688	23749065	2478742		26227807	20781881	2451733
Electrical Installation	5684821	0	7155494	4703761	377810		5081571	2073923	3246871
Weigh Bridge	917295	1020405	6705228	2437950	304734		2742884	3962542	441107
Lab Equipments	410518	0	917295	476188	43572		519760	397635	205311
Fire Fighting Equipments	241119	0	410518	205207	19500		224707	185811	89061
Furniture and fixtures	502306	0	241119	152058	11453		163511	77608	178222
Office Equipment	210861	0	502306	324084	31796		355880	146426	164475
Vehicles	1098467	0	210861	46386	10016		58402	184459	157002
Refinery Machinery	29740106	2217595	1098467	941465	104354		1045819	62648	7691924
Computer	485631	214062	31957701	22048182	1348654		23396836	8560665	249910
D.G.Set	3646311	0	699693	235721	90213		325934	373759	1896810
Lacethrime Plant	2466286	0	3646311	1749501	173200		1922701	1723610	2214064
Packing Machinery	62520	0	2466286	252222	130220		382442	2083844	49736
Truck	824944	0	62520	12784	2970		15754	46766	704547
Car	732000	0	824944	120397	93301		0	0	671390
R.O.Plant	1733877	0	732000	60610	69540		130150	601850	1664353
Road Roller	411173	0	1733877	69524	91549		161073	1672804	407614
J.C.B. Machine	1851824	0	411173	3559	21710		25269	365904	1845412
Wind Mill	0	32275000	1851824	6412	97776		104188	1747636	0
TOTAL	136445819	36327062	32275000	63558632	6890383		70235317	101712620	72887186.9
PREVIOUS YEAR	117706765	18739055	136445819	58276502	5262129		63558631	72887189	59430263

**NATRAJ PROTEINS LIMITED**

SCHEDULE - F : CAPITAL WORK IN PROGRESS	AS AT 31.03.2009	AS AT 31.03.2008
Opening Balance	3757372	2330798
Add:		
Capital Advances	731551	3255863
Construction Store	0	501509
	4488923	6088170
Less : Capitalized	3757372	2330798
TOTAL	731551	3757372

SCHEDULE - G : CURRENT ASSETS, LOANS AND ADVANCES**CURRENT ASSETS**

INVENTORIES	AS AT 31.03.2009	AS AT 31.03.2008
Raw Materials (At Cost or market price whichever is lower)	37530901	85421351
Finished Goods is less	49291632	108988546
Consumables, Fuel and Packing materials (At cost)	6093042	9754649
Stores and machinery spares	4452870	4211250
TOTAL	97368445	208375796
Sundry Debtors (Unsecured)		
Considered good (less than six months)	153637701	23155035
Considered good (more than six months)	94,818	1940955
TOTAL	153732519	25095990
Cash and Bank Balances		
Cash balance on hand	2442803	2225253
Balance in Current accounts with scheduled Banks	31859703	13418673
TOTAL	34302506	15643926

LOANS AND ADVANCES	AS AT 31.03.2009	AS AT 31.03.2008
(UNSECURED, CONSIDERED GOOD)		
Advance recoverable in cash or kind or value to be received	1,224,254	917620
Advance for Raw material and Stores (less than six months)	1948872	6812856
Staff Advance	444395	293942
Prepaid Expenses	445,136	489,915
Advance Tax	8,349,601	6342182
T.D.S. certificate in hand	50796	57419
Security Deposits	2394697	2556622
INPUT REBATE ON VAT RECEIVABLE	0	17011359
TOTAL	14857751	34481915
TOTAL CURRENT ASSETS	300261221	283597627

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SCHEDULE - H: CURRENT LIABILITIES	AS AT 31.03.2009	AS AT 31.03.2008
Sundry Creditors for raw materials and Stores	8420806	23424701
Sundry Creditors - Capital Goods	0	0
Advance against Sales	47,032	51804
Expenses payable and provisions	10661698	9252989
Statutory liabilities payable	19,047,896	767671
Provision for Income Tax	9508780	5536499
Provision for Retirement Benefit	0	811215
TOTAL	45686212	39844879

NATRAJ PROTEINS LTD ITARSI

SCHEDULES TO PROFIT & LOSS ACCOUNT FOR THE YEAR 31.03.2009

SCHEDULE - I: SALES	FOR THE YEARENDING 31.03.2009	FOR THE YEARENDING 31.03.2008
Soya Refined Oil	541105284	582505421
Soy DOC Sales	1043646178	885836803
Tank Sludge	358320	212422
Soya Guns	0	2283940
Acid Oil	4875144	5491613
Fatty Acid	489602	218074
Acil Oil Sludge	0	43812
Lacethine	12335993	3155804
Wheat	11177162	27354700
Gram Sales	0	54000
Soyabean Sales	70300204	95096289
Spent Earth	64351	15806
Sale of empty gunny bags	1032175	2857814
Iron Scrap	169120	727888
TOTAL	1685553533	1605854386
Less Excise duty on Acid oil, Lacethine, Fatty Acid, Soya gum, Acid oil Sludge	817476	1583659
TOTAL	1684736057	1604270727

SCHEDULE - J: OTHER INCOME		
Sale of coal dust	1201923	349176
Insurance claims	78324	1077282
Income from Wind Mill	381184	0
Cenvat Refund	1113430	0
Interest income from FDR & others	264337	358027
Freight income from Vehicles	275638	327528
Miscellaneous Income	128928	271475
Rly. Claim	202001	0
Difference in Trial Balance	8	11
TOTAL	3645773	2383499

**NATRAJ PROTEIENS LIMITED**

SCHEDULE - K: ACCRETION/DECRETION TO FINISHED GOODS		
<u>Closing Stock of finished goods</u>		
Soya Crude Oil	1672391	18798600
Soya Refined Oil	1730090	12361299
Soya DOC	37708164	75485329
Soya Gum/Sludge	30000	158413
Acid Oil	270000	289934
Fatty Acid	111600	198249
Lacethine	608000	296722
Coal Ash	75000	1400000
Wheat	7086387	0
TOTAL	49291632	108988545
<u>Less Opening Stock of finished goods</u>		
Soya Crude Oil	18798600	1411153
Soya Refined Oil	12361299	8702734
Soya DOC	75485329	30989209
Soya Gum	158413	14000
Acid Oil	289934	183925
Fatty Acid	198249	51150
Lacethine	296722	772904
Coal Ash	1400000	1800000
Gram	0	262480
TOTAL	108988545	44187555
NET ACCRETION/DECRETION	-59696913	64800990

SCHEDULE - L - RAW MATERIAL CONSUMPTION AND MANUFACTURING EXPENSES	FOR THE YEAR ENDING 31.03.2009	FOR THE YEAR ENDING 31.03.2008
<u>Consumption of Raw Material</u>		
Opening stock of Soya Seed	82448389	88466853
Purchase of Soya Seed Including Exps.	1300579085	1445213670
Less Closing Stock	36694230	82448389
	1346333245	1451232134
DOC purchase	0	180518
Soya Crude Oil	12927631	4301829
Wheat	18795615	25449904
<u>Manufacturing Expenses</u>		
Consumption of coal	17,490,309	21550482
Consumption of Haxane	12454158	14202325
Consumption of Refinery and other Chemicals	7282880	4571751
Consumption of Packing Materials	12970884	12105087
Power Charges	12,599,098	14758599
Diesel Consumption & D.G. Set Expenses	408512	1335600
Repairs and Maintenance - P&M, Refinery, ETP etc	10900368	4239810
Boiler Maintenance Expenses	1381274	890319
Lab Expenses	103740	204265
Repairs and Maintenance - Electricals	1258857	297029
Transportation	364006	352934
TOTAL	1455270577	1555672586

SCHEDULE - M - EMPLOYEES REMUNERATION AND BENEFITS		
Salary	5862302	3067209
Staff Welfare	223923	61111
Employees Retirement Benefit - (Obligation for current year as per actuarial valuation)	812676	102214
Workers canteen expenses	108303	151144
Contribution to Provident Fund	213796	206613
Bonus	286568	221362
Directors Remuneration	1800000	840000
Gratuity & Incentives	201506	10430
TOTAL	9509057	4660083

SCHEDULE - N - ADMINISTRATION EXPENSES	FOR THE YEAR ENDING 31.03.2009	FOR THE YEAR ENDING 31.03.2008
Advertisement	43268	30500
Bank Commission, Forward Cover premium, Processing	376658	1238327
Bank Cash Transaction Tax (BCTT)	367081	80375
Computer Expenses	28136	26785
Loss due to foreign exchange difference on WCDL	0	1766557
Licence and Listing fees	30927	85359
AUDIT FEES		
For Statutory Audit	65000	85000
For Tax Audit	20000	20000
In other Capacity	22060	22472
Guest House Rent	62138	102661
Insurance Expenses	576143	586236
Internal Audit Fees	30000	30000
Professional tax	2500	0
Land Diversion charges	49602	19612
Legal Expenses	61001	242200
Membership and subscription	19990	19989
Office Expenses	136666	165482
Pollution Board/Clearance fees	41704	113432
Environment Expenses	51445	65044
Postage	23730	23019
Printing & Stationery	123112	103815
Professional and Consultancy fees	796009	196961
Rates & Taxes	0	5000
Security Personnel charges	643280	615617
Share Transfer/Registration Expenses	5058	33686
Festival Expenses	5000	4438
Telephone Expenses	226882	207468
Loss on sale of Truck	410246	0
Truck Expenses	98047	216487
Travel ticket / Travelling exp	638718	452308
Vehicle Maintenance	166405	188143
Godown Bldg. Maintenance Exps	1378883	0
Repairs and Maintenance to Road	1,215,904	0
TOTAL	7489498	6746973



SCHEDULE - G : SELLING AND DISTRIBUTION EXPENSES		
Brokerage	2593614	1825683
Entry tax/Com. Tax & CST/vat	20,982,408	2954545
Transit Insurance for finished Goods	655719	666855
Tin Container Expenses/Oil Packing Exps.	147934	250573
Services Tax	8	890
Soya DOC Expenses	61160752	62870354
Bad Debts written off	864,553	0
TOTAL	66424986	68568900

SCHEDULE - F : INTEREST	FOR THE YEAR ENDING 31.03.2009	FOR THE YEAR ENDING 31.03.2008
Interest on Term Loan	1423244	0
Interest on Working Capital	11560038	15604045
Interest on Public Deposits	1013578	917352
TOTAL	13996860	16521397

SCHEDULE - Q : EARNINGS PER SHARE	FOR THE YEAR ENDING 31.03.2009	FOR THE YEAR ENDING 31.03.2008
Computation of Profit for Basic and Diluted Earnings per share		
Net Profit as per P&L Account	29884960	9679510
<u>Weighted average number of Equity Share</u>	29884960	9679510
For Basic Earnings per share	4540000	4540000
For Diluted Earnings per share	4193350	4193350
(EPS is calculated by dividing the profit attributable to the equity share holders by the weighted average number of equity shares outstanding)		
<u>Earnings per Share (Weighted Average)</u>		
Basic Earning Per Share (Rs)	6.54	2.13
Diluted Earning Per Share (Rs)	7.08	2.31

10/08/2009 10:00:00

NATRAJ PROTEINS LTD., ITARSI
CASH FLOW STATEMENT
FOR THE YEAR ENDING 31ST MARCH, 2009

PARTICULARS	ASON 31.03.2009	ASON 31.03.2008
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	48103558	14003150
Adjustments for:		
ADD		
Depreciation	8880363	5282129
Interest charges	13896857	16521397
Loss on sale of fixed assets	410248	0
LESS		
Interest Income	264337	358027
Income Tax for the year, Income Tax related to previous year & FBT	15288638	4332640
Deferred tax - current tax	8121960	0
Insurance Claim	78824	1077282
Credit Balance Writeoff	0	0
Operating Profit Before Working Capital Changes	50638788	30047727
Adjustments for:		
Trade and other Receivables	(128,836,529)	37287005
Inventories	111007351	(58,582,645)
Loans, Advances and other current assets	19624198	(8,868,904)
Current Liabilities	6550334	(15,055,999)
Deferred tax Liability	8121960	0
Total Adjustments	(16667282)	(45,220,544)
CASH GENERATED FROM OPERATING ACTIVITIES (A)	67307097	(15,172,817)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed asset Asset/Capital WIP	(33,301,241)	(20,185,629)
Sale proceeds of fixed assets	201000	0
Interest Received	284537	358027
Insurance Claims received	78324	1077282
NET CASH USED IN INVESTING ACTIVITIES (B)	(32757580)	(18730320)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from unsecured loans raised	358182	7821965
Proceeds from Long Term Borrowings from Banks	0	11222131
Repayment of Term Loans	(2758045)	(771000)
Proceeds of short term borrowings Banks	8613	4043659
Interest Paid	(13896857)	(16521397)
NET CASH (USED)/FROM FINANCING ACTIVITIES ©	(18890907)	5795358
NET INCREASE/(DECREASE) IN CASH&CASH EQUIVALENTS (A+B+C)	18658580	(28107779)
Cash and Cash Equivalents as on 1-4-2008	15643926	43751705
Opening Balance		
Cash and Cash Equivalents as on 31-3-2009	34302506	15643926
Closing Balance		
Increase/decrease in closing cash balance	18658580	(28107779)

AS PER OUR REPORT OF EVEN DATE
 For BHUTORIA GANESAN & CO,
 CHARTERED ACCOUNTANTS

sd/-
 R.GOKULAKRISHNAN
 (PARTNER)

PLACE: BHOPAL
 DATE :24/08/2009

FOR AND BEHALF OF BOARD

sd/-
 KAILASH CHAND SHARMA
 (MANAGING DIRECTOR)

sd/-
 J.P. AGRAWAL
 (DIRECTOR)

PLACE: ITARSI
 DATE: 24/08/2009

For Natraj Proteins Ltd.

Director

**NATRAJ PROTEINS LTD, ITARSI
SEGMENTAL REPORTING FOR THE YEAR 2008-2009**

PARTICULARS	Solvent Extraction Unit		Windmill		Adjustment not related to Segments		Total	
	2008-2009	2007-2008	2008-2009	2007-2008	2008-2009	2007-2008	2008-2009	2007-2008
SALES	1684736057	1604270726	381184	0	0	0	1685117241	1604270726
INTER UNIT SALES	0	0	0	0				
NET SALES	1684736057	1604270726	381184	0	0	0	1685117241	1604270726
OTHER INCOME	3264589	2383499	0	0			3264589	2383499
MAINTAINENCE EXPENSES- WIND MILL			300038	0			300038	0
PROFIT BEFORE DEP	55912795	19285279	81146	0			55993941	19285279
DEPRECIATION	6125952	5282129	764431	0			6890383	5282129
NET PROFIT BEFORE TAX	49786843	14003150	-683285	0			49103558	14003150
PROVISION FOR TAX, DEFERRED TAX, FBT	0	0	0	0	19418598	4323640	19418598	4323640
NET PROFIT AFTER TAX							29684960	9679510

SEGMENT ASSETS

PARTICULARS	Solvent Extraction		Windmill		Adjustment not related to Segments		Total	
	2008-2009	2007-2008	2008-2009	2007-2008	2008-2009	2007-2008	2008-2009	2007-2008
FIXED ASSETS (NET BLOCK) INCLUDING CAPITAL WORK IN PROGRESS	70933602	76644561	31510569	0	0	0	102444171	76644561
CURRENT ASSETS			0	0	300261221	283597627	300261221	283597627
TOTAL ASSETS	70933602	76644561	31510569	0	300261221	283597627	402705392	360242188

SEGMENT LIABILITIES

PARTICULARS	Solvent Extraction		Windmill		Adjustment not related to Segments		Total	
	2008-2009	2007-2008	2008-2009	2007-2008	2008-2009	2007-2008	2008-2009	2007-2008
SECURED LOAN	177214811	179867043	0	0	0	0	177214811	179867043
UNSECURED LOAN					35832611	34974429	35832611	34974429
SHARE CAPITAL					41933500	41933500	41933500	41933500
RESERVES & SURPLUS					80464564	63522337	80464564	63522337
CURRENT LIABILITIES AND PROVISIONS					45686212	39844879	45686212	39844879
DEFERRED TAX					21573694	0	21573694	0
TOTAL LIABILITIES	177214811	179867043	0	0	225490581	180275145	402705392	360242188

By order of the Board of Directors

(Signature)

**SCHEDULE-R : NOTES FORMING PART OF ACCOUNTS FOR 2008-2009****A) SIGNIFICANT ACCOUNTING POLICIES****1. Basis of Preparation of Financial Statements**

The financial statements are prepared on the historical cost convention basis in accordance with the generally accepted accounting principles and the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956.

2. Valuation of inventories

(i)	Raw material,	At cost or market value whichever is less. Cost is determined on FIFO basis
(ii)	Stores & Spares Consumables, packing material. At average cost.	For this purpose cost of stores, spares, consumables and packing materials purchased in the last month of the accounting year is considered. Cost include all direct expenses for procuring the material, transportation and storing.
(iii)	Finished Goods	Cost of production or net realizable value whichever is less.
(iv)	Traded goods	At cost or market value which ever is lower. Cost is determined on FIFO basis.

3. Recognition of Income and Expenditure

Items of Income and Expenditure are recognized on accrual basis except for the following which are being accounted for on cash basis since it is not possible to ascertain the exact quantum with reasonable accuracy:-

- a. Capital Subsidy
- b. Insurance Claims
- c. Withheld payments on account of rebates, claims, bargain settlement, etc.

4. Fixed Assets and Capital Work in Progress

Fixed Assets and Work in Progress are accounted on historical cost basis.

5. Indirect Expenses on Expansion

In respect of independent project, indirect expenses relating to the project are accounted separately and shall be capitalized at the time of commencement of commercial production. In respect of expansion facilities which are carried concurrently with production facilities of existing units, expenses on administration and supervision incurred on expansion (the bifurcation of which between production and construction activities could not be ascertained) are charged to revenue as the total amount of such expenses is not considered material in the context of expansion expenditure.

6. Depreciation

Depreciation on all fixed assets put to use is provided on straight line method at rates specified in Schedule XIV to the Companies Act, 1956 on pro rata date basis, except for Refinery on which depreciation on written down value method at the rate specified in Schedule XIV to the Companies Act is adopted on pro rata date basis.

7. Impairment Loss

Impairment loss is provided to the extent the carrying amount of assets exceeds their recoverable amounts. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from sale of the asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal. During the year there is no impairment loss of any asset.

8. Foreign Exchange Transactions

Income on export receivable in foreign currency is accounted on the basis of actual remittance as per advice of the bank. The amount outstanding at the year end receivable in foreign currency, if any is accounted at the prevailing exchange rate. Any exchange difference is dealt in the Profit and Loss Account.

9. Borrowing Costs

Borrowing cost directly attributable to the acquisition or construction of fixed assets is capitalized as part of the cost of the asset, up to the date the asset is put to use. Other borrowing costs are charged to the Profit and Loss Account in the year in which they are incurred.

10. Retirement Benefits.

Contribution to Provident Fund is accounted on accrual basis. All Leave encashment dues for the year are settled with in the same year. Gratuity liability as per the Actuarial valuation has been provided in the accounts as the year end.

11. Preliminary and Share Issue Expenses

Preliminary and share issue expenses are amortized over a period of ten years. Debenture issue (on private placement basis) expenditure have been accounted in the year of issue.

12. Taxes on Income

Tax expenses comprise both current tax, Fringe Benefit Tax and deferred tax at the applicable enacted/ substantively enacted

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rates. Current tax represents the amount of income tax payable in respect of the taxable income for the reporting period. Deferred tax represents the effects of timing differences between taxable income and accounting income for the reporting period that originate in one period and are capable of reversal in one or more subsequent periods. Current taxes and Fringe Benefit tax are measured at the current rate of tax in accordance with provisions of the Income tax Act, 1961. Deferred Tax assets and Liabilities are measured using the tax rates and tax laws that have been enacted or substantially enacted by the Balance sheet date.

Provision for current tax is made in the accounts on the basis of estimated tax liability as per applicable provisions of the Income Tax Act 1961 and considering assessment orders and decisions of the appellate authorities in Company's cases.

13. Contingent Liabilities

Contingent liabilities are disclosed after a careful evaluation of facts and their legal aspects.

14. During the year the company provided Deferred tax liability/Assets in order to comply with Accounting Standard 22- Accounting for Taxes on income issued by the Central Government of India. This has resulted in decrease in profit to the extent of Rs. 81,21,960 and increase in current liabilities to the same extent. Further transitional liability of Rs.1,34,51,734 has been reduced from opening balance of surplus in Profit and loss account.

B) OTHER NOTES :

CONTINGENT LIABILITIES

1. (a) Estimated amount of capital commitments on contracts to be executed net of advances is Rs. Nil lacs (Previous year Rs. NIL. Bank guarantees issued on behalf of the company Rs. 21.50 lacs (Previous year Rs. 6 lacs)
- (b) In respect of demand from the Income Tax department, the case is before the Settlement Commission. The company has already remitted tax of Rs.39.80 lacs under protest and shown under advances. As per the legal opinion obtained by the company, there will not be any demand and the entire amount is likely to be refunded. However tax on income surrendered before the Commission amounts to Rs. 15.90 lacs is shown as contingent liability. The company has filed petition in Honorable High court of M.P. for granting stay for referring the case back to the Commissioner Income Tax. The Honorable High Court granted the stay in favour of the company. Further details in this case is awaited.
- (c) In respect of demand from the Commercial tax department, the company filed appeal with the Appellate commissioner Commercial Tax, Bhopal. The amount of Central Sales Tax (CST) demanded in the notice is Rs. 18.23 lacs related to the year 1998-99.
2. Sundry Debtors and Sundry Creditors balances are subject to confirmation.
3. The previous year figures have been regrouped wherever necessary.
4. The share capital as shown in the accounts and as per share transfer agents is under reconciliation.
5. In respect of demand from Commercial Tax authorities relating to Commercial tax and Central Sales Tax (CST) for 1998-1999 the company has gone into appeal with the appellate commissioner and has deposited Rs.7,62,000 and 1,83,000 respectively which are considered as sales tax paid under protest and classified under the heading current assets in financial statements. The Appellate forum has awarded the verdict in favour of the company. Refund is awaited, further no information available about further appeal to higher authorities by the commercial tax department.
6. Dues to Micro, Small and Medium Enterprises under the Micro Small and Medium enterprises Development act 2006, as on 31.03.09 Rs. 19,37,080 (Previous year Rs.2,81,815) and no interest is applicable.
7. Details of Deferred Tax asset/(Liabilities) as under:-

	31-03-09	31-03-08
Difference between books and Tax written down values of Fixed assets (63470708)	(39575563)	(39575563)
Deferred tax liability During the year	(8121960)	N.A
Transactional liability-		
Related earlier year is Difference between book and Tax written down values of Fixed assets	39575563	
Deferred tax liability for Earlier years	13451734	
(Transactional liability related to earlier years has been reduced from Opening balance of surplus in Profit and loss a/c)		

8. WIND MILL POWER PROJECT :

In respect of Wind Mill Generator at Navneeta Krishna Puram, Tirunelveli District Tamil Nadu Sale of Generated power during the year 2008-09 is 1,50,432 units. (previous Year: Nil)

9. Income tax provision account has not been reconciled/ adjusted with the tax paid and accounted for under Advance Tax a/c for the years assessment is complete.

**NATRAJ PROTEINS LIMITED**

10. In accordance with the revised accounting standard –

15 are given below which is certified by the actuary and relied upon by the auditors. The following tables summarize the components of net benefit expenses recognized in the profit and loss account and the unfunded liability status and amounts recognized in the balance sheet for the gratuity. The Company has taken a Group Gratuity Policy with an Insurance Company and has paid initial premium of Rs.9,14,890/-.

	31-03-09	31-03-08
I The company has not funded the liability		
II Change in Plan Assets		(Rs. 000s)
Fair value of the plan at 31-03-2009/31-03-2008	59311	NIL
Actual Return on plan assets	Nil	N.A
Employer's Contribution	914890	N.A
Benefits Paid	Nil	N.A
Plan assets at 31-03-2009/ 31-03-2008	Nil	NIL
III For the purpose of arriving at the liability on going concern basis, the Actuary used Projected Unit Credit Method		
Retirement Age	60 Years	60 years
Withdrawal Rates	2% Per annum	1% Per annum
Future Salary Rise	5.00 per annum	5.00 per annum
Rate of Discounting	8% per annum	8% per annum
Mortality Table	LIC (1994-96)	LIC (1994-96)
	ULTIMATE	ULTIMATE
IV The actuarial value of Gratuity Liability calculated on the above assumptions works out as under		
Date of ending	31-03-09	31-03-08
PBO(Amount in Rs)	9,14,890	8,11,215
V Assumptions and definitions:-		
Date of Valuation	31-03-2009	31-03-2008
Discounting Rate	8.00% P.A	8.00% P.A
Rate of Increase in Compensation Level	5.00% P.A	5.00% P.A
Rate of Return on Plan Assets	N.A.	N.A
VI Changes in Benefit Obligation:		
Period	01-04-08 to 31-03-09	01-04-07 to 31-03-08
Actuarial Value of Accumulated Benefit Obligation (ABO) Closing Balance	9,14,890	4,13,961
Actuarial Value of Projected Benefit Obligations (PBO) Opening Balance	8,11,215	7,09,001
Interest Cost from 01-04-2008 to 31-03-2009	72,163	56,720
Service Cost from 01-04-2008 to 31-03-2009	90,823	92,064
Benefits paid from 01-04-2008 to 31-03-2009	Nil	NIL
Actuarial Gain / Loss on obligations	(59,311)	46,600 GAIN
PBO at the end – Closing Balance	9,14,890	8,11,215
VII Balance Sheet Statement		
Present value of the Obligation at 31-03-2009	9,14,890	8,11,215
Fair Value of plan assets at 31-03-2009	NIL	NIL
Un-funded liability at 31-03-09	NIL	8,11,215
Unrecognized actuarial gain/losses	NIL	NIL
Unfunded liability recognized in Balance Sheet	NIL	8,11,215
VIII Profit and Loss Account :		
Interest cost from 01-04-08 to 31-03-09	72,163	56,720
Service Cost from 01-04-08 to 31-03-09	90,823	92,094
Actual return on plan assets from 01.04.08 to 31.03.09	N.A.	N.A
Gain/ Loss recognized as on 31.03.09	(59,311)	46,600 GAIN
Net Loss to be shown in P&L a/c as expenses	1,03,675	1,02,214
For Earlier Years	7,09,001	-
Total to be shown in P. & L. Account	8,12,676	1,02,214

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11. Related Party Disclosure (As identified by the Management) Related party Relationships

- (a) Where control exists : Kailash Chand Sharma, J.P.Agrawal, Surender Singh Arora.
- (b) Key Management Personnel: Shri Kailash chand Sharma, Managing Director
- (c) Relatives of Key Management Personnel: Ritesh Sharma related to Managing Director
- (d) Other Related Parties: M/S Saurabh Traders, Itarsi

The parties listed under (d) above are not related parties as per requirement of Accounting Standard 18. However, as an abundant caution, they are being included for making financial statement more transparent.

In respect of above parties, there is no provision for doubtful debts as on 31st March 2009 and no amount has been written off or written back during the year in respect of debts due from/to them.

Transactions with related parties :

J.P.Agrawal Managerial remuneration paid Rs.6.00 lacs

K.C. Sharma Managerial remuneration paid Rs.6.00 lacs

Surendra Singh Arora Managerial remuneration paid Rs.6.00 lacs.

Rithesh Sharma, Related to Managing Director - Remuneration paid during the year Rs. 5.94 lacs.

M/s. Saurabh Traders, Itarsi - Purchase of soya bean from Saurabh Traders Rs.919.95 Lacs. Sales of soya bean to Saurabh Traders RS. 1283.68 lacs

12. Additional information required under Schedule VI of the Companies Act 1956.

A. Capacity

Product	Unit	Registered 31.03.09	Capacity 31.03.08	Installed 31.03.09	Capacity 31.03.08
1. Solvent Extraction of Oil/ Oil Cake	M.T.	90000 TPA	90000 TPA	90000 TPA	90000 TPA
2. Redefined vegetable Oil	M.T.	15000 TPA	15000 TPA	15000 TPA	15000 TPA

Note: Installed Capacity as certified by the Management

B. PRODUCTION & SALE :

PRODUCTION

SL No		YEAR ENDED 31-03-2009 (IN MT)	YEAR ENDED 31-03-2008 (IN MT)
1	De-oiled cake	53107.313	68930.428
2	Crude Oil	10648.668	13091.609
3	Transferred to Refinery	11340.724	12750.230
4	Refined oil	10561.853	11826.240
5	Soya Acid Oil	184.605	206.85
6	Fatty Oil	16.105	12.24
7	Gums / Sludge	580.67	1193.47
8	Lecithine	429.565	75.09
PURCHASES			
1	Refined oil	0	0
2	Crude Oil	296.81	99.90
3	DOC	0	49.56
4	Wheat (Trading)	1611.656	2727.548

C. SALES

SL No		MT	YEAR ENDED 31-03-2009 Amount Rs in Lakhs	MT	YEAR ENDED 31-03-2008 Amount Rs. In Lakhs
1	De-Oiled Cake	55399.92	10436.46	67494.505	8858.37
2	Crude Oil	0	0	0	0
3	Spent Earth	16.235	0.64	27.175	2.12
4	Soya Refined Oil	10793.377	5397.06	11797.341	5825.05
5	Acid Oil	180.605	48.75	208.35	54.91
6	Fatty Acid	17.305	4.90	8.140	2.18
7	Gums	0	0	490.20	22.84
8	Tank Sludge	14.93	3.58	15.045	00.44
9	Lecthine	407.80	123.36	108.855	31.56
10	Wheat (Trading)	967.439	111.77	2732.120	273.55
11	Soya Seed (Trading)	4514.124	703.00	6320.055	950.96
12	Grams	0	0	12.00	0.54

D. CONSUMPTION

Raw Material	CURRENT YEAR	PREVIOUS YEAR
Soya Seed	65369.044	82950.481
Value (Rs in Lacs)	13463.33	14488.66

E. VALUE OF IMPORTED AND INDIGENOUS RAW MATERIAL & STOCK CONSUMED AND PERCENTAGE THEREOF INCLUDING TRIAL RUN PERIOD:

1	Raw Material:				
	Imported	NIL	NIL	NIL	NIL
	Indigenous	13463.33 LACS	100%	14488.66 LACS	100%
2	Stores and spares: (Including consumables & packing Material)				
	Imported	NIL	NIL	NIL	NIL
	Indigenous	223.59 lacs	100%	175.32 lacs	100%

F. CIF VALUE OF IMPORTS	Rs.0	NIL	Rs.0	NIL
G. EXPENDITURE IN FOREIGN CURRENCY	Rs.0	NIL	Rs.0	NIL
H. EARNING IN FOREIGN CURRENCY (DIRECT EXPORT)	Rs.	NIL	Rs.	NIL

FOR AND BEHALF OF THE BOARD

sdt
KAILASH CHAND SHARMA
 (MANAGING DIRECTOR)

sdt
J.P AGRAWAL
 DIRECTOR
 PLACE : ITARSI
 DATED:24-08-09

For Natraj Proteins Ltd.
**AS PER OUR REPORT EVEN DATE
 FOR BHUTORIA GANESAN & CO
 CHARTERED ACCOUNTANTS**

sdt
CA. R.GOKULAKRISHNAN
 PARTNER

PLACE : BHOPAL
 DATED: 24-08-09

Director
 33

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BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

Registration details

Reg. No. 6090

State Code: 10

Balance Sheet date: 31.03.09

Capital raised during the year (Amounts Rs. in Thousands)

Public Issue	NIL	Right issue	NIL
Bonus Issue	NIL	Private Placement	NIL

POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (RS. IN THOUSANDS)

Total liabilities	357019	Total Assets	357019
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Sources of funds

Paid up Capital	41933	Reserve and surplus	80464
(Net of calls in arrears)			
Secured loans	177215	Unsecured Loans	35832
Deferred tax liability	21574		

Application of funds

Net fixed assets (including CWIP)	102444	Misc. expenditure	NIL
Net Current Assets 254575 Investments	NIL		
Accumulated losses	NIL		

Performance of Company (Rs. in thousands)

Turnover	1684736	Total expenditure	1573003
Profit before tax	49103	Profit after tax	29684
Earnings per share in Rupees	6.54	Dividend rate %	NIL

Generic names of three principal products/

Service of Company (as per monetary terms)

Item code no. : (ITC) 157071000

Product description: Solvent extracted crude Oil

Item code No. : (ITC) 23040003

Product description: Solvent extracted meal of Oil Seed

Item Code No. : (ITC) 1507900

Product description: Solvent extracted refined of Oil

FOR AND BEHALF OF THE BOARD

Sd/-
KAILASH CHAND SHARMA
(MANAGING DIRECTOR)

Sd/-
J.P AGRAWAL
(DIRECTOR)

for Matrix Proteins Ltd.

PLACE: ITARSI
DATED: 24-08-09

NATRAJ PROTEINS LIMITED

Registered Office : Nagpur-Kalan,
Ordinance Factory Road, ITARSI (M.P.)

PROXY FORM

I/We of being a member/

members of NATRAJ PROTEINS LIMITED hereby appoint of

or failing him/her..... of..... as

my/our proxy to attend and vote on my/our behalf at the adjourned Meeting of the 18th Annual General Meeting of the Company to be held on **Monday the 28th day of September 2009** at the Registered Office at Nagpur-Kalan, Ordinance Factory Road, Itarsi (M.P.) at 2.00 p.m.

As witness my/our hand(s) this day of Sept. 2009.

Folio No. / Client ID No.

No. of Share Held

Signed day of Sept. 2009 the said

Affix
0.15 Paise
Revenue
Stamp



ATTENDANCE SLIP

NATRAJ PROTEINS LIMITED

Registered Office : Nagpur-Kalan,
Ordinance Factory Road, ITARSI (M.P.)

**PLEASE COMPLETE ATTENDANCE SLIP AND HAND OVER
AT THE ENTRANCE OF THE MEETING HALL**

Folio No. / Client ID No.

NO. OF SHARE HELD

NAME AND ADDRESS OF THE SHAREHOLDER(S) :

I hereby record my presence at the 18th Annual General Meeting of the Company held on Monday, 28th September 2009 at 2.00 P.M.

SIGNATURE OF THE SHARE HOLDER / PROXY

Note :

1. Shareholder of Proxy holders are requested to bring the attendance slip with them, when they come to the Meeting and hand it over at the entrance duly signed.
2. Joint Shareholders may obtain additional Attendance Slip on request.