



SIMRAN FARMS LIMITED

(Farmers' Friend Since 1989)

CIN : L01222MP1984PLC002627



31st
Annual Report
2 0 1 7 - 2 0 1 8

BOARD OF DIRECTORS

Mr. Harender Singh Bhatia
Managing Director

Mr. Kawaljeet Singh Bhatia
Whole Time Director

Mr. Gurdeep Bhatia
Non Executive Director

Mr. Surjit Singh Kohli
Independent Director

Dr. Surendra Singh
Independent Director

Mrs. Jasmeet Kaur Bhatia
Independent Director

COMPANY SECRETARY
CS Tanu Parmar

CHIEF FINANCIAL OFFICER
Mr. Mahesh Patidar

STATUTORY AUDITORS

M/s J. C. Baheti & Associates
Chartered Accountants
Indore (M.P.)

BANKER'S

ICICI Bank Ltd.
Punjab National Bank

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
CIN: U74140MP1985PTC003074
Plot No. 60, Electronic Complex,
Pardeshipura, Indore - 452010 (M.P.)
Tel.: 0731-4065797, 4065799
Fax: 0731-4065798
Email Id: ankit_4321@yahoo.com

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NOTICE OF 31ST ANNUAL GENERAL MEETING

Notice is hereby given that the 31st Annual General Meeting of the Members of **SIMRAN FARMS LIMITED** will be held on Wednesday, 19th September, 2018 at 10.00 A.M. at Pishori Premises, 910, Khatiwala Tank, Tower Square, Indore- 452001 (M.P.) to transact the following businesses:

ORDINARY BUSINESSES:

1. To receive, consider, approve and adopt:
 - a. the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2018 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, 2018, together with the Report of the Auditors thereon.
2. To appoint a Director in place of Mr. Gurdeep Bhatia (DIN: 00401929) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESSES:

Item No. 3: Appointment of Mr. Surjit Singh Kohli (DIN: 00701320) as an Independent Director of the Company.

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 Sections 149, 152, 160 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to said Act and Companies (Appointment and Qualification of Directors) Rules, 2014 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as may be amended from time to time, Mr. Surjit Singh Kohli (DIN:00701320), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 16th July, 2018 and who holds office until the date of the ensuing Annual General Meeting, in terms of Section 161 of the Companies Act, 2013, and who has given a declaration of independence under Section 149(6) of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of director of the Company, be and is hereby appointed as an Independent Director of the Company for a term of five years from 16th July, 2018 to 15th July, 2023, and he shall not be liable to retire by rotation.”

Item No. 4: Re-appointment of Dr. Surendra Singh (DIN: 00645965) as an Independent Director of the Company.

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 Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force], Dr. Surendra Singh (DIN: 00645965), who was appointed as an Independent Director of the Company at the 27th Annual General Meeting of the Company and who holds office of the Independent Director up to 31st March, 2019 and who is eligible for being re-appointed as an Independent Director and in respect of whom the Company has received a Notice in writing from a Member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five consecutive years commencing from 1st April, 2019 to 31st March, 2024.”

Item No. 5: Re-appointment of Mrs. Jasmeet Kaur Bhatia (DIN: 06949992) as an Independent Director of the Company.

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 Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force], Mrs. Jasmeet Kaur Bhatia (DIN: 06949992), who was appointed as an Independent Director of the Company at the 27th Annual General Meeting of the Company and who holds office of the Independent Director up to 13th August, 2019 and



who is eligible for being re-appointed as an Independent Director and in respect of whom the Company has received a Notice in writing from a Member under Section 160 of the Companies Act, 2013 proposing her candidature for the office of Director, be re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five consecutive years commencing from 14th August, 2019 to 13th August, 2024.”

Place: Indore
Date : 13.08.2018

**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 AT A MEETING 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.
- Only bonafide members of the Company whose names appear on the Register of Members/Proxy holders, in possession of valid attendance slips duly filed and signed will be permitted to attend the meeting. The Company reserves its right to take all steps as may be deemed necessary to restrict non-members from attending the meeting.
- In order to enable us to register your attendance at the venue of the Annual General Meeting, we request you to please bring your folio number/demat account number/DP ID-Client ID to enable us to give a duly filled attendance slip for your signature and participation at the meeting.
- The Statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special businesses set out in the Notice is annexed herewith.
- The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is omitted vide notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Auditors, who were appointed in the 30th Annual General Meeting, held on 28th September, 2017.
- 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, 13th Day of September, 2018 to Wednesday, 19th Day of September, 2018 (both days inclusive) for the purpose of 31st 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.

Members are requested to note that, SEBI in accordance with the SEBI (Listing Obligations and Disclosure Requirements)(Fourth Amendment) Regulations, 2018 vide Gazette notification dated June 8, 2018 has revised the provisions of Regulation 40 of Listing Regulations, relating to transfer of listed securities and has decided that w.e.f December 5th 2018, the request for effecting transfer of listed securities shall not be processed unless the securities are held in dematerialized form with a Depository (National Securities Depository Limited and Central Depository Services (India) Limited). Hence, the Members holding shares in physical form are advised to



dematerialize the shares held by them in physical form 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 and eliminate all risks associated with physical shares.

- Pursuant to Regulation 36 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Secretarial Standard of General Meeting, additional information in respect of the Director's seeking appointment/re-appointment at the AGM is furnished separately in **Annexure 1** and forms a part of this Notice.
- Members who have not encashed their dividend warrants are requested to correspond with the Registrar and Share Transfer agent i.e. Ankit Consultancy Private Limited (R&STA) or the company secretary, at the company's registered office. In terms of Sections 124(5) of the Companies Act, 2013, any dividend remaining unpaid for a period of seven years from the due date of payment is required to be transferred to the Investor Education and Protection Fund. Accordingly, the unpaid dividend lying in dividend account of the year 2010-11 will be transferred to Investor Education and Protection Fund at appropriate time in the current financial year. Members' attention is particularly drawn to the "Corporate Governance" section of the Annual Report in respect of unclaimed dividend. Shareholders can visit the Company's website www.simranfarms.com to check the details of their unclaimed dividend under the section Stakeholder's Desk and on the website of the IEPF viz. www.iepf.gov.in.

Members are requested to note that, pursuant to provisions of Section 124(6) of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016; dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (IEPF). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline.

- 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 the financial year 2017-18 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 physical copy of the same. For the Members who have not registered their e-mail address, physical copies of the Annual Report for the financial year 2017-18 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 demat 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 Saturday) from 11.00 a.m. to 1.00 p.m. except holidays, upto the date of the ensuing 31st Annual General Meeting. The aforesaid documents will be also available for inspection by members at the 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 alongwith the specimen signature(s), authorizing their representatives to attend and vote on their behalf at the 31st Annual General Meeting.



- The Notice of AGM along with Annual Report shall be dispatched to those shareholders, who are registered as members as on 17th August, 2018. Further, Members may also note that Notice of 31st Annual General Meeting and the Annual Report for financial year 2017-18 will also be available on the company's website www.simranfarms.com.
- Route map for the venue of 31st Annual General Meeting along with prominent Landmark is enclosed with this Report.
- 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 who are holding shares in identical order of names in more than one folio are requested to send to the company or Company's Registrar and Share Transfer Agent the details of such folios together with the share certificates for consolidating their holding in one folio. The share certificates will be returned to the members after making requisite changes thereon. The members are requested to use New Share Transfer Form SH-4 for this purpose.
- 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 (M.P) 452010.
- The Company has designated an exclusive Email Id 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 voting rights of Shareholders shall be in proportion of shares held by them to the total paid up equity shares of the Company as on Wednesday, 12th September, 2018, being the cut-off date.
- 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 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 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 also 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. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again. 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, 16th September, 2018 from 9.00 A.M. and ends on Tuesday, 18th September, 2018 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) of Wednesday 12th September, 2018, 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) The 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 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 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:



	For Members holding shares in Demat Form and Physical Form
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"> 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. 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.
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"> 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 V.

- (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) Shareholders can also cast their vote using CDSL's mobile app m- Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xx) **Note for Non - Individual Shareholders and Custodians**
- Non Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the log in should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - 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.



(xxi) 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 under help section or write an email to helpdesk.evoting@cdslindia.com.

- Mr. L.N. Joshi, Practicing Company Secretary (Membership No. FCS-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 48 hours from 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. 19th September, 2018 subject to receipt of the requisite number of votes in favour of the Resolutions.

Place: Indore
Date : 13.08.2018

**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)**

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3: Appointment of Mr. Surjit Singh Kohli (DIN: 00701320) as an Independent Director of the Company.

Mr. Surjit Singh Kohli, was appointed as an Additional Director of the Company at the meeting of the Board of Directors held on 16th July, 2018 in accordance with the provisions of Section 161 of the Companies Act, 2013 ("the Act"). He holds office as a Director up to the date of the forthcoming Annual General Meeting.

The Company has received notice in writing under the provisions of Section 160 of the Act, from the member along with the fee of Rupees One Lacs proposing the candidature of Mr. Surjit Singh Kohli for the office of Independent Director to be appointed, as such under the provisions of Section 149 of the Act to hold office for a term of five years up to 15th July, 2023.

The Board of Directors is of the view that your Company would be greatly benefited from the rich and varied experience of Mr. Surjit Singh Kohli and accordingly recommends the Ordinary Resolution set forth in Item No. 3 of the Notice for approval of the Members.

In the opinion of the Board, Mr. Surjit Singh Kohli fulfills the conditions specified in the Act and rules made there under the SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015 and he is independent of the management.

The brief profile of the director who is proposed to be appointed as independent director is annexed herewith separately with this notice.

Keeping in view of the experience and expertise of Mr. Surjit Singh Kohli the Board of Directors considers it desirable that the Company should avail his services and accordingly recommends the resolution as set out in Item no. 3 for approval of the members.

Mr. Surjit Singh Kohli, being appointee is considered as interested in the resolution, except that none of the directors or Key Managerial Personnel (KMP) or their relatives are concerned or interested financially or otherwise in the Resolution.

Item No. 4 & 5: Re-appointment of Independent Directors of the Company

In the 27th Annual General Meeting held on 25.09.2014, Dr. Surendra Singh and Mrs. Jasmeet Kaur Bhatia were appointed as Independent Directors of the Company for a term of five years.

The Board, based on the performance evaluation and as per the recommendation of the Nomination and Remuneration Committee, considers that, given their background and experience and contributions made by them during their tenure, the continued association of aforesaid Independent Directors would be beneficial to the Company and it is desirable to continue to avail their services as an Independent Directors. Accordingly, they are proposed to be re-appointed as Independent Directors of the Company, not liable to retire by rotation, for second term of 5 (five) consecutive years on the Board of the Company.



The Proposed appointees are not disqualified from being appointed as a Director in terms of Section 164 of the Act and have given their consent to act as a Director. The Company has also received declaration from all appointees that they meet the criteria of independence as prescribed both under Section 149(6) of the Act and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

In the opinion of the Board, proposed appointees fulfils the conditions for appointment as an Independent Director as specified in the Act and the Listing Regulations. They are independent of the management. Copy of draft letter of appointment of all proposed appointees setting out the terms and conditions of appointment is available for inspection by the members at the registered office of the Company.

The Company has received notices in writing from Members under Section 160 of the Act, proposing the candidature of Dr. Surendra Singh and Mrs. Jasmeet Kaur Bhatia, for the office of Director of the Company.

This statement may also be regarded as an appropriate disclosure under the Act and the Listing Regulations.

The Board recommends the Special Resolution set out at Item No. 4 & 5 of the Notice for approval by the members.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution.

The brief profile of the director's who are proposed to be appointed as independent directors are given in the notice convening the Annual General Meeting in separate annexure.

Place: Indore
Date : 13.08.2018

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)**

**Annexure-I**

Pursuant to Regulation 36(3) of the SEBI (LODR) Regulations, 2015 and Secretarial Standard for General Meeting, the additional information of Directors seeking appointment/re-appointment in the ensuing Annual General Meeting is as follows:

Name of Director/Appointee	Mr. Gurdeep Bhatia	Mr. Surjit Singh Kohli	Dr. Surendra Singh	Mrs. Jasmeet Kaur Bhatia
DIN	00401929	00701320	00645965	06949992
Date of Birth	13/05/1949	20/07/1960	01/02/1940	21/10/1972
Date of Appointment	10/11/1988	16/07/2018	15/04/1994	14/08/2014
Qualification	Graduate	Graduate	Post Graduate	Graduate
Expertise/Experience in specific functional areas	29 years rich experience in poultry farms & finance	25 years rich experience in poultry industry	Experienced poultry technocrat and has more than 45 years of vast experience in poultry industry.	14 years vast experience in Finance and Marketing
No. & % of Equity Shares held	83300 [2.20%]	Nil	1400 [0.04%]	Nil
List of outside Company's Directorship held	<ul style="list-style-type: none"> • Simran Hatcheries Private Limited 	<ul style="list-style-type: none"> • Sagri Foods Private Limited • SHL Agro Foods Limited • Sagri Fresh Foods Private Limited 	<ul style="list-style-type: none"> • True North AR India Private Limited 	Nil
Remuneration Paid	Nil	Nil	Nil	Nil
Chairman/Member of the Committees of the Board of Directors of the Company	Nil	Member of Audit Committee, Stakeholders' Relationship Committee and Nomination and Remuneration Committee	Member of Audit Committee, Stakeholders' Relationship Committee and Nomination and Remuneration Committee	Chairperson of Audit Committee, Stakeholders' Relationship Committee and Nomination and Remuneration Committee
Chairman/Member of the Committees of Board of Directors of other Companies in which he is director	Nil	Nil	Nil	Nil
Relationship between directors inter-se	Mr. Gurdeep Bhatia is brother of Mr. Harender Singh Bhatia (Managing Director)	No relations with any other director	No relations with any other director	No relations with any other director



BOARD'S REPORT

Dear Shareholders

Your Directors present their Report together with the audited financial statements of your company for the year ended March 31, 2018.

1. STATE OF AFFAIRS AND FINANCIAL PERFORMANCE:

1.1 FINANCIAL HIGHLIGHTS AND SUMMARY OF STANDALONE AND CONSOLIDATED FINANCIAL STATEMENTS.

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

(Rupees in Lakhs except EPS)

Particulars	Standalone Year Ended		Consolidated Year Ended	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Total Income	34128.55	41024.48	34128.55	41024.48
Total Expenditure	33595.23	40887.32	33581.68	40871.23
Profit/Loss before exceptional & extraordinary items and tax	533.32	137.16	546.87	153.25
Exceptional & extraordinary items	0.00	0.00	0.00	0.00
Profit/Loss before tax	533.32	137.16	546.87	153.25
Tax Expenses:				
Less: (a) Current Tax	180.99	29.60	185.30	35.73
Add/(Less): (b) Deferred tax assets/(Liabilities)	(12.11)	23.75	(12.92)	23.75
Add: (c) MAT Credit	29.60	5.46	29.60	5.46
Profit/Loss after tax	394.04	89.27	404.09	99.23
Less: Non Controlling Interest	0.00	0.00	1.74	1.72
Total	394.04	89.27	402.35	97.51
Other comprehensive Income (Net of Tax)	(0.45)	1.55	(0.45)	1.55
Total Comprehensive Income	393.59	90.82	401.90	99.06
Paid up Equity Share Capital	379.17	379.17	379.17	379.17
Earnings per share (₹ 10/- each)				
Basic & Diluted (in ₹)	10.39	2.35	10.61	2.57

*The Company has adopted Indian Accounting Standards (referred to as 'Ind AS') with effect from April 1, 2017 and transition date is 01 April, 2016. Hence, figures have been re-stated in accordance with Ind AS.

During the year under review, the revenue earned from main activity i.e. sale of broilers was ₹ 34097.32 lakhs as compared to ₹ 41002.94 lakhs in previous year. The revenue from sale of broilers was reduced by 16.84 per cent due to lesser supply of Parents stock by Venkateshwara Hatcheries group of companies. Further raw-material prices were reduced as compared to previous year and sales realizations were increased.

Further, during the year under review, the Company has reported net profit of ₹ 393.59 lakhs as compared to ₹ 90.82 lakhs in the previous year. The main reason for increased profit was higher realization from broilers and eggs sales as compared to previous year.

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.



1.2 CHANGE IN NATURE OF BUSINESS

During the year there was no change in business activity of the company.

1.3 SHARE CAPITAL

The paid-up Equity Share Capital of the Company as at March 31, 2018 stood at ₹ 379.17 lakhs. 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, 2018, none of the Directors of the Company holds instruments convertible into equity shares of the Company.

1.4 ADOPTION OF IND AS WITH EFFECT FROM 1ST APRIL, 2017

The Ministry of Corporate Affairs vide its notification dated 16th February, 2015 had enforced Companies (Indian Accounting Standards) Rules, 2015 w.e.f. 01st April, 2015 which provided for adoption and applicability of IND AS (Indian Accounting Standards) in a phased manner. In view of the above and pursuant to provisions of Rule 3 and sub-rule (iii) of Rule 4 of Companies (Indian Accounting Standards) Rules, 2015, the Company has adopted IND AS (Indian Accounting Standards) for the accounting period beginning on or after 1st April, 2017 in place of the existing accounting standards i.e. GAAP (Generally Accepted Accounting Policies).

2. DIVIDEND

To conserve the resources of company, the directors have not recommended any dividend for the year under review.

3. AMOUNT TRANSFERRED TO RESERVES

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

4. 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.

UNSECURED LOAN FROM DIRECTORS

The Company has received unsecured loan from Mr. Kawaljeet Singh Bhatia (Whole Time Director) amounting to ₹ 10.00 lakhs during the financial year ended 31st March, 2018 and further same was repaid.

5. 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-A**.

6. 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, 2018. Financial of the subsidiary is disclosed in the Consolidated Financial Statements, which form part of this Annual Report. A separate statement containing salient features of the Financial Statement of the Subsidiary in accordance with Section 129(3) of the Companies Act, 2013 and the rules made there under in the prescribed Form AOC-1 are annexed to this Report as **ANNEXURE-B** and hence is not repeated here for sake of brevity. The Company does not have any joint venture or associate Company. There has been no material change in the nature of the business of the subsidiary company.

In accordance with third proviso to Section 136(1) of the Companies Act, 2013, the Annual Report of your Company, containing inter alia the audited standalone and consolidated financial statements, has been placed on the website of the Company at www.simranfarms.com. Further, audited financial statements together with related information and other reports of the subsidiary company has also been placed on the website of the Company at www.simranfarms.com.

In terms of Section 136 of the Companies Act, 2013 ('the Act'), financial statement of the subsidiary company is not required to be sent to the members of the Company. The Company shall provide a copy of the annual accounts of its subsidiary company to the members of the Company on their request. The annual accounts of its subsidiary company will also be kept open for inspection at the registered office of the Company during business hours.



7. CONSOLIDATED FINANCIAL STATEMENTS

Your Directors have pleasure in attaching the Consolidated Financial Statements pursuant to the requirement of Section 129 of the Companies Act, 2013 and Regulation 33 & Regulation 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (hereinafter referred as 'Listing Regulations') read with other applicable provisions and prepared in accordance with applicable IND AS, for financial year ended March 31, 2018. The Consolidated Financial Statements form part of this Annual Report

8. NUMBER OF BOARD MEETINGS, COMMITTEE MEETINGS AND AGM

The details of the number of meetings of the Board and its Committees held during the Financial Year 2017-18 forms part of the Corporate Governance Report. Further, Annual General Meeting of the Company for Financial year 2016-17 was held on 28th September, 2017.

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

During the year under review, the Company has neither made any loans and investments to 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. Further details of investment as on 31st March, 2018 is given in notes to the financial statement.

Further, the Company has not given any loan and advances to subsidiary company. Therefore, no information is reportable under Schedule-V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

10. PARTICULARS OF CONTRACT OR ARRANGEMENT WITH RELATED PARTIES

In line with the requirements of the Companies Act, 2013 and Listing Regulations, your Company has formulated a Policy on Related Party Transactions which is also available on the Company's website at web link: http://www.simranfarms.com/pdf/policy/related_party_transaction_policy.pdf. The Policy intends to ensure that proper reporting; approval and disclosure processes are in place for all transactions between the Company and Related Parties.

All Related Party Transactions are placed before the Audit Committee for review and approval. Prior omnibus approval is obtained for Related Party Transactions on a quarterly basis for transactions which are of repetitive nature and/or entered in the Ordinary Course of Business and are at Arm's Length. All Related Party Transactions are subjected to independent review by an Audit Committee to establish compliance with the requirements of Related Party Transactions under the Companies Act, 2013 and Listing Regulations.

All Related Party Transactions entered during the year were in Ordinary Course of the Business and at Arm's Length basis. No Material Related Party Transactions, i.e. transactions exceeding 10% of the annual consolidated turnover as per the last audited financial statement, were entered during the year by your Company. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013, in Form AOC-2 is not applicable.

11. DETAILS OF 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, Mr. Gurdeep Bhatia (DIN: 00401929), Non-Executive Non-Independent Director retires by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment. The Board recommends his re-appointment for the consideration of the Members of the Company at the ensuing Annual General Meeting.

During the year under review, Mr. Brij Mohan Maheshwari (DIN:00022080) was appointed as an Additional Director (Non-Executive Independent Director) with effect from 22nd December, 2017 subject to approval of members at ensuing Annual General Meeting and office of Mr. Harbhajan Singh Khanuja (DIN: 03614872) (Non-Executive Independent Director) was vacated from the directorship of the Company on account of incurring disqualification under Section 164(2)(a) of the Companies Act, 2013 with effect from 22nd December, 2017.

Further, Mr. Brij Mohan Maheshwari (DIN: 00022080) resigned from the post of Directorship of the Company with effect from 20th April, 2018 due to his pre-occupation. Your Board places on record its deep appreciation for the valuable contribution made by him during his tenure as a Director of the Company.

Pursuant to Sections 152, 160, 161 and all other applicable provisions of the Companies Act, 2013 Mr. Surjit Singh Kohli (DIN: 00701320), who was appointed as an Additional Director as well as Independent Director with



effect from 16th July, 2018, shall hold office as per the provisions of Section 161 of the Companies Act, 2013, till the date of the ensuing Annual General Meeting. The Company has received a notice as per the provisions of Section 160(1) of the Companies Act, 2013 from a Member in writing proposing his candidature for the office of Director along with requisite deposit.

The term of office of Dr. Surendra Singh (DIN: 00645965) will expire on March 31, 2019 and term of Mrs. Jasmeet Kaur Bhatia (DIN: 06949992) as Independent Director will expire on August 13, 2019. The Board of Directors, on recommendations of the Nomination and Remuneration Committee have proposed re-appointment of Dr. Surendra Singh (DIN: 00645965) and Mrs. Jasmeet Kaur Bhatia (DIN: 06949992) as Independent Directors of the Company for a second term of 5 (Five) consecutive years on the expiry of their current term of office, for the consideration of the Members of the Company at the ensuing Annual General Meeting. The Company has received the Notices from Members in writing proposing their appointment as Independent Directors with requisite deposit.

Further, the following have been designated as the Key Managerial Personnel of the Company pursuant to Sections 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time:

1. Mr. Harender Singh Bhatia, Managing Director
2. Mr. Kawaljeet Singh Bhatia, Whole Time Director
3. Mr. Mahesh Patidar, Chief Financial officer
4. Ms. Tanu Parmar, Company Secretary and Compliance officer

Disqualifications of Directors:

During the year under review, except Mr. Harbhajan Singh Khanuja none of the director is disqualified for holding office as director as per the provisions of the Companies Act, 2013.

12. DECLARATION BY INDEPENDENT DIRECTOR

The Independent Directors have submitted the declaration of independence, as required under Section 149(7) of the Companies Act, 2013, stating that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

13. MEETING OF INDEPENDENT DIRECTORS

The Independent Directors met once during the year under review. The Meeting was conducted on 6th February, 2018 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.

14. 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/familirization_programm_training_2017-18.pdf.

15. COMMITTEES OF THE BOARD OF DIRECTORS

The Company has various committees which have been constituted 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 Mrs. Jasmeet Kaur Bhatia as Chairperson, Dr. Surendra Singh and Mr. Surjit Singh Kohli as Members. During the year under review, Mr. Harbhajan Singh Khanuja ceased from the Board of Company w.e.f 22nd December, 2017 and the committee was re-constituted on 22nd December, 2017 as Mr. Brij Mohan Maheshwari was appointed as additional as well as Independent Director and included as member of the Committee.

Further, Mr. Brij Mohan Maheshwari resigned from the Board of the Company w.e.f 20 April, 2018 and the committee was re-constituted on 16th July, 2018 as Mr. Surjit Singh Kohli was appointed as an Additional as well as Independent Director and included as member of the Committee.

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

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.

16. 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, performance evaluation of the Board, its Committees' and the Independent Directors was carried out from time to time. The manner in which the evaluation is carried out has been explained in the Corporate Governance Report.

17. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that -

- a) in the preparation of the annual accounts for the year ended March 31, 2018, 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, 2018 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.

18. 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 controls the breeding, hatching and/or processing of broilers 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.
- (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	C.Y.	P.Y.
Foreign Exchange Earnings:	NIL	NIL
Foreign Exchange Outgo:	NIL	NIL

19. 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 benchmarking 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. Also, the report of statutory auditors on the internal financial control system is part of the Audit Report.

20. CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

During the financial year ended 31st March, 2018; Provisions of Section 135 of the Companies Act, 2013 does not apply to the Company as company does not fall under any of the criteria specified under above referred section, therefore Company has not constituted Corporate Social responsibility (CSR) committee as required under the Act.

21. NOMINATION AND REMUNERATION POLICY / DISCLOSURE RELATING TO REMUNERATION OF DIRECTORS / KEY MANAGERIAL PERSONNEL

In accordance with Section 178 and other applicable provisions if any, of the Companies Act, 2013 read with the Rules issued there under and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors formulated the Nomination and Remuneration Policy of your Company on the recommendations of the Nomination and Remuneration Committee. The policy has been uploaded on the Company's website at the web link http://www.simranfarms.com/pdf/policy/nomination_renumeration.pdf.

Pursuant to Section 197(14) of the Companies Act, 2013, neither the Managing Director nor Whole-time Director of the company received any remuneration or commission from the subsidiary company.

22. PARTICULARS OF EMPLOYEES

During the year under review, none of the employee of the company is drawing more than Rs.1,02,00,000/- per annum or ₹ 8,50,000/- 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 of Managerial Personnel) Rules, 2014 as amended from time to time are not applicable, during the year under review.

The Disclosure required under Section 197(12) of the Companies Act, 2013 read with the Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended up to date, is annexed as **ANNEXURE-C** and forms an integral part of this Report.

23. REPORT ON MANAGEMENT DISCUSSION AND 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.



24. REPORT ON CORPORATE GOVERNANCE

As per Regulation 34(3) read with Schedule-V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate section on "Corporate Governance Practices" followed by the Company together with a certificate from the Auditors of the Company confirming compliance forms part of the Annual Report.

25. DISCLOSURE OF ESTABLISHMENT OF VIGIL MECHANISM /WHISTLE BLOWER POLICY

As per the requirement of Section 177(9) & (10) of the Companies Act, 2013 and Schedule-V of SEBI (LODR) Regulations, 2015, the Company has established a "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. No person has been denied access to the Audit Committee.

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.

26. 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.

27. SECRETARIAL AUDIT REPORT

In terms of Section 204 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time, the Company has appointed M/s. Ramesh Chandra Bagdi & Associates, Practicing Company Secretaries, Indore (CP No. 2871) to undertake the Secretarial Audit of the Company. The report of the Secretarial Auditor is enclosed as **(ANNEXURE-D)** and forms an integral part of this Report.

EXPLANATION FOR REMARK IN SECRETARIAL AUDIT REPORT:-

With respect to the observation of the Secretarial Auditor, the Board replies hereunder:-

As at 31st March, 2018, 100% promoter's holding was not in Demat Mode:

It has been informed to the respective shareholder to get the shares de-materialized at the earliest and same is confirmed by the shareholder.

Further, the report is self-explanatory and do not call for any further comments.

28. STATUTORY AUDITORS

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the rules framed thereunder, M/s. J.C. Baheti & Associates, were appointed as the Statutory Auditors of the Company from the conclusion of 30th Annual General Meeting held on 28th September, 2017 till the conclusion of 35th Annual General Meeting to be held in the calendar year 2022 subject to ratification of their appointment at every Annual General Meeting held thereafter.

Pursuant to the Notification issued by the Ministry of Corporate Affairs on 7th May, 2018, amending Section 139 of the Companies Act, 2013, the mandatory requirement for ratification of appointment of Auditors by the Members at every AGM has been omitted and hence your Company has not proposed ratification of appointment of M/s. J.C. Baheti & Associates, Chartered Accountants at the forthcoming AGM.

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 be reported by statutory auditors of the Company under Sub-section (12) of Section 143 of Companies Act, 2013.

29. INTERNAL AUDITOR

The Company has appointed Ms. Tanu Parmar as Internal Auditor of the Company and takes her suggestions and recommendations to improve and strengthen the internal control systems. Her scope of work includes review of operational efficiency, effectiveness of systems & processes, compliances and assessing the internal control strengths in all areas.



The Audit Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations including those relating to strengthening of the Company's risk management policies and systems.

30. 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 as amended from time to time, therefore no such records are required to be maintained.

31. 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. Declaration on adherence to the code of conduct is forming part of the Corporate Governance Report.

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.

32. 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.

33. 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.

34. 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.

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

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been set up to redress the Complaint received regarding sexual harassment. There was no case of sexual harassment reported during the year under review.

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

36. LISTING WITH STOCK EXCHANGES

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

The Company has complied with SEBI (LODR) Regulations, 2015 including payment of Annual Listing Fees up to March 31, 2019 to BSE.

37. COMPLIANCE OF SECRETARIAL STANDARD

The Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

38. BUSINESS RESPONSIBILITY REPORT

Business responsibility reporting as required by Regulation 34(2) of SEBI (LODR) Regulations, 2015 with stock exchange is not applicable to your company for the financial year ending 31st March, 2018.

**39. 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 Services (India) Limited (CDSL). In view of the numerous advantages offered by the Depository System, members are requested to avail the facility of Dematerialization of the Company's shares on either of the Depositories mentioned as aforesaid. The Company has paid the Annual Custody Fee to both the depositories for Financial Year 2018-19.

40. PREVENTION OF INSIDER TRADING

In terms of the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015, your Company has adopted a Code of Conduct for trading in securities of your Company ("the Insider Code"). The Insider Code aims at preserving and preventing misuse of unpublished price sensitive information. All Directors, Designated Employees/KMP and Connected Persons of your Company are covered under the Insider Code, which provides inter alia for periodical disclosures and obtaining pre-clearances for trading in securities of your Company.

41. MD & CFO CERTIFICATION

The Managing Director & CFO of your Company have issued necessary certificate pursuant to the provisions of Regulation 17(8) of the Listing Regulations and the same forms part of this Annual Report.

42. INSURANCE

The Company's assets are adequately insured against the loss of fire and other risk, as considered necessary by the Management from time to time.

43. 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, and 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.

**For and on behalf of the Board of Directors of
SIMRAN FARMS LIMITED**

Date : 13.08.2018
Place: Indore

Harender Singh Bhatia
Managing Director
(DIN: 00509426)

Kawaljeet Singh Bhatia
Whole Time Director
DIN: 00401827

**ANNEXURE-A****FORM NO. MGT 9****EXTRACT OF ANNUAL RETURN****As on financial year ended on 31.03.2018**

**(Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Companies
(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 Email: compliance@simranfarms.com Web address: www.simranfarms.com
6.	Whether listed company	Yes (Bombay Stock Exchange Limited)
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.: 0731-4065797, 4065799 Fax:0731-4065798 Email: ankit_4321@yahoo.com Web address: www.ankitonline.com

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	Raising of Poultry	0146	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	82.71%	2(87)(ii)



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-2017]				No. of Shares held at the end of the year [As on 31st March-2018]				%age Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	1363850	23800	1387650	36.59	1358350	19300	1377650	36.33	-0.26
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	0.00
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)	1396750	23800	1420550	37.46	1391250	19300	1410550	37.20	-0.26
(2) Foreign									
a) NRIs- Individuals	0	0	0	0	0	0	0	0	0
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)	1396750	23800	1420550	37.46	1391250	19300	1410550	37.20	-0.26
B. Public Share-holding									
(1) Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	2100	2100	0.06	0	2100	2100	0.06	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-2017]				No. of Shares held at the end of the year [As on 31st March-2018]				%age Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Non-Institutions									
a) Bodies Corp.									
i) Indian	91547	49400	140947	3.72	134179	44900	179079	4.72	1.00
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual share-holders holding nominal share capital up to ₹1 lakh	911155	591585	1502740	39.63	952149	565285	1517434	40.02	0.39
ii) Individual share-holders holding nominal share capital in excess of ₹ 1 lakh	576158	37900	614058	16.19	562175	37900	600075	15.83	-0.36
c) Others (specify)									
i) NRI & OCB	54847	50000	104847	2.77	29616	50000	79616	2.10	-0.67
ii) Clearing Member	6458	0	6458	0.17	2846	0	2846	0.07	- 0.10
Sub-total (B)(2):-	1640165	728885	2369050	62.48	1680965	698085	2379050	62.74	0.26
Total Public share-holding (B)= (B)(1) +(B)(2)	1640165	730985	2371150	62.54	1680965	700185	2381150	62.80	0.26
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	3036915	754785	3791700	100.00	3072215	719485	3791700	100.00	0.00

**B) SHAREHOLDING OF PROMOTERS-**

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 Bhatia	83300	2.20	0	83300	2.20	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	61100	1.61	0	61100	1.61	0	0
12	Simran Hatcheries Pvt. Ltd.	32900	0.87	0	32900	0.87	0	0
13	Harpal Singh Bhatia	22000	0.58	0	22000	0.58	0	0
14	Avneet Singh Bhatia	14600	0.38	0	14600	0.38	0	0
15	Sumeet Singh Bhatia	14300	0.38	0	14300	0.38	0	0
16	Mahinder Kaur Bhatia	12900	0.34	0	12900	0.34	0	0
17	Jaspal Kaur Kakkad	10000	0.26	0	0	0	0	-0.26
18	Dilraj Singh Bhatia	9600	0.25	0	9600	0.25	0	0
19	Amarjit Singh Bhatia	8100	0.21	0	8100	0.21	0	0
20	Kawaljeet Kaur Bhatia	7500	0.20	0	7500	0.20	0	0
21	Navneet Kaur Bhatia	3650	0.09	0	3650	0.09	0	0
	TOTAL	1420550	37.46	0	1410550	37.20	0	-0.26

**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	1420550	37.46	1420550	37.46
	Date wise increase/decrease in Promoter Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc)				
1)	Decrease in Shareholding of Mrs. Jaspal Kaur Kakkad on following dates: Reason: Sale				
	05.05.2017	-1100	-0.03	1419450	37.43
	14.07.2017	-1000	-0.02	1418450	37.41
	21.07.2017	-3900	-0.10	1414550	37.31
	28.07.2017	-1000	-0.03	1413550	37.28
	11.08.2017	-1474	-0.04	1412076	37.24
	18.08.2017	-1526	-0.04	1410550	37.20
	At the end of the year	1410550	37.20	1410550	37.20

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 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
1	Dr. Ramesh Chimanlal Shah	84594	2.23	01.04.2017	-	-	-	-
				28.04.2017	-1000	Sale	83594	2.20
				09.06.2017	-3240	Sale	80354	2.12
				23.06.2017	-1132	Sale	79222	2.09
				30.06.2017	-2000	Sale	77222	2.04
				07.07.2017	-2222	Sale	75000	1.98
				28.07.2017	-10000	Sale	65000	1.71
				01.09.2017	-1500	Sale	63500	1.67
				08.09.2017	-1000	Sale	62500	1.65
				22.09.2017	-1000	Sale	61500	1.62
				06.10.2017	-155	Sale	61345	1.62
				03.11.2017	-1350	Sale	59995	1.58
				08.12.2017	-4995	Sale	55000	1.45
				15.12.2017	-1000	Sale	54000	1.42



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
				05.01.2018 12.01.2018 19.01.2018 02.03.2018 23.03.2018	-1000 -30 -1 -1969 -840	Sale Sale Sale Sale Sale	53000 52970 52969 51000 50160	1.40 1.40 1.40 1.35 1.32
	At the end of the year 31.03.2018	50160	1.32	-	-	-	50160	1.32
2	Sonia Gulati	51538	1.36	01.04.2017	-	-	-	-
				07.04.2017 02.02.2018 09.02.2018	-1378 -168 -8100	Sale Sale Sale	50160 49992 41892	1.32 1.32 1.10
		41892	1.10	-	-	-	41892	1.10
3	Hemantkumar Satishbhai Patel	42000	1.11	01.04.2017	No Change	-	-	-
	At the end of the year 31.03.2018	42000	1.11	-	-	-	42000	1.11
4	Kasila Farms P. Ltd.	40000	1.05	01.04.2017	No Change	-	-	-
	At the end of the year 31.03.2018	40000	1.05	-	-	-	40000	1.05
5	Varsha Chugh	37287	0.98	01.04.2017	-	-	-	-
				30.06.2017 14.07.2017 15.12.2017	17120 -21000 9276	Purchase Sale Purchase	54407 33407 42683	1.43 0.88 1.13
		42683	1.13	-	-	-	42683	1.13
6	Hemantkumar Satishbhai Patel (HUF)	28000	0.74	01.04.2017	-	-	-	-
				14.04.2017 21.04.2017 14.07.2017 21.07.2018	2000 2668 -2668 2668	Purchase Purchase Sale Purchase	30000 32668 30000 32668	0.79 0.86 0.79 0.86
		32668	0.86	03.11.2017	(REMOVED FROM TOP 10 W.E.F 03.11.2017)			
				15.12.2017	(JOINED TOP 10 W.E.F 15.12.2017)		32668	0.86
		32668	0.86	-	-	-	32668	0.86
	At the end of the year 31.03.2018	32668	0.86	-	-	-	32668	0.86



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
7	Vinod Ramnivas Garg	-	-	01.04.2017	-	-	-	-
		0	0.00	14.07.2017	35388	Purchase	35388	0.93
					(JOINED TOP 10 W.E.F 14.07.2017)			
	At the end of the year 31.03.2018	35388	0.93	-	-	-	35388	0.93
8	Siddhartha Bhaiya	-	-	01.04.2017	-	-	-	-
		73881	1.95	19.05.2017	(JOINED TOP 10 W.E.F 19.05.2017)		73881	1.95
				05.01.2018	-6100	Sale	67781	1.79
				12.01.2018	-2631	Sale	65150	1.72
				09.03.2018	-5000	Sale	60150	1.59
	At the end of the year 31.03.2018	60150	1.59	-	-	-	60150	1.59
9	Aequitas Investment Consultancy Pvt. Ltd.	-	-	01.04.2017	-	-	-	-
		20000	0.52	26.05.2017	5570	Purchase	25570	0.67
					(JOINED TOP 10 W.E.F 26.05.2017)			
				02.06.2017	9896	Purchase	35466	0.94
				16.06.2017	8411	Purchase	43877	1.16
				25.08.2017	5208	Purchase	49085	1.29
				01.09.2017	1747	Purchase	50832	1.34
				15.09.2017	4783	Purchase	55615	1.47
	At the end of the year 31.03.2018	55615	1.47	-	-	-	55615	1.47
10	Mrinalini A. Marathe	-	-	01.04.2017	-	-	-	-
		26747	0.70	18.08.2017	1750	Purchase	28497	0.75
					(JOINED TOP 10 W.E.F 18.08.2017)			
				25.08.2017	2625	Purchase	31122	0.82
				01.09.2017	2125	Purchase	33247	0.88
				08.09.2017	500	Purchase	33747	0.89
				15.09.2017	500	Purchase	34247	0.90
				30.09.2017	1250	Purchase	35497	0.94
	At the end of the year 31.03.2018	35497	0.94	-	-	-	35497	0.94

Note: The above information is based on the weekly beneficiary position received from Depositories. As it is not feasible to provide daily changes in shareholding, consolidated changes on weekly basis during the Financial year 2017-18 has been provided.

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	Harender Singh Bhatia (Managing Director)				
	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	0.00	61100	1.61
	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	Kawaljeet Singh Bhatia (Whole Time Director)				
	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	0.00	84400	2.23
	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	Gurdeep Bhatia (Director)				
	At the beginning of the year	83300	2.20	83300	2.20
	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	0.00	83300	2.20
	At the End of the year	83300	2.20	83300	2.20



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	Surendra Singh (Independent Director)				
	At the beginning of the year	1400	0.04	1400	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).	-	-	-	-
	08.09.2017 (Reason: Purchase)	43	0.00	1443	0.04
	30.09.2017 (Reason: Purchase)	50	0.00	1493	0.04
	10.11.2017 (Reason: Sale)	-93	0.00	1400	0.04
	At the end of the year	1400	0.04	1400	0.04

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	Jasmeet Kaur Bhatia (Independent Director)				
	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	0.00	0	0.00
	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
06	*Brij Mohan Maheshwari (Additional as well as an Independent Director)				
	At the beginning of the year	600	0.01	600	0.01
	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	0.00	600	0.01
	At the End of the year	600	0.01	600	0.01

* Mr. Brij Mohan Maheshwari was appointed as an Additional Director as well as Independent Director with effect from 22.12.2017 and ceased from directorship due to preoccupation with effect from 20.04.2018.



Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
07	Maresh Patidar (Chief Financial Officer)	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	10	0.00	10	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	0.00	10	0.00
	At the End of the year	10	0.00	10	0.00

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
08	Tanu Parmar (Company Secretary)	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	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	0.00	0	0.00
	At the End of the year	0	0.00	0	0.00

V) INDEBTEDNESS

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

(Amount in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	3517.72	345.30	-	3863.02
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	3517.72	345.30	-	3863.02
Change in Indebtedness during the financial year				
* Addition	14.15	-	-	14.15
* Reduction	(276.29)	(148.95)	-	(425.24)
Net Change	(262.14)	(148.95)	-	(411.09)
Indebtedness at the end of the financial year				
i) Principal Amount	3255.58	196.35	-	3451.93
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	3255.58	196.35	-	3451.93

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

(₹ in Lakhs)

Sr. No.	Particulars of Remuneration	Name of MD/WTM/ Manager		Total Amount
		Mr. Harender Singh Bhatia (Managing Director)	Mr. Kawaljeet Singh Bhatia (Whole Time Director)	
1	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	30.00	27.00	57.00
	(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	-	-	-
	- Others, specify			
5	Others, Allowances	-	-	-
	Total (A)	30.00	27.00	57.00
6	Overall Ceiling as per the Act	Remuneration paid within the ceiling limit as prescribed in Companies Act, 2013		

(B) Remuneration to other directors

Sr. No.	Particulars of Remuneration	Name of Directors					Total Amount
		*Mr. Harbhajan Singh Khanuja (ID)	Dr. Surendra Singh (ID)	Mrs. Jasmeet Kaur Bhatia (ID)	Mr. Gurdeep Bhatia (NED)	**Mr. Brij Mohan Maheshwari (ID)	
1	Independent Directors * Fee for attending board/ committee meetings * Commission * Others, please specify Total (1)	During the year under review, no remuneration/sitting fees/commission is paid to the Independent directors & other non-executive directors.					
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						

*The office of Mr. Harbhajan Singh Khanuja was vacated from directorship with effect from 22.12.2017 on account of incurring disqualification under Section 164(2)(a) of the Companies Act, 2013

** Mr. Brij Mohan Maheshwari was appointed as an Additional Director as well as Independent Director with effect from 22.12.2017. Further, Mr. Brij Mohan Maheshwari has resigned from the directorship of the Company with effect from 20.04.2018 on account of preoccupation.

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

(₹ in Lakhs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Mr. Mahesh Patidar (CFO)	Ms. Tanu Parmar (CS)	
1	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	7.19	2.64	9.83
	(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	Sweat Equity	-	-	-
4	Commission - as % of profit	-	-	-
5	Others, please specify	-	-	-
	Total	7.19	2.64	9.83

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES : Nil**ANNEXURE B (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 (Information in respect of each subsidiary to be presented with amounts in Lakhs)

Sr.No.	Particulars	Details (Amounts in Lakhs)
1	Name of the subsidiary	Puregene Biotech Limited
2	The date since when subsidiary was acquired	13.07.2002
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	(01.04.2017 to 31.03.2018)
4	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 NA (There is no foreign subsidiary)
5	Share capital	144.67
6	Other Equity	59.77
7	Total assets	233.35
8	Total Liabilities	28.91
9	Investments	0.00
10	Revenue from operations	54.00
11	Profit(loss) before taxation	13.56
12	Provision for taxation	3.51
13	Profit after taxation	10.05
14	Other Comprehensive Income	0.00
15	Total Comprehensive Income	10.05
16	Proposed Dividend	0.00
17	Extent of shareholding (in percentage)	82.71

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, J. C. BAHETI & ASSOCIATES
Chartered Accountants
FRN: 003390C

CA J.C. BAHETI
PROPRIETOR
(M.No. 072585)
Place : Indore
Date : 13th August, 2018

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-C**

[Statement pursuant to Section 197(12) of the Companies Act, 2013 read with 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
		2017-18
1	Harender Singh Bhatia	26.66 : 1
2	Kawaljeet Singh Bhatia	23.99 : 1

- (II) The percentage increase in the remuneration of each Director, CFO & Company Secretary in the financial year 2017-18 is as follows:

Sr.No.	Name of Person	Designation	%age Increase in Remuneration
1	Harender Singh Bhatia	Managing Director	Not increased
2	Kawaljeet Singh Bhatia	Whole-time Director	1.89
3	Mahesh Patidar	CFO	14.86
4	Tanu Parmar	Company Secretary	18.39

Details of percentage increase in remuneration in case of Non executive directors and Non Executive Independent directors is not given, as no remuneration/sitting fee/commission is paid to them.

- (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	
106600	112551	5.58

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

Particulars	As on 31st March 2018
Number of permanent employees on the rolls of the company	502

- (V) 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

Average percentile increase in the salaries of employees other than the managerial personnel in the last financial year is 9.03% and the percentage increase in remuneration of managerial personnel is 2.81%. Percentile increase in the managerial remuneration is considerably in line with the increase in remuneration of employees other than managerial personnel as remuneration increase is dependent on the Company's performance as a whole, individual performance level, duties and responsibilities and also market benchmarks.

- (VI) Affirmation that the remuneration is as per the remuneration policy of the Company:

The Board affirms that the remuneration is as per remuneration policy of the Company.

- (VII) Statement showing name of top ten employees in terms of remuneration drawn (as per sub rule 3 of Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time:



Serial No.	1	2	3
Name	Mr. Harender Singh Bhatia	Mr. Sanjay Chaudhary	Mr. Kawaljeet Singh Bhatia
Designation	MD	General Manager	WTD
Remuneration received	₹ 30,00,000/-	₹ 27,64,996/-	₹ 27,00,000/-
Nature of Employment, whether contractual or otherwise	Permanent & Salaried	Permanent & Salaried	Permanent & Salaried
Qualification	B.Sc. & Masters in Arts	M.V.Sc. (Nutrition)	B.Sc. and Masters in International Business
Experience	37 years rich experience in Poultry Industry	29 years in poultry field	22 years of vast experience in poultry business
Age	65 years	52 years	45 years
Date of Commencement of Employment	26.10.1984	01.04.2010	01.04.2002
Last employment held by the employee before joining the company	1st employment	General Manager in C&M Farming Pvt. Ltd.	1st employment
%age of equity shares as per Rules 5(2)(iii) of Companies (App. & Remuneration of Managerial Personnel) Rules, 2014	Not Applicable	Not Applicable	Not Applicable
whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager:	Brother of Mr. Gurdeep Bhatia Non-Executive & Non-Independent Director of the Company	None	Brother's son of Mr. H.S. Bhatia (M.D.) & Mr. Gurdeep Bhatia (Non-Executive & Non-Independent Director)

Serial No.	4	5	6
Name	Mr. Gurmeet Singh Bhatia	Mr. Amarjeet Singh Bhatia	Mr. Datta Sampat Padol
Designation	Vice President (Marketing)	Vice President (Production)	Deputy General Manager
Remuneration received	₹ 27,00,000/-	₹ 24,00,000/-	₹ 16,95,193/-
Nature of Employment, whether contractual or otherwise	Permanent & Salaried	Permanent & Salaried	Permanent & Salaried
Qualification	B.Com.	Graduation	B.V.Sc & A.H.
Experience	20 years in poultry business	30 years rich experience in operation of poultry hatcheries	17 years in poultry business
Age	42 years	71 years	39 years
Date of Commencement of Employment	01.04.2007	01.04.2007	18.07.2012
Last employment held by the employee before joining the company	Singh Hatcheries (HUF of his father)	Singh Hatcheries Pvt. Ltd.	Manager in CP India Pvt. Ltd.
%age of equity shares as per Rules 5(2)(iii) of Companies (App. & Remuneration of Managerial Personnel) Rules, 2014	Not Applicable	Not Applicable	Not Applicable
whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager:	Son of Mr. Gurdeep Bhatia, Non-executive & Non-independent Director of the Company	Father of Mr. Kawaljeet Singh Bhatia, Whole-time Director of the Company	None



Serial No.	7	8
Name	Mr. Sajan Patel	Mr. Avneet Singh Bhatia
Designation	Deputy General Manager	Vice President (Operations)
Remuneration received	₹ 16,02,443/-	₹ 15,00,000/-
Nature of Employment, whether contractual or otherwise	Permanent & Salaried	Permanent & Salaried
Qualification	B.V.Sc. & A.H.	Post Graduate & Certificate in Business Management
Experience	19 years in poultry production	9 years in Poultry Business
Age	46 years	33 years
Date of Commencement of Employment	01.04.2010	01.04.2009
Last employment held by the employee before joining the company	Zonal Sales Manager in Simran Hatcheries	1st Employment
%age of equity shares as per Rules 5(2)(iii) of Companies (App.& Remuneration of Managerial Personnel) Rules,2014	Not Applicable	Not Applicable
whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager:	None	Son of Mr. Harender Singh Bhatia, Chairman & Managing Director of the Company

Serial No.	9	10
Name	Mr. Munikant Rawat	Mr. Prakash Pillay
Designation	Chief Production Manager	Zonal Sales Manager
Remuneration received	₹ 13,42,139/-	₹ 11,02,070/-
Nature of Employment, whether contractual or otherwise	Permanent & Salaried	Permanent & Salaried
Qualification	Post Graduate	M.Com.
Experience	39 years in Hatchery Management	25 years in poultry production
Age	61 years	60 years
Date of Commencement of Employment	01.04.2013	01.04.2010
Last employment held by the employee before joining the company	Hatchery Manager in Venkateshwara Hatcheries Pvt. Ltd.	Zonal Sales Manager in Singh Hatcheries
%age of equity shares as per Rules 5(2)(iii) of Companies (App.& Remuneration of Managerial Personnel) Rules,2014	Not Applicable	Not Applicable
whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager:	None	None



ANNEXURE - D SECRETARIAL AUDIT REPORT

Form No. MR-3

For the financial year ended on 31st March, 2018

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial 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 **1st April 2017 to 31st March, 2018**, 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 31st March, 2018, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (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 to the extent of Foreign Direct Investments, Overseas Direct Investments and External Commercial borrowings; **(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, 2015;
 - (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 (Share Based Employee Benefits) Regulations, 2014; **(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);

- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015, as amended from time to time.
- (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. There is no specific law applicable to the Company. However the following laws, regulations, directions, orders applicable specifically to the Company:
 - a) Environment Protection Act, 1986 and other environmental laws
 - b) The Madhya Pradesh Shops & Establishments Act, 1958

I have also examined compliance with the applicable clauses of Secretarial Standards on Meeting of Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) issued by The Institute of Company Secretaries of India.

I further report that I have not reviewed the applicable financial laws (direct and indirect tax laws), Accounting Standards, since the same have been subject to review and audit by the Statutory Auditors of the Company.

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

As at 31st March, 2018, 100% promoter's holding was not in Demat Mode.

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.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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 year under review, the company has not undertaken event/action having a major bearing in the company's affair in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred above.

For Ramesh Chandra Bagdi & Associates
Company Secretaries

Ramesh Chandra Bagdi
Proprietor
FCS: 8276. C P No 2871

Place: Indore
 Dated: 13th August, 2018

Note: This report is to be read with our letter of even date which is annexed as Annexure herewith and forms an 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
FCS: 8276. C P No 2871

Place: Indore
Dated: 13th August, 2018



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

(a) Economic Scenario

As per the Economic Survey 2017-18, the Indian economy has been projected to grow between 7-7.5 per cent during financial year 2018-19, which will mark an improvement from 6.7 per cent in 2017-18. However, the moot point is that economic growth in 2017-18 saw disruptions due to demonetization and implementation of the GST. It was also noted that higher global oil prices and the potential negative impact of the banking sector frauds on credit and overall growth are some of the factors that pose downside risk to its baseline GDP estimate. In many ways, 2017-18 was a defining year for the Indian economy and India completely reset its indirect tax system to a comprehensive GST.

(b) Industry structure and developments

The healthy growth registered by the poultry industry in the past decade has made India one of the fastest growing poultry market. Globally too, the country has emerged as one of the fastest growing poultry producer over the last decade and is currently the fourth largest in volume terms. With domestic per capita consumption still one of the lowest in the world, the industry has the potential to grow further.

The poultry farming (raising domesticated birds for meat and/or egg) is an important component of the agricultural sector worldwide. The poultry industry is divided into three main segments including breeding, production and processing. The domestic poultry industry comprising chiefly of broiler meat and eggs is expected to grow at a steady pace in F.Y. 2018-19 and it is expected that it continuous to register remunerative growth driven by positive trend in economy.

(c) Opportunities and Threats

Every business and industry is equipped with some opportunities as well as threats. The poultry business also faces number of threats such as infectious diseases; specially emerging and re-emerging diseases, outbreak of communicable diseases such as avian influenza (bird flu) and other epidemics not only harms the existing flock but also holds back the further development. Further, scientific innovation/upgradation have lead to the development of genetically superior breeds capable of higher production even under adverse climatic conditions, strong income growth and urbanization, increased consumer preference for freshly cut broiler, etc are some of the opportunities in the poultry sector.

(d) Segment-wise or product-wise performance

The Company performs in one segment only i.e. poultry and poultry farming. Company also deals in one product only i.e. broilers. Hence no information is reportable under this head.

(e) Industry Outlook

It is expected that domestic broiler meat demand will continue to grow at the rate of 7-8 per cent (in volume terms) and egg demand will grow at 5-6 per cent in current fiscal 2018-19. The broiler volume growth is expected to remain at 7-8 per cent backed by factors like low per capita consumption currently at Rs. 4 kg per annum, preference for broiler meat, disposable income, changing food habits, increasing health awareness and poultry being one of the cheapest sources of protein. However, industry's transition from a predominantly live bird/wet market to a chilled/frozen market would be crucial for increasing value addition as well as to increase presence in international trade where India currently has negligible presence.

Considering the overall scenario, the industry expects good year ahead with promising market and growth in demand.

(f) Risks and concerns

The risks and concerns which may arise in this business are bad weather, unfavorable government policies, sudden fluctuation in raw material prices such as increase in the prices of soya bean and maize, shortage of human resources, lack of expertise knowledge and the arrival of a competitor (a commercial farm that is engaged in the rearing of chickens and other birds) within same location. Further, lack of adequate cold-chain at key locations, lack of retail infrastructure and highly volatile behavior of feed ingredient prices are also some of the concerns of the poultry industry. However, there is hardly anything we can do as regards to this risks and challenges other than to be optimistic that things will continue to work for good.



(g) Internal control systems and their adequacy

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 Company has a proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and that transaction are authorized, recorded and reported correctly. The Company also has internal control systems which commensurate with the size and nature of the business. The Company takes abundant care in designing, reviewing and monitoring regularly the working of internal control systems and internal control compliances for all important financial internal control processes.

The Company maintains a system of internal controls designed to provide a high degree of assurance regarding the effectiveness and efficiency of operations, the reliability of financial controls and compliance with laws and regulations.

(h) Discussion on financial performance with respect to operational performance

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

(i) Material developments in Human Resources/Industrial Relations front, including number of people employed

The Company takes pride in the commitment, competence and dedication shown by its employees in all areas of business. The Company considers Human Resource as its one of the most valuable resource. The focus is on developing a performance culture with high standards of efficiency and innovation. The Company is committed to nurturing, enhancing and retaining best talent through proper training & organizational development. The Company continues to have cordial relations with its employees and provide personnel development opportunities for all round exposure to them. As on 31st March, 2018 the Company has 502 employees.

(j) Disclosure on accounting treatment

The Company has adopted Indian Accounting Standard (Ind AS) with effect from 1st April, 2017 in place of Generally Accepted Accounting Principles (GAAP) and accordingly the financial statements for the year ended 31st March, 2018 have been prepared in accordance with Ind AS prescribed under section 133 of the Companies Act, 2013.

(k) Cautionary Statement

Some of the Statements in Management discussion and Analysis Report 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

Pursuant to Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["**Listing Regulations**"], the Directors present a report on Corporate Governance practices mentioned in the said Regulations for the year ended 31st March 2018 and as followed by the Company:

I. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company recognizes the importance of good Corporate Governance which is a tool for building a strong and everlasting beneficial relationship with the customers, suppliers, bankers and more importantly with the investors. The Company believes that its key decisions must serve the underlying goals of enhancing shareholder's value over a sustained period of time and achieving the definite and measurable performance targets. For this purpose, the Company continues to focus on 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 governance framework is based on various principles such as appropriate composition and size of the Board wherein each member brings expertise in his respective field, timely disclosure of material operational and financial information to the stakeholders, proper business conduct by the Board, Senior Management and Employees in order to maintain value of transparency, customer satisfaction, integrity, professionalism and accountability. The Company continuously endeavors to create and adhere to ethical business practices, integrity and regulatory compliances. The Company's philosophy on corporate governance is guided by the company's philosophy of knowledge, action and care. The provision of regulations relating to corporate governance are not mandatory to the Company. However, the Company has complied with all the requirements of listing regulation and listed below is the status with regard to same.

II. 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"). As on March 31, 2018 the Company had 6 (six) directors as given in the table below. The composition of the Board is in conformity with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 149 of the Companies Act, 2013.
- (ii) Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Companies Act, 2013. The maximum tenure of independent directors is in compliance with the Companies Act, 2013. All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Companies Act, 2013.
- (iii) The Board of your Company comprises of 6 (Six) Directors as on 31st March, 2018. The names and categories of Directors, the number of Directorships and Committee positions held by them in the companies are given below. None of the Director is a Director in more than 10 public limited companies (as specified in section 165 of the Act) or acts as an Independent Director in more than 7 listed companies or 3 listed companies in case he/she serves as a Whole-time Director in any listed company (as specified in Regulation 25 of the Listing Regulations). Further, none of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees (as specified in Regulation 26 of the Listing Regulations), across all the Indian public limited companies in which he/she is a Director. The Board does not have any nominee director representing any institution.

A) Composition and Categories of Directors

Name of the Directors	Category	No. of directorship (including this Company)		No. of Committee Chairmanship/Membership (including this Company)	
		Chairman	Member	Chairman	Member
Mr. Harender Singh Bhatia (DIN:00509426)	Promoter & MD	1	2	Nil	Nil
Mr. Kawaljeet Singh Bhatia (DIN:00401827)	Promoter & WTD	Nil	2	Nil	Nil
Mr. Gurdeep Bhatia (DIN:00401929)	Promoter & NED	Nil	1	Nil	Nil
*Mr. Harbhajan Singh Khanuja (DIN:03614872)	ID, NED	Nil	1	Nil	2
Dr. Surendra Singh (DIN:00645965)	ID, NED	Nil	1	Nil	2
Mrs Jasmeet Kaur Bhatia (DIN:06949992)	ID, NED	Nil	1	2	2
**Mr. Brij Mohan Maheshwari (DIN: 00022080)	ID, NED	Nil	2	Nil	2



**The office of Mr. Harbhajan Singh Khanuja was vacated from the Directorship of the Company with effect from 22.12.2017*

*** Mr. Brij Mohan Maheshwari was appointed as an Additional Director as well as Independent Director with effect from 22.12.2017*

Further, Mr. Brij Mohan Maheshwari has resigned from the directorship of the Company with effect from 20.04.2018 on account of preoccupation.

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

- Directorship excludes Private Limited Companies, foreign Companies and Companies Registered under section 8 of the Companies Act, 2013.
- Committee considered as Audit Committee and Stakeholders Relationship Committee, including that of your Company. Committee membership(s) and Chairmanship(s) are counted separately.

B) Meeting of the Board

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 2017-18, 6 (Six) Board Meetings were held and the gap between two meetings did not exceed 120 days. The Board met once in every calendar quarter. The dates on which the said Meetings were held are as follows:

29.05.2017	16.08.2017	13.09.2017
14.11.2017	22.12.2017	06.02.2018

Name of Director	Category	Meeting held during the tenure of the Director	Meeting attended	Attendance at the last AGM held on 28.09.2017
Mr. Harender Singh Bhatia (DIN:00509426)	Promoter & Managing Director	6	6	Yes
Mr. Kawaljeet Singh Bhatia (DIN:00401827)	Promoter & Whole Time Director	6	6	Yes
Mr. Gurdeep Bhatia (DIN:00401929)	Promoter & Non Executive Director	6	5	Yes
*Mr. Harbhajan Singh Khanuja (DIN:03614872)	Independent/Non Executive Director	5	5	Yes
Dr. Surendra Singh (DIN:00645965)	Independent/Non Executive Director	6	4	Yes
Mrs Jasmeet Kaur Bhatia (DIN:06949992)	Independent/Non Executive Director	6	4	No
**Mr. Brij Mohan Maheshwari (DIN: 00022080)	Independent/Non Executive Director	1	1	NA

**The office of Mr. Harbhajan Singh Khanuja was vacated from the Directorship of the Company with effect from 22.12.2017*

*** Mr. Brij Mohan Maheshwari was appointed as an Additional Director as well as Independent Director with effect from 22.12.2017*

Further Mr. Brij Mohan Maheshwari has resigned from the directorship of the Company with effect from 20.04.2018 on account of preoccupation.

None of the Independent Directors have any material pecuniary relationship or transactions with the Company.

C) Board Procedure:

A detailed Agenda, setting out the business to be transacted at the meeting(s), supported by detailed notes is sent to each Director at least seven days before the date of the Board Meeting(s) and of the Committee Meeting(s).

The Board also, inter alia, periodically reviews strategy and business plans, annual operating and capital expenditure budget(s), investment and exposure limit(s), compliance report(s) of all laws applicable to your Company, as well as steps taken by your Company to rectify instances of non compliances, review of major legal issues, minutes of the Committees of the Board, approval of quarterly/half-yearly/annual results, transactions pertaining to purchase/disposal of property(ies), major accounting provisions and write-offs, material default in financial obligations, if any and information on recruitment of Senior Officers just below the Board level etc.

The Board sets annual performance objectives, oversees the actions and results of the management, evaluates its own performance, performance of its Committees and individual Directors on an annual basis and monitors the effectiveness of the Company's governance practices for enhancing the stakeholders' value.

Apart from Board members and the Company Secretary, the Board and Committee Meetings are generally also attended by the Chief Financial Officer and wherever required the Heads of various corporate functions.

D) Inter-se Relationship among directors:

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

E) Equity shareholding of Non-Executive Director:

The Number of equity shares held by Non-Executive Directors as on 31.03.2018 was as under:

S.No.	Name of Director	No. of shares
1	Mr. Gurdeep Bhatia (DIN:00401929)	83300
2	Dr. Surendra Singh (DIN:00645965)	1400
3	Mrs Jasmeet Kaur Bhatia (DIN:06949992)	Nil
4	Mr. Brij Mohan Maheshwari (DIN: 00022080)	600

F) The details of Familiarization Programmes imparted to Independent Directors:

Your Company has in place Familiarization Programs for Independent Directors of the Company to provide insights into the Company's Business to enable them contribute significantly to its success. The Senior Management makes presentations periodically to familiarize the Independent Directors with the strategy operations and functions of the Company. The details of the familiarization program of the independent directors are available on the website of the Company at the web link:

http://www.simranfarms.com/pdf/policy/familirization_programm_training_2017-18.pdf

G) Independent Directors Meeting

Pursuant to the Regulation 25(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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 6th February, 2018 to consider the following business as required under Regulation 25(4) of Listing Regulations and the Companies Act, 2013:-

- Review the performance of Non-Independent Directors and the Board of Directors as a whole;
- Review the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors and;
- Assess the quality, quantity and timelines of flow of information between the company's management and the Board of Directors that is necessary for the Board to effectively and reasonably perform their duties.

Attendance of Independent Directors meeting:

Directors	Meetings held during the Year	Meetings Attended
Mrs. Jasmeet Kaur Bhatia (DIN: 06949992)	1	1
Dr. Surendra Singh (DIN: 00645965)	1	1
Mr. Brij Mohan Maheshwari (DIN: 00022080)	1	1



III. AUDIT COMMITTEE

Pursuant to the Companies Act, 2013 and Listing Regulations, the Company has an independent Audit Committee. The Composition, procedure, Meeting of audit committee, role/function of the committee complies with the requirements of the Companies Act, 2013 as well as those of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 given below.

A. Meetings of Audit Committee:

During the year under review, the committee met on 5 (five) occasions during the year on following dates namely:

29.05.2017	16.08.2017	13.09.2017	14.11.2017	06.02.2018
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B) Composition and Attendance of Members at the meeting of Committee held during 2017-18:

The composition of the Audit Committee as on 31.03.2018 and attendance record of the members at the meetings held during the year is as under:

Name of the Member	Category	Designation	No. of meetings held during the tenure of directors	
			Held	Attended
Mr. Harbhajan Singh Khanuja (DIN:03614872)	Non-Executive Independent Director	Member	4	4
Mrs. Jasmeet Kaur Bhatia (DIN:06949992)	Non-Executive Independent Director	Chairperson	5	3
Dr. Surendra Singh (DIN:00645965)	Non-Executive Independent Director	Member	5	3
Mr. Brij Mohan Maheshwari (DIN: 00022080)	Non-executive Independent director	Member	1	1

The office of Mr. Harbhajan Singh Khanuja was vacated from the Directorship of the Company with effect from 22nd December, 2017, accordingly he also ceased from membership of the Committee from above said date. Board of Directors in their Board meeting held on 22nd December, 2017 appointed Mr. Brij Mohan Maheshwari as additional as well as Independent Director and member of Committee. Accordingly, **Audit Committee** was re-constituted comprising of Mrs. Jasmeet Kaur Bhatia, Dr. Surendra Singh and Mr. Brij Mohan Maheshwari Non Executive Independent Directors.

Further, Mr. Brij Mohan Maheshwari resigned from the post of Directorship w.e.f. 20th April, 2018 and the committee was re-constituted on 16th July, 2018 as Mr. Surjit Singh Kohli was appointed as an additional as well as Independent Director and included as member of the Committee. As on the date of this report. Committee comprises of Mrs. Jasmeet Kaur Bhatia, Dr. Surendra Singh and Mr. Surjit Singh Kohli.

All the members of the committee, including Chairperson are independent director. All the members of the committee are financial literate and possess accounting and related financial management expertise.

The Chairman of the Audit Committee, Mr. Harbhajan Singh Khanuja was present at the last Annual General Meeting of the Company held on 28th September, 2017 to answer shareholders' queries.

The Audit Committee reviews all applicable mandatory information under Part C of Schedule II pursuant to Regulation 18 of SEBI (LODR) Regulations, 2015. The brief terms of reference of the Audit Committee includes the following:-

- Oversight the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation of the appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing with management, the annual financial statement and auditor's report thereon 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, if any;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions
 - g. Modified opinion in the draft audit report
- Reviewing with the management the quarterly financial statements before submission to the board for approval;
 - 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 look into the reasons for substantial defaults in the payment to the depositories, debenture holders, shareholders (in case of non-payment of declared dividend) and creditors;
 - To review the functioning of the Whistle Blower mechanism;
 - Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
 - Carrying out any other function as is mentioned in the terms of reference of the audit committee.

D) The Audit Committee mandatorily reviews the following information:

- (1) Management Discussion and Analysis of financial condition and results of operations;
- (2) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- (3) Management letters/letters of internal control weaknesses issued by the statutory auditors;
- (4) Internal audit reports relating to internal control weaknesses; and
- (5) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.

IV. NOMINATION AND REMUNERATION COMMITTEE:

Pursuant to Regulation 19 of Listing Regulation and Section 178 of the Companies Act, 2013, the Board has constituted Nomination and Remuneration Committee. All the members of the committee, including committee Chairperson are independent director. The constitution and terms of reference are in compliance with the provisions of Companies Act, 2013 and the Listing Regulations.

A. Meetings of Nomination and Remuneration Committee:

During the year, the committee met on 2 (two) occasions during the year on following dates namely:

16.08.2017	22.12.2017
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B) Composition and Attendance of Members at the meeting of Committee held during 2017-18:

The Composition of Committee as on 31.03.2018 and attendance record of the members at the meetings held during the year was as under:



Name of the Member	Category	Designation	No. of meetings held during the tenure of directors	
			Held	Attended
Mr. Harbhajan Singh Khanuja (DIN:03614872)	Non-Executive Independent Director	Member	2	2
Dr. Surendra Singh (DIN:00645965)	Non-Executive Independent Director	Member	2	2
Mrs. Jasmeet Kaur Bhatia (DIN:06949992)	Non-Executive Independent Director	Chairperson	2	1
Mr. Brij Mohan Maheshwari (DIN: 00022080)	Non-executive Independent director	Member	NA	NA

The office of Mr. Harbhajan Singh Khanuja was vacated from the Directorship of the Company with effect from 22nd December, 2017, accordingly he also ceased from membership of the Committee from above said date. Board of Directors in their Board meeting held on 22nd December, 2017 appointed Mr. Brij Mohan Maheshwari as additional as well as Independent Director and member of Committee. Accordingly, **Nomination and Remuneration Committee** was re-constituted comprising of Mrs. Jasmeet Kaur Bhatia, Dr. Surendra Singh and Mr. Brij Mohan Maheshwari Non Executive Independent Directors.

Further, Mr. Brij Mohan Maheshwari resigned from the post of Directorship w.e.f. 20th April, 2018 and the committee was re-constituted on 16th July, 2018 as Mr. Surjit Singh Kohli was appointed as an Additional as well as Independent Director and included as member of the Committee. As on the date of this report. Committee comprises of Mrs. Jasmeet Kaur Bhatia, Dr. Surendra Singh and Mr. Surjit Singh Kohli.

As per Section 178(7) of the Companies Act, 2013 and Secretarial Standards, the Chairman of the Committee or, in his absence, any other Member of the Committee authorized by him in this behalf shall attend the General Meeting of the Company. The then Chairman of the Nomination and Remuneration Committee Mr. Harbhajan Singh Khanuja was present at the 30th Annual General Meeting of the Company held on 28th September, 2017 to answer shareholders' queries.

C) Terms of Reference:

- To formulate a criteria for determining qualifications, positive attributes and independence and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- To formulate a criteria for evaluation of performance of independent directors and the board of directors
- Devising a policy on diversity of board of directors;
- Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board the appointment and removal of Directors and Senior Management personnel.
- To decide and recommend whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

D) Performance evaluation criteria for Independent Directors and Board of Directors

Pursuant to Section 178 of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II of Listing Regulations the Nomination and Remuneration Committee formulated evaluation criteria for performance evaluation of Independent Director and Board of Directors which is as below:

A. INDEPENDENT DIRECTORS:

The roles, duties and responsibilities will be those normally required of a Non-executive Independent Director under the Companies Act, 2013 and the Listing Regulations. Performance Evaluation of the independent director shall be based on the following criteria herein below:

- In terms of Section 166 of the Companies Act, 2013, the Independent Directors shall act in accordance with the Company's Articles of Association.



- They shall act in good faith in order to promote the objects of the Company for the benefit of its members as a whole, and in the best interest of the Company and in the best interests of its employees, the shareholders, the community and for the protection of environment.
- They shall exercise their duties with due and reasonable care, skill and diligence.
- They shall not involve themselves in a situation in which they may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.
- They shall not achieve or attempt to achieve any undue gain or advantage either to themselves or to their relatives, partners or associates.
- They shall not assign their office as Director and any assignments and if so made shall be void.
- They shall also abide by the 'Code for Independent Directors' as outlined in Schedule IV to the Companies Act, 2013, and duties of directors as provided in the said Act and Listing Regulations.

B. BOARD OF DIRECTORS:

Performance evaluation of each of the director of the Board shall be based on the criteria mentioned herein below:

- The Board shall fulfil its responsibilities and obligation in respect of Attendance and participations in the Meetings and expert opinions in respect of the serious issues.
- The strategies formulated and successfully implemented by the Board.
- Various Directions provided in the best interest of the Company on key issues.
- Performance of the Company on the Stock Exchanges.
- Financial Performance of the Company.
- Avoidance of High Financial Risk while executing the functions and duties
- Avoidance from any other high risk.
- Review of Detailed Compliances applicable under the various Laws, Rules & Regulations.
- Reviewing whether the Business is running legally or not.
- Provision for Additional or Alternate Directors.
- Strategy to resolve the conflict of interest in other Directors.
- Strategy to resolve the conflict of interest in other Employees.
- Control on Financial Dealings.
- Control on internal Operational Activities.
- Initiative to maintaining Corporate Culture, Moral Values, High level of Integrity and High level of Ethic in the Company.
- Functioning of Duties and Responsibilities as per the Code of Conduct for Directors and Senior Management.
- Abidance and behaviour in accordance with Code of Conduct for Directors.
- Communication skills and quick responsiveness.

V. REMUNERATION OF DIRECTORS

A) Remuneration paid to Directors:

Remuneration paid or payable to Directors during the year 2017-18

Name of Director	Sitting Fee	Commission or profit	Salary & Allowance	Contribution to PF	Perquisites	Total (in ₹)
Mr. Harender Singh Bhatia (Managing Director) DIN: 00509426	--	--	30,00,000	--	--	30,00,000
Mr. Kawaljeet Singh Bhatia (Whole-time Director) DIN: 00401827	---	--	27,00,000	--	--	27,00,000

- 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. Notice period of minimum 30 days has been fixed for directors. Further, the Company does not pay any severance fee.
- The company has not granted any bonuses/stock options/pensions etc. to any of its director/employees.
- Details of fixed component and performance linked incentives along with the performance criteria- Nil.



B) Nomination and Remuneration Policy

Pursuant to Regulation 20 read with Part D of Schedule II of Listing Regulations and Section 178 of the Companies Act, 2013, the Nomination and Remuneration Committee has adopted a Nomination and Remuneration Policy for selection and appointment, re-appointment, removal and appraisals of Directors and Senior Management and the policy has been uploaded on the Company's website at the web link http://www.simranfarms.com/pdf/policy/nomination_renumeration.pdf.

VI. STAKEHOLDERS' RELATIONSHIP COMMITTEE

As required under Section 178(5) of the Companies Act, 2013 ("the Act") read with the provisions of Regulation 20 of Listing Regulations, the Board has in place Stakeholders Relationship Committee to specifically look into the mechanism of redressal of grievances of shareholders, debenture holders and other security holders. The Company is also registered with SCORES, a centralized web based complaints redressal system launched by SEBI and complaints received on SCORES are monitored regularly and resolved from time to time. The constitution and terms of reference are in compliance with the provisions of Companies Act, 2013 and the Listing Regulations.

A. Meetings of Stakeholder's Relationship Committee:

During the year under review, the committee met on 4 (four) occasions during the year on following dates namely:

29.05.2017	16.08.2017	14.11.2017	06.02.2018
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B. Composition and Attendance of Members at the meeting of the Committee:

The Composition of Committee as on 31.03.2018 and attendance record of the members at the meetings held during the year was as under:

Name of the Member	Category	Designation	No. of meetings held during the tenure of directors	
			Held	Attended
Mr. Harbhajan Singh Khanuja (DIN:03614872)	Non-Executive Independent Director	Member	3	3
Dr. Surendra Singh (DIN:00645965)	Non-Executive Independent Director	Member	4	2
Mrs. Jasmeet Kaur Bhatia (DIN:06949992)	Non-Executive Independent Director	Chairperson	4	3
Mr. Brij Mohan Maheshwari (DIN: 00022080)	Non-executive Independent director	Member	1	1

The office of Mr. Harbhajan Singh Khanuja was vacated from the Directorship of the Company with effect from 22nd December, 2017, accordingly he also ceased from membership of the Committee from above said date. Board of Directors in their Board meeting held on 22nd December, 2017 appointed Mr. Brij Mohan Maheshwari as additional as well as Independent Director and member of Committee. Accordingly, **Stakeholders Relationship Committee** was re-constituted comprising of Mrs. Jasmeet Kaur Bhatia, Dr. Surendra Singh and Mr. Brij Mohan Maheshwari Non Executive Independent Directors.

Further, Mr. Brij Mohan Maheshwari resigned from the post of Directorship w.e.f. 20th April, 2018 and the committee was re-constituted on 16th July, 2018 as Mr. Surjit Singh Kohli was appointed as an Additional as well as Independent Director and included as member of the Committee. As on the date of this report Committee comprises of Mrs. Jasmeet Kaur Bhatia, Dr. Surendra Singh and Mr. Surjit Singh Kohli.

As per Section 178(7) of the Companies Act, 2013 and Secretarial Standards, the Chairman of the Committee or, in his absence, any other Member of the Committee authorized by him in this behalf shall attend the General Meeting of the Company. The then Chairman of the Stakeholders' Relationship Committee Mr. Harbhajan Singh Khanuja was present at the 30th Annual General Meeting of the Company held on 28th September, 2017 to answer shareholders' queries.

All the members of the committee, including Chairperson are independent director.

C. Complaints received during the year

During the year under review 21 (Twenty One) 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.

D. Name, designation and address of Compliance Officer:-

Ms. Tanu Parmar
Company Secretary and Compliance Officer
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

E. Terms of Reference of the Stakeholders' Relationship Committee include:

To consider and resolve the grievances of the security holders of the Company including complaints related to transfer of shares, non-receipt of annual report and non- receipt of declared dividend.

VII. GENERAL BODY MEETINGS

Location and time of last three Annual General Meetings:

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

Financial Year	Date	Time	Venue
28th AGM 2014-15	September 24, 2015	10.00 A.M.	Pishori Premises, 910, Khatiwala Tank, Tower Square, Indore-452001 (M.P.)
29th AGM 2015-16	September 22, 2016	10.00 A.M.	Pishori Premises, 910, Khatiwala Tank, Tower Square, Indore-452001 (M.P.)
30th AGM 2016-17	September 28, 2017	10.00 A.M.	Pishori Premises, 910, Khatiwala Tank, Tower Square, Indore-452001 (M.P.)

Extra Ordinary General Meeting:

No extraordinary general meeting of the members was held during the year 2017-18.

(b) Special Resolutions passed in last three Annual General Meeting:

- A. The Company has in **AGM held on September 24, 2015** has passed the following special resolution(s)
- Adoption of new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013.
- B. No Special Resolution was passed by the Company in **AGM held on September 22, 2016**.
- C. No Special Resolution was passed by the Company in **AGM held on September 28, 2017**.

(c) 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.

VIII. MEANS OF COMMUNICATIONS:

Your Company, from time to time and as may be required, communicates with its security-holders and investors through multiple channels of communications such as dissemination of information on the website of the Stock Exchanges, Press Releases, the Annual Reports and uploading relevant information on its website. The website of the Company www.simranfarms.com acts as the primary source of information regarding the operations of the Company.

A. Newspaper Publication:

The quarterly, half-yearly and annual financial results are published in widely circulated newspapers such as Free Press, Times of India (English) & Choutha Sansaar (Hindi) in compliance with Regulation 47 of the Listing Regulations. These are not sent individually to the shareholders.

B. Website of the Company where results and other information is displayed:

The Company's financial results, shareholding patterns and all other corporate communication are displayed on company's website www.simranfarms.com.

Your Company discloses to the Stock Exchanges, all information required to be disclosed under Regulation 30 read with Part 'A' and Part 'B' of Schedule III of the Listing Regulations including material information having a bearing on the performance/operations of the Company and other price sensitive information. All information is filed electronically on



BSE's online portal – BSE Corporate Compliance & Listing Centre (www.listing.bseindia.com).

The presentation, if any made to the investor/analyst are placed to the company's website:-www.simranfarms.com.

IX. GENERAL SHAREHOLDER INFORMATION:

(a) General Information:

AGM: Date, time and Venue	Wednesday, 19th September, 2018 at 10.00 A.M. Venue: Pishori Premises, 910, Khatiwala Tank, Tower Square, Indore (M.P.) 452001
Last date for receipt of proxy forms:	17th September, 2018
Financing Year	The financial year covers the period from 1st April, to 31st March
Financial Year Reporting Calendar: 1st Quarter ending 30th June, 2018 2nd Quarter ending 30th Sept, 2018 3rd Quarter ending 31st Dec, 2018 4th Quarter ending 31st Mar, 2019	Second fortnight of August, 2018 Second fortnight of November, 2018 Second fortnight of February, 2018 Before 30th May 2019
Dividend Payment:	No Dividend was recommended by the Board of Directors for financial year ended March 31, 2018
Annual Book Closure	The annual book closure period is from Thursday, 13th Day of September, 2018 to Wednesday, 19th Day of September, 2018 (both days inclusive).
Address of Registered office of the Company	1-B, Vikas Rekha Complex, Khatiwala Tank, Indore (M.P) 452001
Corporate Identity Number (CIN) of the Company:	L01222MP1984PLC002627 (Simran Farms Limited)
Name of the Stock Exchange: Stock Code: ISIN Code on both in NSDL and the CDSL	Bombay Stock Exchange, Mumbai 519566 INE354D01017
Listing Fees	Annual Listing Fees for the year 2018-19 have been paid to Bombay Stock Exchange Limited, Mumbai
Suspension of Securities	Trading in shares of company was suspended by Exchange on account of GSM (Graded Surveillance Measure) w.e.f. 10.05.2017 to 26.06.2017. However after reviewing the same by exchange normal trading has been started.
Registrar and Share Transfer Agent (For physical and demat shares)	"Ankit Consultancy Pvt. Ltd." 60, Electronics Complex, Pardeshipura, Indore - 452010 (M.P) Tel.:0731-4065797, 4065799, Fax: 0731-4065798 E-mail: ankit_4321@yahoo.com
Share Transfer System:	All the transfer received is processed by the Registrar and Share Transfer Agent.
Dematerialisation of shares & liquidity	30,72,215 shares are dematerialized (as on 31.03.2018) i.e. 81.02% of total shares viz.; 37,91,700 equity shares
Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity:	The Company has not issued any GDRs/ADRs/ Warrants or any convertible instruments.



Commodity Price Risk or Foreign Exchange Risk and Hedging activities	Your Company does not deal in any commodity and hence is not directly exposed to any commodity price risk. Further, the Company has no foreign exchange exposure; hence hedging is not required.
Address for Shareholders' 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:	SIMRAN FARMS LIMITED (NEW FARM & OLD FARM) Khandwa Road; Tehsil:- Mhow, Gram:- Simrol; District:- Indore (M.P.)
Market Price Data: High/Low/Close During each month in the last Financial Year.	As per attached Table-1
Distribution of shareholding as on 31.03.2018	As per attached Table-2
Relative Performance of Share Price v/s BSE Sensex	As per attached Table-3
Shareholding Pattern as on 31.03.2018	As per attached Table-4

X. DISCLOSURES

A) Materially Significant Related Party Transactions & Policy for the same:-

All transactions entered into with related parties under Regulation 23 of the Listing Regulations, during the year under review were on Arm's Length basis and in the ordinary course of Business. There are no materially significant related party transactions of the company which have potential conflict with the interest of the Company at large. Further, the particulars of transactions between the Company and its related parties in accordance with the Indian Accounting Standards (IND AS) are set out in Note No. 28 of financial statements forming part of the annual report.

B) There has been no non-compliance by the company and no 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.

C) Vigil Mechanism Policy

In accordance with Regulation 22 of the Listing Regulations, the Company has formulated a Whistle Blower policy which is also available on the website of the Company at http://www.simranfarms.com/pdf/policy/vigil_mechanism.pdf. During the year under review, no employee was denied access to the Audit Committee.

D) Compliance with mandatory / Non-mandatory requirements:

The Company has complied with all applicable mandatory requirements as given under Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Further, pursuant to Regulation 27(1) read with Part E of Schedule II of the Listing Regulations, the following non-mandatory requirements have been adopted by the Company:

- During the year under review, there is no audit qualification in your company's standalone financial statements. Further, the Auditors have provided an unmodified audit opinion on the financial statements of the Company.
- The Company has not appointed separate persons to the posts of Chairman and Managing Director or Chief Executive Officer.
- The Internal Auditors report directly to the Audit Committee.
- Shareholders' Rights:** As the quarterly, half yearly, financial performance and summary of significant events in last six-months are published in the newspapers and are also posted on the Company's website, the same are not mailed to the shareholders.

**E) Policy for determining 'material' subsidiaries:-**

Your Company has formulated a Policy for Determining 'Material' Subsidiaries as defined in Regulation 16 of the Listing Regulations. This Policy has also been posted on the website of the Company and can be accessed through web-link: <http://simranfarms.com/pdf/policy/Policy%20on%20Material%20Subsidiary.pdf>

F) Policy on Materiality of and Dealing with Related Party Transactions:

Your Company has formulated a Policy on Materiality of and Dealing with Related Party Transactions which specify the manner of entering into related party transactions. This Policy has also been posted on the website of the Company and can be accessed through web link:

http://simranfarms.com/pdf/policy/related_party_transaction_policy.pdf

G) Accounting Standards:

Preparation of financial statements as per Ind-AS:- The financial statements of the Company have been prepared in accordance with Indian Accounting Standard (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016. For all the periods up to and including the year ended 31st March 2017, the Company prepared its financial statements in accordance with the Accounting Standards notified under the Section 133 of the Act, read with Companies (Accounts) Rules 2014 (Previous GAAP). The financial statements have been prepared on an accrual basis and under the historical cost basis except for certain assets and liabilities which have been measured at fair value or revalued amount wherever applicable.

H) Your Company has complied with all the applicable requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015.

XI. RISK MANAGEMENT

The Company is not required to constitute Risk Management Committee. However the company has a well defined risk management framework in place. The risk management framework is at various levels across the Company.

XII. CODE FOR PREVENTION OF INSIDER TRADING PRACTICES

In compliance with the SEBI Regulations on prevention of Insider trading, the Company has adopted a Code of Conduct for its Directors and designated employees. The code lays down guidelines which include procedures to be followed and disclosures to be made while dealing with the shares of the Company.

XIII. MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis is a part of the Annual Report and annexed separately.

XIV. DISCLOSURE REGARDING RE-APPOINTMENT OF DIRECTORS:

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

XV. SUBSIDIARY COMPANIES

Regulation 16(1)(c) of the Listing Regulations defines a "material subsidiary" to mean a subsidiary, whose income or net worth exceeds twenty percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year. Under this definition, the Company did not have any unlisted material subsidiary, incorporated in India during the year under review.

The subsidiary of the Company functions independently with an adequately empowered Board of Directors and adequate resources. For more effective governance, the minutes of Board Meetings of subsidiary of the Company are placed before the Board of Directors of the Company for their review on quarterly basis. The Financial statements of the subsidiary company are presented to the Audit Committee at every quarterly meeting. The Company has also complied with other requirements of Regulation 24 of the Listing Regulations with regard to Corporate Governance requirements for Subsidiary Companies.

XVI. TRANSFER OF UNPAID/UNCLAIMED AMOUNT OF DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

The Ministry of Corporate Affairs ('MCA') has notified the provisions of Section 124 of the Companies Act, 2013 ('Act, 2013) and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF RULES") w.e.f. 07.09.2016.

Under Section 124 (5) of the Companies Act, 2013, dividends that are unclaimed/un-paid for a period of seven years, are to be transferred statutorily to the Investor Education and Protection Fund (IEPF) administered by the Central Government. To ensure maximum disbursement of unclaimed dividend, the Company sends reminders to the concerned investors at appropriate intervals.



The Members of the Company who have not yet encashed their dividend warrant(s) for the F.Y. 2010-11 and onwards, may write to the Company's R&ST Agent immediately.

Pursuant to Section 124 (5) of the Companies Act, 2013, the unpaid dividends that are due for transfer to the Investor Education and Protection Fund are as follows:

Financial Year	Date of Declaration	Due date of transfer of unpaid/unclaimed dividend to IEPF
2010-11	22.09.2011	28.10.2018
2011-12	27.09.2012	02.11.2019

Members who have not encashed their dividend warrants pertaining to the aforesaid years may approach the Company or its Registrar, for obtaining payments thereof at least 20 days before they are due for transfer to the said fund.

The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 28.09.2017 (date of last AGM) on the Company's website at http://www.simranfarms.com/unpaid_dividends.html and on the website of the Ministry of Corporate Affairs at www.iepf.gov.in.

XVII. DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT

The Company does not have any shares in the demat suspense account/unclaimed suspense account.

XVIII. 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 at the below mentioned web-link – http://simranfarms.com/pdf/policy/code_of_conduct.pdf. 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.

XIX. OTHERS

1. Proceeds from public issues, right issues, preferential issues, etc. :- Not applicable
2. The company has adopted a policy on dissemination of information on the material events to stock exchanges in accordance with the regulation 30 of the SEBI (LODR) Regulations, 2015. The said policy is available on the website of the Company at following web link: http://www.simranfarms.com/pdf/policy/material_disclosure.pdf
3. The company has adopted the policy on preservation of documents in accordance with the regulation 9 of the SEBI (LODR) Regulations, 2015. The documents preservation policy is available on the website of the company at following web link: http://www.simranfarms.com/pdf/policy/doc_preserve.pdf

XX. MD & CFO CERTIFICATION

The Managing Director and the Chief Financial Officer of the Company gives annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) read with schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Copy of such certificate is enclosed herewith this report.

The Managing Director and the Chief Financial Officer also give quarterly certification on financial results to the Board in terms of Regulation 33(2)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

XXI. CERTIFICATE ON CORPORATE GOVERNANCE

The Company has obtained the certificate from the Statutory Auditors of the Company regarding compliance with the conditions of corporate governance laid down in Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Certificate is annexed with this report.

XXII. DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

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 2018.

Place: Indore
Date : 13.08.2018

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



ANNEXURE TO GENERAL SHAREHOLDER INFORMATION

TABLE-1

Market Price Data:

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

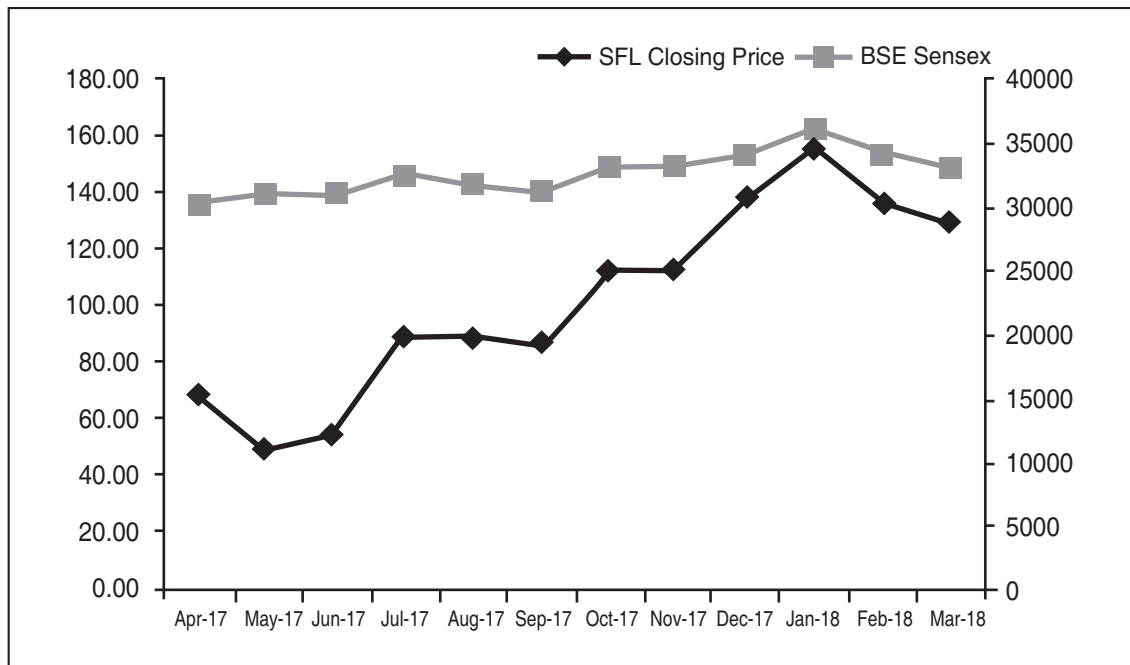
(Price in ₹)

Month	High	Low
April 2017	71.40	42.95
May 2017	76.05	48.70
June 2017	53.40	44.00
July 2017	98.45	56.05
August 2017	88.95	76.05
September 2017	98.75	81.90
October 2017	111.80	82.65
November 2017	111.80	99.25
December 2017	137.60	111.80
January 2018	184.25	138.10
February 2018	166.65	132.00
March 2018	157.25	122.10

TABLE-2

Distribution of Shareholding as on March 31, 2018

Category (Shares)	Number of Shareholders	%age of Total Shareholders	Shares	%age of Total Shares
Upto 100	3999	64.07	365681	9.65
101-200	1106	17.72	216608	5.71
201-300	353	5.66	102556	2.71
301-400	124	1.99	47937	1.26
401-500	156	2.50	76848	2.03
501-1000	225	3.61	188017	4.96
1001-2000	118	1.89	184080	4.85
2001-3000	49	0.79	125496	3.31
3001-4000	19	0.30	68806	1.81
4001-5000	20	0.32	93737	2.47
5001-10000	30	0.48	226944	5.99
10000-Above	42	0.67	2094990	55.25
Total	6241	100.00	3791700	100.00

**TABLE-3****Stock Performance Index in relation to BSE sensex:****TABLE-4****Category of shareholders as on March 31, 2018**

Category	No. of Shareholders	No. of Share held	Percentage of Shareholding
Promoter and Promoter Group			
1) Indian			
A Individual/Hindu Undivided Family	19	1377650	36.33
B Central Govt./State Govt.	-	-	-
C Financial Institutions/Banks	-	-	-
D Any Other (Specify)			
Body Corporate	1	32900	0.87
Sub Total (1)	20	1410550	37.20
2) Foreign			
A Individuals (Non Resident Individuals / Foreign Individuals)	-	-	-
B Government	-	-	-
C Institutions	-	-	-
D Foreign Portfolio Investor	-	-	-
E Any Other (Specify)	-	-	-
Sub-Total (2)	-	-	-
Total (1) + (2)	20	1410550	37.20



Category	No. of Shareholders	No. of Share held	Percentage of Shareholding
Public Shareholding			
1) Institutions			
A Mutual Funds	-	-	-
B Venture Capital Funds	-	-	-
C Alternate Investment Funds	-	-	-
D Foreign Venture Capital Investors	-	-	-
E Foreign Portfolio Investors	-	-	-
F Financial Institutions / Banks	1	2100	0.06
G Insurance Companies	-	-	-
H Provident Funds / Pension Funds	-	-	-
I Any Other (Specify)	-	-	-
Sub-total (1)	1	2100	0.06
2) Central Govt/State Govt(s)/President of India	-	-	-
Sub-total (2)	0	0	0.00
3) Non- Institutions			
A Individuals - I. Individual Shareholders holding nominal share capital up to ₹ 2 lakhs	6044	1666260	43.94
B Individuals - II. Individual Shareholders holding nominal share capital in excess of ₹ 2 lakhs	12	451249	11.90
C NBFCs Registered with RBI	-	-	-
D Employee Trusts	-	-	-
E Overseas Depositories (holding DRs) (Balancing figure)			
F Any Other (Specify)			
- Body Corporate	72	179079	4.72
- NRI & OCB	84	79616	2.10
- Clearing Member	8	2846	0.08
Sub-total (3)	6220	2379050	62.74
Total (1)+(2)+(3)	6221	2381150	62.80
Grand Total	6241	3791700	100.00

**MD & CFO CERTIFICATION UNDER REGULATION 17(8) READ WITH PART B OF
SCHEDULE II OF SEBI (LODR) REGULATIONS, 2015**

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, 2018 and that to the best of our knowledge and belief, we state that:
- 1) these statements do not contain any material untrue statement or omit any material fact or contain statements that might be misleading;



- 2) these statements together present a true and fair view of the Company's affairs and are in compliance with 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:
- 1) significant changes, if any, in internal control over financial reporting during the year;
 - 2) 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
 - 3) 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 : 25.05.2018

HARENDER SINGH BHATIA
(Managing Director)
DIN: 00509426

MAHESH PATIDAR
(Chief Financial Officer)

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of **SIMRAN FARMS LIMITED**

We have examined the compliance of conditions of Corporate Governance by **SIMRAN FARMS LIMITED** ('the Company'), for the year ended 31st March 2018, as stipulated in regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations, as applicable.

We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India.

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

For J. C. BAHETI & ASSOCIATES,
Chartered Accountants
FRN: 003390C

Date: 13.08.2018
Place: Indore

J.C. BAHETI
(PROPRIETOR)
M. No. 072585



INDEPENDENT AUDITOR'S REPORT

To,
The Members of
Simran Farms Limited,

REPORT ON THE IND AS STANDALONE FINANCIAL STATEMENTS

We have audited the accompanying Ind AS financial statements of **Simran Farms Limited** ("the Company") which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE IND AS FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity 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 rules made there under, as applicable. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 Ind AS 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 Ind AS 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 there under. 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 Ind AS financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS 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 Ind AS 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 Ind AS financial statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 including the Ind AS, of the financial position of the Company as at March 31, 2018, and its financial performance including other comprehensive income, cash flows and the changes in equity for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 purpose 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 including other comprehensive income and the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Ind AS financial statements comply with the accounting Standards specified under section 133 of the Act and rules made there under, as applicable;
- e) On the basis of written representations received from management as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) 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 does not have any pending litigations which would impact on its financial position in its Ind AS financial statements;
 - 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.

Date: 25/05/2018
Place: Indore

For J.C. Baheti & Associates
Chartered Accountants
Registration Number: 03390C

J.C. BAHETI
Proprietor
M.No. 072585

ANNEXURE A
To the Independent Auditors' Report on
Standalone Financial Statements of Simran Farms Limited
(Referred to our report of even date)

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the Ind AS financial statements for the year ended March 31, 2018, we report that:

- i. In respect of fixed assets
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) The fixed assets have been physically verified during the year by the management under a regular programme of verification by rotation over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed.
 - c) Based on audit procedures performed by us for the purpose of reporting the true and fair view of the Ind AS financial statements of the Company and based on records produced to us and according to information and explanations provided by the management, the title deeds of immovable properties forming part of the fixed asset are held in the name of the Company.
- ii. As explained to us, the management has conducted physical verification of its inventory during the year. In our opinion, having regard to the size of the Company and nature of its business, the frequency of verification is reasonable. Based on records produced to us, discrepancies noticed on verification between the physical stocks and the book records were not material and were properly dealt with in the books of account.



- iii. In respect of loan granted:
The company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of Companies Act, 2013.
- iv. In our opinion and according to the information and explanations given to us, the company has not advanced any loans, made investments, gave guarantees, and provided security prescribed in provisions of section 185 and 186 of the companies Act, 2013.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public within the meaning of the provisions of sections 73 to 76 or any relevant provisions of the Companies Act, 2013 and the rules framed there under.
- vi. The maintenance of cost records has not been specified by the central government under the section 148(1) of the companies Act, 2013 for the business activities carried out by the company. Thus reporting under clause 3(vi) of the order is not applicable to the company.
- vii. In respect of statutory dues:
 - a) According to the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, GST cess and other statutory dues applicable to it. As per the records of the Company, as at March 31, 2018, the Company does not have any undisputed statutory dues which are outstanding for a period of more than six months from the date they became payable.
 - b) According to the information and explanations given to us and on the basis of examination of records of the company there is no dispute in respect of income tax or sales tax or service tax or value added tax or GST or any other Cess.
- viii. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of loans or borrowing to a financial institution or bank.
- ix. On the basis of overall examination of the balance sheet of the Company and according to the information and explanations provided to us, we report that monies raised by way of term loans were applied for the purposes for which those were raised. The Company did not raise any money by way of initial public offer or further public offer (including debt instrument).
- x. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees was noticed or reported during the year.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- xii. In our opinion, the Company is not a Nidhi Company. Accordingly, paragraph 3 (xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order are not applicable.
- xvi. In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

Date: 25/05/2018
Place: Indore

For J.C. Baheti & Associates
Chartered Accountants
Registration Number: 03390C

J.C. BAHETI
Proprietor
M.No. 072585

**ANNEXURE B****To the Independent Auditors' Report on
Standalone Financial Statements of Simran Farms Limited
(Referred to our report of even date)**

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Simran Farms Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- 1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- 2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and



- 3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India

Date: 25/05/2018
Place: Indore

For J.C. Baheti & Associates
Chartered Accountants
Registration Number: 03390C

J.C. BAHETI
Proprietor
M.No. 072585



STANDALONE BALANCE SHEET
AS AT 31st MARCH, 2018

(₹ in Lakhs)

Particulars	Note	As at 31 st March, 2018	As at 31 st March, 2017	As at 1 st April, 2016
ASSETS				
Non-Current Assets				
(a) Property, plant and equipment	2	2,176.60	1,773.67	1,827.89
(b) Capital work in progress				
(c) Financial Assets				
(i) Investment	3	131.54	131.54	131.54
(ii) Loans	4	22.08	21.03	18.85
Total Non-Current Assets		2,330.22	1,926.24	1,978.28
Current Assets				
(a) Inventories	5	5,544.27	8,159.62	9,541.42
(b) Financial Assets				
(i) Trade receivables	6	880.88	1,005.37	2,055.62
(ii) Cash and bank balances	7	484.94	206.13	330.28
(iii) Loans	8	162.13	377.06	470.83
(c) Other current assets	9	198.72	74.00	54.86
Total Current Assets		7,270.94	9,822.19	12,453.02
TOTAL ASSETS		9,601.16	11,748.43	14,431.30
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital	10	379.17	379.17	379.17
(b) Other equity	11	1,767.76	1,374.17	1,283.35
Total Equity		2,146.93	1,753.34	1,662.52
Liabilities				
Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	12	85.30	71.15	166.90
(b) Provisions	13	82.01	63.93	69.57
(c) Deferred tax liabilities (net)	14	68.52	80.85	56.33
Total Non-Current Liabilities		235.83	215.92	292.79
Current liabilities				
(a) Financial liabilities				
(a) Borrowings	15	3,293.85	3,688.07	4,609.52
(b) Trade payables	16	3,432.82	5,748.34	7,449.76
(b) Provisions	17	94.88	89.64	89.93
(c) Other current liabilities	18	396.86	253.12	326.77
Total Current Liabilities		7,218.40	9,779.17	12,475.98
Total Liabilities		7,454.23	9,995.09	12,768.78
TOTAL EQUITY AND LIABILITIES		9,601.16	11,748.43	14,431.30
Summary of Significant Accounting Policies	1			
See Accompanying Notes Forming Part of	2-30			
Financial Statements				

In terms of our report attached
For J.C. BAHETI & ASSOCIATES
Chartered Accountants
Registration Number: 03390C

J.C. BAHETI
PROPRIETOR
M.No. 072585
Place: Indore
Date: 25/05/2018

H.S. Bhatia
Managing Director
DIN 00509426

Mahesh Patidar
Chief Financial Officer
62

G.S. Bhatia
Director
DIN 00401929

Tanu Parmar
Company Secretary
(M.No. 34769)



STANDALONE STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31ST MARCH 2018

(₹ in Lakhs except EPS)

Particulars	Note	2017-18	2016-17
Income			
Revenue from operation Sales (Net)		34,097.32	41,002.94
Other income	19	31.23	21.54
Total Income		34,128.55	41,024.48
Expenses			
(a) Cost of materials consumed	20	26,807.86	32,844.24
(b) Farm expenses	21	3,040.65	3,648.88
(c) Hatcheri expenses	22	358.39	387.38
(d) Administrative expenses	23	496.45	553.90
(e) Selling & distribution expenses	24	1,047.08	1,447.21
(f) Employee benefits expense	25	1,297.31	1,196.95
(g) Finance costs	26	337.83	608.72
(h) Depreciation	2	209.66	200.03
Total expenses		33,595.23	40,887.32
Profit before tax		533.32	137.16
Tax expense:			
Less:- (a) Current tax		180.99	29.60
Add/Less (b) Deferred tax assets/Liabilities	14	(12.11)	23.75
Add:- (c) MAT Credit		29.60	5.46
Profit / (Loss) for the year		394.04	89.27
Other comprehensive income			
Item that will not be reclassified to profit and loss account			
Re- measurement gains / (losses) on defined benefit plans.		(0.66)	2.31
Less:- Income Tax		0.21	0.76
Other Comprehensive income		(0.45)	1.55
Total comprehensive income for the year		393.59	90.82
Earnings per share (of ₹ 10/- each)			
Basic and diluted		10.39	2.35
Summary of Significant Accounting Policies	1		
See Accompanying Notes Forming Part of Financial Statements	2-30		

In terms of our report attached
For J.C. BAHETI & ASSOCIATES
Chartered Accountants
Registration Number: 03390C

J.C. BAHETI
PROPRIETOR
M.No. 072585
Place: Indore
Date: 25/05/2018

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)



STANDALONE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2018

(₹ in Lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017
A. CASH FLOW FROM OPERATING ACTIVITIES :		
NET PROFIT BEFORE TAX & EXTRA ORDINARY ITEM	533.32	137.16
Adjustment to reconcile profit before tax to cash generated by operating activities		
Non Cash Items:		
Depreciation	209.66	200.03
Provision For Employee Benefits	17.42	(3.33)
Non Operating Items:		
Interest Paid	65.31	257.40
Loss On Sale Of Assets	10.32	-
Operating Profit before working capital change	836.02	591.25
Inventories	2,615.35	1,381.80
Trade Receivable	124.49	1,050.25
Loans	214.93	93.77
Provisions	5.23	(0.29)
Other Current Assets	(0.11)	6.32
Borrowings	(394.22)	(921.44)
Trade Payable	(2,315.53)	(1,701.42)
Other Current Liabilities	(7.65)	(97.79)
Operating Profit After Working Capital Change	1,078.52	402.45
Income Tax Paid	(124.60)	(25.46)
Net Cash Flow From Operating Activities (A):	953.92	376.99
(B) CASH FLOW FROM INVESTING ACTIVITY		
Sale of Fixed Assets	22.28	-
Purchase of Fixed Asset	(645.19)	(145.81)
Outflow from Loans and Advances	(1.05)	(2.18)
Net Cash flow from Investing Activity (B)	(623.96)	(147.99)
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Cash Received From Borrowings	14.16	-
Repayment Of Borrowings	-	(95.75)
Interest Paid	(65.31)	(257.40)
Net Cash Flow From Financing Activity (C)	(51.15)	(353.15)
NET INCREASE IN CASH & CASH EQUIVALENT (A+B+C)	278.81	(124.15)
Cash & Cash Equivalent At The Beginning Of Period	206.13	330.28
Cash & Cash Equivalent At The End Of Period	484.94	206.13

In terms of our report attached
For J.C. BAHETI & ASSOCIATES
Chartered Accountants
Registration Number: 03390C

J.C. BAHETI
PROPRIETOR
M.No. 072585
Place: Indore
Date: 25/05/2018

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)



STANDALONE STATEMENT OF CHANGES IN EQUITY
AS AT 31ST MARCH 2018

A. EQUITY SHARE CAPITAL

(₹ in Lakhs)

Equity share of Rupees 10/- each	Changes in equity share capital during the year	
	Balance at the beginning of the year	Balance at the end of the year
2017-18	379.17	-
2016-17	379.17	-

B. OTHER EQUITY

Particulars	General Reserve	Securities Premium	Utilised investment allowance reserve	Retained earnings	Other Comprehensive Income	Total
2017-18						
Balance at the beginning of the year	217.18	169.59	0.54	985.31	1.55	1374.17
Prior period errors	-	-	-	-	-	-
Restated balance	217.18	169.59	0.54	985.31	1.55	1374.17
Total Comprehensive Income for the year	-	-	-	394.04	(0.45)	393.59
Balance at the end of year	217.18	169.59	0.54	1379.35	1.10	1767.76
2016-17						
Balance at the beginning of the year	217.18	169.59	0.54	853.24	-	1240.55
Prior period errors	-	-	-	42.80	-	42.80
Restated balance	217.18	169.59	0.54	896.041	-	1283.35
Total Comprehensive Income for the year	-	-	-	89.27	1.55	90.82
Balance at the end of year	217.18	169.59	0.54	985.31	1.55	1374.17

In terms of our report attached
For J.C. BAHETI & ASSOCIATES
Chartered Accountants
Registration Number: 03390C

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Tanu Parmar
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(M.No. 34769)



NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

1.1 CORPORATE INFORMATION

Simran Farms Limited ("the Company") is a listed public company domiciled in India and is incorporated under the provisions of the Companies Act, 1956. Its shares are listed on Bombay Stock Exchange in India. The registered office of the company is located at 1-B, Vikas Rekha Complex, Khatiwala Tank, Indore, Madhya Pradesh, 452001.

The Company is engaged in the business of integrated poultry and poultry products. It is mainly focused on integration/contract farming with poultry farmers and consolidation of poultry activities and has also arranged its own manufacturing set-up for production of poultry feeds. Further, its breeding and integration farms have scientific rearing and balanced nutrition management for each bird.

1.2 BASIS OF PREPARATION

COMPLIANCE WITH IND-AS

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") as notified by Ministry of Corporate affairs pursuant to section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The financial statements for the year ended 31 March 2018 are the first financial statements that the Company has prepared in accordance with Ind AS. For all periods up to and including the year ended 31 March 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act, 2013 read together with Rule 7 of the Companies (Accounts) Rules, 2014 ("Previous GAAP") used for its statutory reporting requirement in India immediately before applying Ind AS as mentioned above. The financial statements for the year ended 31 March 2017 and the opening balance sheet as at 1 April 2016 have been restated in accordance with Ind AS for comparative information. Detailed explanation, reconciliation and information on effect on transition from Previous GAAP to Ind AS on the Company's balance sheet, statement of profit and loss is provided in Note no. 1.4.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements including the preparation of the opening Ind AS balance sheet as at 1 April 2016 being the date of transition to Ind AS.

CURRENT / NON-CURRENT CLASSIFICATION

All assets and liabilities have been classified and disclosed as current or non-current as per the Company's normal operating cycle and other criteria set out in division II of Schedule III of the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as up to twelve months for the purpose of current or non-current classification of assets and liabilities.

BASIS OF MEASUREMENT

The financial statements have been prepared on a historical cost basis, except for the assets and liabilities that require measurement at fair value in accordance with Ind AS. The financial statements are presented in Indian Rupees and all values are rounded to the nearest lakhs (INR 00,000), except otherwise indicated.

1.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Key accounting estimates and judgments

The preparation and presentation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities on the date of the financial statements and reported amounts of revenues and expenses during the period.

Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Accounting estimates could change from period to period. Any revision to accounting estimates is recognized prospectively in the current and future periods, and if material, their effects are disclosed in the financial statements. Actual results could differ from the estimates. Any difference between the actual results and estimates are recognized in the period in which the results are known/materialize.

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:

- I. Measurement of defined benefit obligations
- II. Measurement and likelihood of occurrence of contingencies
- III. Recognition of deferred tax assets
- IV. Impairment of intangible assets
- V. Determination of fair value of biological assets

b. Inventories

Inventories are valued at lower of cost and net realizable value (except as otherwise stated) on an item-by-item basis, as under:

Raw materials, packing materials, stores and spares: Cost of inventory comprises all costs of purchase, duties and taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition. Raw materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a first-in first-out formula.

Work-in-progress and finished goods: Cost includes direct materials and costs of conversion in the form of labour and a systematic allocation of fixed and variable production overheads. It also includes other costs which are incurred in bringing the inventories to their present location and condition. The allocation of fixed production overheads is based on normal capacity of production. Cost is determined on a weighted average/first-in first-out formula. Realizable value of pre-determined normal rate of scrap is deducted from the cost of inventories. However, cost of inventories neither include abnormal amounts of wasted material nor any scrap realizations there from.

By products and scrap are recognized at their net realizable value.

For the production processes which result in more than one product being produced, costs of conversion are allocated between the joint products based on relative sales value of each product at the stage when the products become separately identifiable. Net realizable value of by-products as well as scrap is deducted from the cost of main product.

Stock-in-trade: Cost includes cost of purchases, duties and taxes (other than those subsequently recoverable from authorities) and other costs which are incurred in bringing the inventories to their present location and condition. Cost is determined on a first-in first-out formula.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Cost of agricultural produce is deemed to be the fair value on the date of rise.

Cost of finished goods and work-in-progress include cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

c. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxation authority.

d. Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses, if any. Cost comprises of purchase price net of trade discounts and rebates, non-refundable duties and taxes, any directly attributable cost of bringing the asset to its working condition for its intended use. Cost also includes borrowing cost directly attributable to acquisition / construction of a qualifying asset up to the date the asset is ready for its intended use. Subsequent expenditure on fixed assets is capitalized only if such expenditure results into an increase in the future benefits from such asset beyond its previously assessed standard of performance.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

Capital work-in-progress comprises the cost of property, plant and equipment that are yet not ready for their intended use at the balance sheet date. The depreciable amount of a depreciable fixed asset is allocated on a systematic basis to each accounting period over the useful life of the asset. Management's estimate of useful life, which is duly supported by technical evidence, is as stipulated in Schedule II to the Companies Act, 2013. The useful life is for the whole of the asset, except where cost of a part of the asset is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part ("component") is determined separately and the depreciable amount of the said component is depreciated is allocated on a systematic basis to each accounting period during the useful life of the asset.

In arriving at the depreciable amount, residual value in case of certain assets are considered to be more than 5% of the original cost, this estimate of residual value is duly supported by technical advice. Depreciation on assets acquired during the year is calculated on a pro-rata basis from the date of addition. Similarly, depreciation on assets sold, discarded, demolished or destroyed during the year is also calculated on a pro rata basis up to the date on which such asset has been sold, discarded, demolished or destroyed. Depreciable assets costing up to Rupees 5,000/- are depreciated fully in the year of acquisition. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

e. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease, if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalized at the commencement of the lease at the inception date fair value of the leased



property or, if lower, at the present value of the minimum lease payments. Lease payments are portioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the statement of profit and loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned. Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

The Company has decided to recognize operating lease as expense/ income on a straight-line basis since the management believes that straight-line method is more representative of the time pattern of the user's benefit.

f. Employee benefits

Short term employee benefits

All employee benefits which fall due wholly within twelve months after the end of the period in which employee renders the related service are classified as short-term employee benefits. Undiscounted value of short term benefits such as salaries, wages, bonus and ex-gratia are recognized in the period in which the employee renders the related service.

Defined Contribution Plans:

The Company's Employee's Provident Fund scheme, Employee's State Insurance Scheme and Employee's Superannuation Scheme are defined contribution plans. The Company's contribution payable under the schemes is recognized as an expense in the statement of profit and loss during the period in which the employee renders the related service.

Defined benefit plan Gratuity

The Company operates a defined benefit gratuity plan, which requires contributions to be made to a separately administered fund. The defined benefit plan surplus or deficit on the balance sheet comprises the total for each of the fair value of plan assets less the present value of the defined liabilities. The cost of providing benefits under the defined benefit plan is determined based on independent actuarial valuation using the projected unit credit method. The gratuity liability is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, is based on the market yield on government securities as at the balance sheet date.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognized in profit or loss on the earlier of:

The date of the plan amendment or curtailment, and

The date that the Group recognizes related restructuring cost

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Company recognizes the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and Net interest expense or income



Other long term employee benefits:

Entitlement to annual leave is recognized when they accrue to employees. Annual leave can either be availed or en-cashed subject to a restriction on the maximum number of accumulation of leaves. The present value of the liability is determined and provided during the year.

g. Government grants

Government grants are recognized by the company where there is reasonable assurance that the grant will be received and all the attached conditions will be complied with. Revenue grants are recognized in the statement of profit and loss in the same period, in which the related costs are incurred are accounted for. Government grants related to assets are recognized / presented as deferred income, i.e., wherever the company receives capital grants towards asset acquisition, the grant received thereon are recognized as an income in the statement of profit and loss over the useful life of the asset.

h. Foreign currencies

The Company's financial statements are presented in Indian Rupees, which is also the Company's functional currency. Items included in the financial statements of the Company are recorded using the currency of the primary economic environment in which the Company operates (the "functional currency").

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognized in profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

i. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expenses in the period in which they occur. Borrowing costs consist of interest expense recognized in the profit and loss account over the period of borrowing using effective interest method and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

j. Earnings Per Share

Earnings per share (EPS) is calculated by dividing the net profit for the year attributable to the equity shareholders by weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and weighted average number of shares outstanding during the period is adjusted for the effects of all diluted potential equity shares.

k. Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to projected future cash flows after the fifth year. Impairment losses of continuing operations, including impairment on inventories, are recognized in profit or loss section of the statement of profit and loss.

I. Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

m. Biological Assets

Biological assets are measured at their fair value or cost at the inception. At each reporting date they are valued at their prevailing fair value and the difference in the value is shown as amortization.

n. Fair value measurement

The Company measures financial instruments such as derivatives and certain non-financial assets such as biological assets, at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

In the principal market for the asset or liability, or In the absence of a principal market, In the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

o. Revenue recognition

Revenue is measured at the fair value of consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade discount or rebates and applicable taxes and duties collected on behalf of the government and which are levied on such sales. The Company recognizes revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the Company.

Revenue from Sale of goods

Revenues from sales 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 the customer has accepted the products in accordance with the agreed terms. There is no continuing managerial involvement with the goods and the Company retains no effective control of goods transferred to a degree usually associated with ownership. Revenue from sales of goods is based on the price quoted in the market or price specified in the sales contracts.

Interest Income

Interest income is recognized using effective interest method on time proportion basis taking in to account the amount outstanding.

Dividend income

Dividend income is recognized when the Company's right to receive is established by the reporting date, which is generally when shareholders approve the dividend.



p. Investments and other financial assets

Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortized cost

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit and loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held.

Measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss account.

Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit loss associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Derecognition of financial assets

A financial asset is derecognized only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay cash flows to one or more recipients

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the Company has not transferred substantially all risks and rewards of ownership of financial asset, the financial asset is not derecognized.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

q. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

r. Borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as the effective interest rate amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortization is included as finance cost in the statement of profit and loss.

1.4 FIRST TIME ADOPTION TO IND AS ADOPTION TO IND AS

The Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from 1 April 2017 with a transition date of 1 April 2016. These financial statements for the year ended 31 March 2018 are the first financial statements the Company has prepared under Ind AS. For all periods up to and



including the year ended 31 March 2017, the Company prepared its financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act, 2013 read together with Rule 7 of the Companies (Accounts) Rules, 2014 (herein after referred to as "Previous GAAP") used for its statutory reporting requirement in India immediately before adopting Ind AS. The adoption of Ind AS has been carried out in accordance with Ind AS 101, First Time Adoption of Indian Accounting Standards. Accordingly, the Company has prepared financial statements which comply with Ind AS for the year ended 31 March 2018, together with the comparative period data as at and for the year ended 31 March 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Companies' opening balance sheet was prepared as at 1 April 2016, the Company's date of transition to Ind AS.

This note explains the principal adjustments made by the Company in restating its Previous GAAP financial statements, including the balance sheet as at 1 April 2016 and the financial statements as at and for the year ended 31 March 2017.

Exemptions availed on first time adoption of Ind AS 101

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

a. Business Combinations

Ind AS 103 Business Combinations has not been applied to business acquisitions that occurred before 1 April 2016. Use of this exemption means that the Indian GAAP carrying amounts of assets and liabilities, that are required to be recognized under Ind AS, is their deemed cost at the date of the acquisition. After the date of the acquisition, measurement is in accordance with Ind AS.

Assets and liabilities that do not qualify for recognition under Ind AS are excluded from the opening Ind AS balance sheet. The Company did not recognize or exclude any previously recognized amounts as a result of Ind AS recognition requirements.

Ind AS 101 also requires that Indian GAAP carrying amount of goodwill must be used in the opening Ind AS balance sheet (apart from adjustments for goodwill impairment and recognition or derecognition of intangible assets). In accordance with Ind AS 101, the Company has tested goodwill for impairment at the date of transition to Ind AS. No goodwill impairment was deemed necessary as at 1 April 2016.

b. Property, plant and equipment and intangible assets

The Company has elected to continue with the carrying value for all of its property, plant and equipment and Intangible assets as recognized in its Indian GAAP financial statements as deemed cost as at the transition date.

c. Leases

Appendix C to Ind-AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind-AS 17, this assessment should be carried out at the inception of the contract or arrangement. However, the Company has used Ind AS 101 exemption and assessed all arrangements based on conditions in place as at the date of transition.

d. Estimates

The estimates at 1 April 2016 and at 31 March 2017 are consistent with those made for the same dates in accordance with Indian GAAP. The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at 1 April 2016, the date of transition to Ind AS and as of 31 March 2017.

e. Classification and measurement of financial assets/ financial liabilities

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.



EFFECT OF IND AS ADOPTION ON STANDALONE BALANCE SHEET

AS AT 31ST March, 2017 AND 1ST APRIL, 2016

(₹ in Lakhs)

PARTICULARS	Opening Balance Sheet as at 1st April 2016			Balance Sheet as at 31st March 2017		
	Previous GAAP	Effects of Transition to IND AS	IND AS	Previous GAAP	Effects of Transition to IND AS	IND AS
ASSETS						
Non- Current Assets						
a) Property, Plant & Equipment	1,827.89	-	1,827.89	1,773.67	-	1,773.67
b) Capital Work in Progress						
c) Financial Assets						
i) Loans	18.85	-	18.85	21.03	-	21.03
ii) Investments	131.54	-	131.54	131.54	-	131.54
(A)	1,978.28	-	1,978.28	1,926.24	-	1,926.24
Current Assets						
a) Inventories	9,541.42	-	9,541.42	8,159.62	-	8,159.62
b) Financial Assets						
i) Trade Receivables	2,055.62	-	2,055.62	1,005.37	-	1,005.37
ii) Cash and Bank	330.28	-	330.28	206.13	-	206.13
iii) Loans	596.04	(125.21)	470.83	517.11	(140.05)	377.06
iv) Other Financial Assets						
c) Other Current Assets	54.86	-	54.86	74.00	-	74.00
(B)	12,578.23	(125.21)	12,453.02	9,962.24	(140.05)	9,822.19
TOTAL ASSETS A+B	14,556.51	(125.21)	14,431.30	11,888.48	(140.05)	11,748.43
EQUITY AND LIABILITIES						
Equity						
a) Equity Share Capital	379.17	-	379.17	379.17	-	379.17
b) Other Equity	1,240.55	42.80	1,283.35	1,335.19	38.98	1,374.17
(A)	1,619.72	42.80	1,662.52	1,714.36	38.98	1,753.34
Liabilities						
Non- Current Liabilities						
a) Financial Liabilities						
Borrowings	486.52	(319.63)	166.90	391.45	(320.30)	71.15
b) Provisions	89.43	(19.86)	69.57	78.07	(14.15)	63.93
c) Deferred Tax Liabilities(Net)	79.27	(22.94)	56.33	105.68	(24.83)	80.85
(B)	655.22	(362.43)	292.79	575.20	(359.28)	215.92
Current Liabilities						
a) Financial Liabilities						
Borrowings	4,289.89	319.63	4,609.52	3,367.77	320.30	3,688.07
Trade Payables	7,449.76	-	7,449.76	5,748.34	-	5,748.34
b) Provisions	233.80	(143.87)	89.93	177.99	(88.35)	89.64
c) Other Current Liabilities	308.11	18.66	326.77	304.82	(51.70)	253.12
(C)	12,281.57	194.42	12,475.98	9,598.93	180.25	9,779.17
TOTAL EQUITY AND LIABILITIES A+B+C	14,556.51	(125.21)	14,431.30	11,888.48	(140.05)	11,748.43



**EFFECT OF IND AS ADOPTION ON
STANDALONE STATEMENT OF PROFIT & LOSS
FOR THE YEAR ENDED 31ST March, 2017**

(₹ in Lakhs)

PARTICULARS	Previous GAAP	Effects of Transition to IND AS	IND AS
INCOME			
Revenue From Operation Sales (Net)	41,002.94	-	41,002.94
Other Income	21.54	-	21.54
Total Income (I)	41,024.48	-	41,024.48
EXPENSES			
(A) Cost Of Materials Consumed	32,844.24	-	32,844.24
(B) Farm Expenses	3,648.88	-	3,648.88
(C) Hatcheri Expenses	387.38	-	387.38
(D) Administrative Expenses	554.68	(0.78)	553.90
(E) Selling & Distribution Expenses	1,447.21	-	1,447.21
(F) Employee Benefits Expense	1,188.15	8.81	1,196.95
(G) Finance Costs	608.72	-	608.72
(H) Depreciation	200.03	-	200.03
Total Expenses	40,879.29	8.03	40,887.32
Profit before tax	145.18	(8.03)	137.16
Tax Expense:			
Less:- (A) Current Tax	29.60	-	29.60
Add/Less (B) Deferred Tax Assets/Liabilities	26.40	(2.65)	23.75
Add:- (C) Mat Credit	5.46	-	5.46
Profit / (Loss) For The Year	94.64	(5.37)	89.27
Other comprehensive income			
Item That Will Not Be Reclassified To Profit & Loss Account			
Re- Measurement Gains / (Losses) On			
Defined Benefit Plans.	-	2.31	2.31
Less:- Income Tax	-	0.76	0.76
Other Comprehensive Income	-	1.55	1.55
Total Comprehensive Income For The Year	94.64	(3.83)	90.82



EFFECT OF IND AS ADOPTION ON PROFIT & OTHER EQUITY
AS AT 1ST APRIL, 2016

(₹ in Lakhs)

PARTICULARS	Security Premium Reserve	General Reserve	Retained earning	Utilised Investment Allowance Reserve	Total
As at 1st April 2016 as per previous GAAP	169.59	217.18	853.24	0.54	1,240.55
Change in equity due to IND AS Adoption					
(a) Fair Value adjustment of consumables biological assets	-	-	-	-	-
(b) Application of effective interest rate method on the borrowings	-	-	-	-	-
(c) Change in Deferred Tax Liability Due to IND AS	-	-	29.51	-	29.51
(d) Change in Fair Valuation of Gratuity	-	-	19.86	-	19.86
(e) Fair valuation of investments	-	-	-	-	-
(f) Deferred tax impact in respect of above adjustments	-	-	(6.57)	-	(6.57)
Total	169.59	217.18	896.04	0.54	1,283.35
As at 1 April 2016 as per Ind AS	169.59	217.18	896.04	0.54	1,283.35

Footnotes to the reconciliation of equity:

- Under Indian GAAP, deferred taxes are recognised using income statement approach i.e. reflecting the tax effects of timing differences between accounting income and taxable income for the period. The impact of transition adjustments together with IND AS mandate of using balance sheet approach (against income approach under Indian GAAP) for computation of deferred tax upto the transition date has resulted impact to retained earnings.
- Change in Gratuity arises due to change in Fair valuation of Gratuity by Actuary as per IND AS 19 EMPLOYEE BENEFITS as on transition date and effect of the same has been given in Deferred Tax also.

EFFECT OF IND AS ADOPTION ON CASH FLOW
AS AT 31ST MARCH, 2017

(₹ in Lakhs)

PARTICULARS	Previous GAAP	Effects of Transition to IIND AS	IND AS
NET CASH FLOW FROM OPERATING ACTIVITIES	1,298.44	(921.46)	376.98
NET CASH FLOW FROM INVESTING ACTIVITIES	(147.99)	-	(147.99)
NET CASH FLOW FROM FINANCING ACTIVITIES	(1,274.60)	921.46	(353.14)
NET INCREASE/ (DECREASE) in Cash & Cash Equivalents	(124.15)	-	(124.15)
Cash & Cash Equivalents at Beginning of the year	330.28	-	330.28
Cash & Cash Equivalents at End of the year	206.13	-	206.13



NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

Note-2 Fixed Assets (₹ in Lakhs)

Particulars	Gross Block				Accumulated Depreciation				Net Block		
	As at 1.04.16	Impact on IND AS Transition	Balance as at 31 March 2017	Additions During the Period	Sales/ Deduction	Balance as at 31st March 2018	As at 1.04.16	Impact on IND AS Transition	Balance as at 31 March 2017	Deduction during the Period	Balance as at 31st March 2018
Tangible Assets											
Land	43.51	-	43.51	457.10	-	500.61	-	-	43.51	-	43.51
Buildings (Factory)	602.11	-	602.11	18.52	-	620.63	266.29	-	317.68	-	335.82
Buildings (Office & Staff)	62.66	-	85.47	-	-	85.47	13.67	-	70.28	-	48.99
Building Hatcheries	151.44	-	151.44	-	-	151.44	3.09	-	143.56	-	148.35
Poultry Equipment	835.97	-	886.13	10.13	-	896.26	463.54	-	372.92	-	372.44
Hatchery Equipment	72.38	-	83.14	13.52	-	96.66	6.22	-	72.09	-	66.17
Feed Mill Equipment	46.94	-	58.58	1.56	-	60.15	6.39	-	49.22	-	40.55
Cycle	0.10	-	0.10	-	0.10	-	0.08	-	0.01	0.10	0.02
Computer Equipment	74.86	-	78.67	0.84	-	79.50	72.77	-	69.53	-	2.09
Office equipment	81.06	-	86.35	6.00	-	92.35	57.11	-	61.98	-	23.95
Furniture and Fixtures	87.21	-	92.66	1.69	1.58	92.77	50.21	-	56.54	0.32	37.00
Motor Car	338.68	-	346.90	33.04	49.14	330.80	97.78	-	141.63	35.16	240.90
Eicher Trucks	554.62	-	564.05	94.56	38.53	620.08	144.93	-	208.35	21.17	409.69
Electrical Installation	102.03	-	113.36	7.68	-	121.04	59.55	-	60.66	-	42.48
Tubewell & Land Development	43.28	-	50.00	0.55	-	50.55	36.14	-	38.39	-	7.14
Vehicles	17.81	-	18.00	-	-	18.00	9.02	-	8.52	-	8.79
Total	3114.67	-	3260.48	645.19	89.35	3816.32	1286.78	-	1486.81	56.76	1827.89
Previous Year	2701.53	-	3114.67	145.81	-	3260.48	1087.79	-	1827.89	-	1613.74



NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH, 2018

(₹ in Lakhs)

Note Number	Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
3	INVESTMENT			
	Simran Hatcheries Private Limited	11.89	11.89	11.89
	Puregene Biotech Limited (subsidiaries)	119.65	119.65	119.65
	Total Investments	131.54	131.54	131.54
4	LOANS			
	(Unsecured Considered goods)			
	Electricity Security Deposit	17.82	16.89	14.38
	Others Deposits	4.26	4.14	4.48
	Total Loans	22.08	21.03	18.85
5	INVENTORIES			
	(a) Raw materials			
	a) Parent Birds	1,070.92	937.49	973.85
	b) Feed & Medicines	2,870.04	4,687.60	5,180.68
	c) Commercial Chicks	1,388.84	2,302.04	3,083.54
	d) Hatching Eggs	214.47	232.50	303.35
	Total Inventories	5,544.27	8,159.62	9,541.42
6	TRADE RECEIVABLES			
	(Unsecured considered goods)	880.88	1,005.37	2,055.62
	Total Trade Receivables	880.88	1,005.37	2,055.62
7	CASH AND BANK BALANCES			
	(a) Cash on hand	127.45	72.75	219.07
	(b) Balances with banks			
	(i) In current accounts			
	ICICI Bank Indore -765	-	-	3.37
	ICICI Bank Indore -255	277.58	119.51	94.18
	ICICI Bank Indore Dhulia	1.99	2.14	0.74
	ICICI Bank Indore Anand	66.37	0.06	-
	Punjab National Bank Raipur	0.40	0.40	0.40
	Punjab National Bank Indore	0.09	0.09	0.10
	Punjab And Sindh Bank	-	-	1.22
	(ii) Unclaimed dividends -			
	ICICI Bank	5.53	5.56	5.57
	Axis Bank	5.52	5.62	5.62
	Total Cash & Bank Balances	484.94	206.13	330.28
8	LOANS			
	(Unsecured Considered goods)			
	Advances to employees	6.02	11.73	10.53
	Advances recoverable in cash or in kind or for value to be received	156.10	365.33	460.30
	Total Loans	162.13	377.06	470.83
9	OTHER CURRENT ASSETS			
	Financial Assets			
	Advances recoverable in cash or in kind or for value to be received	4.46	3.21	6.87



NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH, 2018

(₹ in Lakhs)

Note Number	Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016	
	Others				
	Advance income tax	120.00	25.00	5.00	
	Prepaid expenses	12.99	14.14	16.80	
	MAT Entitlement Credit	61.26	31.66	26.20	
	Total Other Current Assets	198.72	74.00	54.86	
10	SHARE CAPITAL				
	(a) Authorised				
	6000000 Equity shares of ₹ 10/- each	600.00	600.00	600.00	
	(b) Issued Subscribe and Paid Up				
	3791700 Equity Shares of ₹ 10/- each	379.17	379.17	379.17	
	The details of shareholders holding more than 5% shares:				
	Name of Shareholder	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%
11	OTHER EQUITY				
	a. General Reserves				
	As per Last Balance Sheet	217.18	217.18	217.18	
	b. Securities Premium Account				
	As per Last Balance Sheet	169.59	169.59	169.59	
	c. Utilised Investment Allo. Reserve				
	As per Last Balance Sheet	0.54	0.54	0.54	
	d. Other Comprehensive Income Reserve-	-	-	-	
	e. Retained Earning				
	As per Last Balance Sheet	986.86	896.04	794.73	
	Less :- Depreciation from retain earning	-	-	-	
	(+) Net Profit/(Net Loss) For the current year	393.59	90.82	58.50	
	(+) Change in Deferred tax liability due to IND AS	-	-	29.51	
	(+) Change in Fair Valuation of Gratuity	-	-	19.86	
	(-) Change in deferred Tax due to above change	-	-	(6.57)	
	Closing Balance	1,380.45	986.86	896.04	
	Total other equity	1,767.76	1,374.17	1,283.35	
12	BORROWINGS				
	Non-current Interest bearing loans and borrowings				
	From banks				
	Vehicle Loans (First Charge on Trucks and Cars)	60.30	46.15	141.90	
	Unsecured Loans from Director	25.00	25.00	25.00	
	Total Borrowings	85.30	71.15	166.90	

Note: Effective Interest Rate and Maturity details of above mentioned borrowings -

	Balance as on 31st March, 2018	Maturity	Interest Rate
i. From Banks			
ICICI Bank Ltd	1.29	2019-20	9.35% p.a.
Yes Bank Ltd	6.74	2020-21	8.90% p.a.



NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH, 2018

(₹ in Lakhs)

Note Number	Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Yes Bank Ltd	6.74	2020-21	8.90% p.a.
	Yes Bank Ltd	6.74	2020-21	8.90% p.a.
	Yes Bank Ltd	4.74	2020-21	8.90% p.a.
	Yes Bank Ltd	4.74	2020-21	8.90% p.a.
	Yes Bank Ltd	4.74	2020-21	8.90% p.a.
	Kotak Mahindra Bank	24.58	2022-23	7.92% p.a.
	Total	60.30		
i. From Directors				
	Unsecured Loan	25.00	2022-23	12.00% p.a.
13 PROVISIONS				
	(a) Provision for employee benefits			
	Gratuity (funded)	56.94	36.00	40.41
	Leave Encashment (unfunded)	25.07	27.93	29.15
	Total	82.01	63.93	69.57

Note Number	Particulars	As at 31st March, 2018	As at 31st March, 2017
14(a) TAX EXPENSE			
	Current Tax Expense	180.99	29.60
	Deferred Tax Benefit		
	MAT	(29.60)	(5.46)
	Others (Net)	(12.11)	23.75
	Total Income Taxes expense recognized in Current Year	139.28	47.89
	Profit Before Income Tax	533.32	137.16
	Indian Statutory Income Tax Rate	33.06 %	33.06 %
	Expected Income tax Expense	176.33	45.35
	Tax Effects of adjustments to reconcile expected income tax expense to reported tax expense:		
	Tax Effect of IND AS Adoption	-	2.65
	Tax adjustment for prior period current tax	(29.60)	(5.46)
	Tax Effect of non deductible expenses	80.49	70.07
	Tax adjustment due to carry forward & set off of prior period losses & Depreciation	(6.68)	(34.61)
	Tax Effect of MAT Provisions of Income Tax Act, 1961	-	29.60
	Others (net)*	(81.26)	(59.71)
	Total Income Tax Expense	139.28	47.89

* Others mainly includes tax effect of expenses allowed for tax purposes as well as effect of temporary differences.



NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH, 2018

		1st April, 2016	(₹ in Lakhs)
Note Number	Particulars	DTA/OTL	(Closing Balance as on 1st April, 2016)
14(b) DEFERRED TAX			
	PLANT PROPERTY & EQUIPMENT	DTL	97.60
	GRATUITY	DTA	13.36
	LEAVE ENCASHMENT	DTA	9.64
	REARING CHARGES (PROVISION)	DTA	18.27
	NET CLOSING DEFERRED TAX LIABILITY		56.33
	Less : NET OPENING DEFERRED TAX LIABILITY		79.27
	DEFERRED TAX TO BE RECOGNISED DURING THE PERIOD DUE TO ADOPTION OF IND AS		(22.94)

31st March, 2017				
PARTICULAR	DTA/DTL	Opening Balance	Debit/ (Credit) in P&L During the year	Closing Balance As on 31st March, 2017
PLANT PROPERTY & EQUIPMENT	DTL	97.60	4.38	101.98
GRATUITY	DTA	13.36	1.46	11.90
LEAVE ENCASHMENT	DTA	9.64	0.41	9.23
REARING CHARGES (PROVISION)	DTA	18.27	18.27	-
Totals	DTL (Net)	56.33	24.52	80.85

31st March, 2018				
PARTICULAR	DTA/DTL	Opening Balance	Debit/ (Credit) in P&L During the year	Closing Balance As on 31st March, 2018
PLANT PROPERTY & EQUIPMENT	DTL	101.98	(7.00)	94.98
GRATUITY	DTA	11.90	(6.47)	18.38
LEAVE ENCASHMENT	DTA	9.23	1.14	8.09
Totals	DTL (Net)	80.85	(12.33)	68.52

Note Number	Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
15 BORROWING				
	Punjab National Bank (cash credit) Raipur	2,713.69	2,738.08	2,739.67
	Punjab National Bank (cash credit) Indore	408.81	629.69	1,550.22
	Demand Loan From Directors	171.35	320.30	319.63
	Total Borrowing	3,293.85	3,688.07	4,609.52

Note: 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.



NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH, 2018

(₹ in Lakhs)

Note Number	Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
16 TRADE PAYABLES		3,432.82	5,748.34	7,449.76
	All Balances of Sundry Creditors are subject to confirmation.			
17 PROVISIONS				
	Salary payable	59.07	51.45	50.52
	Bonus payable	31.09	33.20	34.08
	Contribution to PF (Employees)	4.72	4.99	5.33
	Total Provisions	94.88	89.64	89.93
18 OTHER CURRENT LIABILITIES				
	Financial Liabilities			
	Vehicle Loans (First Charge on Trucks and Cars)	72.78	103.80	146.71
	Unclaimed Dividends	11.06	11.18	11.19
	Others Payable	74.79	38.61	121.74
	Others			
	Advances from Customers	42.01	49.78	25.00
	Service Tax payable	-	0.18	0.21
	Professional Tax (Staff)	0.75	0.56	-
	Income Tax Payable	180.99	29.60	5.46
	TDS Payable	14.47	19.40	16.46
	Total Other Current Liabilities	396.86	253.12	326.77
Note Number	Particulars	As at 31st March, 2018	As at 31st March, 2017	
19 OTHER INCOME				
	Rearing charges (Income)	30.18	20.17	
	Interest received MPEB/FD	1.05	1.37	
	Total other income	31.23	21.54	
20 COST OF MATERIAL CONSUMED				
	Opening Stock	8,159.62	9,541.42	
	Add:- Purchases			
	Feed & Medicines	21,490.32	28,152.66	
	Store Spares & Consumable	76.75	113.45	
	Parent Birds	735.99	317.27	
	Packing Material	300.68	385.35	
	Carriage Inward	364.36	373.97	
	Godown rent	50.55	53.14	
	Chicks	794.28	1,653.81	
	Hatching Eggs	379.57	412.78	
		32,352.13	41,003.86	
	Less:- Closing Stock	5,544.27	8,159.62	
	Total Cost of material consumed	26,807.86	32,844.24	



NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH, 2018

(₹ in Lakhs)

Note Number	Particulars	As at 31st March, 2018	As at 31st March, 2017
21 FARM EXPENSES			
	Farm Expenses	128.83	112.49
	Power & Energy	127.79	128.74
	Fuel Consumption	42.90	41.34
	Light & Water Charges	38.02	49.93
	Farm Rent	7.69	6.41
	Lease Rent	100.90	83.38
	Rearing Charges Expenses	2,594.53	3,226.60
	Total Farm Expenses	3,040.65	3,648.88
22 HATCHERI EXPENSES			
	Hatcheri Expenses	43.40	46.04
	Hatching expenses	97.37	98.89
	Hatcheries Rent	133.80	153.15
	Power & Energy (Hatcheries)	83.82	89.30
	Total Hatcheri Expenses	358.39	387.38
23 ADMINISTRATIVE EXPENSES			
	General Office Expenses	202.17	228.59
	Travelling & Conveyance	250.15	288.89
	Certification & consultancy fees to auditors	0.35	1.04
	Audit Fees	4.15	3.45
	Legal & Professional Expenses	19.84	19.11
	Tax after assessment	-	1.76
	Service Tax Exp.	0.48	1.88
	Software Development Charges	9.00	9.19
	Loss on sale of Assets	10.32	-
	Total Administrative Expenses	496.45	553.90
24 SELLING & DISTRIBUTION EXPENSES			
	Forwarding Expenses	988.54	1,373.71
	Advertisement & Publicity	1.26	1.58
	Vehicle Repair & Maintenance	36.13	36.50
	Sales Promotion Expenses	21.15	35.09
	Technical Seminar & Conference	-	0.33
	Total Selling & Distribution Expenses	1,047.08	1,447.21
25 EMPLOYEE BENEFITS EXPENSES			
	Salary wages & Bonus	1,096.37	1,003.34
	Remuneration to directors	57.00	56.50
	Remuneration to vice president	42.00	41.50
	Contribution to Provident Fund	70.25	68.71
	Staff welfare	7.66	4.46
	Gratuity	21.15	20.03
	Leave Encashment	-	-
	House rent allowance	2.87	2.40
	Total Employee Benefits Expenses	1,297.31	1,196.95



NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH, 2018

(₹ in Lakhs)

Note Number	Particulars	As at 31st March, 2018	As at 31st March, 2017
26 FINANCE COST			
	Bank Charges & Commission	39.64	23.88
	Interest to others	65.31	257.40
	Interest on statutory dues	0.86	0.19
	Interest on CC Loan	232.03	327.26
	Total Finance Cost	337.83	608.72
27 EARNING PER SHARE			
	Basic & Diluted earning per equity share have been worked out in accordance with IND AS-33 "Earnings Per Share". Basic and diluted earnings per equity share has been calculated by dividing Net profit of ₹ 394.04 lacs by 3791700 equity shares (Face Value of ₹ 10/- each)		

28 RELATED PARTIES DISCLOSURES :**1 Relationships****(a) Subsidiary Companies**

Puregene Biotech Ltd.

(b) Key Management Personnel:

Mr. Harender Singh Bhatia
(Managing Director)
Mr. Gurdeep Singh Bhatia
(Director)
Mr. Kawaljeet Singh Bhatia
(Whole Time Director)
Mr. Mahesh Patidar
(Chief Financial Officer)
Ms. Tanu Parmar
(Company Secretary)

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

Simran Feeds (P) Ltd.
Simran Hatcheries (P) Ltd.
Simfa Labs (P) Ltd.
Simran Foods (P) Ltd.
Simran Hatcheries
Early Bird Hatcheries
Simran Poultry
Singh Hatcheries
Singh Poultry
Simran Infra
Mr. Gurmeet Singh Bhatia
Mr. Avneet Singh Bhatia
Mr. Amarjeet Singh Bhatia
Mr. Amarjeet Singh Bhatia (HUF)
Mr. Kawaljeet Singh Bhatia (HUF)
Mrs. Simrat Kaur Bhatia
Mrs. Kawaljeet Kaur Bhatia
Mrs. Jagdeep Kaur Bhatia
Mrs. Amarjeet Kaur Bhatia
Mrs. Naampreet 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 Lakhs)

Nature of Transaction	Referred in 1 (a) above	Referred in 1 (b) above	Referred in 1 (c) above
Purchase	-	-	226.81
Sales	-	-	360.52
Director Remuneration	-	57.00	-



NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH, 2018

(₹ in Lakhs)

Nature of Transaction	Referred in 1 (a) above	Referred in 1 (b) above	Referred in 1 (c) above
Vice President Remuneration	-	-	42.00
Rearing Charges	54.00	-	-
Chief Financial Officer 's Salary	-	7.19	-
Company Secretary 's Salary	-	2.64	-
Salary	-	-	48.60
Office Rent	-	-	25.80
Rent:-			
Land & Building	-	-	67.20
Hatchery Rent	-	-	126.00
Feed Processing Charges (Payable)	-	-	169.87
Feed Processing Charges (Receivable)	-	-	10.50
Hatching Charges (Payable)	-	-	85.59
Interest on Loan	-	-	11.02
Commission	-	-	49.62
Payable	108.87	196.35	834.04
Receivable	-	1.90	53.01

Related Party Transactions (₹ in Lakhs)

S.No.	Transactions	2017-18	2016-17
Purchase of Raw Material/Finished goods			
1	Simfa Labs (P) Ltd.	226.81	304.36
2	Simran Feeds (P) Ltd	-	-
3	Simran Infra	-	1.39
	Total	226.81	305.75
Sales of Material/ Finished Goods			
1	Simran Food (P) Ltd.	274.96	237.31
2	Simran Feeds (P) Ltd	85.55	75.94
	Total	360.52	313.26
Rearing Charges			
1	Puregen Biotech Ltd.	54.00	45.00
	Total	54.00	45.00
Rent Paid:-			
a) Office Rent:-			
1	Mrs. Amarjeet Kaur Bhatia	4.80	4.80
2	Mrs. Simrath Kaur Bhatia	4.80	4.80
3	Mrs. Kawaljeet Kaur Bhatia	4.80	4.80
4	Mrs. Jagdeep Kaur Bhatia	5.70	5.70
5	Mr. Kawaljeet Singh Bhatia	5.70	5.70
	Total	25.80	25.80
b) Tractor Rent:-			
1	Mr. Amarjeet Singh Bhatia (HUF)	-	0.96
	Total	-	0.96



NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH, 2018

Related Party Transactions

(₹ in Lakhs)

S.No.	Transactions	2017-18	2016-17
c) Land & Building Rent			
1	Simran Poultry	5.40	5.40
2	Singh Poultry	36.00	36.00
3	Early Bird Hatcheries	25.80	12.90
4	Puregen Biotech Ltd.	-	9.00
	Total	67.20	63.30
d) Hatchery Rent			
1	Early Bird Hatcheries	24.00	36.90
2	Simran Hatcheries	46.80	46.80
3	Singh Hatcheries	55.20	55.20
	Total	126.00	138.90
e) Auto Hire Expenses			
	Mr. Kawaljeet Singh Bhatia (HUF)	-	0.72
	Total	-	0.72
Feed Processing Charges			
	Simran Feeds (P) Ltd.		
	Payable	169.87	229.23
	Receivable	10.50	11.76
	Total	180.37	240.99
Transportation charges			
	Simran Hatcheries (P) Ltd.	-	44.69
	Total	-	44.69
Hatching Charges			
1	Simran Hatcheries (P) Ltd.		
	Payable	85.59	98.89
	Total	85.59	98.89
Commission			
1	Mr. Avneet Singh Bhatia	14.72	-
2	Mr. Amarjeet Singh Bhatia	18.05	-
3	Mrs. Jagdeep Kaur Bhatia	16.85	-
	Total	49.62	-
Interest on Fund raised			
1	Mr. Gurdeep Singh Bhatia	8.02	18.43
2	Mr. Kawaljeet Singh Bhatia	3.00	3.00
	Total	11.02	21.43
Assets Purchase			
2	Simran Hatcheries (P) Ltd.	-	7.47
	Total	-	7.47
Salary			
1	Mrs. Simrat Kaur Bhatia	7.20	4.80
2	Mr. Gurmeet Singh Bhatia	27.00	26.50
3	Mr. Avneet Singh Bhatia	15.00	15.00
4	Mr. Amarjeet Singh Bhatia	24.00	-
5	Mrs. Jagdeep Kaur Bhatia	7.20	-
6	Mrs. Naampreet Kaur Bhatia	10.20	-
	Total	90.60	46.30



NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH, 2018

(₹ in Lakhs)

Related Party Transactions

S.No.	Transactions	2017-18	2016-17
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3a DETAILS REGARDING PAYMENTS MADE TO KEY MANAGERIAL PERSONNEL

1	Remuneration		
	Salary	66.82	64.99
	Contribution to provident and other funds	-	-
	Perquisites	-	-
2	Commission	-	-
3	Sitting fees	-	-
4	Rent paid (expense)	-	-

3b BREAKUP OF PAYMENTS MADE TO KEY MANAGERIAL PERSONNEL

1	Remuneration		
	Mr Harender singh Bhatia	30.00	30.00
	Mr. Kawaljeet Singh Bhatia	27.00	26.50
	Mr. Mahesh Patidar	7.19	6.26
	Ms. Tanu Parmar	2.64	2.23
	Total	66.82	64.99

29 PAYMENT TO AUDITOR

1)	As Auditor	4.15	3.45
2)	As per Certification	0.35	1.04
	Total	4.50	4.49

30 EMPLOYEE BENEFITS

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

S.No.	Particulars	2017-18	2016-17
1	Expenses recognised in Income Statement		
	Current Service Cost.	18.04	16.80
	Interest on Obligation	8.04	8.14
	Actuarial Losses / (Gains)	-	-
	Expected return on plan assets	(5.97)	(4.91)
	Past service cost	1.05	-
	Losses (gains) on curtailments and settlement	-	-
	Expense recognised in P & L	21.15	20.03
2	Amount to be recognised in Balance Sheet		
	Defined Benefit Obligation	133.75	117.20
	Fair value of plan assets	76.81	81.20
	Funded Status - (Surplus)/Deficit	56.94	36.00
	Unrecognised past service cost	-	-
	Unrecognised asset due to limit in Para 64(b)	-	-
	Liability/(Asset) recognised in the Balance Sheet	56.94	36.00
3	Table showing change in benefit obligation		
	Opening Defined Benefit obligation	117.20	101.79
	Service cost for the year	18.04	16.80
	Interest cost for the year	8.04	8.14
	Actuarial Losses / (Gains)	0.03	(3.07)
	Benefits paid	(10.60)	(6.46)
	Past Service Cost	1.05	-
	Closing defined benefit obligation	133.75	117.20



NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH, 2018

(₹ in Lakhs)

S.No.	Particulars	2017-18	2016-17
4	Table showing fair value of plan assets		
	Fair value of plan assets at beginning of year	81.20	61.37
	Actual return on plan assets	5.97	4.91
	Contributions	0.88	22.14
	Benefits Paid	(10.60)	(6.46)
	Actuarial Gains\ (Losses)	(0.63)	(0.75)
	Fair value of plan assets at the end of year	76.81	81.20
5	Table Showing Amount to be recognised in OCI		
	Amount recognised in OCI, Beginning of Period	(2.31)	-
	Re-measurements due to:	-	-
	Effect of Change in Financial Assumptions	(5.33)	7.64
	Effect of Change in Demographic Assumptions	-	-
	Effect of experience adjustments	5.36	(10.70)
	Actuarial (Gains)/Losses	0.03	(3.07)
	Return on Plan Assets (excluding interest)	(0.63)	(0.75)
	Total measurements recognised in OCI	0.66	(2.31)
	Amount recognised in OCI, End of Period	(1.65)	(2.31)

6 History of DBO, Asset values, Surplus/Deficit & Experience Gains & Losses

Particulars	2017-18	2016-17	2015-16
DBO	133.75	117.20	101.79
Plan Assets	76.81	81.20	61.37
(Surplus)/Deficit	56.94	36.00	40.41
Exp Adj- Plan Assets Gain/ (Loss)	(0.63)	(0.75)	-
Assumptions (Gain)/ Loss	(5.33)	7.64	-
Exp Adj- Plan Liabilities Gain/ (Loss)	5.36	(10.70)	-
Total Actuarial (Gain)/ Loss	0.03	(3.07)	-

7 Category of Assets

Particulars	2017-18	2016-17
Govt. of India Securities (Central and State)	-	-
High Quality Corporate Bonds (incl. PSU Bonds)	-	-
Equity shares of Listed Companies	-	-
Real Estate/ Property	-	-
Cash (including Special Deposits)	-	-
Other (including assets under Schemes of Ins.)	100%	100%
Total	100%	100%



NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH, 2018

(₹ in Lakhs)

8 Sensitivity Analysis**31st March, 2018**

Particulars	Decrease	Increase
Discount Rate	140.47	127.58
Impact of increase/decrease in 50 bps on DBO	5.02 %	-4.61 %
Salary Growth Rate	127.45	140.56
Impact of increase/decrease in 50 bps on DBO	-4.71 %	5.09 %

Actuarial Assumptions

Valuation Method	Projected unit Credit Method
Discount Rate	7.70%
Annual increase in salary costs	5.00%
Mortality Rate	Indian Assured Lives Mortality (2006-08)
Withdrawal rate	1% to 3% depending on Age
Retirement Age	58 Years

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 unutilised leave at each balance sheet date.

31 FAIR VALUE MEASUREMENT HIERARCHY

Particulars	As at 31 March 2018			As at 31 March 2017			As at 1st April 2016		
	Carrying Amount	Level of Input used in		Carrying Amount	Level of Input used in		Carrying Amount	Level of Input used in	
		Level 1	Level 2		Level 1	Level 2		Level 1	Level 2
Financial Asset :-									
At Amortised Cost									
Cash & Cash Equivalents	484.94	-	-	206.13	-	-	330.28	-	-
Trade Receivables	880.88	-	-	1,005.37	-	-	2,055.62	-	-
Loans	184.21	-	-	398.09	-	-	489.68	-	-
Others	4.46	-	-	3.21	-	-	6.87	-	-
At FVTPL									
Investments	131.54	-	131.54	131.54	-	131.54	131.54	-	131.54
At FVTOCI	-	-	-	-	-	-	-	-	-
Financial Liabilities:-									
At Amortised Cost									
Trade Payables	3,432.82	-	-	5,748.34	-	-	7,449.76	-	-
Borrowings	85.30	-	-	71.15	-	-	166.90	-	-
Vehicle Loans									
(First Charge									
on Trucks and Cars)	72.78	-	-	103.80	-	-	146.71	-	-
Unclaimed Dividends	11.06	-	-	11.18	-	-	11.19	-	-
Others Payable	74.79	-	-	38.61	-	-	121.74	-	-
At FVTPL									
Borrowings	3,293.85	-	3,293.85	3,688.07	-	3,688.07	4,609.52	-	4,609.52

The Financial Instruments are categorised into two levels based on the inputs used to arrive at fair value measurement as described below:

LEVEL 1: Quoted Prices (unadjusted) in active markets for identical assets or liabilities; and

LEVEL 2: Inputs other than the quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.



NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH, 2018

31. FINANCIAL RISK MANAGEMENT

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk primarily relates to trade and other receivables, long-term loans, cash and cash equivalents.

The Company's exposure to credit risk with regards to trade and other receivables is influenced mainly by the individual characteristics of each customer and there is no significant concentration of risk related to industry segments. The granting of credit is controlled by well-established criteria that are reviewed on a regular basis. The maximum exposure to credit risk at the reporting date is the carrying amount of each trade receivable.

The credit policy requires each new customer to be analyzed individually for credit worthiness before delivery and payment terms are offered.

Other receivables consist primarily of security deposits, loans to employees and other receivables. The risk of default is assessed as low.

The credit risk surrounding loans receivable is assessed as low risk.

Credit risk on cash and cash equivalents is assessed as low risk as the Company deposits cash surpluses with financial institutions of high quality and standing.

Liquidity risk

The Company actively monitors its cash flows to ensure there is sufficient cash available to meet its working capital requirements. Due to the dynamic nature of the underlying businesses, the Company maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Company's cash and cash equivalents on the basis of expected cash flow.

The Company's current trade and other payables are all due within one year.

The table below summarizes the maturity profile of the Company's financial liabilities as at 31 March 2018 based on contractual undiscounted payments:

(₹ in Lakhs)					
Particulars	Less than One Year	1-2 Years	2-4 Years	>4 Years	Total
Trade Payable	3432.82	-	-	-	3432.82
Long term borrowings	-	1.29	34.44	49.58	85.30
Short term borrowings	3293.85	-	-	-	3293.85

Market risk

Interest rate risk

The Company is exposed to interest rate risk on its cash and cash equivalents, long-term loans and borrowings, which can have an impact on the cash flows of these instruments. The exposure to interest rate risk is managed through the Company's Board by using counterparties that offer the best rates which enables the Company to maximize returns whilst minimizing risk.

In terms of our report attached

For J.C. BAHETI & ASSOCIATES

Chartered Accountants

Registration Number: 03390C

J.C. BAHETI
PROPRIETOR
M.No. 072585
Place: Indore
Date: 25/05/2018

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)



INDEPENDENT AUDITOR'S REPORT

To
The Members of
Simran Farms Limited

REPORT ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

We have audited the accompanying Ind AS financial statements of Simran Farms Limited ("the Company") which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity 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 rules made there under, as applicable. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 Ind AS 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 Ind AS 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 there under. 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 Ind AS financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS 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 Ind AS 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 Ind AS financial statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 including the Ind AS, of the financial position of the Company as at March 31, 2018, and its financial performance including other comprehensive income, cash flows and the changes in equity for the year ended on that date.

OTHER MATTERS

We did not audit the financial statements of subsidiary company 'Puregene Biotech Limited', whose financial statements reflect total assets of ₹ 233.35 lacs as at March 31, 2018, total revenues of ₹ 54.00 lacs and net cash flows of ₹ 3.84 lakhs for the year then ended. These financial statements have been audited by other auditors whose reports have been furnished to us and our opinion is based solely on the reports of the other auditors.

Our opinion is not modified in respect of above said matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. 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 purpose 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 including other comprehensive income and the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act and rules made there under, as applicable;
- e) On the basis of written representations received from management as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure A**”.
- g) 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 does not have any pending litigations which would impact on its financial position in its Ind AS financial statements;
 - 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.

For J.C. BAHETI & ASSOCIATES
Chartered Accountants
Registration Number: 03390C

Place: Indore
Date: 25/05/2018

J.C. BAHETI
PROPRIETOR
M.No. 072585

ANNEXURE A

To the Independent Auditors' Report on Consolidated Financial Statements of Simran Farms Limited (Referred to our report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Simran Farms Limited (“the Company”) as of March 31, 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**AUDITORS' RESPONSIBILITY**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- 1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- 2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- 3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

OTHER MATTERS

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to consolidated/standalone financial statement of one subsidiary which is a company incorporated in India, is based on the corresponding report of the auditor of such company.

For J.C. BAHETI & ASSOCIATES
Chartered Accountants
Registration Number: 03390C

Place: Indore
Date: 25/05/2018

J.C. BAHETI
PROPRIETOR
M.No. 072585



CONSOLIDATED BALANCE SHEET
AS AT 31st MARCH, 2018

(₹ in Lakhs)

Particulars	Note	As at 31 st March, 2018	As at 31 st March, 2017	As at 1 st April, 2016
ASSETS				
Non-Current Assets				
(a) Property, plant and equipment	2	2,286.34	1,891.24	1,954.33
(b) Capital work in progress				
(c) Financial Assets				
(i) Investment	3	11.89	11.89	11.89
(ii) Loans	4	23.15	22.10	19.92
Total Non-Current Assets		2,321.37	1,925.23	1,986.14
Current Assets				
(a) Inventories	5	5,544.27	8,159.62	9,541.42
(b) Financial Assets				
(i) Trade receivables	6	880.88	1,005.37	2,055.62
(ii) Cash and bank balances	7	489.61	206.96	332.55
(iii) Loans	8	162.13	377.06	470.83
(c) Other current assets	9	204.14	82.99	67.06
Total Current Assets		7,281.03	9,832.00	12,467.49
TOTAL ASSETS		9,602.41	11,757.23	14,453.63
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital	10	379.17	379.17	379.17
(b) Other equity	11	1,817.19	1,415.28	1,316.23
Total Equity		2,196.36	1,794.45	1,695.40
Non Controlling Interest		35.36	33.62	31.90
Liabilities				
Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	12	85.30	71.15	166.90
(b) Provisions	13	82.01	63.93	69.57
(c) Deferred tax liabilities (net)	14	64.94	78.08	53.57
Total Non-Current Liabilities		232.25	213.15	290.03
Current liabilities				
(a) Financial liabilities				
(a) Borrowings	15	3,293.85	3,688.07	4,609.52
(b) Trade Payables	16	3,323.94	5,678.29	7,402.45
(b) Provisions	17	118.67	89.74	90.97
(c) Other Current Liabilities	18	401.98	259.90	333.37
Total Current Liabilities		7,138.44	9,716.00	12,436.31
TOTAL LIABILITIES		9,602.41	11,757.23	14,453.63
Summary of Significant Accounting Policies	1			
See Accompanying Notes Forming Part of	2-30			
Financial Statements				

In terms of our report attached
For J.C. BAHETI & ASSOCIATES
Chartered Accountants
Registration Number: 03390C

J.C. BAHETI
PROPRIETOR
M.No. 072585
Place: Indore
Date: 25/05/2018

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 STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31ST MARCH 2018

(₹ in Lakhs except EPS)

Particulars	Note	2017-18	2016-17
Income			
Revenue from operation Sales (Net)		34,097.32	41,002.94
Other income	19	31.23	21.54
Total Income		34,128.55	41,024.48
Expenses			
(a) Cost of materials consumed	20	26,807.86	32,844.24
(b) Farm expenses	21	2,990.63	3,604.43
(c) Hatcheri expenses	22	358.39	387.38
(d) Administrative expenses	23	496.94	554.58
(e) Selling & distribution expenses	24	1,047.08	1,447.28
(f) Employee benefits expense	25	1,325.45	1,215.50
(g) Finance costs	26	337.83	608.91
(h) Depreciation	2	217.49	208.91
Total expenses		33,581.68	40,871.23
Profit before tax		546.87	153.25
Tax expense:			
Less:- (a) Current tax		185.30	35.73
Add/Less (b) Deferred tax assets/Liabilities	14	(12.92)	23.75
Add:- (c) MAT Credit		29.60	5.46
Profit / (Loss) for the year		404.09	99.23
Less: Non Controlling Interest		1.74	1.72
Total		402.35	97.51
Other comprehensive income			
Item that will not be reclassified to profit and loss account			
Re- measurement gains / (losses) on defined benefit plans.		(0.66)	2.31
Less:- Income Tax		0.21	0.76
Other Comprehensive income		(0.45)	1.55
Total comprehensive income for the year		401.90	99.06
Earnings per share (of ₹ 10/- each)			
Basic and diluted		10.61	2.57
Summary of Significant Accounting Policies	1		
See Accompanying Notes Forming Part of Financial Statements	2-30		

In terms of our report attached
For J.C. BAHETI & ASSOCIATES
Chartered Accountants
Registration Number: 03390C

J.C. BAHETI
PROPRIETOR
M.No. 072585
Place: Indore
Date: 25/05/2018

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Tanu Parmar
Company Secretary
(M.No. 34769)



CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2018

(₹ in Lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017
A. CASH FLOW FROM OPERATING ACTIVITIES :		
NET PROFIT BEFORE TAX & EXTRA ORDINARY ITEM	546.87	153.25
Adjustment to reconcile profit before tax to cash generated by operating activities		
Non Cash Items:		
Depreciation	217.49	208.91
Provision for employee benefits	17.42	(3.33)
Non operating Items:		
Interest Paid	65.31	257.40
Loss on sale of assets	10.32	-
Operating Profit before working capital change	857.41	616.23
Inventories	2,615.35	1,381.80
Trade Receivable	124.49	1,050.25
Loans	214.93	93.77
Provisions	28.93	(1.23)
Other Current Assets	0.51	6.90
Borrowings	(394.22)	(921.44)
Trade Payable	(2,354.35)	(1,724.16)
Other Current Liabilities	(7.50)	(97.79)
Operating Profit After Working Capital Change	1,085.55	404.33
Income Tax Paid	(127.79)	(28.78)
Net Cash Flow From Operating Activities (A):	957.76	375.55
(B) CASH FLOW FROM INVESTING ACTIVITY		
Sale of Fixed Assets	22.28	-
Purchase of Fixed Asset	(645.19)	(145.81)
Loan and Advances	(1.05)	(2.18)
Net Cash flow from Investing Activity (B)	(623.96)	(147.99)
(C) CASH FLOW FROM FINANCING ACTIVITY		
Cash Received From Borrowings	14.16	-
Repayment Of Borrowings	-	(95.75)
Interest Paid	(65.31)	(257.40)
Net Cash Flow From Financing Activity (C)	(51.15)	(353.15)
NET INCREASE IN CASH & CASH EQUIVALENT (A+B+C)	282.65	(125.59)
Cash & Cash Equivalent at the Beginning of Period	206.96	332.55
Cash & Cash Equivalent at the End of Period	489.61	206.96

In terms of our report attached
For J.C. BAHETI & ASSOCIATES
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Registration Number: 03390C

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M.No. 072585
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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
AS AT 31ST MARCH 2018

A. EQUITY SHARE CAPITAL

(₹ in Lakhs)

Equity share of Rupees 10/- each	Changes in equity share capital during the year	
	Balance at the beginning of the year	Balance at the end of the year
2017-18	379.17	-
2016-17	379.17	-

B. OTHER EQUITY

Particulars	General Reserve	Securities Premium	Utilised investment allowance reserve	Retained earnings	Other Comprehensive Income	Total
2017-18						
Balance at the beginning of the year	217.18	169.59	0.54	1026.43	1.55	1415.29
Prior period errors	-	-	-	-	-	-
Restated balance	217.18	169.59	0.54	1026.43	1.55	1415.29
Total Comprehensive Income for the year	-	-	-	402.35	(0.45)	401.90
Balance at the end of year	217.18	169.59	0.54	1428.78	1.10	1817.19
2016-17						
Balance at the beginning of the year	217.18	169.59	0.54	886.11	-	1273.42
Prior period errors	-	-	-	42.81	-	42.81
Restated balance	217.18	169.59	0.54	928.92	-	1316.22
Total Comprehensive Income for the year	-	-	-	97.51	1.55	99.06
Balance at the end of year	217.18	169.59	0.54	1026.43	1.55	1415.28

In terms of our report attached
For J.C. BAHETI & ASSOCIATES
Chartered Accountants
Registration Number: 03390C

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DIN 00401929

Tanu Parmar
Company Secretary
(M.No. 34769)



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

1.1 CORPORATE INFORMATION

Simran Farms Limited ("the Company") is a listed public company domiciled in India and is incorporated under the provisions of the Companies Act, 1956. Its shares are listed on Bombay stock exchanges in India. The registered office of the company is located at 1-B, Vikas Rekha Complex, Khatiwala Tank, Indore, Madhya Pradesh, 452001.

The Company is engaged in the business of integrated poultry and poultry products. It is mainly focused on integration/contract farming with poultry farmers and consolidation of poultry activities and has also arranged its own manufacturing set-up for production of poultry feeds. Further, its breeding and integration farms have scientific rearing and balanced nutrition management for each bird.

1.2 BASIS OF PREPARATION AND PRESENTATION

The consolidated financial statement has been prepared on the historical cost basis except for the following assets and liabilities which have been measured at fair value amount:

- a. Certain financial assets and liabilities
- b. Defined benefit plan's - plan asset

The consolidated financial statements of the group have been prepared to comply with the Indian Accounting Standard ('IND AS'), including the rules notified under the relevant provisions of the Companies Act, 2013. Up to the year ended March 31, 2017, the Group has prepared its consolidated financial statements in accordance with the requirement of Indian Generally Accepted Accounting Principles (GAAP), which includes Standards notified under Companies (Accounting Standards) Rule, 2006 and considered as "previous GAAP". These consolidated financial statements are the Group's first Ind AS consolidated financial statements. The figures for the previous period have been restated, regrouped and reclassified wherever required to comply with the requirement of Ind AS and schedule III. The company's consolidated financial statements are presented in Indian Rupees.

1.3 PRINCIPLES OF CONSOLIDATION

The consolidated financial statements relate to Simran Farms Limited ("the company") and its subsidiary company. The consolidated financial statements have been prepared on the following basis:

- a. The financial statements of the company and its subsidiaries are combined on a line by line basis by adding together like terms of assets, liabilities, equity, Incomes, expenses, and cash flows, after fully eliminating intra-group balances and intra-group transactions.
- b. Profits or losses resulting from intra-group transactions that are recognised in assets, such as inventory and property, plant & equipment, are eliminated full.
- c. Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.
- d. Non controlling interest's share of profit/loss of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the company.
- e. Non Controlling interest's share of net assets of consolidated subsidiaries is identified and presented in the Consolidated Balance sheet separate from liabilities and the equity of the company's shareholders.

1.4 OTHER SIGNIFICANT ACCOUNTING POLICIES

These are set out under "Significant Accounting Policies" as given in the Company's standalone financial statements.

1.4 FIRST TIME ADOPTION TO IND AS ADOPTION TO IND AS

The Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from 1 April 2017 with a transition date of 1 April 2016. These financial statements for the year ended 31 March 2018 are the first financial statements the Company has prepared under Ind AS. For all periods up to and including the year ended 31 March 2017, the Company prepared its financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act, 2013 read together with Rule 7 of the Companies (Accounts) Rules, 2014 (herein after referred to as "Previous GAAP") used for its statutory reporting requirement in India immediately before adopting Ind AS. The adoption of Ind AS has been carried out in accordance with Ind AS 101, First Time Adoption of Indian Accounting Standards. Accordingly, the Company has



prepared financial statements which comply with Ind AS for the year ended 31 March 2018, together with the comparative period data as at and for the year ended 31 March 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Companies' opening balance sheet was prepared as at 1 April 2016, the Company's date of transition to Ind AS.

This note explains the principal adjustments made by the Company in restating its Previous GAAP financial statements, including the balance sheet as at 1 April 2016 and the financial statements as at and for the year ended 31 March 2017.

Exemptions availed on first time adoption of Ind AS 101

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

a. Business Combinations

Ind AS 103 Business Combinations has not been applied to business acquisitions that occurred before 1 April 2016. Use of this exemption means that the Indian GAAP carrying amounts of assets and liabilities, that are required to be recognized under Ind AS, is their deemed cost at the date of the acquisition. After the date of the acquisition, measurement is in accordance with Ind AS.

Assets and liabilities that do not qualify for recognition under Ind AS are excluded from the opening Ind AS balance sheet. The Company did not recognize or exclude any previously recognized amounts as a result of Ind AS recognition requirements.

Ind AS 101 also requires that Indian GAAP carrying amount of goodwill must be used in the opening Ind AS balance sheet (apart from adjustments for goodwill impairment and recognition or de-recognition of intangible assets). In accordance with Ind AS 101, the Company has tested goodwill for impairment at the date of transition to Ind AS. No goodwill impairment was deemed necessary as at 1 April 2016.

b. Property, plant and equipment and intangible assets

The Company has elected to continue with the carrying value for all of its property, plant and equipment and Intangible assets as recognized in its Indian GAAP financial statements as deemed cost as at the transition date.

c. Leases

Appendix C to Ind-AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind-AS 17, this assessment should be carried out at the inception of the contract or arrangement. However, the Company has used Ind AS 101 exemption and assessed all arrangements based on conditions in place as at the date of transition.

d. Estimates

The estimates at 1 April 2016 and at 31 March 2017 are consistent with those made for the same dates in accordance with Indian GAAP. The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at 1 April 2016, the date of transition to Ind AS and as of 31 March 2017.

e. Classification and measurement of financial assets/ financial liabilities

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.



EFFECT OF IND AS ADOPTION ON CONSOLIDATED BALANCE SHEET

AS AT 31ST March, 2017 AND 1ST APRIL, 2016

(₹ in Lakhs)

PARTICULARS	Opening Balance Sheet as at 1st April 2016			Balance Sheet as at 31st March 2017		
	Previous GAAP	Effects of Transition to IND AS	IND AS	Previous GAAP	Effects of Transition to IND AS	IND AS
ASSETS						
Non- Current Assets						
a) Property, Plant & Equipment	1,954.33	-	1,954.33	1,891.24	-	1,891.24
b) Capital Work in Progress						
c) Financial Assets						
i) Loans	19.92	-	19.92	22.10	-	22.10
ii) Investments	11.89	-	11.89	11.89	-	11.89
(A)	1,986.14	-	1,986.14	1,925.23	-	1,925.23
Current Assets						
a) Inventories	9,541.42	-	9,541.42	8,159.62	-	8,159.62
b) Financial Assets						
i) Trade Receivables	2,055.62	-	2,055.62	1,005.37	-	1,005.37
ii) Cash and Bank	332.55	-	332.55	206.96	-	206.96
iii) Loans	663.11	(192.28)	470.83	600.10	(223.04)	377.06
iv) Other Financial Assets						
c) Other Current Assets		67.06	67.06		82.99	82.99
(B)	12,592.71	(125.21)	12,467.49	9,972.05	(140.05)	9,832.00
TOTAL ASSETS A+B	14,578.85	(125.21)	14,453.63	11,897.27	(140.05)	11,757.23
EQUITY AND LIABILITIES						
Equity						
a) Equity Share Capital	379.17	-	379.17	379.17	-	379.17
b) Other Equity	1,273.42	42.80	1,316.23	1,376.30	38.98	1,415.28
(A)	1,652.59	42.80	1,695.40	1,755.47	38.98	1,794.45
Non Controlling Interest	31.90	-	31.90	33.62	-	33.62
Liabilities						
Non- Current Liabilities						
a) Financial Liabilities						
Borrowings	486.52	(319.63)	166.90	391.45	(320.30)	71.15
b) Provisions	89.43	(19.86)	69.57	78.07	(14.15)	63.93
c) Deferred Tax Liabilities(Net)	76.51	(22.94)	53.57	102.91	(24.83)	78.08
(B)	652.46	(362.43)	290.03	572.43	(359.28)	213.15
Current Liabilities						
a) Financial Liabilities						
Borrowings	4,289.90	319.62	4,609.52	3,367.77	320.30	3,688.07
Trade Payables	7,428.32	(25.87)	7,402.45	5,678.29	0.00	5,678.29
b) Provisions	215.57	(124.60)	90.97	184.87	(95.13)	89.74
c) Other Current Liabilities	308.11	25.26	333.37	304.82	(44.93)	259.90
(C)	12,241.90	194.41	12,436.31	9,535.76	180.25	9,716.00
TOTAL EQUITY AND LIABILITIES A+B+C	14,578.85	(125.21)	14,453.63	11,897.27	(140.05)	11,757.23



**EFFECT OF IND AS ADOPTION ON
CONSOLIDATED STATEMENT OF PROFIT & LOSS
AS AT 31ST March, 2017**

(₹ in Lakhs)

PARTICULARS	Previous GAAP	Effects of Transition to IND AS	IND AS
INCOME			
Revenue from operation Sales (Net)	41,002.94	-	41,002.94
Other income	21.54	-	21.54
Total Income (I)	41,024.48	-	41,024.48
EXPENSES			
(a) Cost of materials consumed	32,844.24	-	32,844.24
(b) Farm expenses	3,604.43	-	3,604.43
(c) Hatcheri expenses	387.38	-	387.38
(d) Administrative expenses	555.36	(0.78)	554.58
(e) Selling & distribution expenses	1,447.28	-	1,447.28
(f) Employee benefits expense	1,206.69	8.81	1,215.50
(g) Finance costs	608.91	-	608.91
(h) Depreciation	208.91	-	208.91
Total Expenses	40,863.20	8.03	40,871.23
Profit before tax	161.27	(8.03)	153.25
Profit / (Loss) before tax	161.27	(8.03)	153.25
Tax Expense:			
Less:- (a) Current tax	35.73	-	35.73
Add/Less (b) Deferred tax assets/Liabilities	26.40	(2.65)	23.75
Add:- (c) MAT Credit	5.46	-	5.46
Profit / (Loss) for the year	104.60	(5.37)	99.23
Less: Non Controlling Interest	1.72	-	1.72
Profit / (Loss) For The Year after Minority Interest	102.88	(5.37)	97.51
Other comprehensive income			
Item That Will Not Be Reclassified To Profit & Loss Re-Measurement Gains / (Losses) On Defined Benefit Plans.	-	2.31	2.31
Less:- Income Tax	-	0.76	0.76
Other Comprehensive Income	-	1.55	1.55
Total Comprehensive Income For The Year	102.88	(3.82)	99.06



EFFECT OF IND AS ADOPTION ON PROFIT & OTHER EQUITY
AS AT 1ST APRIL, 2016

(₹ in Lakhs)

PARTICULARS	Security Premium Reserve	General Reserve	Retained earning	Utilised Investment Allowance Reserve	Total
As at 1st April 2016 as per previous GAAP	169.59	217.18	886.11	0.54	1,273.42
Change in equity due to IND AS Adoption					
(a) Fair Value adjustment of consumables biological assets	-	-	-	-	-
(b) Application of effective interest rate method on the borrowings	-	-	-	-	-
(c) Change in Deferred Tax Liability Due to IND AS	-	-	29.51	-	29.51
(d) Change in Fair Valuation of Gratuity	-	-	19.86	-	19.86
(e) Fair valuation of investments	-	-	-	-	-
(f) Deferred tax impact in respect of above adjustments	-	-	(6.57)	-	(6.57)
Total	169.59	217.18	928.92	0.54	1,316.23
As at 1 April 2016 as per Ind AS	169.59	217.18	928.92	0.54	1,316.23

Footnotes to the reconciliation of equity:

- Under Indian GAAP, deferred taxes are recognised using income statement approach i.e. reflecting the tax effects of timing differences between accounting income and taxable income for the period. The impact of transition adjustments together with IND AS mandate of using balance sheet approach (against income approach under Indian GAAP) for computation of deferred tax upto the transition date has resulted impact to retained earnings.
- Change in Gratuity arises due to change in Fair valuation of Gratuity by Actuary as per IND AS 19 EMPLOYEE BENEFITS as on transition date and effect of the same has been given in Deferred Tax also.

EFFECT OF IND AS ADOPTION ON CASH FLOW
AS AT 31ST MARCH, 2017

(₹ in Lakhs)

PARTICULARS	Previous GAAP	Effects of Transition to IND AS	IND AS
NET CASH FLOW FROM OPERATING ACTIVITIES	1,296.99	(921.46)	375.53
NET CASH FLOW FROM INVESTING ACTIVITIES	(147.99)	-	(147.99)
NET CASH FLOW FROM FINANCING ACTIVITIES	(1,274.60)	921.46	(353.14)
NET INCREASE/ (DECREASE) in Cash & Cash Equivalents	(125.60)	-	(125.60)
Cash & Cash Equivalents at Beginning of the year	332.56	-	332.56
Cash & Cash Equivalents at End of the year	206.96	-	206.96

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

Note-2 Fixed Assets (₹ in Lakhs)

Particulars	Gross Block						Accumulated Depreciation					Net Block		
	As at 1.04.16	Impact on IND AS Transition	Balance as at 31 March 2017	Additions During the Period	Sales/ Deduction	Balance as at 31st March 2018	As at 1.04.16	Impact on IND AS Transition	Balance as at 31 March 2017	Deduction during the period	Balance as at 31st March 2018	Balance as at 31 March 2017	Balance as at 31st March 2018	Balance as at 1st April 2016
Tangible Assets														
Land	65.46	-	65.46	457.10	-	523.00	-	-	-	-	-	65.46	522.56	65.46
Buildings (Factory)	772.79	-	772.79	18.52	-	791.00	353.37	-	376.60	23.23	-	396.19	391.48	419.42
Buildings (Office & Staff)	62.66	-	85.47	-	-	85.47	13.67	-	15.18	1.87	-	70.28	68.41	48.99
Building Hatcheries	151.44	-	151.44	-	-	151.44	3.09	-	7.88	4.80	-	143.56	138.76	148.35
Poultry Equipment	889.81	-	939.97	10.13	-	950.00	497.06	-	550.51	40.70	-	389.45	358.88	392.75
Hatchery Equipment	72.38	-	83.14	13.52	-	96.66	6.22	-	11.05	5.55	-	72.09	80.06	66.17
Feed Mill Equipment	46.94	-	58.58	1.56	-	60.15	6.39	-	9.37	3.74	-	49.22	47.05	40.55
Cycle	0.10	-	0.10	-	0.10	-	0.08	-	0.09	0.00	0.10	0.01	0.00	0.02
Computer Equipment	74.86	-	78.67	0.84	-	79.50	72.77	-	69.53	4.43	-	9.14	5.55	2.09
Office equipment	81.06	-	86.35	6.00	-	92.35	57.11	-	61.98	9.11	-	24.37	21.27	23.95
Furniture and Fixtures	87.63	-	93.08	1.69	1.58	92.77	50.59	-	56.54	6.45	0.32	36.15	30.13	37.04
Motor Car	338.68	-	346.90	33.04	49.14	330.80	97.78	-	141.63	38.43	35.16	205.27	185.91	240.90
Eicher Trucks	554.62	-	564.05	94.56	38.53	620.08	144.93	-	208.35	70.29	21.17	355.70	362.61	409.69
Electrical Installation	102.29	-	113.62	7.68	-	121.04	59.80	-	60.90	4.98	-	52.71	55.41	42.49
Tubewell & Land Development	53.94	-	60.66	0.55	-	61.00	46.27	-	48.52	2.57	-	12.15	10.12	7.67
Vehicles	17.81	-	18.00	-	-	18.00	9.02	-	8.52	1.33	-	9.48	8.14	8.79
Total	3372.47	-	3518.28	645.19	89.35	4047.12	1418.13	-	1627.04	217.49	56.76	1891.24	2286.34	1954.33
Previous Year	2959.33	-	3372.47	145.81	-	3518.28	1210.13	-	1418.13	234.29	-	1954.33	1891.24	1749.20



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH, 2018

(₹ in Lakhs)

Note Number	Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
3 INVESTMENT				
	Simran Hatcheries Private Limited	11.89	11.89	11.89
	Total Investments	11.89	11.89	11.89
4 LOANS				
	(Unsecured Considered goods)			
	Electricity Security Deposit	18.88	17.95	15.44
	Others Deposits	4.26	4.14	4.48
	Total Loans	23.15	22.10	19.92
5 INVENTORIES				
	(a) Raw materials			
	a) Parent Birds	1070.92	937.49	973.85
	b) Feed & Medicines	2870.04	4687.60	5180.68
	c) Commercial Chicks	1388.84	2302.04	3083.54
	d) Hatching Eggs	214.47	232.50	303.35
	Total Inventories	5544.27	8159.62	9541.42
6 TRADE RECEIVABLES				
	(Unsecured considered goods)	880.88	1005.37	2055.62
	Total Trade Receivables	880.88	1005.37	2055.62
7 CASH AND BANK BALANCES				
	(a) Cash on hand	130.84	73.15	219.32
	(b) Balances with banks			
	(i) In current accounts			
	ICICI Bank Indore -765	1.28	0.42	3.37
	ICICI Bank Indore -255	277.58	119.51	96.20
	ICICI Bank Indore Dhulia	1.99	2.14	0.74
	ICICI Bank Indore Anand	66.37	0.06	0.00
	Punjab National Bank Raipur	0.40	0.40	0.40
	Punjab National Bank Indore	0.09	0.09	0.10
	Punjab and Sindh Bank	0.00	0.00	1.22
	(ii) Unclaimed dividends			
	ICICI bank	5.53	5.56	5.57
	Axis bank	5.52	5.62	5.62
	Total Cash & Bank Balances	489.61	206.96	332.55
8 LOANS				
	(Unsecured Considered goods)			
	Advances to employees	6.02	11.73	10.53
	Advances recoverable in cash or in kind or for value to be received	156.10	365.33	460.30
	Total Loans	162.13	377.06	470.83
9 OTHER CURRENT ASSETS				
	Financial Assets			
	Advances recoverable in cash or in kind or for value to be received	5.64	5.01	9.24



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH, 2018

(₹ in Lakhs)

Note Number	Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016	
	Others				
	Advance income tax	121.00	25.90	5.75	
	Prepaid expenses	12.99	14.14	16.80	
	MAT Entitlement Credit	64.51	37.95	35.28	
	Total Other Current Assets	204.14	82.99	67.06	
10	Share Capital				
	(a) Authorised				
	6000000 Equity shares of ₹ 10/- each	600.00	600.00	600.00	
	(b) Issued Subscribe and Paid Up				
	3791700 Equity Shares of ₹ 10/- each	379.17	379.17	379.17	
	The details of shareholders holding more than 5% shares:				
	Name of Shareholder	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%
11	OTHER EQUITY				
	a. General Reserves				
	As per Last Balance Sheet	217.18	217.18	217.18	
	b. Securities Premium Account				
	As per Last Balance Sheet	169.59	169.59	169.59	
	c. Utilised Investment Allo. Reserve				
	As per Last Balance Sheet	0.54	0.54	0.54	
	d. Other Comprehensive Income Reserve	-	-	-	
	e. Retained Earning				
	As per Last Balance Sheet	1,027.97	928.92	819.15	
	Less :- Depreciation from retain earning	-	-	-	
	(+) Net Profit/(Net Loss) For the current year	401.90	99.06	66.96	
	(+) Change in Deferred tax liability due to IND AS	-	-	29.51	
	(+) Change in Fair Valuation of Gratuity	-	-	19.86	
	(-) Change in deferred Tax due to above change	-	-	(6.57)	
	Closing Balance	1,429.88	1,027.97	928.92	
	Total other equity	1,817.19	1,415.28	1,316.23	
12	BORROWINGS				
	Non-current Interest bearing loans and borrowings				
	From banks				
	Vehicle Loans (First Charge on Trucks and Cars)	60.30	46.15	141.90	
	Unsecured Loans from Director	25.00	25.00	25.00	
	Total Borrowings	85.30	71.15	166.90	
	Note: Effective Interest Rate and Maturity details of above mentioned borrowings -				
	Balance as on	Maturity	Interest Rate		
	31st March, 2018				
	i. From Banks				
	ICICI Bank Ltd	1.29	2019-20	9.35% p.a.	
	Yes Bank Ltd	6.74	2020-21	8.90% p.a.	
	Yes Bank Ltd	6.74	2020-21	8.90% p.a.	



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH, 2018

(₹ in Lakhs)

Note Number	Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Yes Bank Ltd	6.74	2020-21	8.90% p.a.
	Yes Bank Ltd	4.74	2020-21	8.90% p.a.
	Yes Bank Ltd	4.74	2020-21	8.90% p.a.
	Yes Bank Ltd	4.74	2020-21	8.90% p.a.
	Kotak Mahindra Bank	24.58	2022-23	7.92% p.a.
	Total	60.30	-	-
i. From Directors				
	Unsecured Loan	25.00	2022-23	12.00% p.a.
13 PROVISIONS				
	(a) Provision for employee benefits			
	Gratuity (funded)	56.94	36.00	40.41
	Leave Encashment (unfunded)	25.07	27.93	29.15
	Total	82.01	63.93	69.57

Note Number	Particulars	As at 31st March, 2018	As at 31st March, 2017
14(a) TAX EXPENSE			
	Current Tax Expense	185.30	35.73
	Deferred Tax Benefit		
	MAT	(29.60)	(5.46)
	Others (Net)	-12.92	23.75
	Total Income Taxes expense recognised in Current Year	142.78	54.02
	Profit Before Income Tax	546.87	153.25
	Indian Statutory Income Tax Rate	33.06 %	33.06 %
	Expected Income tax Expense	180.81	50.67
	Tax Effects of adjustments to reconcile expected income tax expense to reported tax expense:		
	Tax Effect of IND AS Adoption	-	2.65
	Tax adjustment for prior period current tax	(29.60)	(5.46)
	Tax Effect of non deductible expenses	83.08	73.01
	Tax adjustment due to carry forward & set off of prior period losses & Depreciation	-6.68	-34.61
	Tax Effect of MAT Provisions of Income Tax Act, 1961	0	29.6
	Others (net)*	-84.83	-61.84
	Total Income Tax Expense	142.78	54.02

* Others mainly includes tax effect of expenses allowed for tax purposes as well as effect of temporary differences.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH, 2018

(₹ in Lakhs)

Note Number	Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
14(b) DEFERRED TAX				
	At Start of the Year	78.08	53.57	-
	Charge/ (Credit) to Statement of P&L	(13.14)	24.52	-
	At End of the Year	64.94	78.08	53.57

Component of Deferred Tax (Asset)/Liability	As at 31st March, 2018	Charge /(Credit to Statement of P&L	As at 31st March, 2017
i. PLANT PROPERTY & EQUIPMENT (Holding)	94.98	(7.00)	101.98
ii. PLANT PROPERTY & EQUIPMENT (Subsidiary)	(3.57)	(0.81)	(2.76)
iii. GRATUITY	(18.38)	(6.47)	(11.90)
iv. LEAVE ENCASHMENT	(8.09)	1.14	(9.23)
TOTAL	64.94	(13.14)	78.08

Note Number	Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
15 BORROWING				
	Punjab National Bank (cash credit) Raipur	2,713.69	2,738.08	2,739.67
	Punjab National Bank (cash credit) Indore	408.81	629.69	1,550.22
	Demand Loan From Directors	171.35	320.30	319.63
	Total Borrowings	3,293.85	3,688.07	4,609.52

Note: 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.

16 TRADE PAYABLES	3,323.94	5,678.29	7,402.45
All Balances of Sundry Creditors are subject to confirmation.			

17 PROVISIONS			
Salary payable	82.86	51.45	51.43
Bonus payable	31.09	33.20	34.08
Contribution to PF (Employees)	4.72	5.09	5.45
Total Provisions	118.67	89.74	90.97

18 OTHER CURRENT LIABILITIES			
Financial Liabilities			
Vehicle Loans (First Charge on Trucks and Cars)	72.78	103.80	146.71
Unclaimed Dividends	11.06	11.18	11.19
Others Payable	75.60	39.26	122.39
Others			
Advances from Customers	42.01	49.78	25.00
Service Tax payable	-	0.18	0.21
Professional Tax (Staff)	0.75	0.56	-
Income Tax Payable	185.30	35.73	11.42
TDS Payable	14.47	19.40	16.46
Total Other Current Liabilities	401.98	259.90	333.37



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH, 2018

(₹ in Lakhs)

Note Number	Particulars	As at 31st March, 2018	As at 31st March, 2017
19 OTHER INCOME			
	Rearing charges (Income)	30.18	20.17
	Interest received MPEB / FD	1.05	1.37
	Total other income	31.23	21.54
20 COST OF MATERIAL CONSUMED			
	Opening Stock	8,159.62	9,541.42
	Add:- Purchases		
	Feed & Medicines	21,490.32	28,152.66
	Store Spares & Consumable	76.75	113.45
	Parent Birds	735.99	317.27
	Packing Material	300.68	385.35
	Carriage Inward	364.36	373.97
	Godown rent	50.55	53.14
	Chicks	794.28	1,653.81
	Hatching Eggs	379.57	412.78
		32,352.13	41,003.86
	Less:- Closing Stock	5,544.27	8,159.62
	Total Cost of material consumed	26,807.86	32,844.24
21 FARM EXPENSES			
	Farm Expenses	74.83	62.69
	Power & Energy	131.77	134.09
	Fuel Consumption	42.90	41.34
	Light & Water Charges	38.02	49.93
	Farm Rent	7.69	6.41
	Lease Rent	100.90	83.38
	Rearing Charges Expenses	2,594.53	3,226.60
	Total Farm Expenses	2,990.63	3,604.43
22 HATCHERI EXPENSES			
	Hatcheri Expenses	43.40	46.04
	Hatching expenses	97.37	98.89
	Hatcheries Rent	133.80	153.15
	Power & Energy (Hatcheries)	83.82	89.30
	Total Hatcheri Expenses	358.39	387.38
23 ADMINISTRATIVE EXPENSES			
	General Office Expenses	202.17	228.93
	Travelling & Conveyance	250.15	288.89
	Certification & consultancy fees to auditors	0.35	1.04
	Audit Fees	4.35	3.57
	Legal & Professional Expenses	19.86	19.33
	Tax after assessment	-	1.76
	Insurance	0.28	-
	Service Tax Exp.	0.48	1.88
	Software Development Charges	9.00	9.19
	Loss on sale of Assets	10.32	-
	Total Administrative Expenses	496.94	554.58



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH, 2018

(₹ in Lakhs)

Note Number	Particulars	As at 31st March, 2018	As at 31st March, 2017
24 SELLING & DISTRIBUTION EXPENSES			
	Forwarding Expenses	988.53	1,373.71
	Advertisement & Publicity	1.26	1.58
	Vehicle Repair & Maintenance	36.13	36.57
	Sales Promotion Expenses	21.15	35.09
	Technical Seminar & Conference	-	0.33
	Total Selling & Distribution Expenses	1,047.08	1,447.28
25 EMPLOYEE BENEFITS EXPENSES			
	Salary wages & Bonus	1,124.52	1,020.34
	Remuneration to directors	57.00	56.50
	Remuneration to vice president	42.00	41.50
	Contribution to Provident Fund	70.25	70.26
	Staff welfare	7.66	4.46
	Gratuity	21.15	20.03
	Leave Encashment	-	-
	House rent allowance	2.87	2.40
	Total Employee Benefits Expenses	1,325.45	1,215.50
26 FINANCE COST			
	Bank Charges & Commission	39.64	23.88
	Interest to others	65.31	257.40
	Interest on statutory dues	0.86	0.37
	Interest on CC Loan	232.03	327.26
	Total Finance Cost	337.83	608.91
27 Earning Per Share			
	Basic & Diluted earning per equity share have been worked out in accordance with IND AS-33 "Earnings Per Share".		
	Basic and diluted earnings per equity share has been calculated by dividing Net profit of ₹ 402.35 lacs by 3791700 equity shares (Face Value of ₹ 10/- each)		



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH, 2018

28 RELATED PARTIES DISCLOSURES :**1 Relationships****(a) Key Management Personnel:**

Mr. Harender Singh Bhatia
(Managing Director)
Mr. Gurdeep Singh Bhatia
(Director)
Mr. Kawaljeet Singh Bhatia
(Whole Time Director)
Mr. Gurmeet Singh Bhatia
(Director)
Mr. Mahesh Patidar
(Chief Financial Officer)
Ms. Tanu Parmar
(Company Secretary)

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

Simran Feeds (P) Ltd.
Simran Hatcheries (P) Ltd.
Simfa Labs (P) Ltd.
Simran Foods (P) Ltd.
Simran Hatcheries
Early Bird Hatcheries
Simran Poultry
Singh Hatcheries
Singh Poultry
Simran Infra
Mr. Avneet Singh Bhatia
Mr. Amarjeet Singh Bhatia
Mr. Amarjeet Singh Bhatia (HUF)
Mr. Kawaljeet Singh Bhatia (HUF)
Mrs. Simrat Kaur Bhatia
Mrs. Kawaljeet Kaur Bhatia
Mrs. Jagdeep Kaur Bhatia
Mrs. Amarjeet Kaur Bhatia
Mrs. Naampreet Kaur Bhatia
Mrs. Tavleen 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 Lakhs)

Nature of Transaction	Referred in 1 (a) above	Referred in 1 (b) above
Purchase	-	226.81
Sales	-	360.52
Director Remuneration	84.00	-
Vice President Remuneration	-	15.00
Chief Financial Officer 's Salary	7.19	-
Company Secretary 's Salary	2.64	-
Salary	-	76.20
Office Rent	-	25.80
Rent:-		
Land & Building	-	67.20
Hatchery Rent	-	126.00
Feed Processing Charges (Payable)	-	169.87
Feed Processing Charges (Receivable)	-	10.50
Hatching Charges (Payable)	-	85.59
Interest on Loan	-	11.02
Commission	-	49.62
Payable	196.35	834.04
Receivable	1.90	53.01



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH, 2018

Related Party Transactions

(₹ in Lakhs)

S.No.	Particulars	2017-18	2016-17
	Purchase of Raw Material/Finished goods		
1	Simfa Labs (P)Ltd.	226.81	304.36
2	Simran Feeds (P) Ltd	-	-
3	Simran Infra	-	1.39
	Total	226.81	305.75
	Sales of Material/ Finished Goods		
1	Simran Food (P) Ltd.	274.96	237.31
2	Simran Feeds (P) Ltd	85.55	75.94
	Total	360.52	313.26
	Rent Paid:-		
a)	Office Rent:-		
1	Mrs. Amarjeet Kaur Bhatia	4.80	4.80
2	Mrs. Simrath Kaur Bhatia	4.80	4.80
3	Mrs. Kawaljeet Kaur Bhatia	4.80	4.80
4	Mrs. Jagdeep Kaur Bhatia	5.70	5.70
5	Mr. Kawaljeet Singh Bhatia	5.70	5.70
	Total	25.80	25.80
b)	Tractor Rent:-		
1	Mr. Amarjeet Singh Bhatia (HUF)	-	0.96
	Total	-	0.96
c)	Land & Building Rent		
1	Simran Poultry	5.40	5.40
2	Singh Poultry	36.00	36.00
3	Early Bird Hatcheries	25.80	12.90
	Total	67.20	54.30
d)	Hatchery Rent		
1	Early Bird Hatcheries	24.00	36.90
2	Simran Hatcheries	46.80	46.80
3	Singh Hatcheries	55.20	55.20
	Total	126.00	138.90
e)	Auto Hire Expenses		
1	Mr. Kawaljeet Singh Bhatia (HUF)	-	0.72
	Total	-	0.72
	Feed Processing Charges		
1	Simran Feeds (P) Ltd.		
	Payable	169.87	229.23
	Receivable	10.50	11.76
	Total	180.37	240.99
	Transportation charges		
	Simran Hatcheries (P) Ltd.	-	44.69
	Total	-	44.69
	Hatching Charges		
1	Simran Hatcheries (P) Ltd.		
	Payable	85.59	98.89
	Total	85.59	98.89



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH, 2018

Related Party Transactions

(₹ in Lakhs)

S.No.	Particulars	2017-18	2016-17
Commission			
1	Mr. Avneet Singh Bhatia	14.72	-
2	Mr. Amarjeet Singh Bhatia	18.05	-
3	Mrs. Jagdeep Kaur Bhatia	16.85	-
	Total	49.62	-
Interest on Fund raised			
1	Mr. Gurdeep Singh Bhatia	8.02	18.43
2	Mr. Kawaljeet Singh Bhatia	3.00	3.00
	Total	11.02	21.43
Assets Purchase			
	Simran Hatcheries (P) Ltd.	-	7.47
	Total	-	7.47
Salary			
1	Mrs. Simrat Kaur Bhatia	7.20	4.80
3	Mr. Avneet Singh Bhatia	15.00	15.00
4	Mr. Amarjeet Singh Bhatia	24.00	-
5	Mrs. Amarjeet Kaur Bhatia	9.60	-
6	Mrs. Tavleen Kaur Bhatia	18.00	-
7	Mrs. Jagdeep Kaur Bhatia	7.20	-
8	Mrs. Naampreet Kaur Bhatia	10.20	-
	Total	91.20	19.80
3a DETAILS REGARDING PAYMENTS MADE TO KEY MANAGERIAL PERSONNEL			
1	Remuneration		
	Salary	93.82	91.49
	Contribution to provident and other funds	-	-
	Perquisites	-	-
2	Commission	-	-
3	Sitting fees	-	-
4	Rent paid (expense)	-	-
3b BREAKUP OF PAYMENTS MADE TO KEY MANAGERIAL PERSONNEL			
1	Remuneration		
	Mr. Harender Singh Bhatia	30.00	30.00
	Mr. Kawaljeet Singh Bhatia	27.00	26.50
	Mr. Gurmeet Singh Bhatia	27.00	26.50
	Mr. Mahesh Patidar	7.19	6.26
	Ms. Tanu Parmar	2.64	2.23
	Total	93.82	91.49
Note : 29 Payment to Auditor			
	As Auditor	4.35	3.57
	Review report Fees	0.35	1.04
	Total	4.70	4.60



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH, 2018

(₹ in Lakhs)

30 Employee Benefits

The Company has obtained the LIC policy for Gratuity liability and position of liability worked out by Actuary

S.No.	Particulars	2017-18	2016-17
1	Expenses recognised in Income Statement		
	Current Service Cost.	18.04	16.80
	Interest on Obligation	8.04	8.14
	Actuarial Losses / (Gains)	-	-
	Expected return on plan assets	(5.97)	(4.91)
	Past service cost	1.05	-
	Losses (gains) on curtailments and settlement	-	-
	Expense recognised in P & L	21.15	20.03
2	Amount to be recognised in Balance Sheet		
	Defined Benefit Obligation	133.75	117.20
	Fair value of plan assets	76.81	81.20
	Funded Status - (Surplus)/Deficit	56.94	36.00
	Unrecognised past service cost	-	-
	Unrecognised asset due to limit in Para 64(b)	-	-
	Liability/(Asset) recognised in the Balance Sheet	56.94	36.00
3	Table showing change in benefit obligation		
	Opening Defined Benefiet obligation	117.20	101.79
	Service cost for the year	18.04	16.80
	Interest cost for the year	8.04	8.14
	Acturial Losses / (Gains)	0.03	(3.07)
	Benefits paid	(10.60)	(6.46)
	Past Service Cost	1.05	-
	Closing defined benefit obligation	133.75	117.20
4	Table showing fair value of plan assets		
	Fair value of plan assets at beginning of year	81.20	61.37
	Actual return on plan assets	5.97	4.91
	Contributions	0.88	22.14
	Benefits Paid	(10.60)	(6.46)
	Actuarial Gains\ (Losses)	(0.63)	(0.75)
	Fair value of plan assets at the end of year	76.81	81.20
5	Table Showing Amount to be Recognised in OCI		
	Amount recognised in OCI, Beginning of Period	(2.31)	-
	Re-measurements due to:	-	-
	Effect of Change in Financial Assumptions	(5.33)	7.64
	Effect of Change in Demographic Assumptions	-	-
	Effect of experience adjustments	5.36	(10.70)
	Acturial (Gains)/Losses	0.03	(3.07)
	Return on Plan Assets (excluding interest)	(0.63)	(0.75)
	Total measurements recognised in OCI	0.66	(2.31)
	Amount recognised in OCI, End of Period	(1.65)	(2.31)



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH, 2018

6 History of DBO, Asset values, Surplus/Deficit & Experience Gains & Losses

(₹ in Lakhs)

S.No.	Particulars	2017-18	2016-17	2015-2016
	DBO	133.75	117.20	101.79
	Plan Assets	76.81	81.20	61.37
	(Surplus)/Deficit	56.94	36.00	40.41
	Exp Adj- Plan Assets Gain/ (Loss)	(0.63)	(0.75)	-
	Assumptions (Gain)/ Loss	(5.33)	7.64	-
	Exp Adj- Plan Liabilities Gain/ (Loss)	5.36	(10.70)	-
	Total Actuarial (Gain)/ Loss	0.03	(3.07)	-

7 Category of Assets

Particulars	2017-18	2016-17
Govt. of India Securities (Central and State)	-	-
High Quality Corporate Bonds (incl. PSU Bonds)	-	-
Equity shares of Listed Companies	-	-
Real Estate/ Property	-	-
Cash (including Special Deposits)	-	-
Other (including assets under Schemes of Ins.)	100%	100%
Total	100%	100%

8 Sensitivity Analysis

31st March, 2018

Particulars	Decrease	Increase
Discount Rate	140.47	127.58
Impact of increase/decrease in 50 bps on DBO	5.02%	-4.61%
Salary Growth Rate	127.45	140.56
Impact of increase/decrease in 50 bps on DBO	-4.71%	5.09%

Actuarial Assumptions

Valuation Method	Projected unit Credit Method
Discount Rate	7.70%
Annual increase in salary costs	5.00%
Mortality Rate	Indian Assured Lives Mortality (2006-08)
Withdrawal rate	1% to 3% depending on Age
Retirement Age	58 Years

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 unutilised leave at each balance sheet date.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH, 2018

31. Enterprises Consolidated As Subsidiary In Accordance With Indian Accounting Standard 110- Consolidated Financial Statements

(₹ in Lakhs)

Name of the Enterprise	Country of incorporation	Proportion of Ownership Interest	Proportion of Ownership Interest
Puregene Biotech Limited	India	82.71%	82.71%

31(A). Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary/ Associates/ Joint Ventures

(₹ in Lakhs)

Name of the Enterprise	Net assets i.e. Total Assets minus Total Liabilities		Share In Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount (in Lakhs)	As % of Consolidated Profit or Loss	Amount (in Lakhs)	As % of Consolidated Other Comprehensive Income	Amount (in Lakhs)	As % of Consolidated Total Comprehensive Income	Amount (in Lakhs)
Parent								
Simran Farms Limited	97.75%	2146.93	97.93%	394.04	100.00%	(0.45)	97.93%	393.59
Subsidiaries								
Indian								
1. Puregene Biotech Ltd.	2.25%	49.43	2.07%	8.31	0.00%	0.00	2.07%	8.31
TOTAL	100%	2196.36	100%	402.35	100%	(0.45)	100%	401.9

32 FAIR VALUE MEASUREMENT HIERARCHY

(₹ in Lakhs)

Particulars	As at 31 March 2018			As at 31 March 2017			As at 1 April 2016		
	Carrying Amount	Level of Input used in		Carrying Amount	Level of Input used in		Carrying Amount	Level of Input used in	
		Level 1	Level 2		Level 1	Level 2		Level 1	Level 2
Financial Asset :-									
At Amortised Cost									
Cash & Cash Equivalents	489.61	-	-	206.96	-	-	332.55	-	-
Trade Receivables	880.88	-	-	1005.37	-	-	2055.62	-	-
Loans	185.28	-	-	399.16	-	-	490.75	-	-
Others	5.64	-	-	5.01	-	-	9.24	-	-
At FVTPL									
Investments	11.89	-	11.89	11.89	-	11.89	11.89	-	11.89
At FVTOCI									
Financial Liabilities :-									
At Amortised Cost									
Trade Payables	3323.94	-	-	5678.29	-	-	7402.45	-	-
Borrowings	85.3	-	-	71.15	-	-	166.9	-	-



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH, 2018

(₹ in Lakhs)

Particulars	As at 31 March 2018			As at 31 March 2017			As at 31 March 2016		
	Carrying Amount	Level of Input used in		Carrying Amount	Level of Input used in		Carrying Amount	Level of Input used in	
		Level 1	Level 2		Level 1	Level 2		Level 1	Level 2
Vehicle Loans (First Charge on Trucks & Cars)	72.78	-	-	103.80	-	-	146.71	-	-
Unclaimed Dividends	11.06	-	-	11.18	-	-	11.19	-	-
Others	75.60	-	-	39.26	-	-	122.39	-	-
At FVTPL									
Borrowings	3293.85	-	3293.85	3688.07	-	3688.07	4609.52	-	4609.52

The Financial Instruments are categorised into two levels based on the inputs used to arrive at fair value measurement as described below:

LEVEL 1: Quoted Prices (unadjusted) in active markets for identical assets or liabilities; and

LEVEL 2: Inputs other than the quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

32. FINANCIAL RISK MANAGEMENT

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk primarily relates to trade and other receivables, long-term loans, cash and cash equivalents.

The Company's exposure to credit risk with regards to trade and other receivables is influenced mainly by the individual characteristics of each customer and there is no significant concentration of risk related to industry segments. The granting of credit is controlled by well-established criteria that are reviewed on a regular basis. The maximum exposure to credit risk at the reporting date is the carrying amount of each trade receivable.

The credit policy requires each new customer to be analyzed individually for credit worthiness before delivery and payment terms are offered.

Other receivables consist primarily of security deposits, loans to employees and other receivables. The risk of default is assessed as low.

The credit risk surrounding loans receivable is assessed as low risk.

Credit risk on cash and cash equivalents is assessed as low risk as the Company deposits cash surpluses with financial institutions of high quality and standing.

Liquidity risk

The Company actively monitors its cash flows to ensure there is sufficient cash available to meet its working capital requirements. Due to the dynamic nature of the underlying businesses, the Company maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Company's cash and cash equivalents on the basis of expected cash flow.

The Company's current trade and other payables are all due within one year.

The table below summarizes the maturity profile of the Company's financial liabilities as at 31 March 2018 based on contractual undiscounted payments:



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH, 2018

(₹ in Lakhs)

Particulars	Less than One Year	1-2 Years	2-4 Years	>4 Years	Total
Trade Payable	3323.94	-	-	-	3323.94
Long term borrowings	-	1.29	34.44	49.58	85.30
Short term borrowings	3293.85	-	-	-	3293.85

Market risk**Interest rate risk**

The Company is exposed to interest rate risk on its cash and cash equivalents, long-term loans and borrowings, which can have an impact on the cash flows of these instruments. The exposure to interest rate risk is managed through the Company's Board by using counterparties that offer the best rates which enables the Company to maximize returns whilst minimizing risk.

In terms of our report attached
For J.C. BAHETI & ASSOCIATES
Chartered Accountants
Registration Number: 03390C

J.C. BAHETI
PROPRIETOR
M.No. 072585
Place: Indore
Date: 25/05/2018

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)



**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 31st Annual General Meeting of the Company, to be held on Wednesday, 19th day of September 2018 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.	To receive, consider, approve and adopt: • the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2018 together with the Reports of the Board of Directors and Auditors thereon; and • the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2018, together with the report of the Auditors thereon .		
2.	To appoint a Director in place of Mr. Gurdeep Bhatia (DIN: 00401929) who retires by rotation and being eligible, offers himself for re-appointment.		
3.	Appointment of Mr. Surjit Singh Kohli (DIN: 00701320) as an Independent Director of the Company.		
4.	Re-appointment of Dr. Surendra Singh (DIN: 00645965) as an Independent Director of the Company for second term of Five years.		
5.	Re-appointment of Mrs. Jasmeet kaur Bhatia (DIN: 06949992) as an Independent Director of the Company for second term of Five years		

Signed this..... day of..... 2018

Signature of shareholder

Signature of Proxy holder(s)

Affix
Revenue
Stamp

Note: 1) 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.

2) A proxy need not to be member of the company.





ATTENDANCE SLIP
31ST ANNUAL GENERAL MEETING ON WEDNESDAY, 19TH SEPTEMBER 2018

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 31st Annual General Meeting of the Company on Wednesday, 19th September, 2018 at Pishori Premises, 910, Khatiwala Tank, Tower Square, Indore- 452001 (M.P.).

(If signed by proxy, his name should be _____

Written in block letters)

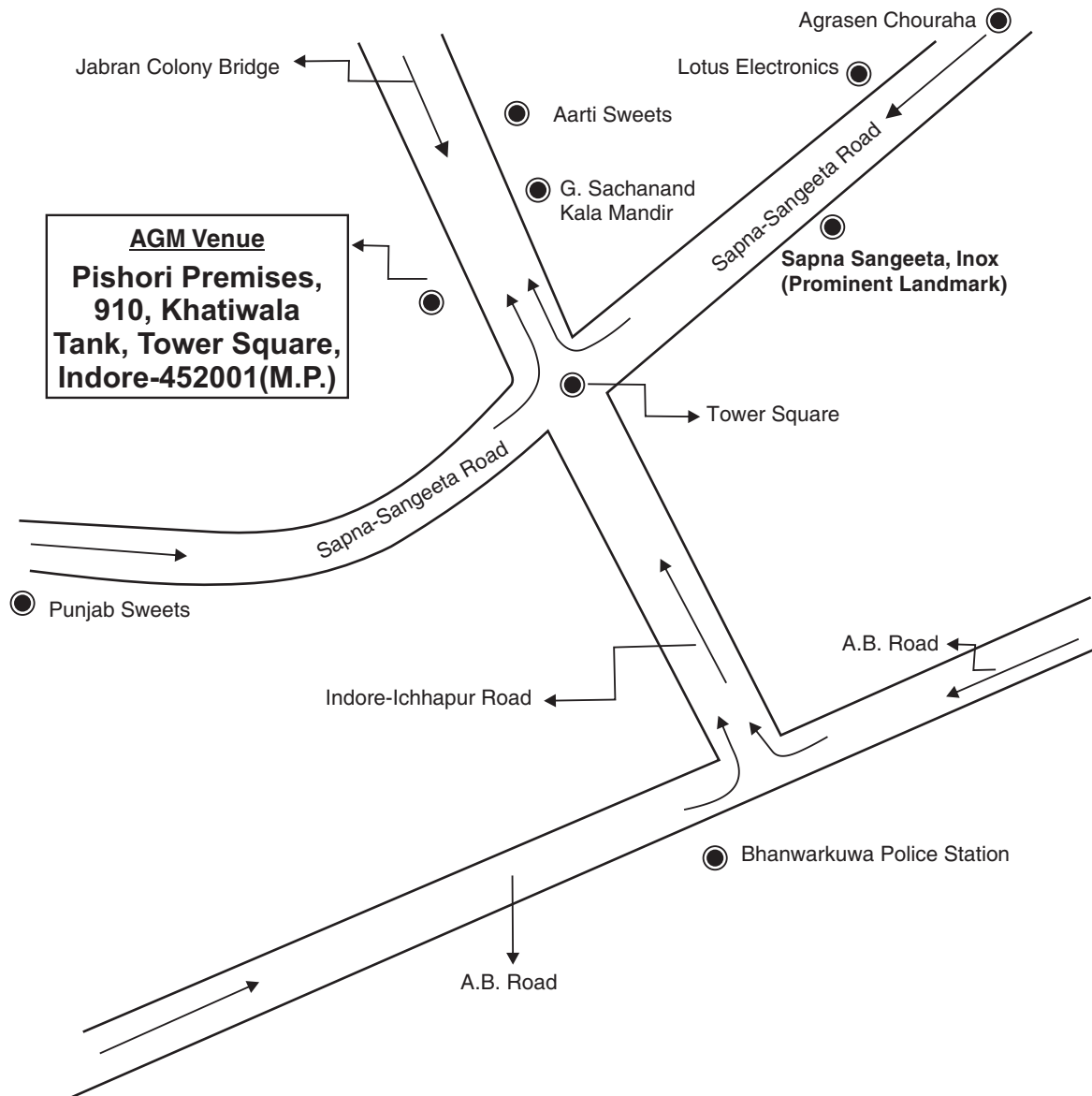
(Member's /Proxy's Signature) _____

Note:

- 1) Shareholders/Proxy holders are requested to bring the attendance slips with them when they come to the meeting and hand over them at the entrance after affixing their signatures on them.
- 2) If it is intended to appoint a proxy, the form of proxy should be completed and deposited at the Registered Office of the Company at least 48 hours before the Meeting.



**ROUTE MAP FOR THE VENUE OF 31ST ANNUAL GENERAL MEETING
INCLUDING PROMINENT LANDMARKS**



Distance from Railway Station to AGM Venue : 3 Kms.



To,

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