



# **SIMRAN FARMS LIMITED**

( Farmers' Friend Since 1989 )

CIN : L01222MP1984PLC002627

**28th**  
**Annual Report**  
**2 0 1 4 - 2 0 1 5**

**BOARD OF DIRECTORS**

**Mr. Harender Singh Bhatia**  
*Managing Director*

**Mr. Kawaljeet Singh Bhatia**  
*Executive Director*

**Mr. Gurdeep Singh Bhatia**  
*Non Executive Director*

**Mr. Harbhajan Singh Khanuja**  
*Independent Director*

**Dr. Surendra Singh**  
*Independent Director*

**Mrs. Jasmeet Kaur Bhatia**  
*Independent Director (w.e.f. 14.08.2014)*

**COMPANY SECRETARY**

**Ms. Tanu Parmar**

**CHIEF FINANCIAL OFFICER**

**Mr. Mahesh Patidar**

**STATUTORY AUDITORS**

M/s Khandelwal Kakani & Co.  
Chartered Accountants  
Indore (M.P.)

**BANKER'S**

ICICI Bank Ltd.  
Punjab National Bank  
Bank of Baroda

**LISTED AT**

Bombay Stock Exchange Ltd., Mumbai

**REGISTERED OFFICE**

SIMRAN FARMS LIMITED  
CIN: L01222MP1984PLC002627  
Regd. Office: 1-B, Vikas Rekha Complex,  
Khatiwala Tank, Indore 452001 (M.P)  
Ph.: 0731-4255900, Fax: 0731-4255949  
Web: www.simranfarms.com  
Email: compliance@simranfarms.com

**REGISTRAR & SHARE TRANSFER AGENT**

Ankit Consultancy Private Limited  
Plot No. 60, Electronic Complex,  
Pardeshipura, Indore - 452010 (M.P)  
Tel.: 0731-2551745, 2551746,  
Fax: 0731-4065798  
Email Id: ankit\_4321@yahoo.com

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## NOTICE OF 28TH ANNUAL GENERAL MEETING

Notice is hereby given that the 28th Annual General Meeting of the Members of **SIMRAN FARMS LIMITED** (CIN L01222MP1984PLC002627) will be held on Thursday, 24th September, 2015 at 10.00 A.M. at Pishori Premises, 910, Khatiwala Tank, Tower Square, Indore - 452001 (M.P.) to transact the following business:

### ORDINARY BUSINESSES:

1. To receive, consider, approve and adopt:
  - a. the Audited Financial Statements of the Company for the financial year ended March 31, 2015 together with the Reports of the Board of Directors and the Auditors thereon; and
  - b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2015, together with the report of the Auditors thereon.
2. To appoint Director in place of Shri Gurdeep Bhatia (DIN: 00401929) who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors of the Company and fix their remuneration.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013, and the Rules framed thereunder, as amended from time to time, the Company hereby ratifies the appointment of M/s. Khandelwal Kakani & Co., Chartered Accountants, Indore, registered with the Institute of Chartered Accountants of India vide ICAI Registration No. (001311C), who were appointed as the Auditors of the Company in the AGM held in the year 2014 for a period of three years (from the conclusion of 27th AGM up to the conclusion of 30th AGM to be held in the year 2017 subject to ratification of their appointment at every AGM), to hold the office for the remaining term of two year i.e. up to the conclusion of 30th (Thirtieth) Annual General Meeting on such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

### SPECIAL BUSINESS:

#### Item No. 4- Adoption of new Articles of Association of the Company containing regulation in conformity with the Companies Act, 2013

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules made thereunder (including any statutory modification(s) thereto or re-enactment thereof, for the time being in force) and subject to the requisite approvals, consents, permissions and/or sanctions as may be required, if any, the draft regulations contained in the Articles of Association submitted to this meeting and duly initialed be and are hereby approved and adopted in substitution and to the entire exclusion, of the regulation contained in the existing Articles of Association of the Company.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised to perform and execute all such acts, deeds, matters and things, as may be necessary, proper or expedient to give effect to this Resolution and for the matters connected therewith or incidental thereto.”

Place: Indore  
Date: 14.08.2015

**By Order of the Board of Directors  
For, SIMRAN FARMS LIMITED**

#### SIMRAN FARMS LIMITED

CIN: L01222MP1984PLC002627  
Registered Office: 1-B, Vikas Rekha Complex,  
Khatiwala Tank, Indore - 452001 (M.P.)

**TANU PARMAR  
COMPANY SECRETARY  
(ACS- 34769)**

#### Notes:-

- **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL, INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS UPTO AND NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. FURTHER, A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL**



**SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR MEMBER. THE INSTRUMENT APPOINTING PROXY MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF ANNUAL GENERAL MEETING.**

- During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, members would be entitled to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than 2 days' written notice is given to the Company
- The Statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed herewith.
- Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Book of the Company shall remain closed during the period from Thursday 17th Day of September, 2015 to Thursday 24th Day of September, 2015 (both days inclusive) for the purpose of 28th Annual General Meeting.
- Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of Companies Act, 2013 will be available for inspection by the members at the AGM.
- The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) for transactions involving transfer of shares. Therefore, members holding shares in physical form are requested to furnish their PAN along with self attested photocopy of PAN card to the R & STA. Members holding shares in demat mode are requested to register the details of PAN with their DPs.
- Additional information pursuant to Clause 49 of the Listing Agreement with the stock exchanges in respect of the Director seeking appointment / re-appointment at the AGM is furnished and forms a part of the Notice.
- Pursuant to the provisions of section 205A and 205C of the Companies Act, 1956 dividend which remain unclaimed for a period of seven years from the date of transfer to the unpaid dividend account are required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government.
  - Members who have not encashed the dividend warrant(s) till date are requested to make their claim directly to the company or to M/s Ankit Consultancy Private Limited(R&STA), without any delay.
  - Members are requested to refer Corporate Governance Report which inter-alia contains details regarding unclaimed dividend.
- Sections 101 and 136 of the Companies Act, 2013 read together with the rules made there under, permit the listed companies to send the notice of annual general meeting and the Annual Report, including financial statements, Board's Report, etc. by electronic mode. The Company is accordingly forwarding electronic copy of the Annual Report for 2015 to all the Members whose e-mail ids are registered with the Company/Depository Participants(s) for communication purposes unless any Member has requested for a hard copy of the same. For the Members who have not registered their e-mail address, physical copies of the Annual Report for 2015 is being sent in the permitted mode. Members who have not yet registered their e-mail id so far are requested to register the same with the Company (if shares are held in physical form) or Depository participant (if shares are held in demate mode). Members are also requested to intimate to the Company the changes, if any, in their e-mail address.
- Documents referred in the notice and the explanatory statement will be kept open for inspection by the members at the registered office of the Company on all working days (Monday to Friday) from 11.00 a.m. to 1.00 p.m. except holidays, upto the date of the ensuing 28th Annual General Meeting.
- Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's share transfer agent. In respect of shares held in electronic form, the nomination form may be filed with the respective depository participant.
- In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- The Members are requested to:
  - a) Intimate changes, if any, in their registered addresses immediately.
  - b) Quote their ledger folio/DPID number in all their correspondence.
  - c) Hand over the enclosed attendance slip, duly signed in accordance with their specimen registered with the Company for admission to the meeting place.
  - d) Bring their Annual Report and Attendance Slips with them at the AGM venue.



- e) Send their Email address to us for prompt communication and update the same with their Depository Participants to receive softcopy of the Annual Report of the Company.
- Corporate Members are requested to forward a Certified Copy of Board Resolution authorizing their representatives to attend and vote at the 28th Annual General Meeting.
- Members may also note that Notice of 28th Annual General Meeting and the Annual Report for financial year 2014-15 will also be available on the Company's website [www.simranfarms.com](http://www.simranfarms.com).
- Route map for the venue of 28th Annual General meeting is enclosed with this Report. Prominent Landmark - Bhanwarkua Police Station.
- The Members who still hold shares in physical form are advised to dematerialize their shareholding to avail the benefits of dematerialization, which include easy liquidity, since trading is permitted in dematerialized form only, electronic transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries.
- Members are requested to send their queries relating to accounts and operations to the Company Secretary, if any, at least 7 days in advance so that the information can be made available at the meeting.
- Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such folio and send relevant share certificates to companies Registrar and Share Transfer Agent for their doing needful.
- Members are requested to contact the Registrar and Share Transfer Agent for all matter connected with Company's shares at Ankit Consultancy Private Limited, 60 Pardeshipura, Electronic Complex, Indore
- The Company has designated an exclusive email ID **[compliance@simranfarms.com](mailto:compliance@simranfarms.com)** which would enable the members to post their grievances and monitor its redressal. Any member having any grievance may post the same to the said Email address for its quick redressal.
- The businesses as set out in the Notice may be transacted through electronic voting system and the Company shall provide a facility for voting by electronic means. In compliance with the provisions of section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by MCA vide its notification dated March 19, 2015, the company is pleased to offer the facility of "remote e-voting" (e-voting from a place other than venue of the AGM) as an alternate, to all its members to enable them to cast their votes electronically instead of casting their vote at the meeting. If a member has opted for remote e-voting, then he/she should not vote by physical ballot and vice-versa. However, in case members cast their vote both via physical ballot and remote e-voting, then voting through electronic mode shall prevail and voting done by physical ballot shall be treated as invalid. For E-voting facility, the Company has entered in to an agreement with the CDSL for facilitating remote E-voting. The Procedure and instructions for E-voting given below:

**Instructions for shareholders voting through electronic means:**

- (i) The e-voting period begins on Sunday 20th September, 2015 from 9.00 a.m. and ends on Wednesday, 23rd September, 2015 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) 17th September, 2015, may cast their vote electronically in proportion to their shares in the paid up equity share capital of the company. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period.
- (iv) Click on "Shareholders" tab.
- (v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:



	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN Field.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction.</li> </ul>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <SIMRAN FARMS LIMITED > on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Non – Individual Shareholders and Custodians
  - a) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
  - b) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - c) After receiving the login details they have to create a user who would be able to link the account(s) for which they wish to vote on.
  - d) The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - e) A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)



- Mr. L.N. Joshi, Practicing Company Secretary (Membership No. 5201) has been appointed as the scrutinizer to receive and scrutinize the completed ballot forms and votes casted electronically by the members in a fair and transparent manner.
- The Scrutinizer shall after scrutinizing the vote cast at the AGM (Poll) and through Remote E-Voting not later than three days of the conclusion of AGM, make and submit a consolidated scrutinizers report to the Chairman. The Results declared along with the consolidated scrutinizers report shall be placed on the website of the company and CDSL. The results shall simultaneously be communicated to the Stock Exchanges where the company's shares are listed.
- The Resolutions shall be deemed to be passed on the date of the Meeting, i.e. 24th September, 2015 subject to receipt of the requisite number of votes in favor of the Resolutions.

Relevant documents referred to in this 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. upto the date of ensuing annual general meeting.

Place: Indore  
Date: 14.08.2015

**By Order of the Board of Directors  
For, SIMRAN FARMS LIMITED**

**SIMRAN FARMS LIMITED**

CIN: L01222MP1984PLC002627  
Registered Office: 1-B, Vikas Rekha Complex,  
Khatiwala Tank, Indore - 452001 (M.P.)

**TANU PARMAR  
COMPANY SECRETARY  
(ACS- 34769)**

**DETAILS OF DIRECTOR SEEKING APPOINTMENT/RE-APPOINTMENT IN THE ENSUING ANNUAL GENERAL MEETING UNDER ITEM NO. 2**

<b>Name of Director</b>	<b>Shri Gurdeep Bhatia</b>
DIN No.	00401929
Date of Birth	13/05/1949
Date of Appointment	10/11/1988
Qualification	Graduate
Expertise/ Experience in specific functional areas	25 Years rich experience in poultry farms and finance
No. & % of Equity Shares held	78300 [2.06%]
List of outside Company's Directorship held	Simran Hatcheries Private Limited Simran Chicks Private Limited
No. of Board Meetings Attended during the year	Seven Meetings
Remuneration last drawn by the him	Nil
Remuneration sought to be paid	Nil
Chairman / Member of the Committees of the Board of Directors of the Company	Member of Finance Committee of the Company.
Chairman / Member of the Committees of the Board Directors of other Companies in which he is director	Nil
Relationship between directors inter-se	Mr. H.S. Bhatia is brother of Mr. Gurdeep Bhatia

**EXPLANATORY STATEMENT**

**Pursuant to Section 102 of the Companies Act, 2013**

As required by Section 102 of the Companies Act, 2013, the following explanatory statement sets out all the material facts relating to the business mentioned under Item No. 4 of the accompanying Notice:



**Item No. 4:**

The Articles of Association of the Company as currently in force was originally adopted when the Company was incorporated under the Companies Act, 1956 and further amendments were adopted from time to time, over the past several years. The references to specific sections of the Companies Act, 1956 in the existing Articles of Association may no longer be in conformity with the Companies Act, 2013.

With the introduction of the Companies Act, 2013, it is proposed to amend the existing Articles of Association to make it consistent with the provisions of the Companies Act, 2013 including Rules framed there under. In terms of section 14 of the Companies Act, 2013, the consent of the Members by way of Special Resolution is required for adoption of new set of Articles of Association of the Company.

A copy of the proposed set of new Articles of Association of the Company would be available for inspection at the Registered Office of the Company between 11.00 a.m. to 1.00 p.m. on any working day, up to the date of the Annual General Meeting and during the Annual General Meeting. In addition, the proposed draft Articles of Association is also available on the Company's website [www.simranfarms.com](http://www.simranfarms.com) for perusal by the Members.

The Board recommends the Special Resolution as set out at Item No.4 of the Notice for approval by the Members.

None of the Directors, Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested, financially or otherwise, in the Special Resolution as set out at Item No. 4 of the Notice.

Place: Indore  
Date: 14.08.2015

**SIMRAN FARMS LIMITED**

CIN: L01222MP1984PLC002627

Registered Office: 1-B, Vikas Rekha Complex,  
Khatiwala Tank, Indore - 452001 (M.P.)

**By Order of the Board of Directors  
For, SIMRAN FARMS LIMITED**

**TANU PARMAR  
COMPANY SECRETARY  
(ACS- 34769)**



## BOARD'S REPORT

To,  
The Members,  
Simran Farms Limited

Your Directors have pleasure in presenting the 28th Annual Report on the business and operations of the Company together with the Audited Financial Statements for the year ended on March 31, 2015.

### 1. FINANCIAL PERFORMANCE OF THE COMPANY

The performance highlights and summarized financial results of the Company are given below:

(Rupees in Lacs)

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Total Income	44417.48	35972.11
Total Expenditure	44364.67	35887.44
<b>Profit/Loss before exceptional &amp; extraordinary items and tax</b>	<b>52.81</b>	<b>84.67</b>
Exceptional & extraordinary items	0.00	0.00
<b>Profit/Loss before tax</b>	<b>52.81</b>	<b>84.67</b>
Provision for Tax		
Current Tax	10.06	16.13
Deferred Tax	(18.58)	6.00
MAT Credit	(16.14)	0.00
<b>Profit/Loss after tax</b>	<b>77.47</b>	<b>62.54</b>
Surplus Carried to Balance Sheet	794.73	760.33
Paid up Equity Share Capital	379.17	379.17
Earning per share (₹ 10/- each) Basic & Diluted (in ₹)	2.04	1.65

During the year under review the Company has reported a growth of 23.87% over previous year. At Standalone level, the Company has achieved total turnover of ₹ 444.18 crore as compared to ₹ 359.72 crores in the previous year. The operating profit before tax stood at ₹ 52.81 Lacs as against ₹ 84.67 Lacs in the previous year. The Net Profit for the year stood at ₹ 77.47 Lacs as against ₹ 62.54 Lacs in the previous year. Also the consolidated profit after tax during the year under review is ₹ 101.25 Lacs as compared to previous figures of ₹ 77.64 Lacs.

### 2. OPERATIONAL AND STATE OF AFFAIRS OF THE COMPANY

The company is engaged in the business of integrated poultry and poultry farming. The company is mainly focused on integration and consolidation of poultry activities and has arranged large manufacturing set-up for production of poultry feed for self consumption. Company is an integrated company with expertise across the poultry value chain and its management has three decades of experience in the industry.

### 3. CHANGE IN NATURE OF BUSINESS

The company is engaged in the business of integrated poultry and poultry farming only and during the year there was no change in business activity of the company.

### 4. DIVIDEND

Due to inadequate profit and with the view to conserve the resources of company, the directors have not recommended any dividend for the year under review.

### 5. AMOUNT TRANSFERRED TO RESERVES

During the year under review, no amount was transferred to General Reserve.

### 6. FIXED DEPOSITS

During the year under review, the Company has not accepted any deposits from the public within the meaning of section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 as amended from time to time.



## 7. SHARE CAPITAL

The paid up Equity Share Capital of the Company as at March 31, 2015 stood at ₹ 379.17 Lacs. During the year under review, the Company has not issued any shares with differential voting rights nor has granted any stock options or sweat equity. As on March 31, 2015, none of the Directors of the Company holds instruments convertible into equity shares of the Company.

## 8. EXTRACTS OF ANNUAL RETURN

Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the details pertaining to extract of the Annual Return in Form MGT-9 is included in this Report as **ANNEXURE I**.

## 9. DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANY

The Company has only one subsidiary company in the name of "Puregene Biotech Limited" as on March 31, 2015. There is no associate company/Joint Venture within the meaning of section 2(6) of the Companies Act, 2015. There has been no material change in the nature of the business of the subsidiary company.

## 10. CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company are prepared in accordance with the relevant Accounting Standard 21 issued by the Institute of Chartered Accountants of India and forms a part of this Annual Report.

Pursuant to provisions of Section 129(3) of the Act, a statement containing salient features of the Financial Statements of the Company's subsidiaries in Form AOC-1 (**ANNEXURE II**) is attached to the financial statements of the Company.

Pursuant to the provisions of section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited accounts in respect of subsidiaries are available on the website of the Company.

## 11. NUMBER OF BOARD MEETINGS AND COMMITTEE MEETINGS.

A calendar of Meetings is prepared and circulated in advance to the Directors. During the year under review, 7 (seven) Board Meetings were convened and held. Further, 4 (four) meetings of the Audit Committee, 3 (three) meetings of Nomination and Remuneration Committee and 4 (four) meeting of Stakeholders' Relationship Committee were also held during the year. Detailed information on the meetings of the Board and its Committees is included in the Report on Corporate Governance, which forms part of this Annual Report. The intervening gap between the Board Meetings didn't exceed one hundred and twenty days as prescribed under the Companies Act, 2013.

## 12. PARTICULARS OF LOANS, INVESTMENTS OR GUARANTEE BY COMPANY UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Details of loans, investments or guarantee covered under the provisions of section 186 of the Companies Act, 2013 are given in notes to the financial statements. However, during the year under review, the Company has neither made any loans and investments in other body corporate or to any person, nor it has given any guarantee or provided any security in connection with a loan to any other body corporate or person within the meaning of Section 186 of Companies Act, 2013.

## 13. PARTICULARS OF CONTRACT OR ARRANGEMENT WITH RELATED PARTIES

The transaction entered with related parties for the year under review were on arms length basis and in the ordinary course of business and the provision of section 188 of the Companies Act, 2013 are not attracted. Thus disclosure in form AOC-2 is not required. Further there are no material related party transactions during the year under review with the Promoters, Directors and Key Managerial Personnel.

All related party transactions are placed before the Audit Committee and also to the Board of Directors for approval. Omnibus Approval was obtained on a quarterly basis for transactions which are of repetitive nature.

The policy on related party transactions as approved by the Board of directors has been uploaded on the website of the company at the web link:

[http://www.simranfarms.com/pdf/policy/related\\_party\\_transaction\\_policy.pdf](http://www.simranfarms.com/pdf/policy/related_party_transaction_policy.pdf).

## 14. DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of section 152 of the Companies Act, 2013 and the Company's Articles of Association, Shri Gurdeep Bhatia, Director retires by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.



The Board in its meeting held on 14th August, 2014 has appointed Smt. Jasmeet Kaur Bhatia as an Additional Director as well as independent women Director of the Company, not liable to retire by rotation

Further Shri Surjit Singh Kohli resigned from the Directorship with effect from 29th May, 2014, due to his pre occupation. Your Board places on record its deep appreciation of the valuable contribution made by him during his tenure as Director of the Company.

At the Annual General Meeting held on 25th September, 2014, Shri Harbhajan Singh Khanuja, Dr. Surendra Singh and Smt. Jasmeet Kaur Bhatia were appointed as Independent Directors of the Company pursuant to section 149 of the Companies Act, 2013 for a term of five consecutive years. None of the Independent Directors are due for re-appointment.

Shri Harender Singh Bhatia, Managing Director and Shri Kawaljeet Singh Bhatia, Whole Time Director are designated as Key Managerial Personnel of the Company with effect from 29th May, 2014.

During the year under review Mr. Mahesh Patidar and Mr. Mayank Lashkari were appointed as the Chief Financial Officer and Company Secretary (with effect from 14th August, 2014) of the Company respectively. They are the Key Managerial Personnel of the Company as per the provisions of the Companies Act, 2013.

Further, Mr. Mayank Lashkari resigned from the post of Company Secretary of the Company with effect from 26th December, 2014 and Ms. Tanu Parmar has been appointed as the Company Secretary and compliance officer of the Company with effect from 2nd March, 2015.

#### **Disqualifications of Directors:**

During the year under review, declarations received from all the Directors of the Company pursuant to Section 164 of the Companies Act, 2013. The Board appraised the same and found that none of the director is disqualified for holding office as director as per the provisions of the Companies Act, 2013.

#### **15. DECLARATION BY INDEPENDENT DIRECTOR**

The Company has received declarations from all the Independent Directors of the Company confirming that they fulfill the criteria of independence as prescribed under sub-section (6) of section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement with the Stock Exchanges.

The following Directors are independent in terms of Section 149(6) of the Act and Clause 49 of the Listing Agreement:

- (i) Dr. Surendra Singh
- (ii) Shri Harbhajan Singh Khanuja
- (iii) Smt. Jasmeet Kaur Bhatia

#### **16. MEETING OF INDEPENDENT DIRECTORS**

The Independent Directors met once during the year under review. The Meeting was conducted on 14th February, 2015 in an informal manner without the presence of the Chairman, the Whole Time Director, the Non-Executive Non-Independent Directors and the Chief Financial Officer.

#### **17. FAMILIARIZATION PROGRAMME OF INDEPENDENT DIRECTORS**

The details of familiarization programme for Independent Directors have been disclosed on the website of the Company at the link given here:

[http://www.simranfarms.com/pdf/policy/familiarization\\_programme\\_for\\_independent\\_directors.pdf](http://www.simranfarms.com/pdf/policy/familiarization_programme_for_independent_directors.pdf)

#### **18. COMMITTEES OF THE BOARD OF DIRECTORS**

The Company has various committees which have been constituted and reconstituted as a part of the good corporate governance practices and the same are in compliance with the requirements of the relevant provisions of applicable laws and statutes. Your Company has an adequately qualified and experienced Audit Committee consisting of Shri Harbhajan Singh Khanuja as Chairman and Dr. Surendra Singh and Smt. Jasmeet Kaur Bhatia as Members. The recommendations of the Audit Committee were duly approved and accepted by the Board during the year under review.

The other Committees of the Board are:

- (i) Nomination and Remuneration Committee
- (ii) Stakeholders' Relationship Committee
- (iii) Finance Committee
- (iv) Internal Complaint Committee under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The details with respect to the composition, powers, roles, terms of reference, meetings held and attendance of the Directors at such Meetings of the relevant Committees are given in detail in the Report on Corporate Governance of the Company which forms part of this Annual Report.



#### **19. STATEMENT INDICATING THE MANNER IN WHICH FORMAL ANNUAL EVALUATION HAS BEEN MADE BY THE BOARD OF ITS OWN PERFORMANCE, ITS DIRECTORS, AND THAT OF ITS COMMITTEES**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, performance evaluation of the Board, its Committee and the Independent Directors was carried out time to time. The manner in which the evaluation is carried out has been explained in the Corporate Governance Report.

#### **20. DIRECTORS' RESPONSIBILITY STATEMENT**

To the best of knowledge and belief and according to information and explanations obtained by them, your Directors make the following in terms of Section 134(3)(c) of the Companies Act, 2013, shall state that-

- a) in the preparation of the annual accounts for the year ended March 31, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2015 and of the profit of the company for that year ended on that date;
- c) that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the annual accounts have been prepared on a going concern basis;
- e) that the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- f) that the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **21. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The particulars in respect of conservation of energy, technology absorption and foreign exchange earnings and outgo, as required under sub-section (3) (m) of section 134 of the Companies Act, 2013 read with Rule (8)(3) of the Companies (Accounts) Rules, 2014 are given as under :

##### **(A) Conservation of Energy**

The steps taken or impact on conservation of energy:

- (i) The operations of the Company are not power intensive as the Company owns the facility and controls the breeding, hatching and/ or processing of broilers but it works on Contract Rearing basis i.e it contracts with the private poultry farmers for the raising of the chicks. Nevertheless, the Company continues its efforts to conserve energy wherever practicable, by economizing on the use of power at the farms, hatcheries and offices. The Company has installed state-of-the-art hatcheries and setters at its hatcheries.
- (ii) The capital investment on energy conservation equipments: Nil

##### **(B) Technology Absorption**

- (i) The efforts made towards technology absorption: Not Applicable.
- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution: Not Applicable.
- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the Financial Year): The Company has neither purchased within India nor imported any technology.
- (iv) Company has not incurred any expenditure on Research and Development during the year under review.

##### **(C) Foreign Exchange Earnings and Outgo**

Foreign Exchange Earnings: Nil

Foreign Exchange Outgo: Nil

#### **22. STATEMENT IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROL WITH REFERENCE TO THE FINANCIAL STATEMENTS**

The company has an effective internal control and risk mitigation system, which are constantly assessed and strengthened with new or revised standard operating procedures. The company's internal control system is commensurate with its size, scale and complexities of its operations. The main thrust of internal audit is to test and review controls, appraisal of risks and business processes, besides bench-marking controls with best practices in the industry. The scope of internal audit includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control

systems and suggests improvements to strengthen the same. The company has a robust management information system, which is an integral part of the control mechanism.

The Audit Committee of the Board of Directors and statutory auditors are periodically apprised of the internal audit findings and corrective actions taken. Audit plays a key role in providing assurance to the Board of director. Significant audit observations and corrective actions taken by the management are presented to the Audit Committee of the Board.

### **23. CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY**

Provisions of section 135 of the Companies Act, 2013 does not apply to the Company, therefore Company has not constituted Corporate Social responsibility (CSR) committee as required under the Act.

### **24. NOMINATION AND REMUNERATION POLICY/DISCLOSURE RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL**

Pursuant to section 178 of the Companies Act, 2013 read with the rules made thereunder and Clause 49 of the Listing Agreement, the Board has constituted the "Nomination and Remuneration Committee" comprising Shri Harbhajan Singh Khanuja as Chairman and Dr. Surendra Singh & Smt. Jasmeet Kaur Bhatia as its members.

The Nomination and Remuneration Committee framed a policy for selection and appointment, re-appointment, removal and appraisals of Directors and Senior Management and the same is stated in the Corporate Governance Report and the policy has been uploaded on the Company's website at the web link:

[http://www.simranfarms.com/pdf/policy/nomination\\_remuneration.pdf](http://www.simranfarms.com/pdf/policy/nomination_remuneration.pdf).

Neither the Managing Director nor Whole Time Director of the company received any remuneration or commission from the subsidiary company.

### **25. PARTICULARS OF EMPLOYEES**

During the year under review, none of the employee of the company is drawing more than ₹ 60,00,000/- per annum or ₹ 5,00,000/- per month for the part of the year, therefore Particulars of the Employees as required under Section 197 of Companies Act, 2013 read with Rule 5 (2) & Rule 5 (3) of Companies (Appointment and Remuneration) Rules 2014 are not applicable, during the year under review.

### **Ratio of remuneration of each director to the median remuneration of the employees of the Company for the Financial Year:**

Statement pursuant to Section 197(12) of the Companies Act 2013 and rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this report. **(ANNEXURE III)**

### **26. REPORT ON MANAGEMENT AND DISCUSSION ANALYSIS**

A detailed analysis of the Company's performance is discussed in the Management Discussion and Analysis Report, which forms part of this Annual Report.

### **27. REPORT ON CORPORATE GOVERNANCE**

Your company make all possible endeavors to strive to maintain appropriate standards of good Corporate Governance as stipulated in Clause 49 of the Listing Agreement. A separate section titled "Corporate Governance" including a certificate from the Auditors of the Company confirming compliance of the conditions of the Corporate Governance as stipulated under clause 49 of the Listing Agreement is annexed hereto and forms part of the Annual Report.

### **28. DISCLOSURE OF ESTABLISHMENT OF VIGIL MECHANISM /WHISTLE BLOWER POLICY**

As per the requirement of section 177(9) & (10) of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Company has established a Vigil Mechanism called the "Whistle Blower Policy" for directors and employees to report concerns of unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy.

The details of the "Whistle Blower Policy" have been uploaded on the Company's website at the web link: [http://www.simranfarms.com/pdf/policy/vigil\\_mechanism.pdf](http://www.simranfarms.com/pdf/policy/vigil_mechanism.pdf).

### **29. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY**

There are no significant and/or material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company.

### **30. SECRETARIAL AUDIT REPORT**

In terms of Section 204 of the Companies Act and Rules made there under, the Company has appointed M/s. Ramesh Chandra Bagdi & Associates, Practicing Company Secretary, Indore (ACS: 11800, CP No. 2871) to undertake the





Secretarial Audit of the Company. The report of the Secretarial Auditors is enclosed as **(ANNEXURE IV)** and forms an integral part of this Report.

The Company is in the process of filing Form CHG-1 with the ROC relating to the registration of charges against vehicle loans. Further, the report is self-explanatory and do not call for any further comments.

### **31. STATUTORY AUDITORS**

Pursuant to the provision of section 139 of the Act and the rules framed thereunder, M/s. Khandelwal Kakani & Co., Chartered Accountants, were appointed as the statutory auditors of the Company from the conclusion of the twenty seventh (27th) Annual General Meeting of the Company held on September 25, 2014 till the conclusion of the thirtieth (30th) Annual General Meeting to be held in the year 2017, subject to ratification of their appointment at every Annual General Meeting held thereafter.

A resolution for appointment of M/s. Khandelwal Kakani & Co., Chartered Accountants, as auditors for the remaining period from the conclusion of the ensuing 28th AGM till the conclusion of the 30th AGM and for fixation of their remuneration for the year 2015–16 is being proposed in the notice of the ensuing AGM for the approval of the members. The Company has received from M/s. Khandelwal Kakani & Co, Chartered Accountant a written consent for ratification of their appointment from the conclusion of the 28th AGM till the conclusion of the 30th AGM and a certificate to the effect that their appointment shall be in accordance with the prescribed conditions and that the firm is not disqualified under the Companies Act, 2013.

### **32. EXPLANATION TO AUDITOR'S REMARKS**

The Auditors in their report have referred to the notes forming part of the Accounts which are self-explanatory and does not contain any qualification, reservation or adverse remark or disclaimer and do not call for any further explanation / clarification by the Board of Directors.

Further there was no fraud in the Company, which was required to report by statutory auditors of the Company under sub-section (12) of section 143 of Companies Act, 2013.

### **33. COST AUDIT**

Your company does not falls within the provisions of Section 148 of Companies Act, 2013 read with the Companies (Cost records & Audit) Rules, 2014, therefore no such records required to be maintained.

### **34. REVISION OF ANNUAL FINANCIAL STATEMENT**

There was no such case of revision in financial statements during the year under review.

### **35. CODE OF CONDUCT**

The Company has laid down a code of conduct for all Board members and senior management and independent directors of the Company. All the Board members including independent directors and senior management personnel have affirmed compliance with the code of conduct.

The policy on Code of Conduct has been uploaded on the Company's website at the web link [http://www.simranfarms.com/pdf/policy/code\\_of\\_conduct.pdf](http://www.simranfarms.com/pdf/policy/code_of_conduct.pdf).

### **36. STATEMENT INDICATING DEVELOPMENT & IMPLEMENTATION OF RISK MANAGEMENT**

The Board of Directors have adopted risk management policy for the Company which provides for identification, assessment and control of risks which in the opinion of the Board may threaten the existence of the Company. The Management identifies and controls risks through a properly defined framework in terms of the aforesaid policy.

### **37. MATERIAL CHANGES & COMMITMENTS, IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

No material changes and commitments affecting the financial position of the company have occurred between the end of the financial year to which the financial statements relate and the date of this Board's report.

### **38. ENVIRONMENT AND SAFETY**

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy required conduct of operations in such a manner, so as to ensure safety of all concerned, compliances environmental regulations and preservation of natural resources.

### **39. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

In order to prevent sexual harassment of women at work place a new act "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013" was notified on 9th December, 2013. Under the said Act every company is required to set up an Internal Complaints Committee to look into complaints relating to sexual harassment at work place of any women employee.



The Company has adopted a policy for prevention of Sexual Harassment of Women at workplace and has set up Internal Complaint Committee for implementation of said policy and redressal of complaints received regarding sexual harassment. During the year under review, the company has not received any complaint of sexual harassment. The policy on Prevention of Sexual Harassment as approved by the Board of directors has been uploaded on the website of the company at the web link:  
[http://www.simranfarms.com/pdf/policy/sexual\\_harassment.pdf](http://www.simranfarms.com/pdf/policy/sexual_harassment.pdf)

#### **40. LISTING WITH STOCK EXCHANGES**

The Shares of the Company are listed on the Bombay Stock Exchange Limited (BSE), Mumbai, which provides the wider access to the investors nationwide.

The Company has made all the compliances of Listing Agreement including payment of Annual Listing Fees up to March 31, 2016 to BSE.

#### **41. BUSINESS RESPONSIBILITY REPORT**

Business responsibility reporting as required by clause 55 of the listing agreement with stock exchange is not applicable to your company for the financial year ending 31st March 2015.

#### **42. DEPOSITORY SYSTEM**

Your Company's shares are tradable compulsorily in electronic form and your Company has connectivity with both the Depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Service (India) Limited (CDSL). In view of the numerous advantage offered by the Depository System, members are requested to avail of the facility of Dematerialization of the Company's shares on either of the Depositories mentioned as aforesaid.

#### **43. PREVENTION OF INSIDER TRADING**

In view of the SEBI (Prohibition of Insider Trading) Regulation, 2015 the Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company.

The Code requires Trading Plan, pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

#### **44. INDUSTRIAL RELATIONS**

Company's Industrial relations continued to be healthy, cordial and harmonious during the period under review.

#### **45. ACKNOWLEDGEMENTS**

The Board of Directors wish to place on record its sincere appreciation for the support and co-operation received from all its stakeholders including customers, promoters, shareholders, bankers, suppliers, various departments/ agencies of State and Central Government and business associates of the Company.

Your Board recognizes and appreciates the contribution made by all employees at all levels that ensures sustained performance in challenging environment.

**For and on behalf of the Board of Directors**

Date: 14.08.2015  
Place: Indore

**Harender Singh Bhatia**  
**Chairman & Managing Director**  
(DIN: 00509426)

**Gurdeep Singh Bhatia**  
**Director**  
(DIN: 00401929)



**ANNEXURE-I****FORM NO. MGT 9****EXTRACT OF ANNUAL RETURN****As on financial year ended on 31.03.2015**

**(Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company  
(Management & Administration) Rules, 2014)**

**I. REGISTRATION & OTHER DETAILS:**

1.	CIN	L01222MP1984PLC002627
2.	Registration Date	26-10-1984
3.	Name of the Company	SIMRAN FARMS LIMITED
4.	Category/Sub-category of the Company	Public Company Limited By Shares/Indian Non-government Company
5.	Address of the Registered office & contact details	1-B, Vikas Rekha Complex, Khatiwala Tank, Indore, Madhya Pradesh, 452001 Tel: 0731-4255900 Fax: 0731-4255949
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Ankit Consultancy Pvt. Ltd. 60, Electronic Complex, Pardeshipura, Indore (M.P.) 452010 Tel.:0731-2551745, 2551746 Fax:0731-4065798

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated

S.No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Poultry and Poultry farming	01222	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

S. No.	Name and Address of the Company	CIN / GLN	Holding/ Subsidiary/ Associate	%age of Shares Held	Applicable Sections
1.	Puregene Biotech Limited 1-B, Vikas Rekha Complex, Tower Square, Indore - 452001 (M.P.)	U01222MP1999PLC013303	Subsidiary Company	82.70	2(87)



## IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

## (A) CATEGORY-WISE SHARE HOLDING

Category of Share-holders	No. of Shares held at the beginning of the year [As on 1st April-2014]				No. of Shares held at the end of the year [As on 31st March-2015]				%age Change during the year
	Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Share	
A. Promoters									
(1) Indian									
a) Individual/ HUF	1341600	31550	1373150	36.21	1341600	31550	1373150	36.21	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	32900	0	32900	0.87	32900	0	32900	0.87	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Sub-total (A)(1)	1374500	31550	1406050	37.08	1374500	31550	1406050	37.08	0
(2) Foreign									
a) NRIs- Individuals									
b)Other- Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
Sub-total (A)(2)	0	0	0	0	0	0	0	0	0
Total share-holding of Promoter (A)= (A)(1) +(A)(2)	1374500	31550	1406050	37.08	1374500	31550	1406050	37.08	0
B. Public Share-holding									
(1) Institutions	0	0	0	0	0	0	0	0	0
a) Mutual Funds	0	2100	2100	0.06	0	2100	2100	0.06	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	2100	2100	0.06	0	2100	2100	0.06	0



Category of Share-holders	No. of Shares held at the beginning of the year [As on 1st April-2014]				No. of Shares held at the end of the year [As on 31st March-2015]				%age Change during the year
	Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Share	
(2) Non-Institutions									
a) Bodies Corp.									
i) Indian	119417	49400	168817	4.45	106666	49400	156066	4.12	0.33
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individualshare-holders holding nominal share capital up to ₹1 lakh	1005541	630385	1635926	43.14	827566	617485	1445051	38.11	5.03
ii) Individual share-holders holding nominal share capital in excess of ₹ 1 lakh	417212	37900	455112	12.00	617732	37900	655632	17.29	-5.29
c) Others (specify)									
i) NRI & OCB	73043	50500	123543	3.26	64184	50500	114684	3.01	0.25
ii) Clearing Member	152	0	152	0.00	12117	0	12117	0.32	-0.32
Sub-total (B)(2):-	1615365	768185	2383550	62.86	1628265	755285	2383550	62.86	0
Total Public share-holding (B)= (B)(1) +(B)(2)	1615365	770285	2385650	62.92	1628265	757385	2385650	62.92	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	2989865	801835	3791700	100.00	3002765	788935	3791700	100.00	0

**B) SHAREHOLDING OF PROMOTER-**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			%age change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	
1	Harender Singh Bhatia (HUF)	251700	6.64	0	251700	6.64	0	0
2	Amarjeet Singh Bhatia (HUF)	195800	5.16	0	195800	5.16	0	0
3	Gurdeep Singh Bhatia (HUF)	136100	3.59	0	136100	3.59	0	0
4	Amarjeet Kaur Bhatia	132900	3.51	0	132900	3.51	0	0
5	Gurmeet Singh Bhatia (HUF)	130600	3.44	0	130600	3.44	0	0
6	Kawaljeet Singh Bhatia	84400	2.23	0	84400	2.23	0	0
7	Gurdeep Singh Bhatia	78300	2.07	0	78300	2.07	0	0
8	Dilraj Singh Bhatia (HUF)	72000	1.90	0	72000	1.90	0	0
9	Kawaljeet Singh Bhatia (HUF)	72000	1.90	0	72000	1.90	0	0
10	Gurmeet Singh Bhatia	65100	1.72	0	65100	1.72	0	0
11	Harender Singh Bhatia	60700	1.60	0	60700	1.60	0	0
12	Simran Hatcheries Pvt Ltd.	32900	0.87	0	32900	0.87	0	0
13	Harpal Singh Bhatia	18600	0.49	0	18600	0.49	0	0
14	Sumeet Singh Bhatia	14300	0.38	0	14300	0.38	0	0
15	Mohinder Kaur Bhatia	12900	0.34	0	12900	0.34	0	0
16	Dilraj Singh Bhatia	9600	0.25	0	9600	0.25	0	0
17	Avneet Singh Bhatia	9600	0.25	0	9600	0.25	0	0
18	Gurcharan Singh Kakkad	8600	0.23	0	8600	0.23	0	0
19	Amarjit Singh Bhatia	8100	0.21	0	8100	0.21	0	0
20	Miss Navneet Kaur Bhatia	3650	0.10	0	3650	0.10	0	0
21	Harpal Singh Bhatia	3400	0.09	0	3400	0.09	0	0
22	Kawaljeet Kaur Bhatia	3000	0.08	0	3000	0.08	0	0
23	Jaspal Kaur Kakkad	1400	0.04	0	1400	0.04	0	0
24	Harender Singh Bhatia	400	0.01	0	400	0.01	0	0
	<b>TOTAL</b>	<b>1406050</b>	<b>37.08</b>	<b>0</b>	<b>1406050</b>	<b>37.08</b>	<b>0</b>	<b>0</b>

**C) CHANGE IN PROMOTERS' SHAREHOLDING (please specify, if there is no change)**

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	%age of total shares of the company	No. of Shares	%age of total shares of the company
	At the beginning of the year	1406050	37.08	1406050	37.08
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	Nil	Nil	Nil	Nil
	At the end of the year	1406050	37.08	1406050	37.08

**D) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS****(Other than Directors, Promoters and Holders of GDRs and ADRs)**

Sr. No.	Top Ten Shareholders Name	Shareholding		Date wise increase/ decrease in top ten shareholder	Increase/ Decrease in Share-holding	Reason	Cumulative Shareholding during the year	
		No. of Shares at the beginning/ end of the year	% of total shares of the company				No. of Shares	% of total share of the company
01	Porinju V Veliyath	82840	2.18	01.04.2014	-	-	-	-
				12.09.2014	8435	NA	91275	2.41
				19.09.2014	2725	NA	94000	2.48
				26.09.2014	6000	NA	100000	2.64
				31.03.2015	-	-	-	-
02	Gandhi Kantheti	70000	1.85	01.04.2014	-	-	-	-
				06.03.2015	-4451	NA	65549	1.73
				13.03.2015	-17549	NA	48000	1.27
				20.03.2015	-8000	NA	40000	1.05
				31.03.2015	-	-	-	-
03	Adi Lim Bilimoria	52169	1.38	01.04.2014	-	-	-	-
				13.06.2014	-2500	NA	49669	1.31
				30.06.2014	-450	NA	49219	1.30
				08.08.2014	2000	NA	51219	1.35
				15.08.2014	1781	NA	53000	1.40
				22.08.2014	-2000	NA	51000	1.35
				17.10.2014	-750	NA	50250	1.33
				14.11.2014	-3400	NA	46850	1.24
				13.02.2015	-2344	NA	44506	1.17
				20.02.2015	-11000	NA	33506	0.88
				27.02.2015	-2000	NA	31506	0.83
				31.03.2015	-4000	NA	27506	0.73
04	Keshav Garg	50000	1.32	01.04.2014	-	-	-	-
				05.12.2014	-10000	NA	40000	1.05
				09.01.2015	10000	NA	50000	1.32
				31.03.2015	-	-	-	-



Sr. No.	Top Ten Shareholders Name	Shareholding		Date wise increase/decrease in top ten shareholder	Increase/Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares at the beginning/end of the year	% of total shares of the company				No. of Shares	% of total share of the company
05	Girish Gulati (HUF) [out of top ten w.e.f. 16.01.15]	41168	1.09	01.04.2014	-	-	-	-
		13475	0.36	09.01.2015 16.01.2015	2307 -30000	NA NA	43475 13475	1.15 0.36
06	M/s Kasila Farms Ltd.	40000	1.05	01.04.2014	-	-	-	-
		40000	1.05	31.03.2015	No Change	-	-	-
07	Hindustan Tradecom Pvt.Ltd.[out of top ten w.e.f. 31.12.14]	37050	0.98	01.04.2014	-	-	-	-
		1100	0.03	15.08.2014 31.12.2014	-200 -35750	NA NA	36850 1100	0.97 0.03
08	Bhagwan Advani	21100	0.56	01.04.2014	-	-	-	-
		31600	0.83	31.03.2015	10500	NA	31600	0.83
09	Mariamma Varghese [out of top ten w.e.f. 30.06.14]	18000	0.47	01.04.2014	-	-	-	-
		18000	0.47	30.06.2014	No change	-	-	-
10	Ishhar Overseas Pvt.Ltd.(out of top ten w.e.f.18.04.14]	17600	0.46	01.04.2014	-	-	-	-
		17600	0.46	18.04.2014	No change	-	-	-
11	Dr.Ramesh Chimanlal Shah (Entered in top ten w.e.f.31.3.2015)	85000	2.24	31.03.2015	-	-	-	-
12	Kolisetty Venkata Krishna Charan	49687	1.31	23.05.2014	-	-	-	-
				13.06.2014	250	NA	49937	1.32
				20.06.2014	438	NA	50375	1.33
				04.07.2014	600	NA	50975	1.34
				11.07.2014	100	NA	51075	1.35
				29.08.2014	2454	NA	53529	1.41
				05.09.2014	25	NA	53554	1.41
				26.09.2014	46	NA	53600	1.41
				31.10.2014	300	NA	53900	1.42
				12.12.2014	50	NA	53950	1.42
				20.02.2015	-1450	NA	52500	1.38
				27.02.2015	-1250	NA	51250	1.35
				06.03.2015	-100	NA	51150	1.35
				13.03.2015	-650	NA	50500	1.33
				20.03.2015	-150	NA	50350	1.33
		50350	1.33	31.03.2015	-	-	-	-
13	Sonia Gulati	36685	0.97	16.01.2015	-	-	-	-
				23.01.2015	10000	NA	46685	1.23
				30.01.2015	3475	NA	50160	1.32
		50160	1.32	31.03.2015	-	-	-	-
14	Sundararajan Syamsundar	18046	0.48	30.06.2014	-	-	-	-
				04.07.2014	2950	NA	20996	0.55
				11.07.2014	651	NA	21647	0.57
				18.07.2014	1740	NA	23387	0.62
				25.07.2014	356	NA	23743	0.63



Sr. No.	Top Ten Shareholders Name	Shareholding		Date wise increase/decrease in top ten shareholder	Increase/Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares at the beginning/end of the year	% of total shares of the company				No. of Shares	% of total share of the company
				01.08.2014	326	NA	24069	0.63
				08.08.2014	1325	NA	25394	0.67
				15.08.2014	2109	NA	27506	0.73
				22.08.2014	5956	NA	33459	0.88
				29.08.2014	4160	NA	37619	0.99
				05.09.2014	2145	NA	39764	1.05
				12.09.2014	3949	NA	43713	1.15
				19.09.2014	2711	NA	46424	1.22
				30.09.2014	1412	NA	47836	1.26
				03.10.2014	774	NA	48610	1.28
				31.10.2014	40	NA	48650	1.28
				31.12.2014	4350	NA	50000	1.32
		50001	1.32	31.03.2015	1	NA	50001	1.32
15	Nirmala Jain	35250	0.93	31.12.2014	-	-	-	-
		27250	0.72	09.01.2015	-8000	NA	27250	0.72
				31.03.2015	-	-	-	-

\*NA- Not Available

**E) Shareholding of Directors and Key Managerial Personnel:**

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	%age of total shares of the company	No. of Shares	%age of total shares of the company
01	<b>Harender Singh Bhatia (Managing Director)</b>				
	At the beginning of the year	61100	1.61	61100	1.61
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the End of the year	61100	1.61	61100	1.61

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	%age of total shares of the company	No. of Shares	%age of total shares of the company
02	<b>Kawaljeet Singh Bhatia (Whole Time Director)</b>				
	At the beginning of the year	84400	2.23	84400	2.23
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the End of the year	84400	2.23	84400	2.23



Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	%age of total shares of the company	No. of Shares	%age of total shares of the company
03	<b>Gurdeep Singh Bhatia (Director)</b>				
	At the beginning of the year	78300	2.07	78300	2.07
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the End of the year	78300	2.07	78300	2.07

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	%age of total shares of the company	No. of Shares	%age of total shares of the company
04	<b>Surendra Singh (Independent Director)</b>				
	At the beginning of the year	1700	0.04	1700	0.04
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	31.10.2014 (Reason for change is not available)	-300	0	1400	0.03
	At the End of the year	1400	0.03	1400	0.03

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	%age of total shares of the company	No. of Shares	%age of total shares of the company
05	<b>Harbhajan Singh Khanuja (Independent Director)</b>				
	At the beginning of the year	100	0.00	100	0.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the End of the year	100	0.00	100	0.00





Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	%age of total shares of the company	No. of Shares	%age of total shares of the company
06	<b>Jasmeet Kaur Bhatia (Independent Director)</b>				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the End of the year	0	0.00	0	0.00

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	%age of total shares of the company	No. of Shares	%age of total shares of the company
07	<b>Mahesh Patidar (Chief Financial Officer)</b>				
	At the beginning of the year	12	0.00	12	0.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the End of the year	12	0.00	12	0.00

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	%age of total shares of the company	No. of Shares	%age of total shares of the company
08	<b>Tanu Parmar (Company Secretary)</b>				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the End of the year	0	0.00	0	0.00



Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	%age of total shares of the company	No. of Shares	%age of total shares of the company
09	<b>*Mayank Lashkari (Company Secretary)</b>				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the End of the year	0	0.00	0	0.00

*\* Resigned from the post of Company Secretary w.e.f 26.12.2014.*

#### V) INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	659.70	-	-	659.70
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	659.70	-	-	659.70
Change in Indebtedness during the financial year				
* Addition	1721.18	593.08	-	2314.26
* Reduction	109.00	-	-	109.00
Net Change	1612.18	593.08	-	2205.26
Indebtedness at the end of the financial year				
i) Principal Amount	2271.88	593.08	-	2864.96
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	2271.88	593.08	-	2864.96

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:****(A) Remuneration to Managing Director, Whole-time Directors and/or Manager:****(Amount in ₹)**

Sr. No.	Particulars of Remuneration	Name of MD/WTM/ Manager		Total Amount
		Shri Harender Singh Bhatia	Shri Kawaljeet Singh Bhatia	
1	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	30,00,000/-	24,00,000/-	54,00,000/-
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under Section 17(3) of the Income tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Stock Equity	-	-	-
4	Commission - as % of profit	-	-	-
5	Others, Allowances	-	-	-
6	Overall Ceiling as per the Act	30,00,000/-	30,00,000/-	60,00,000/-

**(B) Remuneration to other directors**

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Shri Harbhajan Singh Khanuja (ID)	Dr. Surendra Singh (ID)	Smt. Jasmeet Kaur Bhatia (ID)	Shri Gurdeep Singh Bhatia (NED)	
1	Independent Directors	<p><i>During the year under review, no remuneration/sitting fees/commission is paid to the Independent directors &amp; other non-executive directors.</i></p>				
	* Fee for attending board/ committee meetings					
	* Commission					
	* Others, please specify					
	Total (1)					
2	Other Non-Executive Directors					
	Fee for attending board committee meetings					
	Commission					
	Others, please specify					
	Total (2)					
	Total (B)=(1+2)					
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

**(C) REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		Mr. Mahesh Patidar (CFO)	*Mr. Mayank Lashkari (CS)	**Ms. Tanu Parmar (CS)	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	310224/-	67757/-	14274/-	392255/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit	-	-	-	-
5	Others, please specify	-	-	-	-
	<b>Total</b>	<b>310224/-</b>	<b>67757/-</b>	<b>14274/-</b>	<b>392255/-</b>

\*Resigned from the post of Company Secretary with effect from 26.12.2014;

\*\* Appointed as the Company Secretary of the Company with effect from 02.03.2015

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES : Nil****ANNEXURE II (Form AOC-1)**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

**Part "A": Subsidiaries**

Sr.No.	Particulars	Details (Amounts in Lacs)
1.	Name of the subsidiary	Puregene Biotech Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	(01.04.2014 to 31.03.2015)
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Same as Holding Company
4.	Share capital	NA (There is no foreign subsidiary)
5.	Reserves & surplus	144.67
6.	Total assets	29.52
7.	Total Liabilities	201.51
8.	Investments	27.32
9.	Turnover	0.00
10.	Profit before taxation	54.00
11.	Provision for taxation	14.50
12.	Profit after taxation	5.85
13.	Proposed Dividend	23.79
14.	% of shareholding	0.00
		82.70

**Part "B": Associates and Joint Ventures**

(Not Applicable to the company as company neither has any associate company nor it has entered into any joint venture with any entity)

**FOR KHANDELWAL KAKANI & CO.**

Chartered Accountants

**CA. V.K. KHANDELWAL**  
**PARTNER**  
(M.No. 070546)

Place : Indore

Date : 29th May 2015

**H.S. Bhatia**  
Managing Director  
DIN 00509426

**Mahesh Patidar**  
Chief Financial Officer

**G.S. Bhatia**  
Director  
DIN 00401929

**Tanu Parmar**  
Company Secretary  
(M.No. 34769)

**ANNEXURE III**

[Statement pursuant to Section 197(12) of the Companies Act 2013 and rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

- (I) The Ratio of remuneration of each Director to the median remuneration of all the employees of the Company for the financial year:

Sr. No.	Name of Executive Directors	Ratio of remuneration of Director to median remuneration of employees	
		2014-15	2013-14
1	Harender Singh Bhatia	35.71	40.40
2	Kawaljeet Singh Bhatia	28.57	32.32

- (II) The percentage increase in the remuneration of each Director, CFO & Company Secretary in the financial year 2014-15 is as follows:

(Amount in ₹)

Sr.No.	Name of Person	Designation	% Increase in Remuneration
1	Harender Singh Bhatia	Managing Director	<i>The remuneration to Executive Director, CFO and CS of the Company was not increased in the said financial year.</i>
2	Kawaljeet Singh Bhatia	Director	
3	Harbhajan Singh Khanuja	Independent Director	
4	Surendra Singh	Independent Director	
5	Jasmeet Kaur Bhatia	Independent Director	
6	Mahesh Patidar	CFO	
7	*Mayank Lashkari	CS	
8	**Tanu Parmar	CS	

\*Resigned from the post of Company Secretary with effect from 26.12.2014;

\*\*Appointed as the Company Secretary of the Company with effect from 02.03.2015

**Note:**

Mr. Mahesh Patidar and Mr. Mayank Lashkari were respectively appointed as the CFO and CS of the Company with effect from 14th August, 2014. Ms. Tanu Parmar, Company Secretary was appointed on 2nd March, 2015. Since, this is the first year of appointment of CFO and CS; hence % increase in remuneration and figure of previous year is not reported.

- (III) The Percentage increase in the median remuneration of all employees in the financial year:

Median Remuneration of Employees	Median Remuneration of Employees	Percentage Increase in the median remuneration of all employees in the Financial Year
In the beginning of the year	At the end of the year	13.13
74250	84000	

- (IV) The Number of permanent employees on the rolls of the Company:

Particulars	As on 31st March 2015	As on 31st March 2014
Number of permanent employees on the rolls of the company	649	552



**(V) The explanation on the relationship between average increase in remuneration and Company Performance:**

The average increase in the remuneration is 11% of employees and the net profit of the Company has increased by 23.87%. The increase in remuneration is in line with the market trend/cost of living adjustment/inflation rate and other factors.

**(VI) Comparison of the remuneration of the Key Managerial Personnel against the performance of your Company:**

Particulars	(Rupees in Lacs)
Remuneration of KMP during the financial year 2014-15 (aggregated)	57.91
Revenue from operations	44417.48
Remuneration (as % of revenue)	0.13%
Profit after tax (PAT)	77.47
Remuneration (as % of PAT)	74.75%

**(VII) Variation in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year.**

Particulars	As at 31st March 2015	As at 31st March 2014	Variation %
Closing rate of share at BSE (₹)	33.90	14.00	142.14
EPS (₹)	2.04	1.65	23.64
Market capitalization (₹ in lacs)	1285.39	530.84	142.14
Price earning Ratio	16.62	8.48	96.00

Percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer (in the year 1994 at ₹15): 226%

**(VIII) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration**

The average increase in salary/wages of the employees (other than managerial personnel) was around 11% whereas remuneration to Managerial personnel remained same during the year.

**(IX) Comparison of each remuneration of the Key Managerial Personnel against the performance of the company**

Particulars	Harender Singh Bhatia (Managing Director)	Kawaljeet Singh Bhatia (Whole-time Director)	Maresh Patidar (Chief Financial Officer)	*Mayank Lashkari (Company Secretary)	**Tanu Parmar (Company Secretary)
Remuneration (₹ in Lakhs)	30.00	24.00	3.10	0.67	0.14
Revenue (₹ in Lakhs)	44417.48	44417.48	44417.48	44417.48	44417.48
Remuneration (as % of revenue)	0.07	0.05	0.00	0.00	0.00
Profits before tax (PBT) (₹ in Lakhs)	52.81	52.81	52.81	52.81	52.81
Remuneration (as % of PBT)	56.80	45.44	5.87	1.27	0.27

\*Resigned from the post of Company Secretary with effect from 26.12.2014;

\*\* Appointed as the Company Secretary of the Company with effect from 02.03.2015



- (X) The key parameters for any variable component of remuneration availed by the directors: Not applicable
- (XI) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: None
- (XII) Affirmation that the remuneration is as per the remuneration policy of the Company:  
The Company affirms that the remuneration is as per remuneration policy of the Company.

## ANNEXURE - IV SECRETARIAL AUDIT REPORT

Form No. MR-3

For the financial year ended on 31st March, 2015

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
**SIMRAN FARMS LIMITED**  
CIN: L01222MP1984PLC002627  
**Registered Office:**  
1-B, Vikas Rekha Complex,  
Khatiwala Tank,  
Indore (M.P.)-452001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Simran Farms Limited** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **31 March, 2015** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under and Companies Act, 1956 and rules made there under to the extent applicable;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under. **(not applicable to the company during the audit period)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(not applicable to the company during the audit period);**
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(not applicable to the company during the audit period);**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(not applicable to the company during the audit period);**



- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(not applicable to the company during the audit period)**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(not applicable to the company during the audit period);**
- (vi) I have relied on the representation made by the Company and its officers for systems and mechanism formed by the Company for compliances under other applicable Acts, laws and Regulations to the Company. The following laws, regulations, directions, orders applicable specifically to the Company :
  - a) Environment Protection Act, 1986 and other Environmental Laws.
  - b) Employee Provident Fund and Miscellaneous Provision Act, 1952

I have also examined compliance with the applicable clauses of the following:

- (i) The compliance of Secretarial Standards issued by the Institute of Company Secretaries of India were not applicable during the period under review.
- (ii) The Listing Agreements entered into by the Company with Stock Exchanges.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

***During the year under review Company has taken Vehicles loan from banks by way of hypothecation but company has not submitted prescribed form CHG 1 with Registrar of Companies, Madhya Pradesh with additional fee prescribed under the Act.***

**I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all the directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through and there were no dissenting views by any members of the Board during the period under review.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, there were no instances of:

- (i) Public/Rights/Preferential issue of Shares/debentures/ sweat equity.
- (ii) Redemption/buy-back of securities.
- (iii) Merger/ amalgamation/reconstruction etc.
- (iv) Foreign technical collaborations.

**For Ramesh Chandra Bagdi & Associates  
Company Secretaries**

**Ramesh Chandra Bagdi  
Proprietor  
ACS: 11800. C P No 2871**

Place: Indore  
Dated: 14th August, 2015

Note: This report is to be read with our letter of even date which is annexed as Annexure herewith and forms and integral part of this report.





**ANNEXURE TO  
Secretarial Audit Report**

To  
The Members  
**SIMRAN FARMS LIMITED**  
CIN: L01222MP1984PLC002627  
**Registered Office:**  
1-B, Vikas Rekha Complex,  
Khatiwala Tank,  
Indore (M.P.)-452001

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For, Ramesh Chandra Bagdi & Associates**  
**Company Secretaries**

**Ramesh Chandra Bagdi**  
**Proprietor**  
**ACS: 11800. C P No 2871**

Place: Indore  
Dated: 14th August, 2015



## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **1. ECONOMIC SCENARIO**

This year the outlook for domestic macro- economic scenario is optimistic. The Industry and Service sectors are projected to grow at a uniform rate. This year the government remains optimistic about the possibility of big bang reforms and double digit economic growth. It was projected last year that the economy will grow at the rate between 5.4 - 5.9% whereas this year it has been projected that the economy is likely to grow between 8.1 to 8.5%.

For the Indian economy, 2014-15 has been one of its most disappointing years, with GDP growth plummeting to sub-7% levels even as inflation has remained stubbornly high. It is therefore natural that industry is hoping for better times in 2015-16. While there are early indications of a revival in the economy, it is by no means certain that a decisive turnaround will take place. We will therefore first present a base case which seems positive at this juncture, but then point out some of the risks to that outlook.

Recent indicators from the global economy have been positive. This will also be supported by affirmative action by the RBI, though the timing could be more during the second half of the year. Further it is assumed that the government will focus more on policies that do not require legislative approval in order to revive the growth process and that while one can hope for important bills to be moved in the Parliament, the assumption here is that this may not happen and in terms of policy, the situation would largely be a status quo.

### **2. INDUSTRY OUTLOOK**

India's poultry industry represents a major success story as the industry has emerged as the fastest growing segment of the livestock sector both globally and in India. While agricultural production has been rising at the rate around 2-4 percent per annum over the past two to three decades, poultry production has been rising at the rate of around 5-6 percent per annum.

The forces that are sustaining this growth are many like high per capita income growth, fair balance between demand and supply and relatively low prices have played a catalytic role. A moderate shift in the consumption pattern from vegetarianism to non-vegetarianism is also helping the industry in increasing the demand for poultry products. Also, it has been observed that chicken is India's preferred non-vegetarian protein source which results into emerging of new opportunities in various poultry products (from eggs as well as from poultry meat).

Despite temporary supply mismatches resulting in demand substitution to other meat options, demand growth continues to remain healthy at 5-6 percent per annum due to favorable socio economic factors such as good climate, low cost of labour, inland feed ingredients, increasing population, changing eating habits, higher purchasing power, urbanization, increasing health consciousness towards protein rich diet, preferred meat due to religious preferences, etc over the years.

### **3. OPPORTUNITIES & THREATS**

The livestock industry in India is making rapid strides forward and plays a multi-faceted role in contributing to the economic development. India ranks 3rd in egg production and 4th in broiler production in the world. The poultry sector has transformed itself from a mere backyard activity into a major commercial activity with participation by big players and also successful implementation of contract poultry farming on a large scale. However, industry faces certain key challenges other than high feed costs; include inadequate cold chain and transportation infrastructure, high vulnerability to disease outbreaks, and highly volatile realizations affecting cash flows.

However, the industry faces various key challenges, threats and weaknesses including: diseases, high feed costs, inadequate cold chain and transportation infrastructure, high vulnerability to disease outbreaks, and highly volatile realizations affecting cash flows, regional imbalances in production among others which should be diligently addressed and the strengths of the sector need to be well exploited so as to harness the opportunities.

### **4. RISKS & CONCERNS**

In the future several challenges and problems, in addition to already existing, will face poultry production. These will include: strong global competition; changes in social, political and consumer perceptions with regard to food safety, animal welfare and environmental protection. The loss of consumer confidence and trust in the quality and safety of poultry meat and poultry products will remain a major challenge. The modern poultry industry aims at high production and better quality at a low cost. This, in addition to an increase in the demand for poultry meat, necessitates constant, efficient and goal-oriented healthcare to prevent the development of diseases. In general, consumer expectations for high quality products will strongly influence future production methods. This means that everyone involved in the production chain need to share more responsibilities and that cooperation will be intensified.



## 5. INTERNAL CONTROL SYSTEM

The internal control system is designed to ensure that all the financial and other records are reliable for preparing financial statements and for maintaining accountability of the assets. The Companies Internal control/supervisory system is established to ensure that board and management are able to achieve their business objectives in a prudent manner, safeguarding the interest of Companies shareholders and other stakeholders whilst minimizing the key risk such as fraud, misleading financial statements, breach of legal and contractual obligation, unauthorized business activity.

## 6. HUMAN RESOURCES

Human Resource is considered as the most valuable resource in the Company. The focus is on developing a performance culture with high standards of efficiency and innovation. The Company follows a strategy of attracting and retaining the best talent and keep employees engaged, motivated and innovative. The Company continues to have cordial relations with its employees and provide personnel development opportunities for all round exposure to them.

## 7. FINANCIAL AND OPERATIONAL PERFORMANCE

Financial and Operational performance forms part of the Annual Report and is presented elsewhere in the report.

## 8. CONCLUSION:

The Company dwells on chalking out the best possible future plans and policies so as to avoid the pitfalls and following the best course in the long run. In the respective business segment, a focus on asset utilization, earning maximization, continuous growth and relentless strengthening of the internal efficiencies will enable the Company to deliver superior value for its shareholders on a sustained basis in future.

## 9. CAUTIONARY STATEMENT:

*Some of the Statements in Management discussion and Analysis describing company's objective may be "forward looking statement" within the meaning of applicable Securities law and Regulations. Actual results may differ substantially or materially from those expressed or implied. Important factors that could influence companies operation include various global and domestic economic factors.*

## REPORT ON CORPORATE GOVERNANCE

In Compliance with clause 49 of the Listing Agreement with Stock Exchanges, the Company submits the report on the matters mentioned in the said clause and practices as followed by the Company.

### I. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance is the combination of voluntary practices and compliance with laws and regulations leading to effective control and management of the organization. Good corporate governance leads to long term shareholders value and enhances interest of all stakeholders. It brings into focus the fiduciary and trusteeship role of the Board to align and direct the actions of the organization towards creating wealth and shareholder value.

The company's essential character is shaped by the value of transparency, customer satisfaction, integrity, professionalism and accountability. The Company continuously endeavors to improve on these aspects. The Board views corporate governance in its widest sense. The main objective is to create and adhere to corporate culture of integrity and consciousness, transparency and openness. Corporate governance is a journey for constantly improving sustainable value creation and is an upward moving target. The Company's philosophy on corporate governance is guided by the company's philosophy of knowledge, action and care. The Company has complied with all the requirements of listing agreement and listed below is the status with regard to same.

### A. BOARD OF DIRECTORS:

- (i) The Company is fully compliant with the Corporate Governance norms in the terms of constitution of the Board of Directors ("the Board"). The Company's policy is to maintain an optimum combination of Executive and non Executive Independent directors. The Composition of your Company's Board, which comprises of six directors, is given in the table below and is in conformity with clause 49 of the listing agreement and with stock exchange.

As will be seen from the following table, none of the directors holds office as a director, including alternate directorship, in more than 20 companies at the same time. None of them has directorships in more than 10 public companies, None of the directors serves as an independent director in more than seven listed companies or in more than three listed companies in case he is a whole time director in any listed company nor is any of them a member of more than ten committees of the prescribed nature or holds chairmanship of more than five such committee across all public limited companies in which they are directors. The Board does not have any nominee director representing any institution.



Name of Director	Category	No. of Board Meetings Attended	Date of joining the Board	Whether attended last AGM held on 26.09.2013	No. of directorship (including this Company)		No. of committee membership positions (including this Company)	
					Chairman	Member	Chairman	Member
Mr. Harender Singh Bhatia (Din:00509426)	Promoter & MD	7	26.10.1984	Yes	1	7	Nil	Nil
Mr. Kawaljeet Singh Bhatia (Din:00401827)	WTD	7	01.04.2002	Yes	Nil	9	Nil	Nil
Mr. Gurdeep Singh Bhatia (Din:00401929)	NED	7	10.11.1988	Yes	Nil	3	Nil	Nil
Mr. Harbhajan Singh Khanuja (Din:03614872)	ID, NED	7	13.08.2012	Yes	Nil	7	3	3
Dr. Surendra Singh (Din:00645965)	ID, NED	4	01.04.1994	No	Nil	2	Nil	3
Mrs Jasmeet Kaur Bhatia (DIN:06949992)	ID, NED	2	14.08.2014	No	Nil	1	Nil	3
*Shri Surjit Singh Kohli (DIN:00701320)	ID, NED	1	15.04.1994	N.A.	Nil	NA	Nil	Nil

WTD= Whole Time Director, ID = Independent Director, NED= Non Executive Director

**Note:** This includes directorship in public limited companies, subsidiary of public limited companies and directorship in Private Limited Companies but excluding overseas companies, companies under Section 8 of the Companies Act, 2013 and alternate directorship if any.

All independent directors have given declaration that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013 and clause 49 of the Listing Agreement.

\* Shri Surjit Singh Kohli ceased from directorship of the Company w.e.f. 29th May, 2014 on account of his resignation due to his pre occupation and personal reasons. The Board has appointed Smt. Jasmeet Kaur Bhatia as an additional women independent director to hold office up to five years.

The notice of every board meeting is given in writing to each director. The agenda along with the relevant information such as financial results, capital expenditure proposals and statutory dues, among others, are as a matter of routine, placed before the Board for its approval/information. Board Meetings are governed by a structured agenda. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions. The Company Secretary in consultation with the Senior Management prepares the detailed agenda for the meetings

The necessary quorum remained present in all the meetings. Leave of absence was granted to the concerned directors who could not attend the respective Board Meeting. In Financial year 2014-15, Seven Board Meetings were held and the gap between two meetings did not exceed 120 days. The dates on which the said Meetings were held are as follows:

29.05.2014	07.07.2014	14.08.2014	14.11.2014
15.01.2015	14.02.2015	02.03.2015	

None of the Non-Executive Directors have any material pecuniary relationship or transactions with the Company.

## (ii) Independent Directors Meeting

Pursuant to the clause 49 of the Listing Agreement and schedule IV of the Companies Act, 2013, the Independent Directors of the Company shall hold at least one meeting in a year without attendance of non-independent directors and members of the Management. Accordingly, independent directors of the Company met on 14th February 2015 to consider the following business as required under clause 49 of the Listing Agreement and the Companies Act, 2013:-

- Review the performance of Non-Independent Directors and the Board as a whole;
- Review the performance of the Chairman of the Company, taking into account the views of executive directors and non-executive directors and;



- (c) Assess the quality, quantity and timelines of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All the independent directors were present for the meeting.

**(iii) Performance evaluation of Independent Directors**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an Annual Performance Evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees. Well-defined and structured questionnaires were prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, areas of responsibility, execution and performance of specific duties, obligations and governance, compliance, oversight of Company's subsidiaries, etc.

The performance evaluation of the Independent Directors was carried out by the entire Board excluding the Director being evaluated. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. Qualitative comments and suggestions of Directors were taken into consideration by the Chairman of the Board and the Chairman of the Nomination and Remuneration Committee. The Directors have expressed their satisfaction with the evaluation process.

**(iv) Familiarization Programme for Independent Directors**

The details of familiarization programme for Independent Directors have been disclosed on website of the Company [www.simranfarms.com](http://www.simranfarms.com).

**(v) Inter-se relationship among directors:**

Mr. Harender Singh Bhatia and Mr. Gurdeep Singh Bhatia are brothers and Mr. Kawaljeet Singh Bhatia is the brother's son of Mr. Harender Singh Bhatia and Mr. Gurdeep Singh Bhatia. Except for this, there is no inter-se relationship among the directors.

**(vi) Role of Independent Director**

Independent Directors play a key role in the decision making process of the Board and in shaping various strategic initiatives of the Company. The Independent directors are committed to act in what they believe to be in the best interest of the Company and its stakeholders. The Independent Directors are professionals, with expertise and experience in general corporate management, public policy, finance, financial services and other allied fields. The Company benefits immensely from their inputs in achieving its strategic direction.

**(vii) Shareholding of Non-executive Director**

The Number of equity shares held by Non-Executive Directors as on 31.03.2015 was as under:

Name of Director	No. of Shares
Mr. Gurdeep Singh Bhatia (Din:00401929)	78300
Mr. Harbhajan Singh Khanuja (Din:03614872)	100
Dr. Surendra Singh (Din:00645965)	1400
Mrs Jasmeet Kaur Bhatia (DIN:06949992)	Nil

**(viii) Details of the Directors seeking re-appointment at the forthcoming Annual General Meeting as per Clause 49(1)(A) of the Listing Agreement.**

Brief resume(s) of the Directors proposed to be appointed/re-appointed are given in the Notice convening the 28th Annual General Meeting in separate annexure.

**(ix) Board Procedure**

A detailed agenda folder is sent to each Director in advance of Board and Committee meetings. To enable the Board to discharge its responsibilities effectively, the Executive Director briefs the Board at every meeting, about the overall Company performance and compliance of the company wherever applicable.

**B. COMMITTEES OF THE BOARD**

**(I) AUDIT COMMITTEE (MANDATORY COMMITTEE)**

The Audit Committee acts as a link among the Management, the Statutory Auditors, Internal Auditors and the Board of Directors to oversee the financial reporting process of the Company. The Committee's purpose is to oversee the quality and integrity of accounting, auditing and financial reporting process including review of the internal audit reports and action taken report. As required under Section 177 of the Companies Act, 2013 ("the Act") read with the provisions of Clause 49 of the Listing Agreement(s), the Board has re-constituted an Audit Committee consisting of Mr. Harbhajan



Singh Khanuja, Dr. Surendra Singh and Mrs Jasmeet Kaur Bhatia, Non Executive independent Directors. All the members of the committee, including committee chairman are independent director. All the members of the committee are financial literate.

**(i) Meeting and Composition:**

The composition of the audit committee as on 31.03.2015 and attendance record of the members at the meetings held during the year was as under:

Name of the Member	Category	Status	No. of meetings during the financial year 2014-15	
			Held	Attended
Mr. Harbhajan Singh Khanuja (DIN:03614872)	Non-Executive Independent Director	Chairman	4	4
Dr. Surendra Singh (DIN:00645965)	Non-Executive Independent Director	Member	4	4
Mrs. Jasmeet Kaur Bhatia* (DIN:06949992)	Non-Executive Independent Director	Member	4	2

\*Appointed as a member of the committee w.e.f. August 14, 2014

During the year the committee met on four occasions during the year on following dates namely:

29.05.2014	14.08.2014	14.11.2014	14.02.2015
------------	------------	------------	------------

As mandated by clause 49 of the Listing agreement

1. The representatives of statutory and internal auditors of the company are also invited in the audit committee meetings.
2. The gap between two audit committee meetings was not more than 120 days.
3. The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company.

**(ii) Terms of Reference of the Audit Committee:**

The terms of reference of the Audit Committee are as under:

- Examination of Financial statement and statutory Auditor's Report thereon and discussion of any related issues with the internal Auditor's Report & statutory Auditors and the management of the Company.
- Review of Financial statement before their submission to the Board, including Director's Responsibility statement, changes in accounting policies and practices, statutory compliances and qualification in draft audit report.
- Approval or any subsequent modification of transactions of the Company with related parties;
- Recommending the appointment and removal of external auditor, fixation of audit fee and approval of payment of any other services:
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing with management, the annual financial statement before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the Directors responsibility statement to be included in the board's report as per Section 134(3)(c) of the Companies Act, 2013.
  - b. Changes in the Accounting policies and practices and the reasons for the same, major accounting entries and significant adjustments made in the financial statements arising out of audit findings.
  - c. Significant adjustments made in the financial statements arising out of audit findings.
  - d. Compliance with listing and other legal requirements relating to financial statements.
  - e. Disclosure of any related party transactions & Approval or any subsequent modification of transactions of the company with related parties.
- Discussing with external auditors before the audit commences on the nature and scope of audit, as well as having post-audit discussion to ascertain any area of concern,
- Reviewing the management discussion and analysis of the financial conditions and results of operations.

- Reviewing the Company's financial and risk management policies;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To review the functioning of the Whistle Blower mechanism;
- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- Undertake such other functions as may be entrusted to it by the Board from time to time.
- The Chairman of the Committee to attend the Annual General Meeting to respond to the queries of shareholders.

## (II) STAKEHOLDERS' RELATIONSHIP COMMITTEE

As required under Section 178(5) of the Companies Act, 2013 ("the Act") read with the provisions of Clause 49 of the Listing Agreement(s), the Board has re-constituted Stakeholders Relationship Committee which comprises of three Directors, Mr. Harbhajan Singh Khanuja, Dr. Surendra Singh and Mrs. Jasmeet Kaur Bhatia, Non Executive independent Directors. The constitution and terms of reference of Stakeholders' Relationship Committee of the Company are in compliance with provisions of Companies Act, 2013 and the Listing Agreement.

### (i) Meetings and Composition:

The Composition of Committee as on 31.03.2015 and attendance record of the members at the meetings held during the year was as under:

Name of the Member	Category	Status	No. of meetings during the financial year 2014-15	
			Held	Attended
Mr. Harbhajan Singh Khanuja (DIN:03614872)	Non-Executive Independent Director	Chairman	4	4
Dr. Surendra Singh (DIN:00645965)	Non-Executive Independent Director	Member	4	4
Mrs. Jasmeet Kaur Bhatia* (DIN:06949992)	Non-Executive Independent Director	Member	4	2

\*Appointed as a member of the committee w.e.f. August 14, 2014

During the year the committee met on four occasions during the year on following dates namely:

29.05.2014	14.08.2014	14.11.2014	14.02.2015
------------	------------	------------	------------





- (ii) During the year under review 4 (Four) complaints were received from shareholders and the same were resolved to the satisfaction of the shareholder and there were no complaints pending unresolved as at the end of the year.
- (iii) Share transfer in physical form are registered by the Registrar and returned to respective Transferee/person within a period ranging from one to two weeks provided the documents lodged with Registrar/Company are clear in all respects.
- (iv) Name, designation and address of Compliance Officer:-  
 Ms. Tanu Parmar  
 Company Secretary  
 1-B, Vikas Rekha Complex  
 Khatiwala Tank, Tower Square, Indore - 452001 (M.P)  
 Tele: 0731-4255900-21; Fax No. : 0731-4255949  
 Email: compliance@simranfarms.com; Website: www.simranfarms.com
- (v) **Terms of Reference of the Stakeholders' Relationship Committee:**  
 The Board has clearly defined the terms of reference for this committee, which meets in regular intervals and looks into the matters of shareholders/investors grievances along with other matter listed below:
- Approval of transfer of shares and issue of duplicate/split/consolidation/sub-division of shares certificates.
  - Monitor redressal of investors' / shareholders' / security holders' grievances.
  - Oversee the performance of the Company's Registrar and Transfer Agents.
  - Recommend methods to upgrade the standard of services to investors.
  - Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable.

Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors. Shareholders are requested to furnish their telephone numbers and e-mail addresses to facilitate prompt action.

### (III) NOMINATION AND REMUNERATION COMMITTEE:

Pursuant to Clause 49 of the Listing Agreement and Section 178 of the Act, the Board has re-constituted and renamed the Remuneration Committee as Nomination and Remuneration Committee and adopted new terms of reference.

#### (i) Meeting and Composition:

The composition of the "Nomination and Remuneration Committee" and the details of meetings attended by its members are given below:

Name of the Member	Category	Status	No. of meetings during the financial year 2014-15	
			Held	Attended
Mr. Harbhajan Singh Khanuja (DIN:03614872)	Non-Executive Independent Director	Chairman	3	3
Dr. Surendra Singh (DIN:00645965)	Non-Executive Independent Director	Member	3	3
Mrs. Jasmeet Kaur Bhatia* (DIN:06949992)	Non-Executive Independent Director	Member	3	2

\*Appointed as a member of the committee w.e.f. August 14, 2014

#### (ii) The terms of reference for the Nomination and Remuneration Committee includes:

- To formulate a Nomination and Remuneration Policy on:
  - determining qualifications, positive attributes and independence of a director.
  - guiding remuneration of Directors, Key Managerial Personnel ("KMP") and other employees and Board diversity.
- Recommend Nomination and Remuneration Policy to the Board.
- Identify candidates who are qualified to become Directors.
- Identify persons who are qualified to become Senior Management (Senior Management of the Company means employees of the Company who are Divisional Heads and Corporate Functional Heads).
- Recommend to the Board the appointment and removal of Directors and Senior Management.





- Lay down the process for evaluation of the performance of every Director on the Board.
- The Chairman of the Committee to attend the General Meeting to respond to the queries of shareholders.

During the year, the committee met on three occasions during the year on following dates namely:

14.08.2014	14.11.2014	02.03.2015
------------	------------	------------

- (iii) The Nomination and Remuneration Committee at its meeting held on 14th November 2014 approved the Nomination and Remuneration Policy and the methodology for conducting the performance appraisal of the Board, the Board Committees and the Directors. The details of Nomination and Remuneration Policy and methodology for conducting the performance appraisal of the Board, the Board Committee and the Directors is given below

#### Remuneration of Directors

Remuneration paid or payable to Directors during the year 2014-15

Name of Director	Sitting Fees	Commission on Profit	Salary & Allowance	Contribution to PF	Perquisites	Total
Mr. Harender Singh Bhatia	---	---	3000000	---	---	3000000
Mr. Kawaljeet Singh Bhatia	---	---	2400000	---	---	2400000

- No sitting Fees was paid to any Director of the Company during the financial year.
- The company does not have any service contract with any of its directors.
- The company has not granted any stock option to any of its director/employees.

#### Nomination and Remuneration Policy

Pursuant to Clause 49 of the Listing Agreement and Section 178 of the Act, the Nomination and Remuneration Committee has adopted a Nomination and Remuneration Policy which provides guidance on:

#### APPOINTMENT AND REMOVAL OF DIRECTORS, KMP'S AND SENIOR MANAGEMENT

##### ❖ APPOINTMENT CRITERIA AND QUALIFICATIONS:

- The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.
- The Company shall not appoint or continue the employment of any person as Managing Director/Whole-time Director/Manager who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

##### ❖ TERM / TENURE:

##### 1. Managing Director/Whole-time Director/Manager (Managerial Person):

- The Company shall appoint or re-appoint any person as its Managerial Person for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

##### 2. Independent Director:

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on 1 October, 2014 or such other date as may be determined by the Committee as per regulatory requirement, he / she shall be eligible for appointment for one more term of 5 years only.

- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director served is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company.

## **PROVISIONS RELATING TO REMUNERATION OF MANAGERIAL PERSONNEL, KMP AND SENIOR MANAGEMENT**

### **➤ GENERAL:**

1. The remuneration/compensation/commission etc. to Managerial Person, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration/compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
2. The remuneration and commission to be paid to Managerial Person shall be as per the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force.
3. Increments to the existing remuneration/compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Managerial Person. Increments will be effective from the date of reappointment in respect of Managerial Person and 1st April in respect of other employees of the Company.
4. Where any insurance is taken by the Company on behalf of its Managerial Person, KMP and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

### **➤ REMUNERATION TO MANAGERIAL PERSON, KMP AND SENIOR MANAGEMENT:**

#### **1. Fixed Pay:**

Managerial Person, KMP and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force. The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

#### **2. Minimum Remuneration:**

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Person in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the prior approval of the Central Government.

#### **3. Provisions For Excess Remuneration:**

If any Managerial Person draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

### **➤ REMUNERATION TO NON-EXECUTIVE / INDEPENDENT DIRECTOR:**

#### **1. Remuneration /Commission:**

The remuneration / commission shall be in accordance with the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force.

#### **2. Sitting Fees:**

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

#### **3. Limit of Remuneration /Commission:**

Remuneration /Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013.



#### 4. Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

#### C. MANAGEMENT

##### A. The Management discussion and analysis report

The Annual Report has a detailed chapter on Management Discussion and Analysis.

##### B. Disclosure by Management to the Board

All details relating to the financial and commercial transactions where directors may have a potential interest are provided to the Board, and the interested Directors neither participate in the discussion, nor do they vote on such matters.

#### D. COMPLIANCE WITH MANDATORY / NON MANDATORY REQUIREMENTS.

The Company has complied with all the applicable mandatory requirement of clause 49 of the listing agreement.

The following non-mandatory requirements have been adopted by the Company:

- a) Auditor's Report does not contain any qualifications.
- b) The Company has not appointed separate persons to the posts of Chairman and Managing Director.
- c) The Internal Auditors report directly to the Audit Committee.

#### E. DISCLOSURES

- There were no material transactions of the Company with its promoters, directors, and management on their relatives that may have conflict with the interest of the Company at large.
- The particulars of transactions between the Company and its related parties in accordance with the accounting standard 18 are set out in Annual report. These transactions are in the ordinary course of business and on arms lengths basis and are not likely to have any conflict with the interest of the Company.
- The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013, and in conformity, in all respects, with the generally accepted accounting principles and standards in India. The estimates/judgments made in preparation of these financial statements are consistent, reasonable and on prudent basis so as to reflect true and fair view of the state of affairs and results/operations of the Company
- The Company has well defined management policies to manage the risk inherent in the various aspects of business. The Board is regularly informed about the business risks and the steps taken to mitigate the same.
- There has been no non-compliance by the company or penalty or strictures imposed on the company by the stock exchange or SEBI or any statutory authority, on any matter related to capital markets during last three years.
- During the year under review Company has not issued any type of securities. No GDR/ADR issued by the Company.
- The company has established a mechanism for employees to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy.
- Pursuant to section 177(9) and (10) of the Companies Act, 2013 and clause 49 of the listing agreement, the Company has formulated Whistle Blower policy for vigil mechanism for directors and employees to report to the management about the unethical behavior, fraud or violation of company code of conduct.
- Business risk evaluation and management is an ongoing process within the company. The assessment is periodically examined by the Board.
- The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. During the year no complaints of sexual harassment were received.
- As per clause 5 All of the listing agreement there is no unclaimed shares in the company.

#### F. SHAREHOLDER'S INFORMATION

##### Means of Communication

The main channel of communication to the shareholders is through Annual Report, which includes inter-alia the Directors Report, the Auditors Report, Report on Corporate Governance, Audited Financial statements and other important information. The website of the Company [www.simranfarms.com](http://www.simranfarms.com) acts as the primary source of information regarding the operations of the Company.



Presently, the quarterly/half yearly financial result is not sent individually to the shareholders. However as required under the listing agreement, the same are published in the Hindustan Times (English) & Dabang Dunia (Hindi).

The approved financial results are forthwith send to the Stock Exchange and also posted on website of the Company.

The Company's financial results and official press releases, shareholding patterns, and all other corporate communication are displayed on company's website [www.simranfarms.com](http://www.simranfarms.com) and same has been send to stock exchanges for their up gradation.

A separate dedicated section under "Stakeholder's Desk" on the Company's Website gives the information on unclaimed dividends, quarterly Compliances with stock exchange and other relevant information of interest to the investors.

Sections 20 & 129 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 permit companies to service delivery of documents electronically on the registered members'/ shareholders' email addresses. The Company, during the year under review sent documents, such as notice calling the general meeting, audited financial statements, Board's Report, Auditors' Report etc. in electronic form at the email addresses provided by the shareholders and made available by them to the Company through the depositories. Shareholders desiring to receive the said documents in physical form continued to get the same in physical form, upon request.

The Company also files the following information, statements, reports on websites specified by Bombay Stock Exchange Limited.

- Full version of the Annual Report including the Balance Sheet, Statement of Profit and Loss, Board's Report and Auditors' Report, Cash Flow Statement and quarterly financial statements.
- Corporate Governance Report.
- Shareholding pattern.

The secretarial department's e-mail address is [compliance@simranfarms.com](mailto:compliance@simranfarms.com).

## **G. GENERAL BODY MEETINGS**

### **(i) General Meeting:**

**The last three Annual General Meetings of the Company were held as detailed below:**

Final Year	Date	Time	Venue
25th AGM 2011-12	September 27, 2012	10.00 A.M.	Pishori Premises, 910, Khatiwala Tank, Tower Square, Indore (M.P.)
26th AGM 2012-13	September 26, 2013	10.00 A.M.	Kings Park Hotel, 1 Vishnupuri Main,, A.B. Road, Bhanwarkua, Indore (M.P.)
27th AGM 2013-14	September 25, 2014	10.00 A.M.	Kings Park Hotel, 1, Vishnupuri Main, A.B. Road, Bhanwarkua, Indore (M.P.)

### **Extra Ordinary General Meeting:**

No extraordinary general meeting of the members was held during the year 2014-15.

### **(ii) Special Resolutions:**

A. The Company has in its AGM held on September 26, 2013 has passed the following special resolutions:

- Re-appointment of Shri Harender Singh Bhatia, as Managing Director of the Company for the period of 3 years with effect from 1st October, 2013 to 30th September, 2016.
- Re-appointment of Shri Kawaljeet Singh Bhatia, as Executive Director of the Company for the period of 3 years with effect from 1st October, 2013 to 30th September, 2016.
- Appointment of Mr. Avneet Singh Bhatia as Vice President (Operation) with effect from 1st April, 2013, pursuant to the provisions of sections 314 (1B) read with Director's Relative (Office or Place of Profit) Rules, 2011.

B. The Company has in its AGM held on September 25, 2014 has passed the following special resolutions:

- Creation of mortgage and/or charge on all or any of the movable and/or immovable properties of the company in terms of section 180(1)(a) of the Companies Act, 2013.
- Authority to obtain loans/borrowings under section 180(1) (c) & (2) of the Companies Act, 2013.

**(iii) Postal Ballot**

- During the last three years, no resolutions were passed by postal ballot.
- None of the business proposed to be transacted in the ensuing Annual General Meeting require passing of a resolution through Postal Ballot.

**H. SUBSIDIARY COMPANY**

- Simran Farms Limited has only one subsidiary company viz. M/s. Puregene Biotech Limited, and Mr. Harender Singh Bhatia and Mr. Kawaljeet Singh Bhatia are also Directors in subsidiary company. As required under new clause 49 of the Listing Agreement, the Company has adopted a practice of placing the minutes and statements of all the significant transactions of unlisted subsidiary company in the meeting of Board of Directors of Simran Farms Limited. The Audit Committee of the Company regularly reviews the financials of the subsidiary Company M/s Puregene Biotech Limited.

The Company does not have any material non-listed Indian subsidiary companies.

**I. GENERAL SHAREHOLDER INFORMATION:**

Address of Registered office of the Company	1-B, Vikas Rekha Complex, Khatiwala Tank, Indore (M.P)
Date, time and Venue of Forthcoming Annual General Meeting	September 24, 2015 – 10.00 A.M. (Thursday) Pishori Premises, 910, Khatiwala Tank, Tower Square, Indore (M.P.) 452001
Last date for receipt of proxy forms:	September 22, 2015
Financial Calendar: 1st April to 31st March 1st Quarter ending 30th June, 2015 (First quarter) 2nd Quarter ending 30th Sept, 2015 (Second quarter) 3rd Quarter ending 31st Dec, 2015 (Third quarter) 4th Quarter ending 31st Mar, 2016 (Fourth quarter and Annual)	Second fortnight 14th Aug. 2015 Second fortnight 14th Nov. 2015 Second fortnight 14th Feb. 2016 Before 30th May 2016
Book Closure	The book closure period is from Thursday 17th September, 2015 to Thursday 24th September, 2015 (both days inclusive).
Dividend Payment:	No Dividend was recommended by the board of the Directors for financial year March 31, 2015.
Name of the Stock Exchange: Stock Code: ISIN Code on both is NSDL and the CDSL	Bombay Stock Exchange, Mumbai 519566 INE354D01017
Registrar and Share Transfer Agent	“Ankit Consultancy Pvt. Ltd.” 60, Electronics Complex, Pardeshipura, Indore - 452010 (M.P) Tel.:0731-2551745, 2551746, Fax: 0731-4065798
Share Transfer System:	All the transfer received is processed by the Registrar and Share Transfer Agent



Outstanding GDRs/ADRs/Warrants or any convertible instruments, Conversion date and likely impact on equity:	Not Issued
Administrative Office and Registered office of the Company (For general assistance)	1-B, Vikas Rekha Complex, Tower Square, Khatiwala Tank, Indore-452001 (M.P)
Corporate identity number (CIN) of the Company:	L01222MP1984PLC002627
Address for correspondence:	Simran Farms Limited 1-B, Vikas Rekha Complex, Khatiwala Tank, Indore (M.P.) 452001 Telephone: 91-731-4255900 Fax: 0731-4255949 Designated e-mail address for Investor Services: compliance@simranfarms.com Website: www.simranfarms.com
Others farms of the Company situated at:	<b>SIMRAN FARMS LIMITED (NEW FARM)</b> Khandwa Road; Tehsil:- Mhow, Gram:- Simrol; District:- Indore (M.P.) <b>SIMRAN FARMS LIMITED (OLD FARM)</b> Khandwa Road; Tehsil:- Mhow, Gram:- Simrol; Post:- Simrol District:- Indore (M.P.)

**J. TRANSFER UNPAID/UNCLAIMED AMOUNT DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:**

Those members who have so far not encashed their dividend warrants for the below mentioned financial years, may claim or approach the company for payment thereof as the same will be transferred to Investor Education and Protection Fund (IEPF) established by the Central Government, pursuant to Section 205 of the Companies Act, 1956 the respective dates mentioned below. Intimation in this regard is being sent to the concerned shareholder periodically. Kindly note that after such dates the members will lose their right to claim such dividend.

Financial Year	Date of Declaration	Due date of transfer unpaid dividend to IEPF
2010-11	22.09.2011	21.10.2018
2011-12	27.09.2012	26.10.2019

**K. MARKET PRICE DATA:**

The monthly high and low quotations and volume of shares traded on the Stock Exchange, Mumbai (BSE) is as follows:  
(Price in ₹)

Month	High	Low	Volume of Shares Traded
April 2014	15.40	13.25	47019
May 2014	18.00	12.83	66677
June 2014	27.30	18.70	67049
July 2014	23.95	19.30	31750
August 2014	23.75	20.00	39054
September 2014	23.50	19.25	83113
October 2014	21.95	18.90	27641
November 2014	24.00	18.30	53763
December 2014	21.50	14.25	57856
January 2015	19.90	14.55	119738
February 2015	25.85	17.20	91530
March 2015	43.20	23.35	284267

**L. DISTRIBUTION OF SHAREHOLDING BY SIZE AS ON MARCH 31, 2015**

Share Holding of Nominal Value of ₹	Number of Shareholders	%age of Shareholders	Amount of Shares in ₹	%age of Shareholding
Upto 1000	4070	63.60	3822510	10.08
1001-2000	1164	18.19	2296490	6.06
2001-3000	371	5.80	1082970	2.86
3001-4000	132	2.06	516430	1.36
4001-5000	159	2.48	785080	2.07
5001-10000	225	3.52	1848820	4.88
10001-20000	131	2.05	1991130	5.25
20001-30000	42	0.66	1056580	2.79
30001-40000	19	0.30	674910	1.78
40001-50000	19	0.30	882400	2.33
50000-100000	28	0.44	2002240	5.28
100000 Above	39	0.60	20957440	55.26
<b>Total</b>	<b>6399</b>	<b>100.00</b>	<b>37917000</b>	<b>100.00</b>

**M. CATEGORY OF SHAREHOLDERS AS ON MARCH 31, 2015**

	Category	No. of Share held	Percentage of Shareholding
A	Promoters Holding		
1.	Promoters		
	Indian Promoters:	1406050	37.08
	Foreign Promoters:	-	-
2	Persons acting in concert		
	<b>Sub Total</b>	<b>1406050</b>	<b>37.08</b>
B	Public Shareholding	-	-
1	Institutional Investors	-	-
2	Mutual Funds and UTI	-	-
3	Banks, Financial Institutions, Insurance Companies [Central/ State Govt. Institutions, Non- Government Institutions]	2100	0.06
4	FII's	-	-
	<b>Sub-Total</b>	<b>2100</b>	<b>0.06</b>
1	Others		
	Private Corporate Bodies	156066	4.12
2	Individuals		
	Holding up to ₹ 1.00 lacs	1445051	38.11
	Holding excess ₹ 1.00 lacs	655632	17.29
3	NRIs/OCBs	114684	3.02
4	Any other [please specify] Clearing Member	12117	0.32
	<b>Sub-Total</b>	<b>2383550</b>	<b>62.86</b>
	<b>Grand Total</b>	<b>3791700</b>	<b>100.00</b>





#### **N. WHISTLE BLOWER POLICY/VIGIL MECHANISM**

Pursuant to section 177(9) of Companies Act, 2013 and clause 49 of Listing Agreement, the Company has approved a Whistle Blower Policy/Vigil Mechanism to enable directors and employees to report to the Management their concerns about unethical behavior, actual or suspected fraud or violation of Company's code of conduct or ethics policy. This mechanism provides safeguards against victimization of directors/employees who avail of the mechanism and provides for direct access to the Chairman of the Audit Committee in exceptional cases. The policy/vigil mechanism has been appropriately communicated to the employees within the organization and has been put on the Company's website [www.simranfarms.com](http://www.simranfarms.com).

None of the employees has been denied access to the Audit Committee under this policy during the year under review

#### **O. SECRETARIAL AUDIT FOR RECONCILIATION OF CAPITAL**

As stipulated by SEBI a qualified practicing Company Secretary carries out secretarial Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the listed stock exchanges. The audit confirms that the total listed and paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL/CDSL) and total number of shares in physical form. as on March 31, 2015, 3002765 equity shares representing 79.19% of the Company's total equity share capital are dematerialized. Those shareholders who have still not got their shares dematerialized, are advised to do so, as soon as possible, in view of many advantages exists therein.

#### **P. CODE OF CONDUCT**

The Board of Directors has laid down the Code of Conduct for all the Board Members and members of the senior management. The Code is also placed on the Company's website – [www.simranfarms.com](http://www.simranfarms.com). A certificate from the Managing Director, affirming compliance of the said Code by all the Board Members and members of the senior management to whom the Code is applicable, is annexed separately to this report.

Further, the Directors and the Senior Management of the Company has submitted disclosure to the Board that they do not have any material financial and commercial transactions that may have a potential conflict with the interest of the Company at large.

#### **Q. CODE FOR PREVENTION OF INSIDER TRADING PRACTICES**

Securities and Exchange Board of India has notified on 15 January 2015 new regulations for Prohibition of Insider Trading (effective from 15 May 2015) repealing the regulations issued in the year 1992. In Compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended till date on prohibition of insider trading, the Company has comprehensive Code of Fair Disclosure and Code of Conduct for prevention of Insider Trading, 2015 strictly adhered to by its management, staff and relevant business associates and the same is being uploaded on website. The code expressly lays down the guidelines and the procedures to be followed and disclosures to be made, while dealing with shares of the Company and cautioning them on the consequences on non-compliance thereof.

#### **R. MANAGING DIRECTOR & CFO CERTIFICATION**

The Managing Director and the Chief Financial Officer of the Company have given annual certification on financial reporting and internal controls to the Board in terms of Clause 49 of the Listing Agreement. The MD and CFO certification of the financial statements and the cash flow statement for the year is obtained and was placed before the Board.

#### **S. CERTIFICATE ON CORPORATE GOVERNANCE**

The Company has obtained the certificate from the Auditors of the Company regarding compliance with the provisions relating to corporate governance laid down in clause 49 of the Listing Agreement with the stock exchanges. This Certificate is annexed with this report. This certificate will be sent to the stock exchanges, along with the annual report to be filed by the Company.

#### **T. DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

This is to confirm that the Company has adopted a code of conduct for the Directors, Senior Management and designated employees of the Company. The same is available on website of the Company [www.simranfarms.com](http://www.simranfarms.com).

I Harender Singh Bhatia, Managing Director of Simran Farms Limited declare that all the members of Board of Directors and senior management personnel have affirmed compliance with the Code Of Conduct for the financial year ended on 31st March 2015.

Place: Indore  
Date: 14.08.2015

**HARENDER SINGH BHATIA**  
(Chairman & Managing Director)  
DIN: 00509426





## CEO & CFO CERTIFICATION UNDER CLAUSE 49(IX) OF THE LISTING AGREEMENT

To,  
The Board of Directors,  
Simran Farms Limited

We hereby certify that:

- a. We have reviewed the financial statements and the cash flow statement of the Company for the year ended on March 31, 2015 and that to the best of our knowledge and belief, we state that:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading.
  - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit Committee:
  - i. significant changes, if any, in internal control over financial reporting during the year;
  - ii. significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

**For, SIMRAN FARMS LIMITED**

**Place: Indore**  
**Date: 14.08.2015**

**HARENDER SINGH BHATIA**  
**(Managing Director)**  
**DIN: 00509426**

**MAHESH PATIDAR**  
**(Chief Financial Officer)**

## AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

We have examined to the compliance of conditions of Corporate Governance by Simran Farms Limited, for the year ended 31st March, 2015, as stipulated in the clause 49 of the Listing agreement entered into by the company with the Stock Exchange.

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

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing agreement.

We state that in respect of investor grievances received during the year ended 31st March, 2015, the Registrars of the Company have certified that as at 31st March, 2015, there were no investor grievances remaining unattended/pending for more than 30 days.

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

**For Khandelwal Kakani & Company,**  
**Chartered Accountants**

**Date: 14.08.2015**  
**Place: Indore**

**CA V.K. Khandelwal**  
**(Partner)**  
**M. No. 070546**



## INDEPENDENT AUDITOR'S REPORT

TO,  
THE MEMBERS OF  
SIMRAN FARMS LIMITED,  
INDORE (M.P.)

### Report on the Financial Statements

We have audited the accompanying financial statements of SIMRAN FARMS LIMITED, INDORE (MP.) which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of Balance Sheet of the state of affairs of the Company as at 31st March, 2015
- b) In the case of Profit & Loss Account of the profit for the year ended on that date
- c) In the case of Cash Flow Statement of the cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) order, 2015 issued by the central government of India in terms of subsection (11) of Section 143 of the Act, we give in the annexure a statement on the matters specified in the Paragraph 3&4 of the order, to the extent applicable.
- 2) As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.



- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.
- (d) In our opinion, the financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2015 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Para 7(b) of Annexure to the Auditors Report.
  - ii. The Company did not have any long term contracts including derivative contracts for which there were any foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Place: Indore

Date: 29.05.2015

**For KHANDELWAL KAKANI & Co.**

Chartered Accountants

FRN: 001311C

**CA V.K. KHANDELWAL**

PARTNER

M No. 070546

### **Annexure to the Auditor's Report**

The Annexure referred to in our report to the members of Simran Farms Limited for the year ended 31st March 2015. We report that:

1. (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The Management has physically verified the fixed assets at reasonable intervals during the year and on the basis of the explanations given to us, no discrepancies were noticed on such verification.
2. (a) In our opinion, physical verification of inventories has been conducted at reasonable interval by the management of the company.
- (b) In our opinion, the procedure of physical verification of stocks followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion, the Company is maintaining proper records of inventories and the discrepancies noticed on verification between the physical stock and book and book records were not significant and the same have been properly dealt with in the books of accounts.
3. (a) The Company has not granted any loan to any company, firms or other party covered under section 189 of the Companies Act, 2013.
- (b) There was no overdue amount more than one lacs by borrower as there is no stipulation regarding repayment of Loan Amount.
4. In our opinion and according to the information and explanations given to us, and on such checks carried out during the course of Audit, there are adequate internal control procedures commensurate with the size of the Company and nature of its business, for the purchase of stores, raw material, including components, plant and machinery,



equipments, other assets, and for the sale of goods. During the course of our audit, no major weakness has been observed in the internal controls.

5. The Company has not accepted any deposits from public and hence this clause is not applicable.
6. The Central Govt. has not prescribed the maintenance of cost records under Section 148(1) of the Act, for any of the services rendered by the Company or goods produced or sold by the Company.
7. (a) According to the information and explanations given to us and the books and records examined by us, the Company has been regular in depositing undisputed statutory dues including Provident Fund, Sales Tax and other statutory dues applicable to it with the appropriate authorities.
- (b) According to the information and explanations given to us and as per records of the Company, the dues of Sales Tax, Income Tax, Wealth Tax, Service Tax, Excise Duty, Cess which have not been deposited on account of dispute are as follows:

Name of the Statute	Nature of dues	Amount (In Lacs)	Forum where dispute is pending
Income Tax Act, 1961	Income Tax Demand	12.21	Madhya Pradesh High Court
Income Tax Act, 1961	Income Tax Demand (A.Y. 2010-2011)	11.50	Commissioner of Income Tax (Appeals)

- (c) According to the information and explanations given to us no such amounts is there which was required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 and rules there under.
8. The Company has been registered for more than 5 years and has no accumulated losses at the end of the year, which is 50% of its net worth. The Company has incurred cash losses in the previous year but not in the current year.
9. The company had not defaulted in repayment of dues to a financial institution or bank.
10. The Company has not given any guarantee for loan taken by others from Banks and Financial Institutions.
11. Based on information and explanations given to us by the management, term loans taken in earlier years were applied for the purpose for which the loans were obtained. No new term loan was obtained during the year.
12. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

Place: Indore

Date: 29.05.2015

**For KHANDELWAL KAKANI & Co.**

Chartered Accountants

FRN: 001311C

**CA V.K. KHANDELWAL**

PARTNER

M No. 070546

**BALANCE SHEET AS AT 31st MARCH, 2015**

( ₹ in Lakhs )

Particulars	Note	31st March, 2015	31st March, 2014
<b>A EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' funds</b>			
(a) Share capital	1	379.17	379.17
(b) Reserves and surplus	2	1182.04	1147.64
		<u>1561.21</u>	<u>1526.81</u>
<b>2. Non-current Liabilities</b>			
(a) Long term borrowings	3	822.63	169.15
(b) Deferred tax liabilities (net)	4	92.30	110.88
(c) Long-term provisions	5	100.68	73.43
		<u>1015.61</u>	<u>353.45</u>
<b>3. Current Liabilities</b>			
(a) Short term borrowing	6	2042.34	490.55
(b) Trade payables	7	7927.52	5607.33
(c) Other current liabilities	8	145.78	651.01
(d) Short-term provisions	9	198.03	171.56
		<u>10313.67</u>	<u>6920.45</u>
		<u><b>12890.49</b></u>	<u><b>8800.70</b></u>
<b>B ASSETS</b>			
<b>1. Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	10	1613.74	1395.00
(ii) Capital work in progress		105.12	22.57
(b) Non current investments	11	131.54	131.54
(c) Long term loans and advances	12	63.24	62.44
		<u>1913.64</u>	<u>1611.55</u>
<b>2. Current assets</b>			
(a) Inventories	13	8137.23	5561.95
(b) Trade receivables	14	2093.24	1236.39
(c) Cash and bank balances	15	391.19	150.89
(d) Short-term loans and advances	16	355.19	239.92
		<u>10976.84</u>	<u>7189.15</u>
		<u><b>12890.49</b></u>	<u><b>8800.70</b></u>

See accompanying notes forming part of the Accounts

In terms of our report attached.  
**FOR KHANDELWAL KAKANI & CO.**  
Chartered Accountants

**CA. V.K. KHANDELWAL**  
**PARTNER**  
(M.No. 070546)  
Place : Indore  
Date : 29th May 2015

**H.S. Bhatia**  
Managing Director  
DIN 00509426

**Mahesh Patidar**  
Chief Financial Officer

**G.S. Bhatia**  
Director  
DIN 00401929

**Tanu Parmar**  
Company Secretary  
(M.No. 34769)



# **PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2015**

( ₹ in Lakhs except EPS )

Particulars	Note	31st March, 2015	31st March, 2014
Revenue from operation Sales (Net)		44401.21	35970.78
Other income	17	16.27	1.33
Total revenue		<u>44417.48</u>	<u>35972.11</u>
<b>Expenses</b>			
(a) Cost of materials consumed	18	35796.72	29624.62
(b) Farm expenses	19	4244.51	3068.54
(c) Hatcheri expenses	20	413.03	382.46
(d) Administrative expenses	21	586.15	474.68
(e) Selling & distribution expenses	22	1772.40	1279.38
(f) Employee benefits expense	23	1032.65	802.55
(g) Finance costs	24	343.49	123.39
(h) Depreciation	10	175.71	131.81
Total expenses		<u>44364.66</u>	<u>35887.44</u>
<b>Profit / (Loss) before exceptional and extraordinary items</b>		<u>52.81</u>	<u>84.67</u>
<b>Profit / (Loss) before extraordinary items</b>		<u>52.81</u>	<u>84.67</u>
Extraordinary items		0.00	0.00
<b>Profit / (Loss) before tax</b>		<u>52.81</u>	<u>84.67</u>
<b>Tax expense:</b>			
Less:- (a) Current tax		10.06	16.13
Add/Less (b) Deferred tax	4	18.58	6.00
Add:- (c) MAT Credit		16.13	0.00
<b>Profit / (Loss) for the year</b>		<u>77.47</u>	<u>62.54</u>
<b>Earnings per share (of ₹ 10/- each)</b>			
Basic and diluted	25	2.04	1.65
<b>Earnings per share (excluding extraordinary items)</b> <b>(of ₹ 10/- each)</b>			
Basic and diluted		2.04	1.65

See accompanying notes forming part of the accounts

In terms of our report attached.  
FOR KHANDELWAL KAKANI & CO.  
Chartered Accountants

CA. V.K. KHANDELWAL  
PARTNER  
(M.No. 070546)  
Place : Indore  
Date : 29th May 2015

H.S. Bhatia  
Managing Director  
DIN 00509426

Mahesh Patidar  
Chief Financial Officer

G.S. Bhatia  
Director  
DIN 00401929

Tanu Parmar  
Company Secretary  
(M.No. 34769)

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015**

(₹ in Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>A. CASH FLOW FROM OPERATING SYSTEM :</b>		
<b>NET PROFIT BEFORE TAX &amp; EXTRA ORDINARY ITEM</b>	52.81	84.67
<b>Add :</b> Depreciation	175.71	131.81
Provision for employee benefits	27.25	3.56
Interest Paid	156.81	103.07
Loss on sale of assets	0.94	1.56
	<b>413.52</b>	<b>324.67</b>
<b>Less :</b> Excess Provision written back	7.78	14.13
Income Tax paid during the year	<b>7.78</b>	<b>14.13</b>
<b>Operating Profit before working capital change</b>	<b>a 405.74</b>	<b>310.54</b>
<b>Add :</b>		
Short term borrowing	1551.79	490.55
Trade receivable	0.00	0.00
Short Term Provisions	32.53	33.14
Trade Payable	2320.19	1055.91
Other Current Liabilities	0.00	139.46
	<b>b 3904.51</b>	<b>1719.06</b>
<b>Less :</b> Inventories	2575.28	1144.90
Short Term Loans & Advance	107.52	56.70
Short Term Provisions	0.00	0.00
Other Current Liabilities	505.23	0.00
Trade receivable	856.85	504.22
	<b>c 4044.88</b>	<b>1705.82</b>
<b>Net Cash inflow from operating activities</b>	<b>( a+b-c) 265.37</b>	<b>323.78</b>
<b>Less :</b> Extra Ordinary Item	0.00	0.00
<b>Net Cash inflow from operating activities</b>	<b>A 265.37</b>	<b>323.78</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
<b>Add:</b> Sale of Fixed Assets	3.20	3.00
Inflow from Long term Loans & Advances	0.00	0.00
<b>Less :</b> Purchase of Assets	441.65	411.33
Capital Work in Progress	82.55	22.57
Outflow from Long term Loans & Advances	0.80	1.11
<b>Net Cash inflow from Investing Activities</b>	<b>B (521.80)</b>	<b>(432.01)</b>
<b>C. CASH FLOW FROM FINANCIAL ACTIVITIES</b>		
<b>Add : Proceed From :</b>		
Vehicle Loan	110.36	100.94
Unsecured loans from directors	543.08	
	<b>a 653.44</b>	<b>100.94</b>
<b>Less :</b> Interest Paid	156.81	103.07
Proposed Dividend	0.00	0.00
Dividend Tax	0.00	0.00
Vehicle Loan	0.00	0.00
	<b>b 156.81</b>	<b>103.07</b>
<b>NET CASH GENERATED FROM FINANCIAL ACTIVITIES</b>	<b>C (a-b ) 496.63</b>	<b>(2.13)</b>
<b>Add : NET INCREASE IN CASH &amp; CASH EQUIVALENTS</b>	<b>(A+B+C) 240.20</b>	<b>(110.36)</b>
Cash & Cash equivalents (opening )	150.99	261.36
<b>CASH &amp; CASH EQUIVALENTS (CLOSING)</b>	<b>391.19</b>	<b>150.99</b>

**AUDITOR'S CERTIFICATE**

We have examined the attached Cash Flow Statement of **Simran Farms Limited** for the period ended 31st March, 2015. The statement has been prepared from the audited accounts of the Company in accordance with requirements of Listing Agreement Clause 32 with Stock Exchanges and is based on and in agreement with corresponding Profit and Loss Account and Balance Sheet of the company.

**For: KHANDELWAL KAKANI & CO.**  
Chartered Accountants

**CA V.K. KHANDELWAL**  
PARTNER

For and on Behalf of Board

**H.S. BHATIA**  
CHAIRMAN- MANAGING DIRECTOR

Place: Indore  
Date: 29th May, 2015





## NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015

( ₹ in Lakhs )

Particulars	As at			
	31st March, 2015	31st March, 2014		
<b>1. Share Capital</b>				
(a) Authorised 60,00,000 Equity shares of ₹ 10/- each	600.00	600.00		
(b) Issued Subscribe and Paid Up 37,91,700 Equity Shares of ₹ 10/- each	379.17	379.17		
The details of shareholders holding more than 5 % shares :-				
Name of Shareholder	31st March, 2015		31st March, 2014	
	No. of Shares	% Held	No. of Shares	% Held
Harender Singh Bhatia (HUF)	251700	6.64%	251700	6.64%
Amarjeet Singh Bhatia (HUF)	195800	5.16%	195800	5.16%
<b>2. Reserve and Surplus</b>				
<b>a. General Reserves</b>				
As per Last Balance Sheet	217.18		217.18	
<b>b. Securities Premium Account</b>				
As per Last Balance Sheet	169.59		169.59	
<b>c. Utilised Investment Allo. Reserve</b>				
As per Last Balance Sheet	0.54		0.54	
<b>d. Surplus</b>				
As per Last Balance Sheet	760.33		697.79	
Less :- Depreciation from retain earning	43.06		0.00	
(+) Net Profit/(Net Loss) For the current year	77.47		62.54	
Closing Balance	794.73		760.33	
<b>Total</b>	<b>1182.04</b>		<b>1147.64</b>	
<b>3. Long term borrowings</b>				
<b>Secured</b>				
from banks				
Vehicle Loans (First Charge on Trucks and Cars)	279.54		169.15	
Unsecured Loans from Director	543.08		0.00	
	822.63		169.15	
<b>4 Deferred tax liabilities</b>				
(a) Deferred tax liabilities on account of:				
Opening Deferred tax liabilities	110.88		104.88	
(i) Depreciation	0.00		7.10	
(ii) Profit on sale of Car	0.00		0.00	
(b) Deferred tax Asset on account of:				
(i) Others {Disallowance u/s 43B & 40(a)}	0.00		(1.10)	
(ii) Depreciation	(10.16)		0.00	
(iii) Leave Encashment	(0.07)		0.00	
(iv) Gratuity	(8.35)		0.00	
	92.30		110.88	

Note: During the year there is a reversal of Deferred Tax Liability amounting to ₹ 18.58 lacs which has been recorded in the Profit & Loss A/c.



## NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2015

( ₹ in Lakhs )

Particulars	As at	
	31st March, 2015	31st March, 2014
<b>5. Long term provisions</b>		
<b>(a) Provision for employee benefits</b>		
Gratuity (funded)	59.51	32.49
Leave Encashment (unfunded)	28.96	28.73
<b>(b) Others</b>		
Income tax payable	12.21	12.21
	<b>100.68</b>	<b>73.43</b>
<b>Note:</b> The disputed outstanding Income Tax Demand pertaining to Assessment Year 1994-1995 to 1997-1998 of ₹ 12.21 Lacs in respect of dis-allowances of claims u/s 80 I & 80HHA has been confirmed against the company by the Income Tax Appellate Tribunal and accordingly the liability in respect of these years has been paid/ provided in full in earlier years. The Company is litigating the matter before the Hon'ble High Court of M.P.		
<b>6. Short term borrowing</b>		
Punjab National Bank ( cash credit) Raipur	1758.27	490.55
Punjab National Bank (cash credit) Indore	234.08	0.00
<b>Loan from company</b>		
Simran Feeds Pvt. Ltd.	50.00	0.0
	<b>2042.34</b>	<b>490.55</b>
<b>Note:</b> The cash credit facility has been secured by hypothecation of book debts, stock and first charge over fixed assets of the company & personal guarantee of directors.		
<b>7. Trade Payables</b>	<b>7927.52</b>	<b>5607.33</b>
All Balances of Sundry Creditors are subject to confirmation.	<b>7927.52</b>	<b>5607.33</b>
<b>8. Other current liabilities</b>		
Punjab & Sindh Bank	0.00	44.94
ICICI Bank Ltd.	2.33	503.97
Advances from Customers	13.42	15.96
Unclaimed Dividends	11.22	11.24
Rearing Charges Receivable	118.81	74.90
	<b>145.78</b>	<b>651.01</b>
<b>9. Short term provisions</b>		
<b>(a) Provision for employee benefits</b>		
Salary payable	55.43	36.41
Bonus payable	20.37	16.29
Contribution to PF ( Employees)	5.03	3.36
<b>(b) Provisions Others</b>		
Service Tax payable	0.19	0.00
Professional Tax (Staff)	1.54	1.12
Income Tax Payable	10.06	16.13
TDS Payable	21.59	13.44
<b>(c) Others Payable</b>	83.81	84.80
	<b>198.03</b>	<b>171.56</b>
<b>Contingent Liabilities And commitments (To the extent not provided)</b>		
Claims against company not acknowledged as debt		
Income tax matters in dispute	11.50	11.50
	<b>11.50</b>	<b>11.50</b>

# **NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2015**

Note-10

( ₹ in Lakhs )

Fixed Assets	Gross Block			Accumulated Depreciation					Net Block		
	Balance as at April 1, 2014	Additions During the Period	Sales/ Deduction	Balance as at 31st March 2015	Balance at as at 1st April 2014	Depreciation for the Period	Depreciation charged from retain earning	Deduction during the period	Balance as at 31st March 2015	Balance as at 1st April 2014	Balance as at 31st March 2015
<b>Tangible Assets</b>											
Land	43.51	0.00	0.00	43.51	0.00	0.00	0.00	0.00	0.00	43.51	43.51
Buildings ( Factory)	559.01	42.74	0.00	601.74	231.38	16.78	0.00	0.00	248.16	327.63	353.59
Buildings ( Office & Staff)	62.66	0.00	0.00	62.66	10.65	1.51	0.00	0.00	12.16	52.01	50.50
Building Hatcheries	0.00	20.43	0.00	20.43	0.00	0.00	0.00	0.00	0.00	0.00	20.43
Poultry Equipment	741.61	71.49	0.00	813.09	349.46	44.55	21.67	0.00	415.67	392.15	397.42
Hatcheri Equipment	26.92	0.00	0.00	26.92	1.24	1.62	0.00	0.00	2.87	25.67	24.05
Feed Mill Equipment	45.78	1.16	0.00	46.94	0.53	2.93	0.00	0.00	3.45	45.25	43.49
Cycle	0.10	0.00	0.00	0.10	0.05	0.02	0.00	0.00	0.07	0.05	0.04
Computer Equipment	61.05	7.06	0.00	68.11	51.68	9.73	2.30	0.00	63.70	9.37	4.41
Office equipment	64.20	9.53	0.00	73.73	36.16	10.31	0.00	0.00	46.46	28.04	27.27
Furniture and Fixtures	68.41	10.82	0.00	79.22	39.47	4.93	0.01	0.00	44.41	28.94	34.81
Motor Car	197.80	89.75	11.01	276.53	42.52	29.77	0.00	6.87	65.43	155.27	211.11
Eicher Trucks	267.04	168.06	0.00	435.10	52.04	39.71	0.00	0.00	91.74	215.00	343.36
Electrical Installation	83.89	11.21	0.00	95.10	47.87	5.07	0.56	0.00	53.49	36.02	41.60
Tubewell & Land Development	37.14	4.82	0.00	41.96	6.26	7.67	18.53	0.00	32.45	30.88	9.50
Vehicles	11.79	4.59	0.00	16.38	6.59	1.13	0.00	0.00	7.73	5.20	8.66
<b>Total</b>	<b>2270.89</b>	<b>441.65</b>	<b>11.01</b>	<b>2701.53</b>	<b>875.89</b>	<b>175.71</b>	<b>43.06</b>	<b>6.87</b>	<b>1087.79</b>	<b>1395.00</b>	<b>1613.74</b>
<b>Previous Year</b>	<b>1865.50</b>	<b>411.33</b>	<b>5.94</b>	<b>2270.89</b>	<b>745.46</b>	<b>131.81</b>	<b>0.00</b>	<b>1.38</b>	<b>875.89</b>	<b>1120.04</b>	<b>1395.00</b>

**NOTE:** Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II, In absence of full details of assets acquired prior to 31.03.1994 the estimated life & residual value could not be ascertained & Company has estimated useful life & residual value of assets acquired after 01.04.1995. Accordingly the unamortized carrying value is being depreciated over the revised remaining useful lives. The written down value of Fixed Assets whose lives have expired as at 1st April 2014 have been adjusted in the Opening Retained earning Amounting to ₹ 43.06 lakhs.



## NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2015

( ₹ in Lakhs )

Particulars	As at	
	31st March, 2015	31st March, 2014
<b>11. Non Current investment (Unquoted)</b>		
Simran Hatcheries Private Limited	11.89	11.89
Puregene Biotech Limited (subsidiaries)	119.65	119.65
	<u>131.54</u>	<u>131.54</u>
<b>12. Long term loans and advances</b>		
(Unsecured Considered goods)		
Security deposits	44.60	44.60
MPSEB Deposit	14.38	13.58
Others Deposits	4.27	4.26
	<u>63.24</u>	<u>62.44</u>
<b>13. Inventories</b>		
<b>(a) Raw materials</b>		
a) Parent Birds	798.55	715.39
b) Feed & Medicines	4295.19	2304.08
c) Commercial Chicks	2789.57	2292.95
d) Hatching Eggs	253.92	249.52
	<u>8137.23</u>	<u>5561.95</u>
<b>14. Trade receivables</b>		
(Unsecured considered goods)		
Over six months	650.85	273.37
Others	1442.38	963.02
	<u>2093.24</u>	<u>1236.39</u>
<b>All Balances of Sundry Debtors are subject to confirmation.</b>		
<b>15. Cash and bank balances</b>		
<b>(a) Cash on hand</b>	204.05	130.20
<b>(b) Balances with banks</b>		
(i) In current accounts		
Bank of Baroda Chikli	0.00	6.76
ICICI Bank, Indore	168.82	2.28
Punjab National Bank	0.40	0.40
Punjab & Sindh Bank	4.74	0.00
Punjab National Bank	0.10	0.00
(ii) Unclaimed dividends		
ICICI Bank	5.59	5.59
Axis Bank	5.64	5.65
(iii) In fixed deposits		
Fixed deposit with BOB Chikli	1.86	0.00
	<u>391.19</u>	<u>150.89</u>



## NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2015

( ₹ in Lakhs )

Particulars	As at	
	31st March, 2015	31st March, 2014
<b>16. Short term loan and advances</b> (Unsecured Considered goods)		
Advances to employees	3.90	1.49
Advance income tax	5.00	14.00
Prepaid expenses	21.61	7.34
MAT Entitlement Credit	16.13	0.00
Advances recoverable in cash or in kind or for value to be received	308.54	217.09
	<u>355.19</u>	<u>239.92</u>
<b>17. Other Income</b>		
Rearing charges (Income)	15.15	0.00
Interest received MPEB/FD	1.12	1.33
Interest from Gratuity Fund	0.00	0.00
	<u>16.27</u>	<u>1.33</u>
<b>18. Cost of material consumed</b>		
Opening Stock	5561.95	4417.05
<b>Add:- Purchases</b>		
Feed & Medicines	33319.14	27744.95
Store, Spares & Consumable	506.81	402.09
Parent Birds	249.62	288.48
Packing Material	108.82	78.62
Carriage Inward	702.98	520.98
Godown rent	45.53	23.94
Chicks	2742.73	945.23
Hatching Eggs	696.36	765.22
	<u>43933.94</u>	<u>35186.57</u>
<b>Less:- Closing Stock</b>	<u>8137.23</u>	<u>5561.95</u>
Cost of material consumed	<u>35796.72</u>	<u>29624.62</u>
<b>19. Farm expenses</b>		
Expenses at Farm	154.93	127.14
Power & Energy	116.71	118.75
Fuel Consumption	59.42	66.61
Light & Water Charges	34.02	37.05
Farm Rent	86.18	92.00
Lease Rent	66.75	63.35
Rearing Charges Expenses	3726.50	2563.63
	<u>4244.51</u>	<u>3068.54</u>



## NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2015

( ₹ in Lakhs )

Particulars	As at	
	31st March, 2015	31st March, 2014
<b>20. Hatcheri expenses</b>		
Hatcheri Expenses	21.98	24.43
Hatching expenses	129.67	110.32
Hatcheries Rent	172.80	171.00
Power & Energy (Hatcheries)	88.58	76.71
	<u>413.03</u>	<u>382.46</u>
<b>21. Administrative expenses</b>		
General Office Expenses	236.61	180.54
Traveling & Conveyance	319.32	268.33
Certification & consultancy fees to auditors	1.01	1.01
Audit Fees	3.37	3.37
Legal & Professional Expenses	18.88	18.28
Penalty & Fines	0.00	0.02
Tax after assessment	4.03	0.48
Service Tax Exp.	1.94	2.41
Software Development Charges	0.99	0.24
	<u>586.15</u>	<u>474.68</u>
<b>22. Selling and distribution Exp.</b>		
Forwarding Expenses	1690.01	1221.13
Advertisement & Publicity	0.80	1.73
Vehicle Repair & Maintenance	43.40	33.57
Sales Promotion Expenses	35.46	13.37
Technical Seminar & Conference	1.78	8.03
Loss on sale of assets	0.94	1.56
	<u>1772.40</u>	<u>1279.38</u>
<b>23. Employee benefits expense</b>		
Salary wages & Bonus	858.93	657.77
Remuneration to directors	54.00	54.00
Remuneration to vice president	24.00	24.00
Contribution to Provident Fund	60.46	44.27
Staff welfare	6.82	3.17
Gratuity	27.02	16.27
Leave Encashment	0.23	2.26
House rent allowance	1.19	0.81
	<u>1032.65</u>	<u>802.55</u>
<b>24. Finance cost</b>		
Bank Charges & Commission	21.81	18.89
Interest to others	156.81	103.07
Interest on late payment	1.12	0.93
Interest on CC Loan	163.75	0.49
	<u>343.49</u>	<u>123.39</u>

**25. Earning Per Share**

Basic & Diluted earning per equity share have been worked out in accordance with AS-20 "Earnings Per Share". Basic and diluted earnings per equity share has been calculated by dividing Net profit of ₹ 77.47 lacs by 3791700 equity shares (Face Value of ₹ 10/- each)



## NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2015

### 26. Related parties disclosures :

#### 1. Relationship

##### (a) Subsidiary Companies

Puregene Biotech Ltd.  
w.e.f. from 13/7/2002  
[formerly Simran Breeders (P) Ltd.]

##### (b) Key Managerial Personnel:

Mr. Harendar Singh Bhatia  
(Managing Director)  
Mr. Gurdeep Singh Bhatia  
(Director)  
Mr. Kawaljeet Singh Bhatia  
(Whole Time Director)  
Mr. Gurmeet Singh Bhatia  
(Vice President)  
Mr. Avneet Singh Bhatia  
(Vice President - Operation)  
Mr. Mahesh Patidar  
(Chief Financial Officer)  
Mr. Mayank Lashkari  
(Company Secretary)  
Ms. Tanu Parmar  
(Company Secretary)

##### (c) Relatives of key managerial personnel and their enterprises where transaction have taken place:

Mrs. Amarjeet Kaur Bhatia  
Mr. Amarjeet Bhatia (HUF)  
Mr. K.S Bhatia (HUF)  
Simran Feed (P) Ltd.  
Simran Poultry  
Singh Poultry  
Simran Hatcheries  
Simran Hatcheries (P) Ltd.  
Early Bird Hatcheries  
Simfa Labs Pvt. Ltd.  
Simran Foods Pvt. Ltd.  
Singh Hatcheries  
Mrs. Simrath Kaur Bhatia  
Mrs. Kawaljeet Kaur Bhatia  
Mrs. Jagdeep Kaur Bhatia

**Note: Related party relationship is as identified by the Company and relied upon by the Auditors.**

### 2a Transactions carried out with related parties referred in 1 above, in ordinary course of business:

( ₹ in lacs )

Nature of Transaction	Referred in 1 (a) above	Referred in 1 (b) above	Referred in 1 (c) above
Purchase			1207.01
Sales			370.19
Director Remuneration		54.00	
Vice President Remuneration		30.00	
Rearing Charges	45.00		
Chief Financial Officer 's Salary		3.10	
Company Secretary 's Salary		0.82	
Office Rent		2.38	16.78
Tractor Rent			0.96
<b>Rent:-</b>			
Land & Building	9.00		187.80
Auto Hire Expenses			0.72
Feed Processing Charges (Payable)			318.09
Feed Processing Charges (Receivable)			2.35
Hatching Charges (Payable)			111.55
Hatching Charges (Receivable)			15.15
Sample Testing Charges (Payable)			9.88
Sample Testing Charges (Receivable)			1.06
Transportation & Loading Unloading Charges (Payable)			56.29
Transportation & Loading Unloading Charges (Receivable)			6.01
Vaccine Charges (Receivable)			2.17
Interest on Loan			29.36
Deposit			50.00
Payable	43.52	21.06	895.01
Receivable			107.01


**2b DISCLOSURE IN RESPECT OF TRANSACTIONS WHICH ARE MORE THAN 10% OF THE TOTAL TRANSACTIONS**

( ₹ in Lakhs )

S.No.	Transactions	2014-2015	2013-2014
	<b>Purchase of Raw Material/Finished goods</b>		
1	Simfa Labs Pvt.Ltd.	633.52	1002.99
2.	Simran Feeds Pvt Ltd	573.49	112.76
	<b>Total</b>	<b>1207.01</b>	<b>1115.75</b>
	<b>Sales of Material/ Finished Goods</b>		
1	Simran Food (P) Ltd.	198.65	211.64
2	Simran Feeds Pvt Ltd	171.54	275.24
	<b>Total</b>	<b>370.19</b>	<b>486.88</b>
	<b>Rearing Charges</b>		
1	Puregen Biotech Ltd.	45.00	45.00
	<b>Total</b>	<b>45.00</b>	<b>45.00</b>
	<b>Rent Paid:-</b>		
a)	<b>Office Rent:-</b>		
1	Mrs. Amarjeet Kaur Bhatia	4.80	3.60
2	Mrs. Simrath Kaur Bhatia	4.80	3.60
3	Mrs. Kawaljeet Kaur Bhatia	4.80	3.60
4	Mrs. Jagdeep Kaur Bhatia	2.38	0.00
5	Mr. Kawaljeet Singh Bhatia	2.38	0.00
	<b>Total</b>	<b>19.15</b>	<b>10.80</b>
b)	<b>Tractor Rent:-</b>		
1	Amarjeet Singh Bhatia (HUF)	0.96	0.96
	<b>Total</b>	<b>0.96</b>	<b>0.96</b>
c)	<b>Land &amp; Building</b>		
1	Simran Poultry	5.40	5.40
2	Singh Poultry	36.00	36.00
3	Early Bird Hatcheries	49.80	49.80
4	Puregen Biotech Ltd.	9.00	9.00
5	Simran Hatcheries	46.80	46.80
6	Singh Hatcheries	49.80	48.00
	<b>Total</b>	<b>196.80</b>	<b>195.00</b>
d)	<b>Auto Hire Expenses</b>		
1	Kawaljeet Singh Bhatia (HUF)	0.72	0.72
	<b>Total</b>	<b>0.72</b>	<b>0.72</b>
e)	<b>Feed Processing Charges</b>		
1	Simran Feed (P) Ltd.		
	Payable	318.09	253.02
	Receivable	2.35	0.00
	<b>Total</b>	<b>320.44</b>	<b>253.02</b>





( ₹ in Lakhs )

S.No.	Transactions	2014-2015	2013-2014
f)	<b>Sample &amp; Testing Charges</b>		
1	Simran Feed (P) Ltd.		
	Payable	9.88	0.00
	Receivable	1.06	0.00
	<b>Total</b>	<b>10.94</b>	<b>0.00</b>
g)	<b>Transportation &amp; Loading Unloading Charges</b>		
	Simran Feed (P) Ltd.		
	Payable	2.43	0.00
	Receivable	6.01	0.00
	Simran Hatcheries Pvt. Ltd.	0.00	0.00
	Payable	53.86	0.00
	<b>Total</b>	<b>62.30</b>	<b>0.00</b>
h)	<b>Vaccine Charges</b>		
1	Simran Feed (P) Ltd		
	Receivable	2.17	0.00
	<b>Total</b>	<b>2.17</b>	<b>0.00</b>
i)	<b>Hatching Charges</b>		
1	Simran Hatcheries Pvt. Ltd.		
	Payable	111.55	101.99
2	Simran Feed (P) Ltd.		
	Receivable	15.15	0.00
	<b>Total</b>	<b>126.70</b>	<b>101.99</b>
	<b>Interest on Fund raised</b>		
1	Gurdeep Singh Bhatia	28.93	0.00
2	Singh Hatheries	0.00	7.98
3	Simran Hatcheries	0.00	20.18
4	Kawaljeet Singh Bhatia	0.43	0.00
	<b>Total</b>	<b>29.36</b>	<b>28.16</b>
	<b>Purchase of Assets</b>		
1	Singh Hatcheries	0.00	24.94
2	Simran Hatcheries	0.00	56.65
	<b>Total</b>	<b>0.00</b>	<b>81.59</b>
	<b>Deposit</b>		
1	Simran Feeds Pvt Ltd	50.00	0.00
	<b>Total</b>	<b>50.00</b>	<b>0.00</b>

**3a DETAILS REGARDING PAYMENTS MADE TO KEY MANAGERIAL PERSONNEL**

S.No.	Transactions	2014-2015	2013-2014
1	Remuneration		
	<b>Salary</b>	87.92	84.00
	Contribution to provident and other funds	0.00	0.00
	Perquisites	0.00	0.00
2	Commission	0.00	0.00
3	Sitting fees	0.00	0.00
4	Rent paid (expense)	0.00	0.00

**3b. BREAKUP OF PAYMENTS MADE TO KEY MANAGERIAL PERSONNEL**

( ₹ in Lakhs )

S.No.	Transactions	2014-2015	2013-2014
1	<b>Remuneration</b>		
	Mr Harender singh Bhatia	30.00	30.00
	Mr. Kawaljeet Singh Bhatia	24.00	24.00
	Mr. Gurmeet Singh Bhatia	24.00	24.00
	Mr. Avneet Singh Bhatia	6.00	6.00
	Mr. Mahesh Patidar	3.10	0.00
	Mr. Mayank Lashkari	0.68	0.00
	Ms. Tanu Parmar	0.14	0.00
	<b>Total</b>	<b>87.92</b>	<b>84.00</b>

<b>27. Payment to Auditors</b>	<b>2014-15</b>	<b>2013-14</b>
(i) As Auditors	3.37	3.37
(ii) As per Certification	1.01	1.01

**28. Employee Benefits**

The Company has obtained the LIC policy for Gratuity liability and position of liability worked out by LIC for calculation of premium to be paid and position of funded asset is as under:

**1. Expenses recognized in Income Statement**

( ₹ in Lakhs )

Particulars	2014-15	2013-14
Current Service Cost	12.21	8.58
Interest on Obligation	4.52	3.30
Actuarial Losses / (Gains)	6.30	3.46
Past service cost	0.00	0.00
Losses (gains) on curtailments and settlement	0.00	0.00
Expense recognized in P & L	23.04	15.33

**2. Amount to be recognized in Balance Sheet**

Particulars	2014-15	2013-14
Present value of funded obligation	77.92	56.56
Fair value of plan assets	38.31	36.56
Present value of unfunded obligations	39.62	20.00
Unrecognised past service cost	0.00	0.00
Net Liability	39.62	20.00
Amount in the Balance Sheet Liability	39.62	20.00
Amount in the Balance Sheet Assets	0.00	0.00
Net Liability	39.62	20.00

**3. Table showing change in benefit obligation**

( ₹ in Lakhs )

Particulars	2014-15	2013-14
Opening Defined Benefit obligation on 1.04.2014	56.56	41.23
Service cost for the year	12.21	8.58
Interest cost for the year	4.52	3.30
Actuarial Losses / (Gains)	6.30	3.46
Benefits paid	1.67	0.00
Closing defined benefit obligation	77.92	56.56

**4. Table showing fair value of plan assets**

Particulars	2014-15	2013-14
Fair value of plan assets at beginning of year	36.56	19.59
actual return on plan assets	3.29	8.22
Contributions	0.13	8.75
Benefits Paid	1.67	0.00
Fair value of plan assets at the end of year	38.31	36.56

**Actuarial Assumption**

Valuation Method	Projected unit Credit Method
Discount Rate	8%
Annual increase in salary costs	5%
Mortality Rate	LIC (1994-96) ultimate
Withdrawal rate	1% to 3% depending on Age

**NOTE**

The Liability Provided as on 31.03.2015 is ₹ 59.51 lakhs as against ₹ 39.62 lakhs worked out above. The difference of ₹ 19.89 lacs is under process of reconciliation and shall be adjusted thereupon.

**Compensated absences**

The Company provides for the encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment. The liability is provided based on the number of days of unutilized leave at each balance sheet date.

**29. Additional information pursuant to the provisions of of Schedule III of the Companies Act,2013**

(i) a. RAW - MATERIAL :

Consumed	Quantity (in M.T.)		Value (in Lakhs)	
	2014-15	2013-14	2014-15	2013-14
MIXED FEEDS	118419	103902	30620.78	25744.42
INDIGENOUS & IMPORTED				
(INDIGENOUS)	100%	100%	100%	100%
(IMPORTED)	-	-	-	-



## b. VALUE OF RAW MATERIAL AND STORES (INCLUSIVE SPARE PARTS-COMPONENTS) CONSUMED

	Value ( in Lakhs )				Value ( in Lakhs )			
	2014-2015				2013-2014			
	RAW MAT.		ST. & SP.		RAW MAT.		ST. & SP.	
	VAL.	%	VAL.	%	VAL.	%	VAL.	%
INDIGENOUS	30,620.78	100%	511.69	100	25744.42	100%	402.09	100%
IMPORTED	-	-	-	-	-	-	-	-

ii)	<u>2014-2015</u>	<u>2013-2014</u>
a) Value of imports CIF basis accounted during the year	-	-
b) Expenditure in Foreign currency	NIL	RS. 4532154
c) Earning in Foreign Exchange	-	-
d) Particulars relating to non-residential Share-holders	-	-

**30. Sales Offices**

Company having following sales offices during the period in India:

Bhopal, Anand, Chickli, Raipur, Bhilai, Bilaspur, Malegaon, Dhulia, Nashik, Amrawati, Sangamner, Narayangaon, Loharu, Barabanki, Jaipur, Ajmer, Nawalgarh, Palsana, Sonipat, Mohali, Pathankot, Kathua.

**31. Disclosure Under Micro, Small & Medium Scale Enterprise Development Act, 2006**

The Company has already initiated the process of identification Micro, Small & Medium Scale Enterprises covered under Micro, Small & Medium Enterprises Act, 2006 but yet to finalise the process. In view of low number of suppliers and non receipt of critical inputs & response from such potential parties, the liability of interest if any, can not be reliably estimated. In the Management's view and past experience, the company will not be liable to pay interest as prescribed under the Micro, Small & medium Scale Enterprise development Act, 2006. However during the year there were delayed payments due to financial crisis on which interest has been paid.

There is no claim of interest unpaid to such entities at the year end.

32. In the opinion of the Board Of Directors, Fixed Assets, Current Assets, Loans & Advances are approximately of the value as stated, if realized in the ordinary course of business except otherwise specified. The provisions for all known liabilities are adequate and not in excess of the amount which is reasonably necessary.
33. As per information given by the management, Excise Duty is Not applicable to the company.
34. All Balances of sundry debtors and creditors are subject to confirmation.



## 1. SIGNIFICANT ACCOUNTING POLICIES:

### A) Basis of preparation of Financial Statements

#### a) Method of Accounting

These financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India, including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

GAAP comprises mandatory Accounting standard as Prescribed under section 133 of the Companies Act, 2013. read with rule 7 of companies (Accounts) rules, 2014.

The Company maintains its accounts on accrual basis except insurance claims and claims on Parent Birds, Commercial Birds & Hatching eggs, sale of manure and gunny bags which are accounted on cash basis.

### B) Valuation of Inventories

- i) Inventories of stores, medicines, feeds etc. are valued at cost and is determined using first in first out basis.
- ii) Hatching eggs are valued at estimated cost or net realizable value whichever is less.
- iii) Pure Line Birds & Grand Parent are valued at initial purchase price plus estimated cost of growing and overheads of birds live on balance sheet date.
- iv) Parent Stock of Birds and commercial birds are valued at purchase price plus the estimated cost of growing and overheads.
- v) Manure and Gunny Bags accounted for on actual sale basis.

### C) Fixed Assets

- i) Fixed Assets are stated at cost of acquisition less accumulated depreciation and impairment loss, if any, where cost is inclusive of duties, taxes, incidental expenses erection / commissioning expenses and preliminary and pre-operative expenses till date of commencement of production and all necessary expenses to bring the asset to its working condition.
- ii) Capital Work in Progress comprises the cost of Fixed Asset that are yet not ready for their intended use at the Balance Sheet date.

### D) Depreciation

Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

### E) Revenue Recognition

- i) Revenues from sale of goods are recognized when risks and rewards of ownership of goods are passed on to the customers, which are generally on dispatch of goods and are recorded net of taxes and duties.
- ii) Income from services are recognized on prorata basis i.e. as and when service are rendered.

### F) Investment

Investment are classified as Current Investments and Long Term Investments based on intention of the management at the time of purchase. Current investments are stated at the lower of the cost and fair value and long term investments are stated at cost.

### G) Retirement / Post Retirement Benefits

The Company Provides retirement benefits in the form of gratuity and leave encashment. The Company has worked out the liability towards gratuity based on actuarial valuation through LIC and estimated the liability towards Leave Encashment and has provided entire liabilities during the year.

### H) Borrowing Cost

Borrowing cost that are directly attributable to the acquisition, Construction or production of the qualifying assets are capitalized as part of the cost of such assets. A qualifying assets is one that necessarily take substantial period of time to get ready for intended use. All other borrowing cost are charged to the statement of profit and loss account.

### I) Operating Lease

Lease arrangements where risks and rewards incidental to the ownership of an asset substantially vest with lessor are classified as operating lease. Rental income on assets given and rental expense on assets obtained under



operating lease arrangements are recognized in the statement of profit and loss for the year as per the terms and conditions of the respective lease agreement.

**J) Earning Per Share**

Basic & Diluted earning per equity share are recorded in accordance with AS-20 "Earnings Per Share".

Earnings per equity share are calculated by dividing Net profit attributable to the equity shareholder by weighted average number of equity shares outstanding during the year.

**K) Taxes on income**

- 1) Tax expenses for a year comprises of current tax and Deferred tax.
- 2) Tax on income for the current year is determined on the basis of the taxable income and tax Credits computed in accordance with the provision of Income Tax Act, 1961, and based in Expected outcome of Assessments/ Appeals.
- 3) Deferred Tax is recognized on timing difference between the accounting income and the taxable income for the year and quantified using the tax rates and laws enacted or substantively enacted as on the balance sheet date. Deferred tax assets are recognized and carried forward to the extent there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.
- 4) Minimum alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay income tax higher than the computed under MAT, during the period under which MAT is permitted to be set off under applicable laws.
- 5) In the year in which MAT credit become eligible to be recognized as an asset in accordance with recommendation contained in the guidance Note issued by the Chartered Accountants of India (ICAI), the said asset is created by way of a credit to the statement of profit and loss account shown as MAT credit entitlement. The company reviews the same at each Balance sheet date and writes down the carrying Amount of MAT credit entitlement to the extent there is longer convincing evidence to the effect that company will pay Income tax higher than MAT during the specified period.

**L) Research and Development**

Revenue expenditure on research and development is charged to Statement of Profit and loss for the year.

**M) Contingent Liability**

Liabilities which are material and whose future outcome can not ascertained with reasonable certainty are treated as contingent and disclosed by way of notes to the accounts.

**N) Foreign Currency Transactions**

- (a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.
- (b) Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Profit and Loss account except in case of long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.



## AUDITOR'S REPORT

To,  
**THE MEMBERS OF  
SIMRAN FARMS LIMITED,  
INDORE (M.P.)**

### Report on the Financial Statements

We have audited the accompanying Consolidated financial statements of **SIMRAN FARMS LIMITED** and its subsidiary, (collectively referred as the "Group") comprising of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the Significant accounting policies and other explanatory information.

### Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013, that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at 31st March, 2015, and their consolidated profit/loss and their consolidated cash flows for the year ended on that date.



### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015, issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company, subsidiary companies, associate companies and jointly controlled companies incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other.
  - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company, incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, – Refer Note (7b) to the consolidated financial statements.
    - ii. The Group Companies did not have any material foreseeable losses on long-term contracts including derivative contracts.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary company incorporated in India.

Place: Indore  
Date: 29.05.2015

**For KHANDELWAL KAKANI & Co.**  
Chartered Accountants  
FRN: 001311C

**CA V.K. KHANDELWAL**  
PARTNER  
M.No. 070546

### Annexure to the Auditor's Report

The Annexure referred to in our report to the members of Simran Farms Limited (consolidated) for the year ended 31st March 2015. We report that:

1. (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The Management has physically verified the fixed assets at reasonable intervals during the year and on the basis of the explanations given to us, no discrepancies were noticed on such verification.
2. (a) In our opinion, physical verification of inventories has been conducted at reasonable interval by the management of the company.





- (b) In our opinion, the procedure of physical verification of stocks followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion, the Company is maintaining proper records of inventories and the discrepancies noticed on verification between the physical stock and book and book records were not significant and the same have been properly dealt with in the books of accounts.
3. (a) The Company has not granted any loan to any company, firms or other party covered under section 189 of the Companies Act, 2013.
- (b) There was no overdue amount more than one lacs by borrower as there is no stipulation regarding repayment of Loan Amount.
4. In our opinion and according to the information and explanations given to us, and on such checks carried out during the course of Audit, there are adequate internal control procedures commensurate with the size of the Company and nature of its business, for the purchase of stores, raw material, including components, plant and machinery, equipments, other assets, and for the sale of goods. During the course of our audit, no major weakness has been observed in the internal controls.
5. The Company has not accepted any deposits from public and hence this clause is not applicable.
6. The Central Govt. has not prescribed the maintenance of cost records under Section 148(1) of the Act, for any of the services rendered by the Company or goods produced or sold by the Company.
7. (a) According to the information and explanations given to us and the books and records examined by us, the Company has been regular in depositing undisputed statutory dues including Provident Fund, Sales Tax and other statutory dues applicable to it with the appropriate authorities.
- (b) According to the information and explanations given to us and as per records of the Company, the dues of Sales Tax, Income Tax, Wealth Tax, Service Tax, Excise Duty, Cess which have not been deposited on account of dispute are as follows:

Name of the Statute	Nature of dues	Amount (In Lacs)	Forum where dispute is pending
Income Tax Act, 1961	Income Tax Demand	12.21	Madhya Pradesh High Court
Income Tax Act, 1961	Income Tax Demand (A.Y. 2010-2011)	11.50	Commissioner of Income Tax (Appeals)

- (c) According to the information and explanations given to us no such amounts is there which was required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 and rules there under.
8. The Company has been registered for more than 5 years and has no accumulated losses at the end of the year, which is 50% of its net worth. The Company has incurred cash losses in the previous year but not in the current year.
9. The company had not defaulted in repayment of dues to a financial institution or bank.
10. The Company has not given any guarantee for loan taken by others from Banks and Financial Institutions.
11. Based on information and explanations given to us by the management, term loans taken in earlier years were applied for the purpose for which the loans were obtained. No new term loan was obtained during the year.
12. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

Place: Indore

Date: 29.05.2015

**For KHANDELWAL KAKANI & Co.**

Chartered Accountants

FRN: 001311C

**CA V.K. KHANDELWAL**

PARTNER

M No. 070546

**CONSOLIDATED BALANCE SHEET AS AT 31st March, 2015**

( ₹ in Lakhs Except EPS )

Particulars	Note	31st March, 2015	31st March, 2014
<b>A EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' funds</b>			
(a) Share capital	1	379.17	379.17
(b) Reserves and surplus	2	1206.46	1158.96
		<u>1585.63</u>	<u>1538.13</u>
Minority interest		30.13	27.39
<b>2. Non-current Liabilities</b>			
(a) Long term borrowings	3	822.63	169.15
(b) Deferred tax liabilities (net)	4	89.53	108.11
(c) Long-term provisions	5	100.68	73.43
		<u>1012.84</u>	<u>350.67</u>
<b>3. Current Liabilities</b>			
(a) Short term borrowing	6	2042.34	490.55
(b) Trade payables	7	7884.00	5584.46
(c) Other current liabilities	8	145.78	651.01
(d) Short-term provisions	9	205.35	180.28
		<u>10277.48</u>	<u>6906.31</u>
		<b>12906.07</b>	<b>8822.51</b>
<b>B ASSETS</b>			
<b>1. Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	10	1749.20	1549.68
(ii) Capital work in progress		105.12	22.57
(b) Non current investments	11	11.89	11.89
(c) Long term loans and advances	12	44.21	44.23
		<u>1910.42</u>	<u>1628.37</u>
<b>2. Current assets</b>			
(a) Inventories	13	8137.23	5561.95
(b) Trade receivables	14	2093.24	1236.39
(c) Cash and bank balances	15	394.91	151.32
(d) Short-term loans and advances	16	370.28	244.48
		<u>10995.65</u>	<u>7194.14</u>
		<b>12906.07</b>	<b>8822.51</b>
<b>See accompanying notes forming part of the Accounts</b>			

In terms of our report attached.  
**FOR KHANDELWAL KAKANI & CO.**  
Chartered Accountants

**CA. V.K. KHANDELWAL**  
**PARTNER**  
(M.No. 070546)

Place : Indore  
Date : 29th May 2015

**H.S. Bhatia**  
Managing Director  
DIN 00509426

**Mahesh Patidar**  
Chief Financial Officer

**G.S. Bhatia**  
Director  
DIN 00401929

**Tanu Parmar**  
Company Secretary  
(M.No. 34769)

**CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 March, 2015**

(₹ in Lakhs except EPS)

Particulars		31st March, 2015	31st March, 2014
Revenue from operation Sales (Net)		44401.21	35970.78
Other income	17	16.27	1.33
<b>Total revenue</b>		<b>44417.48</b>	<b>35972.11</b>
<b>Expenses</b>			
(a) Cost of materials consumed	18	35796.72	29624.62
(b) Farm expenses	19	4198.68	3018.99
(c) Hatcheri expenses	20	413.03	382.46
(d) Administrative expenses	21	587.15	475.84
(e) Selling & distribution expenses	22	1772.51	1279.49
(f) Employee benefits expense	23	1051.55	820.26
(g) Finance costs	24	343.55	123.63
(h) Depreciation	10	186.97	140.30
<b>Total expenses</b>		<b>44350.16</b>	<b>35865.58</b>
<b>Profit / (Loss) before exceptional and extraordinary items</b>		<b>67.32</b>	<b>106.53</b>
<b>Profit / (Loss) before extraordinary items</b>		<b>67.32</b>	<b>106.53</b>
Extraordinary items		0.00	0.00
<b>Profit / (Loss) before tax</b>		<b>67.32</b>	<b>106.53</b>
<b>Tax expense:</b>			
Less: (a) Current tax		15.92	23.25
Add/Less (b) Deferred tax	4	18.58	5.64
Add:- (c) MAT Credit		31.27	0.00
<b>Profit / (Loss) for the year</b>		<b>101.25</b>	<b>77.64</b>
<b>Less : Minority Interest</b>		<b>4.11</b>	<b>2.61</b>
<b>TOTAL</b>		<b>97.13</b>	<b>75.03</b>
<b>Earnings per share (of ₹ 10/- each)</b>			
Basic and diluted		2.67	2.05
<b>Earnings per share (excluding extraordinary items)</b>			
<b>(of ₹ 10/- each)</b>			
Basic and diluted		2.67	2.05
<b>See accompanying notes forming part of the accounts</b>			

In terms of our report attached.  
**FOR KHANDELWAL KAKANI & CO.**  
Chartered Accountants

**CA. V.K. KHANDELWAL**  
**PARTNER**  
(M.No. 070546)  
Place : Indore  
Date : 29th May 2015

**H.S. Bhatia**  
Managing Director  
DIN 00509426

**Mahesh Patidar**  
Chief Financial Officer

**G.S. Bhatia**  
Director  
DIN 00401929

**Tanu Parmar**  
Company Secretary  
(M.No. 34769)

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2015**

( ₹ in Lakhs )

Particulars	As at 31.03.2015	As at 31.03.2014
<b>A. CASH FLOW FROM OPERATING SYSTEM :</b>		
<b>NET PROFIT BEFORE TAX &amp; EXTRA ORDINARY ITEM</b>	67.31	106.53
<b>Add :</b> Depreciation	186.96	140.30
Provision for Employee Benefits	27.25	3.56
Interest Paid	156.81	103.07
Loss on sale of assets	0.94	1.56
Prior Period Adjustment		0.00
	<b>439.27</b>	<b>355.02</b>
<b>Less :</b> Excess Provision written back	0.00	0.00
Income Tax paid during the year	10.95	18.06
	<b>10.95</b>	<b>18.06</b>
<b>Operating Profit before working capital change</b>	<b>a 428.32</b>	<b>336.96</b>
<b>Add :</b> Short term borrowings	1551.79	490.55
Trade receivable	0.00	0.00
Short Term Provisions	32.53	33.29
Trade Payable	2320.19	1053.11
Other Current Liabilities	0.00	139.46
Short Terms Loans & Advances	0.65	0.00
	<b>b 3905.26</b>	<b>1716.41</b>
<b>Less :</b> Inventories	2575.28	1144.90
Short Term Loans & Advance	107.52	59.04
Trade payable	0	0.00
Trade receivable	877.51	527.08
Short Term Provisions	0.13	0.00
Other Current Liabilities	505.23	0.00
	<b>c 4065.67</b>	<b>1731.02</b>
<b>Add: Net Cash inflow from operating activities before extra ordinary items</b>	<b>(a+b-c) 267.91</b>	<b>322.35</b>
<b>Less : Extra Ordinary Item</b>	0.00	0.00
<b>Net Cash inflow from operating activities</b>	<b>A 267.91</b>	<b>322.35</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
<b>Add:</b> Sale of Fixed Assets	3.20	3.00
Inflow from Long term Loans & Advances	0.00	0.00
Realization of MPSEB deposit	0.00	0.96
Deposits	0.83	0.00
<b>Less :</b> Purchase of Assets	441.65	411.33
Capital Work in Progress	82.54	22.57
Outflow from Long term Loans & Advances	0.80	1.11
<b>Net Cash inflow from Investing Activities</b>	<b>B (520.96)</b>	<b>(431.05)</b>
<b>C. CASH FLOW FROM FINANCIAL ACTIVITIES</b>		
<b>Add: Proceed From:</b>		
Vehicle Loan	110.36	100.94
Unsecured Loans from Directors	543.08	0.00
	<b>a 653.44</b>	<b>100.94</b>
<b>Less : Repayment of Loan</b>		
Interest Paid	156.81	103.07
Dividend	0.00	0.00
Dividend Tax	0.00	0.00
Vehicle Loan	0.00	0.00
	<b>b 156.81</b>	<b>103.07</b>
<b>Add : NET CASH GENERATED FROM FINANCIAL ACTIVITIES</b>	<b>C ( a-b ) 496.63</b>	<b>(2.13)</b>
<b>NET INCREASE IN CASH &amp; CASH EQUIVALENTS</b>	<b>( A+B+C ) 243.58</b>	<b>(110.83)</b>
Cash & Cash equivalents ( opening )	151.32	262.17
<b>CASH &amp; CASH EQUIVALENTS ( CLOSING )</b>	<b>394.91</b>	<b>151.32</b>



## AUDITOR'S CERTIFICATE

We have examined the attached Cash Flow Statement of **Simran Farms Limited (Consolidated)** for the period ended 31st March, 2015. The statement has been prepared from the audited accounts of the Company in accordance with requirements of Listing Agreement Clause 32 with Stock Exchanges and is based on and in agreement with corresponding Profit and Loss Account and Balance Sheet of the company.

**For: KHANDELWAL KAKANI & CO.**  
Chartered Accountants

**CA V.K. KHANDELWAL**  
PARTNER

For and on Behalf of Board

**H.S. BHATIA**  
CHAIRMAN- MANAGING DIRECTOR

Place: Indore  
Date: 29th May, 2015



## CONSOLIDATED NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015

( ₹ in Lakhs )

Particulars	As at			
	31st March, 2015	31st March, 2014		
<b>1. Share Capital</b>				
(a) Authorised 60,00,000 Equity shares of ₹ 10/- each	600.00	600.00		
(b) Issued Subscribe and Paid Up 37,91,700 Equity Shares of ₹ 10/- each	379.17	379.17		
The details of shareholders holding more than 5 % shares :-				
Name of Shareholder	31st March, 2015		31st March, 2014	
	No. of Shares	% Held	No. of Shares	% Held
Harender Singh Bhatia (HUF)	251700	6.64%	251700	6.64%
Amarjeet Singh Bhatia (HUF)	195800	5.16%	195800	5.16%
<b>2. Reserve and Surplus</b>				
<b>a. General Reserves</b>				
As per Last Balance Sheet	217.18		217.18	
<b>b. Securities Premium Account</b>				
As per Last Balance Sheet	169.59		169.59	
<b>c. Utilized Investment Allo. Reserve</b>				
As per Last Balance Sheet	0.54		0.54	
<b>d. Surplus</b>				
As per Last Balance Sheet	771.47		696.43	
Less :- Depreciation from retain earning	49.64		0.00	
(+) Net Profit/(Net Loss) For the current year	97.14		75.03	
Closing Balance	818.96		771.47	
<b>Total</b>	<b>1206.46</b>		<b>1158.96</b>	
<b>3. Long term borrowings</b>				
<b>Secured</b>				
From banks				
Vehicle Loans ( First Charge on Trucks and Cars)	279.54		169.15	
Unsecured Loans from Director	543.08		0.00	
	822.63		169.15	
<b>4 Deferred tax liabilities</b>				
(a) Deferred tax liabilities on account of:				
Opening Deferred tax liabilities	108.11		102.48	
(i) Depreciation	0.00		6.73	
(b) Deferred tax Asset on account of:				
(i) Others {Disallowance u/s 43B & 40(a)}	0.00		(1.10)	
(ii) Depreciation	(10.16)		0.00	
(ii) Gratuity	(8.35)		0.00	
(iii) Leave Encashment	(0.07)		0.00	
	89.53		108.11	

Note: During the year there is a reversal of Deferred Tax Liability amounting to ₹ 18.58 lacs which has been recorded in the Profit & Loss A/c.


**CONSOLIDATED NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015**

( ₹ in Lakhs )

Particulars	As at	
	31st March, 2015	31st March, 2014
<b>5. Long term provisions</b>		
<b>(a) Provision for employee benefits</b>		
Gratuity (funded)	59.51	32.49
Leave Encashment (unfunded)	28.96	28.73
<b>(b) Others</b>		
Income tax payable	12.21	12.21
	<b>100.68</b>	<b>73.43</b>
<b>Note:</b> The disputed outstanding Income Tax Demand pertaining to Assessment Year 1994-1995 to 1997-1998 of ₹ 12.21 Lacs in respect of dis-allowances of claims u/s 80 I & 80HHA has been confirmed against the company by the Income Tax Appellate Tribunal and accordingly the liability in respect of these years has been paid/ provided in full in earlier years. The Company is litigating the matter before the Hon'ble High Court of M.P.		
<b>6. Short term borrowing</b>		
Punjab National Bank ( cash credit) Raipur	1758.27	490.55
Punjab National Bank (cash credit) Indore	234.08	0.00
<b>Loan from company</b>		
Simran Feeds Pvt. Ltd.	50.00	0.0
	<b>2042.34</b>	<b>490.55</b>
<b>Note:</b> The cash credit facility has been secured by hypothecation of book debts, stock and first charge over fixed assets of the company & personal guarantee of directors.		
<b>7. Trade Payables</b>	7884.00	5584.46
All Balances of Sundry Creditors are subject to confirmation.	<b>7884.00</b>	<b>5584.46</b>
<b>8. Other current liabilities</b>		
Punjab & Sindh Bank	0.00	44.94
ICICI Bank Ltd.	2.33	503.97
Advances from Customers	13.42	15.96
Unclaimed Dividends	11.22	11.24
Rearing Charges Receivable	118.81	74.90
	<b>145.78</b>	<b>651.01</b>
<b>9. Short term provisions</b>		
(a) Provision for employee benefits		
Salary payable	56.24	37.33
Bonus payable	20.37	16.29
Contribution to PF ( Company)	0.13	0.10
Contribution to PF ( Employees)	5.14	3.45
(b) Provisions Others		
Service Tax payable	0.19	0.00
Professional Tax (Staff)	1.54	1.12
Audit fees payable	0.12	0.24
Income Tax Payable	15.92	23.25
TDS Payable	21.59	13.44
(c) Others Payable	84.12	85.04
	<b>205.35</b>	<b>180.28</b>
<b>Contingent Liabilities And commitments (To the extent not provided)</b>		
Claims against company not acknowledged as debt		
Income tax matters in dispute	11.50	11.50
	<b>11.50</b>	<b>11.50</b>

**CONSOLIDATED NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2015**

Note-10

( ₹ in Lakhs )

Fixed Assets	Gross Block				Accumulated Depreciation				Net Block		
	Balance as at April 1, 2014	Additions During the Period	Sales/ Deduction	Balance as at 31st March 2015	Balance at as at 1st April 2014	Depreciation for the Period	Depreciation charged from retain earning	Deduction during the Period	Balance as at 31st March 2015	Balance as at 1st April 2014	Balance as at 31st March 2015
Tangible Assets											
Land	65.46	0.00	0.00	65.46	0.00	0.00	0.00	0.00	0.00	65.46	65.46
Buildings ( Factory)	729.69	42.74	0.00	772.43	308.28	21.86	0.00	0.00	330.15	421.41	442.28
Buildings ( Office & Staff)	62.66	0.00	0.00	62.66	10.65	1.51	0.00	0.00	12.16	52.01	50.50
Building Hatcheries	0.00	20.43	0.00	20.43	0.00	0.00	0.00	0.00	0.00	0.00	20.43
Poultry Equipment	785.78	71.49	0.00	857.27	367.42	49.52	21.67	0.00	438.61	418.36	418.66
Poultry Equipment ( R&D)	9.66	0.00	0.00	9.66	5.49	1.18	0.00	0.00	6.67	4.17	2.99
Hatcheri Equipment	26.92	0.00	0.00	26.92	1.24	1.62	0.00	0.00	2.87	25.67	24.05
Feed Mill Equipment	45.78	1.16	0.00	46.94	0.53	2.93	0.00	0.00	3.45	45.25	43.49
Cycle	0.10	0.00	0.00	0.10	0.05	0.02	0.00	0.00	0.07	0.05	0.04
Computer Equipment	61.05	7.06	0.00	68.11	51.68	9.73	2.30	0.00	63.70	9.37	4.41
Office equipment	64.20	9.53	0.00	73.73	36.16	10.31	0.00	0.00	46.46	28.04	27.27
Furniture and Fixtures	68.83	10.82	0.00	79.64	39.76	4.94	0.08	0.00	44.78	29.07	34.87
Motor Car	197.80	89.75	11.01	276.53	42.52	29.77	0.00	6.87	65.43	155.27	211.11
Eicher Trucks	267.04	168.06	0.00	435.10	52.04	39.71	0.00	0.00	91.74	215.00	343.36
Electrical Installation	84.14	11.21	0.00	95.35	48.06	5.07	0.61	0.00	53.74	36.08	41.61
Tubewell & Land Development	47.80	4.82	0.00	52.62	8.54	7.67	26.37	0.00	42.58	39.25	10.04
Vehicles	11.79	4.59	0.00	16.38	6.59	1.13	0.00	0.00	7.73	5.20	8.66
<b>Total</b>	<b>2528.68</b>	<b>441.65</b>	<b>11.01</b>	<b>2959.33</b>	<b>979.01</b>	<b>186.97</b>	<b>51.02</b>	<b>6.87</b>	<b>1210.13</b>	<b>1549.68</b>	<b>1749.20</b>
<b>Previous Year</b>	<b>2125.56</b>	<b>411.33</b>	<b>5.94</b>	<b>2530.95</b>	<b>842.34</b>	<b>140.30</b>	<b>0.00</b>	<b>1.38</b>	<b>981.27</b>	<b>1283.22</b>	<b>1549.68</b>

**NOTE:** Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule-II, Accordingly the unamortized carrying value is being depreciated over the revised remaining useful lives. The written down value of Fixed Assets whose lives have expired as at 1st April 2014 have been adjusted in the Opening Retained earning Amounting to ₹ 51.02 lakhs.

In Simran Farms Limited, due to absence of full details of assets acquired prior to 31.03.1994, the estimated life and it's residual value could not be ascertained and company has estimated useful life and residual value of assets acquired after 01.04.1995.

SIMRAN FARMS LIMITED, INDORE







## CONSOLIDATED NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015

( ₹ in Lakhs )

Particulars	As at	
	31st March, 2015	31st March, 2014
<b>11. Non Current investment (Unquoted)</b>		
Simran Hatcheries Private Limited	11.89	11.89
	<u>11.89</u>	<u>11.89</u>
<b>12. Long term loans and advances</b>		
(Unsecured Considered goods)		
Security deposits	24.60	25.28
MPEB Deposit	15.44	14.64
Others Deposits	4.17	4.31
	<u>44.21</u>	<u>44.23</u>
<b>13. Inventories</b>		
<b>Raw materials</b>		
a) Parent Birds	798.55	715.39
b) Feed & Medicines	4295.19	2304.08
c) Commercial Chicks	2789.57	2292.95
d) Hatching Eggs	253.92	249.52
	<u>8137.23</u>	<u>5561.95</u>
<b>14. Trade receivables</b>		
(Unsecured considered goods)		
Over six months	650.85	273.37
Other	1442.38	963.02
	<u>2093.24</u>	<u>1236.39</u>
<b>All Balances of Sundry Debtors are subject to confirmation.</b>		
<b>15. Cash and bank balances</b>		
<b>(a) Cash on hand</b>	204.48	130.22
<b>(b) Balances with banks</b>		
(i) In current accounts		
Bank of Baroda Chikli	0.00	6.76
ICICI Bank, Indore	171.99	2.56
Punjab National Bank	0.40	0.40
Punjab & Sindh Bank	4.75	0.03
Punjab National Bank	0.10	0.00
(ii) Unclaimed dividends		
ICICI Bank	5.59	5.59
Axis Bank	5.64	5.65
(iii) Fixed deposit with PSB	0.10	0.10
Fixed deposit with BOB Chikli	1.86	0.00
	<u>394.91</u>	<u>151.32</u>


**CONSOLIDATED NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015**

( ₹ in Lakhs )

Particulars	As at	
	31st March, 2015	31st March, 2014
<b>16. Short term loan and advances</b> (Unsecured Considered goods)		
Advances to employees	4.01	1.91
Advance income tax	6.00	16.00
Prepaid expenses	21.61	7.67
MAT Entitlement Credit	28.32	0.00
Advances recoverable in cash or in kind or for value to be received	310.34	218.89
	<u>370.28</u>	<u>244.48</u>
<b>17. Other Income</b>		
Rearing charges (Income)	15.15	0.00
Interest received MPSEB / FD	1.12	1.33
	<u>16.27</u>	<u>1.33</u>
<b>18. Cost of material consumed</b>		
Opening Stock	5561.95	4417.05
<b>Add:- Purchases</b>		
Feed & Medicines	33319.00	27744.95
Store, Spares & Consumable	506.81	402.09
Parent Birds	249.62	288.48
Packing Material	108.82	78.62
Carriage Inward	702.98	520.98
Godown rent	45.53	23.94
Chicks	2742.73	945.23
Hatching Eggs	696.36	765.22
	<u>43933.94</u>	<u>35186.57</u>
<b>Less:- Closing Stock</b>	<u>8137.23</u>	<u>5561.95</u>
<b>Cost of material consumed</b>	<u>35796.72</u>	<u>29624.62</u>
<b>19. Farm expenses</b>		
Expenses at Farm	157.17	127.86
Power & Energy	122.65	122.48
Fuel Consumption	59.42	66.61
Light & Water Charges	34.02	37.05
Farm Rent	32.18	38.00
Lease Rent	66.75	63.35
Rearing Charges Expenses	3726.50	2563.63
	<u>4198.68</u>	<u>3018.99</u>

**CONSOLIDATED NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015**

( ₹ in Lakhs )

Particulars	As at	
	31st March, 2015	31st March, 2014
<b>20. Hatcheri expenses</b>		
Hatcheri Expenses	21.98	24.43
Hatching expenses	129.67	110.32
Hatcheries Rent	172.80	171.00
Power & Energy (Hatcheries)	88.58	76.71
	<u>413.03</u>	<u>382.46</u>
<b>21. Administrative expenses</b>		
General Office Expenses	237.43	181.09
Traveling & Conveyance	319.32	268.66
Certification & consultancy fees to auditors	1.01	1.01
Audit Fees	3.49	3.49
Legal & Professional Expenses	18.94	18.44
Penalty & Fines	0.00	0.02
Tax after assessment	4.03	0.48
Service Tax Exp.	1.94	2.41
Software Development Charges	0.99	0.24
	<u>587.15</u>	<u>475.84</u>
<b>22. Selling and distribution Exp.</b>		
Forwarding Expenses	1690.01	1221.13
Advertisement & Publicity	0.80	1.73
Vehicle Repair & Maintenance	43.51	33.67
Sales Promotion Expenses	35.46	13.37
Technical Seminar & Conference	1.78	8.03
Loss on sale of assets	0.94	1.56
	<u>1772.51</u>	<u>1279.49</u>
<b>23. Employee benefits expense</b>		
Salary wages & Bonus	876.15	674.22
Remuneration to directors	54.00	54.00
Remuneration to vice president	24.00	24.00
Contribution to Provident Fund	61.95	45.52
Staff welfare	6.99	3.17
Gratuity	27.02	16.27
Leave Encashment	0.23	2.26
House rent allowance	1.19	0.81
	<u>1051.55</u>	<u>820.26</u>
<b>24. Finance cost</b>		
Bank Charges & Commission	21.82	18.89
Interest to others	156.81	103.07
Interest on late payment	1.17	1.17
Interest on CC Loan	163.75	0.49
	<u>343.55</u>	<u>123.63</u>

**25. Earning Per Share**

Basic and Diluted earning per equity share have been worked out in accordance with AS-20 "Earnings Per Share". Basic and diluted earnings per equity share has been calculated by dividing Net profit of ₹ 101.25 lacs by 3791700 equity shares (Face Value of ₹ 10/- each).



## CONSOLIDATED NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015

### 26. Related parties disclosures :

#### 1. Relationship

##### (a) Key Managerial Personnel:

Mr. Harendar Singh Bhatia  
(Managing Director)  
Mr. Gurdeep Singh Bhatia  
(Director)  
Mr. Kawaljeet Singh Bhatia  
(Whole Time Director)  
Mr. Gurmeet Singh Bhatia  
(Vice President)  
Mr. Avneet Singh Bhatia  
(Vice President - Operation)  
Mr. Mahesh Patidar  
(Chief Financial Officer)  
Mr. Mayank Lashkari  
(Company Secretary)  
Ms. Tanu Parmar  
(Company Secretary)

#### (b) Relatives of key Managerial personnel and their enterprises where transaction have taken place:

Mrs. Amarjeet Kaur Bhatia  
Mr. Amarjeet Bhatia (HUF)  
Mr. K.S Bhatia (HUF)  
Simran Feed (P) Ltd.  
Simran Poultry  
Singh Poultry  
Simran Hatcheries  
Simran Hatcheries (P) Ltd.  
Early Bird Hatcheries  
Simfa Labs Pvt. Ltd.  
Simran Foods Pvt. Ltd  
Singh Hatcheries  
Mrs. Simrath Kaur Bhatia  
Mrs. Kawaljeet Kaur Bhatia  
Mrs. Jagdeep Kaur Bhatia

**Note: Related party relationship is as identified by the Company and relied upon by the Auditors.**

#### 2a Transactions carried out with related parties referred in 1 above, in ordinary course of business:

( ₹ in lacs )

Nature of Transaction	Referred in 1 (a) above	Referred in 1 (b) above
Purchase		1207.01
Sales		370.19
Director Remuneration	54.00	
Vice President Remuneration	30.00	
Chief Financial Officer 's Salary	3.10	
Company Secretary 's Salary	0.82	
Office Rent	2.38	16.78
Tractor Rent		0.96
<b>Rent:-</b>		
Land & Building		187.80
Auto Hire Expenses		0.72
Feed Processing Charges (Payable)		318.09
Feed Processing Charges (Receivable)		2.35
Hatching Charges (Payable)		111.55
Hatching Charges (Receivable)		15.15
Sample Testing Charges (Payable)		9.88
Sample Testing Charges (Receivable)		1.06
Transportation & Loading Unloading Charges (Payable)		56.29
Transportation & Loading Unloading Charges (Receivable)		6.01
Vaccine Charges (Receivable)		2.17
Interest on Loan		29.36
Deposit		50.00
Payable	21.06	895.01
Receivable		107.01


**2b DISCLOSURE IN RESPECT OF TRANSACTIONS WHICH ARE MORE THAN 10% OF THE TOTAL TRANSACTIONS**

( ₹ in Lakhs )

S.No.	Transactions	2014-2015	2013-2014
	<b>Purchase of Raw Material/Finished goods</b>		
1	Simfa Labs Pvt. Ltd.	633.52	1002.99
2.	Simran Feeds Pvt Ltd	573.49	112.76
	<b>Total</b>	<b>1207.01</b>	<b>1115.75</b>
	<b>Sales of Material/ Finished Goods</b>		
1	Simran Food (P) Ltd.	198.65	211.64
2	Simran Feeds Pvt Ltd	171.54	275.24
	<b>Total</b>	<b>370.19</b>	<b>486.88</b>
	<b>Rent Paid:-</b>		
a)	<b>Office Rent:-</b>		
1	Mrs. Amarjeet Kaur Bhatia	4.80	3.60
2	Mrs. Simrath Kaur Bhatia	4.80	3.60
3	Mrs. Kawaljeet Kaur Bhatia	4.80	3.60
4	Mrs. Jagdeep Kaur Bhatia	2.38	0.00
5	Mr. Kawaljeet Singh Bhatia	2.38	0.00
	<b>Total</b>	<b>19.15</b>	<b>10.80</b>
b)	<b>Tractor Rent:-</b>		
1	Amarjeet Singh Bhatia (HUF)	0.96	0.96
	<b>Total</b>	<b>0.96</b>	<b>0.96</b>
c)	<b>Land &amp; Building</b>		
1	Simran Poultry	5.40	5.40
2	Singh Poultry	36.00	36.00
3	Early Bird Hatcheries	49.80	49.80
4	Simran Hatcheries	46.80	46.80
5	Singh Hatcheries	49.80	48.00
	<b>Total</b>	<b>187.80</b>	<b>186.00</b>
d)	<b>Auto Hire Expenses</b>		
1	Kawaljeet Singh Bhatia (HUF)	0.72	0.72
	<b>Total</b>	<b>0.72</b>	<b>0.72</b>
e)	<b>Feed Processing Charges</b>		
1	Simran Feed (P) Ltd.		
	Payable	318.09	253.02
	Receivable	2.35	0.00
	<b>Total</b>	<b>320.44</b>	<b>253.02</b>
f)	<b>Sample &amp; Testing Charges</b>		
1	Simran Feed (P) Ltd.		
	Payable	9.88	0.00
	Receivable	1.06	0.00
	<b>Total</b>	<b>10.94</b>	<b>0.00</b>



( ₹ in Lakhs )

S.No.	Transactions	2014-2015	2013-2014
g)	<b>Transportation &amp; Loading Unloading Charges</b>		
	Simran Feed (P) Ltd.		
	Payable	2.43	0.00
	Receivable	6.01	0.00
	Simran Hatcheries Pvt. Ltd.	0.00	0.00
	Payable	53.86	0.00
	<b>Total</b>	<b>62.30</b>	<b>0.00</b>
h)	<b>Vaccine Charges</b>		
1	Simran Feed (P) Ltd		
	Receivable	2.17	0.00
	<b>Total</b>	<b>2.17</b>	<b>0.00</b>
i)	<b>Hatching Charges</b>		
1	Simran Hatcheries Pvt. Ltd.		
	Payable	111.55	101.99
2	Simran Feed (P) Ltd.		
	Receivable	15.15	0.00
	<b>Total</b>	<b>126.70</b>	<b>101.99</b>
	<b>Interest on Fund raised</b>		
1	Gurdeep Singh Bhatia	28.93	0.00
2	Singh Hatheries	0.00	7.98
2	Simran Hatcheries	0.00	20.18
4	Kawaljeet Singh Bhatia	0.43	0.00
	<b>Total</b>	<b>29.36</b>	<b>28.16</b>
	<b>Purchase of Assets</b>		
1	Singh Hatcheries	0.00	24.94
2	Simran Hatcheries	0.00	56.65
	<b>Total</b>	<b>0.00</b>	<b>81.59</b>
	<b>Deposit</b>		
1	Simran Feeds Pvt. Ltd.	50.00	0.00
	<b>Total</b>	<b>50.00</b>	<b>0.00</b>

**3a DETAILS REGARDING PAYMENTS MADE TO KEY MANAGERIAL PERSONNEL**

S.No.	Transactions	2014-2015	2013-2014
1	Remuneration		
	<b>Salary</b>	87.92	84.00
	Contribution to provident and other funds	0.00	0.00
	Perquisites	0.00	0.00
2	Commission	0.00	0.00
3	Sitting fees	0.00	0.00
4	Rent paid (expense)	0.00	0.00

**3b. BREAKUP OF PAYMENTS MADE TO KEY MANAGERIAL PERSONNEL**

( ₹ in Lakhs )

S.No.	Transactions	2014-2015	2013-2014
1	<b>Remuneration</b>		
	Mr Harender singh Bhatia	30.00	30.00
	Mr. Kawaljeet Singh Bhatia	24.00	24.00
	Mr. Gurmeet Singh Bhatia	24.00	24.00
	Mr. Avneet Singh Bhatia	6.00	6.00
	Mr. Mahesh Patidar	3.10	0.00
	Mr. Mayank Lashkari	0.68	0.00
	Ms. Tanu Parmar	0.14	0.00
	<b>Total</b>	<b>87.92</b>	<b>84.00</b>

<b>27. Payment to Auditors</b>	<b>2014-15</b>	<b>2013-14</b>
(i) As Auditors	3.49	3.49
(ii) As per Certification	1.01	1.01

**28. Employee Benefits**

The Company has obtained the LIC policy for Gratuity liability and position of liability worked out by LIC for calculation of premium to be paid and position of funded asset is as under:

**1. Expenses recognized in Income Statement**

( ₹ in Lakhs )

Particulars	2014-15	2013-14
Current Service Cost	12.21	8.58
Interest on Obligation	4.52	3.30
Actuarial Losses / (Gains)	6.30	3.46
Past service cost	0.00	0.00
Losses (gains) on curtailments and settlement	0.00	0.00
Expense recognized in P & L	23.04	15.33

**2. Amount to be recognized in Balance Sheet**

( ₹ in Lakhs )

Particulars	2014-15	2013-14
Present value of funded obligation	77.92	56.56
Fair value of plan assets	38.31	36.56
Present value of unfunded obligations	39.62	20.00
Unrecognised past service cost	0.00	0.00
Net Liability	39.62	20.00
Amount in the Balance Sheet Liability	39.62	20.00
Amount in the Balance Sheet Assets	0.00	0.00
Net Liability	39.62	20.00

**3. Table showing change in benefit obligation**

Particulars	2014-15	2013-14
Opening Defined Benefit obligation on 1.04.2014	56.56	41.23
Service cost for the year	12.21	8.58
Interest cost for the year	4.52	3.30
Actuarial Losses / (Gains)	6.30	3.46
Benefits paid	1.67	0.00
Closing defined benefit obligation	77.92	56.56

**4. Table showing fair value of plan assets**

Particulars	2014-15	2013-14
Fair value of plan assets at beginning of year	36.56	19.59
actual return on plan assets	3.29	8.22
Contributions	0.13	8.75
Benefits Paid	1.67	0.00
Fair value of plan assets at the end of year	38.31	36.56

**Actuarial Assumption**

Valuation Method	Projected unit Credit Method
Discount Rate	8%
Annual increase in salary costs	5%
Mortality Rate	LIC (1994-96) ultimate
Withdrawal rate	1% to 3% depending on Age

**NOTE:**

The Liability Provided as on 31.03.2015 is ₹ 59.51 lakhs as against ₹ 39.62 lakhs worked out above. The difference of ₹ 19.89 lacs is under process of reconciliation and shall be adjusted thereupon.

**Compensated absences**

The Company provides for the encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment. The liability is provided based on the number of days of unutilized leave at each balance sheet date.

**29. Additional information pursuant to the provisions of Schedule-III of the Companies Act,2013**

(i) a. RAW - MATERIAL :

Consumed	Quantity (in M.T.)		Value (in Lakhs)	
	2014-15	2013-14	2014-15	2013-14
MIXED FEEDS	118419	103902	30620.78	25744.42
INDIGENOUS & IMPORTED				
(INDIGENOUS)	100%	100%	100%	100%
(IMPORTED)	-	-	-	-





## b. VALUE OF RAW MATERIAL AND STORES (INCLUSIVE SPARE PARTS-COMPONENTS) CONSUMED

	Value ( in Lakhs )				Value ( in Lakhs )			
	2014-2015				2013-2014			
	RAW MAT.		ST. & SP.		RAW MAT.		ST. & SP.	
	VAL.	%	VAL.	%	VAL.	%	VAL.	%
INDIGENOUS	30,620.78	100%	511.69	100	25744.42	100%	402.09	100%
IMPORTED	-	-	-	-	-	-	-	-

ii)	<u>2014-2015</u>	<u>2013-2014</u>
a) Value of imports CIF basis accounted during the year	-	-
b) Expenditure in Foreign currency	NIL	₹ 4532154
c) Earning in Foreign Exchange	-	-
d) Particulars relating to non-residential Share-holders	-	-

**30. Sales Offices**

Company having following sales offices during the period in India:

Bhopal, Anand, Chickli, Raipur, Bhilai, Bilaspur, Malegaon, Dhulia, Nashik, Amrawati, Sangamner, Narayangaon, Loharu, Barabanki, Jaipur, Ajmer, Nawalgarh, Palsana, Sonipat, Mohali, Pathankot and Kathua.

**31. Disclosure Under Micro, Small & Medium Scale Enterprise Development Act, 2006**

The Company has already initiated the process of identification Micro, Small & Medium Scale Enterprises covered under Micro, Small & Medium Enterprises Act, 2006 but yet to finalize the process. In view of low number of suppliers and non receipt of critical inputs & response from such potential parties, the liability of interest if any, can not be reliably estimated. In the Management's view and past experience, the company will not be liable to pay interest as prescribed under the Micro, Small & medium Scale Enterprise development Act, 2006. However during the year there were delayed payments due to financial crisis on which interest has been paid.

There is no claim of interest unpaid to such entities at the year end.

- 32.** In the opinion of the Board Of Directors, Fixed Assets, Current Assets, Loans & Advances are approximately of the value as stated, if realized in the ordinary course of business except otherwise specified. The provisions for all known liabilities are adequate and not in excess of the amount which is reasonably necessary.
- 33.** As per information given by the management, Excise Duty is Not applicable to the company.
- 34.** All Balances of sundry debtors and creditors are subject to confirmation.



## 1. SIGNIFICANT ACCOUNTING POLICIES :

### A) Basis of preparation of Financial Statements

#### a) Method of Accounting

These financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India, including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

GAAP comprises mandatory Accounting standard as Prescribed under section 133 of the Companies Act, 2013, read with rule 7 of companies (Accounts) rules, 2014.

The Company maintains its accounts on accrual basis except insurance claims and claims on Parent Birds, Commercial Birds & Hatching eggs, sale of manure and gunny bags which are accounted on cash basis.

### B) Valuation of Inventories :

- i) Inventories of stores, medicines, feeds etc. are valued at cost and is determined using first in first out basis.
- ii) Hatching eggs are valued at estimated cost or net realizable value whichever is less.
- iii) Pure Line Birds & Grand Parent are valued at initial purchase price plus estimated cost of growing and overheads of birds live on balance sheet date.
- iv) Parent Stock of Birds and commercial birds are valued at purchase price plus the estimated cost of growing and overheads.
- v) Manure and Gunny Bags accounted for on actual sale basis.

### C) Fixed Assets :

- i) Fixed Assets are stated at cost of acquisition less accumulated depreciation and impairment loss, if any, where cost is inclusive of duties, taxes, incidental expenses erection / commissioning expenses and preliminary and pre-operative expenses till date of commencement of production and all necessary expenses to bring the asset to its working condition.
- ii) Capital Work in Progress comprises the cost of Fixed Asset that are yet not ready for their intended use at the Balance Sheet date.

### D) Depreciation :

Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

### E) Revenue Recognition

- i) Revenues from sale of goods are recognized when risks and rewards of ownership of goods are passed on to the customers, which are generally on dispatch of goods and are recorded net of taxes and duties.
- ii) Income from services are recognized on prorata basis i.e. as and when service are rendered.

### F) Investment :

Investment are classified as Current Investments and Long Term Investments based on intention of the management at the time of purchase. Current investments are stated at the lower of the cost and fair value and long term investments are stated at cost.

### G) Retirement / Post Retirement Benefits

The Company Provides retirement benefits in the form of gratuity and leave encashment. The Company has worked out the liability towards gratuity based on actuarial valuation through LIC and estimated the liability towards Leave Encashment and has provided entire liabilities during the year.

### H) Borrowing Cost

Borrowing cost that are directly attributable to the acquisition, construction or production of the qualifying assets are capitalized as part of the cost of such assets. A qualifying assets is one that necessarily take substantial period of time to get ready for intended use. All other borrowing cost are charged to the statement of profit and loss account.

### I) Operating lease

Lease arrangements where risks and rewards incidental to the ownership of an asset substantially vest with lessor are classified as operating lease. Rental income on assets given and rental expense on assets obtained under operating lease arrangements are recognized in the statement of profit and loss for the year as per the terms and conditions of the respective lease agreement.

**J) Earning Per Share**

Basic & Diluted earning per equity share are recorded in accordance with AS-20 "Earnings Per Share". Earnings per equity share are calculated by dividing Net profit attributable to the equity shareholder by weighted average number of equity shares outstanding during the year.

**K) Taxes on income**

- 1) Tax expenses for a year comprises of current tax and Deferred tax.
- 2) Tax on income for the current year is determined on the basis of the taxable income and tax Credits computed in accordance with the provision of Income Tax Act, 1961, and based in Expected outcome of Assessments/ Appeals.
- 3) Deferred Tax is recognized on timing difference between the accounting income and the taxable income for the year and quantified using the tax rates and laws enacted or substantively enacted as on the balance sheet date. Deferred tax assets are recognized and carried forward to the extent there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.
- 4) Minimum alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay income tax higher than the computed under MAT, during the period under which MAT is permitted to be set off under applicable laws.
- 5) In the year in which MAT credit become eligible to be recognized as an asset in accordance with recommendation contained in the guidance Note issued by the Chartered Accountants of India (ICAI), the said asset is created by way of a credit to the statement of profit and loss account shown as MAT credit entitlement. The company reviews the same at each Balance sheet date and writes down the carrying Amount of MAT credit entitlement to the extent there is longer convincing evidence to the effect that company will pay Income tax higher than MAT during the specified period.

**L) Research and Development**

Revenue expenditure on research and development is charged to Statement of Profit and loss for the year.

**M) Contingent Liability**

Liabilities which are material and whose future outcome can not ascertained with reasonable certainty are treated as contingent and disclosed by way of notes to the accounts.

**N) Foreign Currency Transactions**

- (a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.
- (b) Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Profit and Loss account except in case of long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

**FORM NO. MGT- 11****PROXY FORM**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN:	L01222MP1984PLC002627
Name of the company:	SIMRAN FARMS LIMITED
Registered office:	1-B, VIKAS REKHA COMPLEX, KHATIWALA TANK, INDORE (M.P) 452001

Name of the member(s) :  
Registered address :  
Email Id :  
Folio No. /Client Id :  
DP ID :

I/We, being the member (s) of ..... shares of the above named company, hereby appoint

1.	Name : Address : E-mail Id : Signature :	Or failing him
2.	Name : Address : E-mail Id : Signature :	Or failing him
3.	Name : Address : E-mail Id : Signature :	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 28th Annual general meeting of the company, to be held on Thursday, 24th day of September at 10.00 a.m. at Pishori Premises, 910, Khatiwala Tank, Tower Square, Indore - 452001 (M.P.) and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Particulars	FOR	Against
1.	<b>To receive, consider, approve and adopt:</b> <ul style="list-style-type: none"> <li>the Audited Financial Statement, of the company for the Financial Year ended March 31, 2015 together with the reports of the Board of Directors and Auditor thereon.</li> <li>the Audited Consolidated Financial Statement the company for the Financial Year ended March 31, 2015 together with auditor's report thereon.</li> </ul>		
2.	To appoint a Director in place of Shri Gurdeep Bhatia (DIN - 00401929) who retires by rotation, and being eligible, offers himself for reappointment.		
3.	To appoint Auditor of the Company and fix their remuneration.		
4.	Adoption of new Articles of Association of the Company containing regulation in conformity with the Companies Act, 2013		

Signed this..... day of..... 2015

Signature of shareholder

Signature of Proxy holder(s)

Affix  
Revenue  
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.





**ATTENDANCE SLIP**  
**28TH ANNUAL GENERAL MEETING ON THURSDAY 24TH SEPTEMBER 2015**

Ledger Folio No./Client ID No

Mr./Mrs./Miss: \_\_\_\_\_

(Shareholders' Name in block capitals)

I/We certify that I/We am/are registered shareholder/proxy for the registered shareholder of the company. I/We hereby record my/our presence at the 28th Annual General meeting of the company on Thursday ,24th September, 2015 at Pishori Premises, 910, Khatiwala Tank, Indore - 452001 (M.P.) at 10.00 A.M.

(If signed by proxy, his name should be \_\_\_\_\_

Written in block letters)

(Member's /Proxy's Signature) \_\_\_\_\_

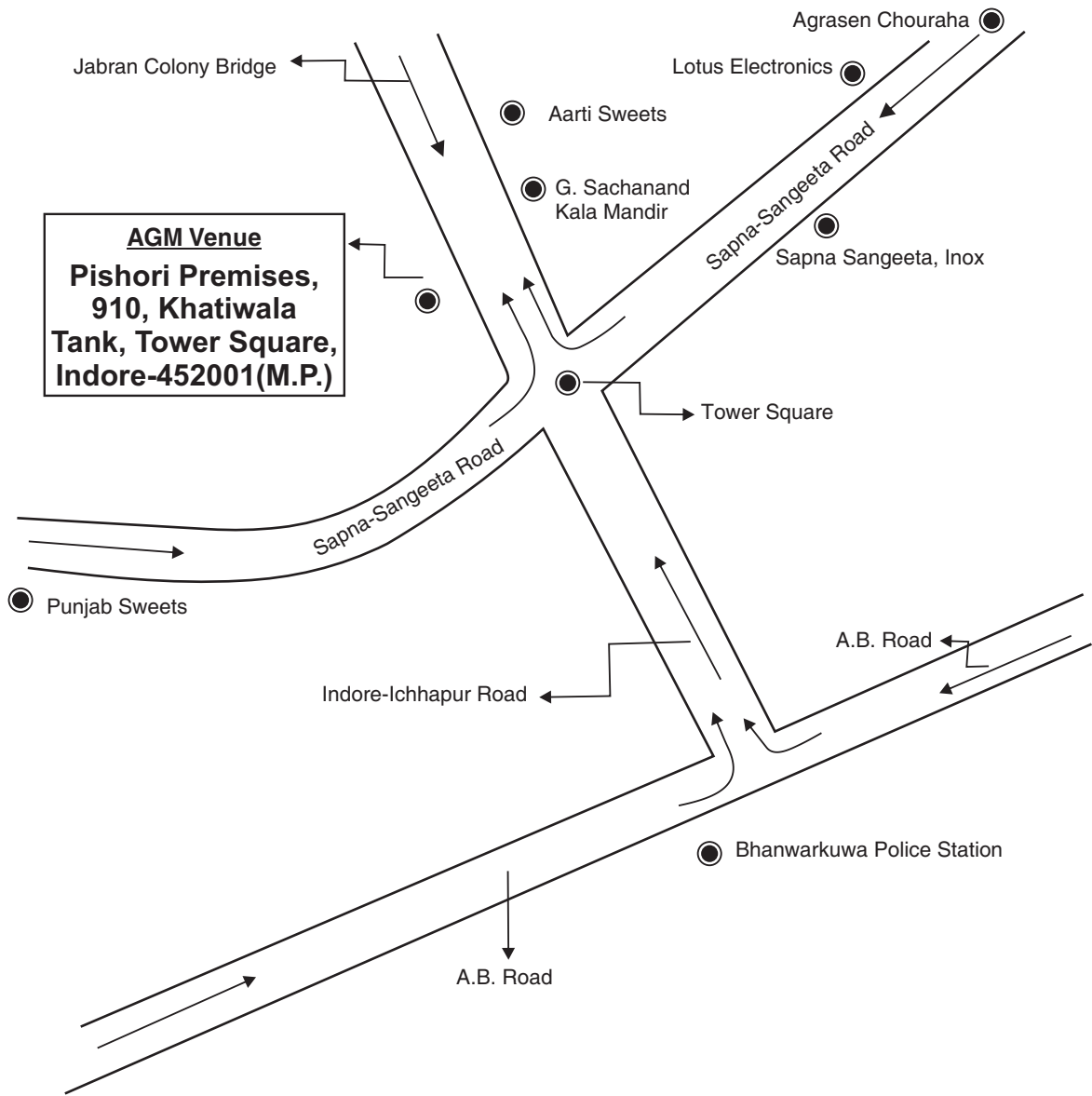
**Note:**

- 1) The Proxy, to be effective should be deposited at the Registered Office of the Company not less than FORTY EIGHT HOURS before the commencement of the meeting.
- 2) A Proxy need not be a member of the Company.
- 3) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
- 4) The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.





ROUTE MAP FOR THE VENUE OF 28TH ANNUAL GENERAL MEETING  
INCLUDING PROMINENT LANDMARKS







To,

If undelivered, please return to :  
**SIMRAN FARMS LIMITED**  
Corporate Office : 1-B, Vikas Rekha Complex,  
Khatiwala Tank, Indore 452 001 (M.P.)