SIMRAN FARMS LIMITED

CIN: L01222MP1984PLC002627
Reg. Office: 1-B, Vikas Rekha Complex, Tower Square, Khatiwala Tank, Indore (M.P.)- 452001
Tel No.: 0731-4255900; Fax: 0731-4255949
Email- compliance@simranfarms.com;
Website: www.simranfarms.com

Transcript of 38th Annual General Meeting of SIMRAN FARMS LIMITED held on Thursday, 25th day of September, 2025 at 11.30 A.M. (IST) through video conferencing

Mr. Harender Singh Bhatia (Chairman)
Dear Shareholders, I am delighted to welcome you all to the 38th Annual General Meeting of your Company. I sincerely thank you for your continued trust and support. It's a time to start the meeting. **Has the quorum established for this AGM...?**

CS Tanu Parmar (Company Secretary)
Yes Sir, the Quorum has been established. Please move ahead.

Mr. Harender Singh Bhatia (Chairman)
As the requisite quorum is present, I call the meeting to order. Before we proceed, let me introduce my colleagues on the Board:
- Mr. Kawaljeet Singh Bhatia, Director
- Mr. Gurmeet Singh Bhatia, Director
- Mrs. Sherry Mac, Independent Director,
- Mr. Satinder Pal Singh Bhatia, Independent Director and Chairperson of Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee.
- (Mr. Gaurav Chhabra, Independent Director of the Company regrets his inability to be present here today due to other unavoidable engagements)

We are also joined by
- Mr. R.C Bagdi, Secretarial Auditor and
- Mr. L. N. Joshi, Scrutinizer;
  CA VK Khandelwal, CA Santosh Deshmukh on behalf of Khandelwal Kakani and Company, our Statutory Auditors,
- Our Company Secretary, CS Tanu Parmar,
- and our Chief Financial Officer, Mr. Mahesh Patidar.

The Company Secretary will now explain the guidelines relating to participation through Video Conferencing, remote e-voting and e-voting at the AGM, along with details of the Scrutinizer and Statutory Registers.

CS Tanu Parmar (Company Secretary)
Good morning, ladies and gentlemen, Am I audible?

Authorised Person from CDSL (Authorised Agency for E-voting and VC/OAVM)
Yeah.

CS Tanu Parmar (Company Secretary)
Good morning. welcome to the 38th Annual General Meeting of SIMRAN FARMS LIMITED. It's my immense pleasure to extend a cheerful welcome to you all. With the permission of the Chair, I would like to highlight certain points here. I would like to inform you that pursuant to circular

issued by MCA and SEBI, this meeting is not a physical meeting and is held through Video Conferencing and Other Audio-Visual Means in compliance with the circulars issued by the MCA and SEBI and also in compliance with the applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations, 2015. The Company has enabled that the members participate at the 38th AGM through the video conferencing facility. The proceedings of this meeting are being web-casted live for all the shareholders as per the details provided in the Notice to the 38th AGM. The proceedings of this meeting are being recorded for compliance purposes. Further, in accordance with the provisions of the Companies Act, 2013 and the SEBI Listing Regulations, 2015, the members have been provided with the facility to exercise their right to vote by electronic means both through remote e-voting facility as well as e-voting (i.e. venue voting) at this AGM in respect of all the businesses mentioned in the Notice of the 38th AGM. For this purpose, the Company has tied up with the e-voting system of Central Depository Services (India) Limited for faciliting, for facilitating voting through electronic means as the authorized agency. Remote e-voting facility was made available to all the Members holding shares as on the cut-off date i.e. 18th September, 2025. Remote E-voting facility was open for a period of three days from Monday, 22nd September, 2025 from 9 AM till 5 PM on Wednesday, 24th September, 2025. Remote e-voting has been blocked on 24th September, 2025 at 5 PM. We have also provided e-voting facility (venue voting) during the AGM to the Shareholders. Please note that Members attending the AGM and who have not casted their votes earlier by Remote E-voting will only be able to vote at the AGM through e-voting facility during the meeting and CDSL portal shall remain open for another 15 minutes after the conclusion of meeting for e-voting. Now I request our chairman for the meeting Mr. Harender Singh Bhatia to continue with the proceedings of the meeting. Sir, please continue and provide an overview of the financials to the shareholder

Mr. Harender Singh Bhatia (Chairman)
Thank you. Further, please note that the Annual Report, including the Notice of AGM, Board's Report, and Audited Financial Statements for the year ended March 31, 2025, has already been circulated to all shareholders electronically. And a letter providing the weblink including the exact path, where complete details of Annual Report are available, have also been sent to those shareholders who have not registered their email addresses, at their address registered with the Company. With your consent, we take the same as read. The Reports of the Statutory Auditor, on the financial statements, did not contain any qualification or adverse remarks, and hence were not required to be read. Further observation, made by Secretarial Auditor, of the Company, in their report, in respect of which, Board has already provided explanation, in their Report, which shall not have any adverse effect, on the functioning, of the Company. I would now like to share a brief overview of the Company's performance:

- The total income for Financial Year 2024-25 stood at Rs. 836.24 crore as compared to Rs. 488.68 crore in the previous year on Standalone as well consolidated basis.
- On a standalone basis, net profit was Rs. 579.50 lakh versus Rs. 31.12 lakh in the prior year.
- On a consolidated basis, net profit stood at Rs. 589.62 lakh against Rs. 39.94 lakh last year.

The strong growth was driven by increased demand for poultry products, improved price realization, better operational efficiency, lower disease incidence and cost optimization measures.
With this overview, I request the Company Secretary to take up the agenda items as per the Notice of the AGM and to invite the registered speakers.

CS Tanu Parmar (Company Secretary)
Thank you, sir, for giving an overview of the Business and operation of the Company, its performance and the way forward. With the permission of the Chair, let's take up the agenda items one by one:

Ordinary Business –

Item No. 1: (a) To consider and adopt the Audited Standalone Financial Statements of the Company together with the Report of the Board of Directors and the Auditors thereon for the financial year ended March 31, 2025. (b) To consider and adopt the Audited Consolidated Financial Statements of the Company together with the Report of the Auditors thereon for the financial year ended March 31, 2025.

Item No. 2: To appoint a Director in place of Mr. Kawaljeet Singh Bhatia (DIN: 00401827) who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible offers himself for reappointment.

Now Special Business contains:

Item No. 3:
To appoint Ramesh Chandra Bagdi & Associates, Practicing Company Secretaries as the Secretarial Auditor of the Company and fix their remuneration.

Item No. 4: Approval of Material Related Party Transaction(s) with Simran Agritech Private Limited.

Item No. 5: To consider and approve payment of remuneration to Mr. Kawaljeet Singh Bhatia (DIN: 00401827) as a Non-Executive Non-Independent Promoter Director pursuant to his relinquishment of the position of "Whole Time Director".

Proceeding further, we have received request from our members, **Mr. Abhishek J, Mr. Srikanth Jhawar, Mr. Ramesh Gangaprasad Gupta, Mr. Rahul Kumar Paliwal and Mr. Shubham Jain** for registration as speaker shareholders in the AGM today. I request the moderator to please allow the speakers one by one to ask their queries and request Mr. Kawaljeet Singh Bhatia; Director of the Company to address their questions. So Krishna Sir, is there any speaker present in the meeting so we can call them one by one.

Authorised Person from CDSL (Authorised Agency for E-voting and VC/OAVM)
Call them one by one please

CS Tanu Parmar (Company Secretary)
So we will first invite Mr. Abhishek J

Mr. Abhishek J (Speaker)
Good morning. Good morning. Hello sir, can you hear me, Am I audible. Sir first of all, I congratulate the management on the eve of annual general body meeting. Sir, I trust all is well with you and your family in this challenging situation. Sir the moderator has not enabled the camera. I think this is video conferencing and the camera has not enabled for the investor fraternity sir. Yes.

Authorised Person from CDSL (Authorised Agency for E-voting and VC/OAVM)
Permission given. Please turn on your camera.

Mr. Abhishek J (Speaker)
Moderator, can you hear me.

Authorised Person from CDSL (Authorised Agency for E-voting and VC/OAVM)
Yes sir. Permission given. Please turn on your camera.

Mr. Abhishek J (Speaker)
First of all, I congratulate the management on the eve of annual general body meeting. Sir, I trust all is well with you and your family in this challenging situation. Our company deserves much more respect than the current market cap after completing more than a decade of successful

operations, profitability and becoming one of strongest brands in the respective segment. Sir we are really worried our stock is being deprived and really coming down and we are at warning stage today, 52 weeks low. Our EPS is negative -5.78, PE ratio is negative -26.46, ROE is negative -5.58. What proactive steps the management is taking to overcome the same and reward the minority shareholders in the years to come. After 2012 the Company has not declared any dividend to the minority shareholders sir. So, I would like to know from the management as the shareholders are very very eager and waiting patiently for a dividend. When will the company be in a better position to reward a dividend to the minority shareholders who are staying with the Company for such a long time. And in such a case, when can what is the forward-looking statement from the part of the management. Kindly arrange for a plant visit for the investor fraternity as may be feasible. try to consider hybrid AGM in the years to come because most of the senior citizens are not able to join because of the digital challenges in the virtual platform. So, if you can consider hybrid AGM it will convince more number of shareholders to join the meeting and You can get the valuable points and ideas that will be helpful for the management in the future. And at the same time the NSDL CDSL platform I would request the you to kindly update the link for inspection of documents like Register of member, register of KMP and register of contract if any. So that the shareholder does not face any difficulties in joining the platform. Try to consider make things in the hybrid mode and kindly update the link for the inspection of documents and at the same time we are facing a lot of difficulty in joining the virtual function. Shareholder who has been sent a link joined directly and those shareholders who are not registered but still want to join in virtually mode would like to join, there is a lot of traffic in the CDSL Website, we cannot even load and see the respective page has been shown on the CDSL website that the page could not be opened. This is being from past 1 hour, no body can see the proceedings of the meeting, nobody can login so what is the minimum quoram required for annual general body meeting. Since CDSL website are being totally hanged and there is error "login e error" and this is being there for the past more than 1 hour so nobody being shareholder outsiders who have not registered meeting can join the virtual meeting, apart from the Shareholder joined the meeting through the link and apart from the director. In such case how can the public shareholder join sir how many speakers are there today so please look into sir, CDSL there is error you can halt the meeting for sometime and once you counter the problem you can continue the meeting. And how many directors are there in the Company and how many director have attended the meeting sir, you have not told us sir. And kindly enable the raise hand option, chat option, ability option sir for shareholder facing the difficulty in joining the meeting due to lot of traffic. Try to consider the meeting in the first week of September so that we don't face such kind of difficulties. Have a word with CDSL, nobody can vote even if I am not voted I cannot vote now because of the CDSL and cannot see the page from last 1 hour. Please ensure that sir. Nothing much to ask. I wish the company and the board of directors, a great success and prosperity in the coming future and thank you for giving the opportunity, I hope to see you in the upcoming hybrid AGM next year.

Mr. Kawaljeet Singh Bhatia (Director)
Thank You Mr. Abhishek for joining. And Tanu look into the matter as why CDSL site is not working.

CS Tanu Parmar (Company Secretary)
Sir, I will look into matter. I think there is a technical error we have informed the CDSL concerned person and they will look into the matter.

Mr. Kawaljeet Singh Bhatia (Director)
Ok. So Mr. Abhishek regarding you can see the growth of the Company is good, am I audible to you Mr. Abhishek?

Mr. Abhishek J (Speaker)
Yeah

Mr. Kawaljeet Singh Bhatia (Director)
Ok so actually the Company is growing at a fast pace and we are expanding different markets that's why turnover is growing on and profit is also there better than the last year. But now we are focussing on consolidating all the things so I think by next year we will be able to get better results and problem we are facing will be solved out. We are hopeful that now we have set all India base and now we are operating in the nine states in India and day by day stronger, all the backend has been completed now we should work on the more value addition because all the base work has already been done, as we have been working in nine states. So I think next year you will see major changes in the company this I can assure you. Thank You. Anything Else?

CS Tanu Parmar (Company Secretary)
Mr. Abhishek, can we move forward?

Mr. Kawaljeet Singh Bhatia (Director)
I think he is not connected

CS Tanu Parmar (Company Secretary)
Krishna Sir, has he left the meeting?

Authorised Person from CDSL (Authorised Agency for E-voting and VC/OAVM)
Yes Madam.

CS Tanu Parmar (Company Secretary)
Has Mr. Abhishek left the meeting or is he there?

Authorised Person from CDSL (Authorised Agency for E-voting and VC/OAVM)
No no he is there in the meeting. He is logged in. Just give time.

CS Tanu Parmar (Company Secretary)
Should we move forward to our next speaker now?

Authorised Person from CDSL (Authorised Agency for E-voting and VC/OAVM)
Ok

CS Tanu Parmar (Company Secretary)
Mr. Srikanth Jhawar………………… He is not present in the meeting, I think. Ok moving onto next speaker **Mr. Ramesh Gangaprasad Gupta.**

Authorised Person from CDSL (Authorised Agency for E-voting and VC/OAVM)
He is also not present.

CS Tanu Parmar (Company Secretary)
Ok next speaker, Mr. Rahul Kumar Paliwal

Mr. Rahul Kumar Paliwal
Goof Afternoon. Am I audible?

CS Tanu Parmar (Company Secretary)
Yes Sir.

Mr. Rahul Kumar Paliwal
Ok thanks for the opportunity.

Mr. Abhishek J
Hello Sir

Mr. Rahul Kumar Paliwal
Can you mute others? Can I proceed further, I have dropped an email as well on my question and happy to see such set up has been developed in Indore and a creating the value for shareholder so my question is on our related party transaction. That your AGM has approved related party transaction upto certain Cr. limit annually with the Simran Agritech which is nearly you know 40% of your revenue. So can you provide breakdown of this transaction, their arm length basis price validation and independent director oversight mechanism to ensure minority shareholder interest are not compromised and my another question is about capacity expansion justification you are expanding from 12000 to 36000 grower birds and 22,000 to 72,000 layer birds while struggling with current capacity utilization efficiency. Can you Provide evidence-based market demand analysis, pre-committed orders and ROI calculations that justify tripling capacity when existing operations show such volatile margins?

Mr. Kawaljeet Singh Bhatia (Director)
Hello,

Mr. Rahul Kumar Paliwal
I think I am muted again

Mr. Kawaljeet Singh Bhatia (Director)
No you are audible

Mr. Rahul Kumar Paliwal
I so I did ask question about related party transaction and capacity expansion. You will able to answer?

Mr. Kawaljeet Singh Bhatia (Director)
Yes, I will answer it. Actually, sir related party i.e. Simran Agritech is a Company of one of the director of the Company. He is a director so basically he owns soya and feed plant so basically we take soya DOC and feed, some part of feed from that Company so basically for the better quality and better quality control on the all this system, limit already been approved by the Audit Committee and Shareholder permission has been taken as per the law, so this is I think reason we are taking for related party because Soyabean plant is in Pithampur in the name of Simran Agritech. So that is the reason of high quantity of soya or high volumes of inter related party transaction are there.

Mr. Rahul Kumar Paliwal
Ok another question was on capacity utilization.

Mr. Kawaljeet Singh Bhatia (Director)
Actually, we are expanding right now. Turnover wise right now we are operating 8-9 statement in India. PAN India operations we are planning we have started West Bengal, we have started the Haryana also, UP, we are adding the new states. Now we are operating in 8-9 states in India so the backend of all the things because this is basic contract farming about 2000-3000 pound have been contracted so now, we consider that the backend has been completed for all the supplies now we are trying to consolidate on value addition and we are focussing on that. So, we will see the results in coming year the margin will improve and turnover is already increasing but margins will be increased because investing a lot of investment in contract farming and inventory available in different states. Now we are PAN India player right now around 800.00 Crores turnover, so I think from next two years we will get the good benefits of the base year prepared after such a long, it is very difficult to engage the farmers and get into contract and the legal contract with the farmers,

we have done the hard work so now let's time to capitalize on that. We can assure that from next two year we will get the good results for sure.

Mr. Rahul Kumar Paliwal
I appreciate Mr. Bhatia being you being that transparent and sharing. We have inventory built up also. Right? A lot of.

Mr. Kawaljeet Singh Bhatia (Director)
I will tell you the inventory built up is basically the broiler birds, so when we are expanding with the farmers the inventories at the farm of the contract farmer so that why the inventory built up is there. When we expand the inventory expands because the cycle is 60 days of the poultry bird. So, for 60 days when we expand the inventory at the farm level and feed stock also increase because of the increase in the placement of the birds at different locations. Right now, we are placing in the 8 to 9 states, so we have inventory in different states with the farmers. for that inventory is shows as 100 crore inventory or more inventory than the last year. This is the basic reason of high inventory.

Mr. Rahul Kumar Paliwal
Ok so I just want you to check on business model. I mean front try to get into this white labelling and B2B business or we wanted to be distribution business and then.

Mr. Kawaljeet Singh Bhatia (Director)
Right now, we are into breeding to hatching to then we are supplying on contract farming to the farmers and lifting the material and selling it to traders right now. This is the model of what we are operating and we give the farmers the particular amount for rearing purpose or what we called contracted farmers the amount, the fixed amount for rearing purpose. All other facilities have been provided by us feeds, chicks, inventories, as per legal agreement are there so basically, they are working for us they are helping us out they are using the space and labour, light, water only. Rest all is provided by the company. So, this is the basic model and the company has set up some material per kg charges to the farmers as per contract so this is the basic model we are working right now.

Mr. Rahul Kumar Paliwal
Ok so SKM having scamed products is having a different like

Mr. Kawaljeet Singh Bhatia (Director)
SKM is into egg business we are into broiler business there are two line one is egg layer, one is broiler. Broiler is normally for consumption and egg layer is basically for egg, egg production so this is basic difference between both the products lines.

Mr. Rahul Kumar Paliwal
Ok got it got it. So our model should be rather live because we are more or less on contract farming. How will it work?

Mr. Kawaljeet Singh Bhatia (Director)
That why we are able to expand so much, otherwise, we can't create such a huge infrastructure in different states with all the different protocols to follow and with all the difference. We are able to expand the sector so fast because of this model or innovative model we have developed to contract farming with the farmers to get them because farmers are, I mean this also gives them their extra earnings or on the same farm they get government incentives for building the poultry farm so that's why we are able to expand so fast due to of the business model we have developed out.

Mr. Rahul Kumar Paliwal
Got it Mr. Bhatia. I would love to meet you some time at a plant.

Mr. Kawaljeet Singh Bhatia (Director)
Sure

Mr. Rahul Kumar Paliwal
probably that's a better place to discuss further in detailing. Thank you.

Mr. Kawaljeet Singh Bhatia (Director)
Thank you for joining.

CS Tanu Parmar (Company Secretary)
Ok. Thank You Sir for asking the queries and thank you to our director for replying to the best satisfaction of the stakeholder. Now moving to the next speaker, I would like to invite Mr. Shubham Jain to ask his queries.

Authorised Person from CDSL (Authorised Agency for E-voting and VC/OAVM)
The speaker is not present

CS Tanu Parmar (Company Secretary)
Ok so madam we have no more speaker now so we should move ahead. Further, if other members have any questions or queries, they are requested to mail the same and their queries will be answered through mail only. Members may note that the voting on the CDSL platform will continue to be available for the next 15 min. Therefore, members who have not cast their vote yet are requested to do so. The Board of Directors has appointed Mr. L N Joshi, Practicing Company Secretary as the scrutinizer to supervise the e-voting process and to provide the report thereon. I would also like to have your kind attention that the results of remote e voting and e voting at this AGM would be available within 48 hours from the conclusion of this AGM. And now I think all the business have been taken up. Therefore, I request our chairman, to conclude the meeting.

Mr. Harender Singh Bhatia (Chairman)
As all business items have now been transacted, I extend my sincere appreciation to our shareholders, auditors, scrutinizers, and other participants for your valuable time and support. With your consent, I now declare the meeting concluded. I wish you all good health and thank you once again for joining us today. Thank You.

CS Tanu Parmar (Company Secretary)
Thank You everyone for joining the meeting and the meeting has been concluded. You can leave the meeting. Thank you so much.

Mr. Kawaljeet Singh Bhatia (Director)
Thank you Deshmukh Sahab, thank you Joshi ji, thank you everyone.;

Statutory Auditors
Thank you very much for holding the annual general meeting. I wish best of luck to the Company to grow more and more and wish that the company become prime leader in the sector.

Mr. Kawaljeet Singh Bhatia (Director)
Thank you, sir. Thank you for your support and kind wishes.

Authorised Person from CDSL (Authorised Agency for E-voting and VC/OAVM)
Okay, thank you everyone.