

BOARD OF DIRECTORS

Mr. H.S. Bhatia
Managing Director

Mr. K.S. Bhatia
Executive Director

Mr. G.S. Bhatia
Director

Dr. Surendra Singh
Director

Mr. Surjeet Singh Kohli
Director

Mr. Harbhajan Singh Khanuja
Director

AUDITORS

Khandelwal Kakani & Co.,
Chartered Accountants,
Indore.

BANKER'S

ICICI Bank Ltd.
Punjab & Sind Bank Limited

REGISTRAR & SHARE TRANSFER AGENT

Ankit Consultancy Pvt. Ltd.
Plot No. 60, Electronic Complex,
Pardeshipura, Indore - 452 010 (M.P.)

LISTED AT

Bombay Stock Exchange Ltd., Mumbai

LEGAL ADVISORS

Mr. Pankaj Joshi
(Advocate)

REGISTERED OFFICE & CORPORATE OFFICE

1-B, Vikas Rekha Complex,
Khatiwala Tank,
Indore - 452 001 (M.P.)
Tel. : 4255900, Fax : 4255949
Mail ID : simrangroup@sancharnet.in

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NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 26th Annual General Meeting of the members of **SIMRAN FARMS LIMITED** will be held on Thursday 26th Day of September, 2013 at 10.00 A.M. at Kings Park Hotel, 1, Vishnupuri Main, A.B. Road, Bhanwarkua, Indore - 452017 (M.P.) to transact the following Businesses.

ORDINARY BUSINESSES:

1. To receive/consider, and adopt the Audited Balance Sheet as at 31st March 2013 and Profit & Loss Account for the year ended on same date and the reports of Board of Directors & Auditors thereon.
2. To appoint director in place of Dr. Surendra Singh, who retires by rotation and being eligible offer himself for re-appointment.
3. To appoint director in place of Mr. Gurdeep Singh Bhatia, who retires by rotation and being eligible offer himself for re-appointment.
4. To appoint M/s Khandelwal Kakani & Co., Chartered Accountants, as Statutory Auditors of the Company to hold office from the conclusion of this meeting to the conclusion of the Next Annual General Meeting and to fix their remuneration.

AS SPECIAL BUSINESS:

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

"RESOLVED THAT pursuant to the provisions of Section 198, 269, 309 and other applicable provisions, if any, and in terms of Schedule XIII of the Companies Act, 1956 as amended up to date and subject to approval of central government if required, Mr. Harender Singh Bhatia, be and is hereby re-appointed as Managing Director of the Company for the period of 3 years with effect from 1st October, 2013 to 30th September, 2016 on the following terms, conditions, salary and perquisites:

- a) Salary: ₹ 2,50,000/- (Rupees Two Lacs Fifty Thousand only) per month.
- b) Perquisites: As detailed in **Annexure to the Explanatory Statement**, the annual value of which will be limited to a ceiling of 25% of annual salary.

"RESOLVED FURTHER that where in any financial year the Company has no profits, or its profits are inadequate during the term of office of Mr. Harendra Singh Bhatia, Managing Director of the Company, the remuneration aforesaid shall be minimum remuneration."

"RESOLVED FURTHER that the Board of Directors be and are hereby authorized to vary, alter, increase or enhance / change from time to time, the terms and conditions of appointment and remuneration of Mr. Harendra Singh Bhatia, Managing Director of the Company, subject to the limit laid down under the applicable provisions of the Companies Act, 1956 and subject to the requisite approvals, if any, being obtained"

"RESOLVED FURTHER that for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, expedient, usual and proper."

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

"RESOLVED THAT pursuant to the provisions of section 198, 269, 309 and other applicable provisions, if any, and in terms of Schedule XIII of the Companies Act, 1956 as amended up to date and subject to approval of the central government, if required, Mr. Kawaljeet Singh Bhatia be and is hereby reappointed as Executive Director of the Company for the period of 3 years with effect from 1st October, 2013 to 30th September, 2016 on the following terms, conditions, salary and perquisites:

- a) Salary: ₹ 2,00,000/- (Rupees Two Lacs only) per month.
- b) Perquisites: As detailed in **Annexure to the Explanatory Statement**, the annual value of which will be limited to a ceiling of 25% of annual salary.

"RESOLVED FURTHER that where in any financial year the Company has no profits, or its profits are inadequate during the term of office of Mr. Kawaljeet Singh Bhatia, Executive Director of the Company the remuneration aforesaid shall be minimum remuneration."

"RESOLVED FURTHER that the Board of Directors be and are hereby authorized to vary, alter, increase or enhance/change from time to time, the terms and conditions of appointment and remuneration of Mr. Kawaljeet Singh Bhatia subject to the limit laid down under the applicable provisions of the Companies Act, 1956 and subject to the requisite approvals, if any, being obtained."



“RESOLVED FURTHER that for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, expedient, usual and proper.”

7. TO, CONSIDER AND, IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS SPECIAL RESOLUTION:-

“RESOLVED THAT pursuant to the provisions of sections 314 (1B) read with Director’s Relative (Office or Place of Profit) Rules, 2011 and necessary amendment thereto of Companies Act, 1956, the consent of the company be and is hereby granted for the appointment of Mr. Avneet Singh Bhatia as Vice President (operation) with effect from 1st April, 2013 on terms and conditions as are set out in the explanatory statement annexed hereto , with the liberty to the Board of the Directors to alter/vary/ modify the terms of appointment and to decide the annual increment in accordance with the provisions of the Act and rules made there under.”

“RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do all such acts, deeds, matters and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

Place : Indore
Date : 13.08.2013

By Order of the Board
For SIMRAN FARMS LIMITED

Registered Office:
1-B, Vikas Rekha Complex,
Near Tower Square,
Khatiwala Tank, Indore

Sd/-
HARENDER SINGH BHATIA
(Managing Director)

NOTES:

- **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES IN ORDER TO VALID MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
- Register of the members and share transfer books of the company will remain closed from Saturday, 21st September 2013 to Thursday, 26th September 2013 (both days inclusive) on account of Annual General Meeting.
- The relative Explanatory Statement Pursuant to Section 173 (2) of the Companies Act, 1956 in respect of Special Business as set out above is annexed hereto.
- Members attending the meeting are requested to bring with them the Attendance slip attached to the Annual Report duly filled in and signed and handover the same at the entrance of the hall.
- Members are requested to send their queries, if any at least 10 days in advance so that the information can be made available at the meeting and to bring their copies of the Annual Report at the time of attending the Annual General Meeting.
- Members are requested to contact the Registrar and Share Transfer Agent for all matters connected with Company’s shares at Ankit Consultancy Private Limited, 60 Electronic Complex, Pardeshipura, Indore-452001 M.P.
- In all correspondence with the Company, members are requested to quote their Account/Folio numbers and in case their shares are held in dematerialised form, they must quote their client ID number and their DP ID number.
- The Company has designated an exclusive email-ID simrangroup@sancharnet.in 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.
- SEBI has notified for compulsory trading of shares of the Company in demat form, so members, who have not dematerialised their shares are advised to contact Depository Participant in this regard.
- Under the Companies Act, 1956, dividends that are unclaimed for a period of seven years are required to be transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government. Members, who have not en-cashed the dividend warrant, are requested to make their claim to Simran Farms Limited. It may be noted that once the amounts in the unpaid dividend accounts are transferred to IEPF (Investor Education and Protection Fund) or the Company in respect thereof and the Members would lose their right to claim such dividend. Members who have not yet en-cashed their dividend warrant(s) for the financial year 2010-11 & 2011-12 are requested to make their claims without any delay.
- In terms of circulars issued by Securities Exchange Board of India (SEBI), it is now mandatory to furnish a copy of PAN Card to the Registrar and Share Transfer Agent in case of Transfer of Shares, Deletion of name, Transmission



of Shares and Transposition of Shares. Shareholders are requested to furnish copy of PAN card for all above mentioned transaction.

- Pursuant to Section 109A of the Companies Act, 1956, Shareholders are entitled to make nomination in respect of shares held by them in physical form Shareholders desirous of making nominations are requested to fill and send form 2B (Copy of which will be made available on request).
- The Ministry of Corporate Affairs ('MCA') has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliance by companies and has issued Circular No. 17/2011 dated April 21, 2011 and 18/2011 dated April 29, 2011. The Company proposes to send the documents to its Members like notices, annual report, etc. In electronic form. Members are requested to provide their email ID to the depositories who are holding their shares in demat form and the members who are holding their shares in physical form may send the duly filed form to our Registrar Ankit Consultancy Private Limited, 60, Electronic Complex, Pardeshipura, Indore - 452001 (M.P.) for sending the document in electronic form. The form is enclosed with Annual Report.
- Members are informed that in the case of joint holders attending the meeting, only such joint holder who is higher in the order of the names will be entitled to vote.
- Corporate members are requested to forward a Certified Copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
- Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such folio and send relevant share certificates to companies Registrar and Share Transfer Agent for their doing needful.
- Details under clause 49 of the Listing Agreement with the Stock Exchange in respect of Directors seeking re-appointment at the Annual General Meeting is given in corporate governance report forming part of this annual report.

Place : Indore
Date : 13.08.2013

By Order of the Board
For SIMRAN FARMS LIMITED

Registered Office:
1-B, Vikas Rekha Complex,
Near Tower Square,
Khatiwala Tank, Indore

Sd/-
HARENDER SINGH BHATIA
(Managing Director)

Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956

Item No. 5

Mr. Harender Singh Bhatia aged 60 Years, who is founder of the Company and associated since incorporation. Mr. Harender Singh Bhatia is a matured Business Personality, he is Bachelor of Science and is Post Graduate in Arts and has 35 Years rich experience in various business activities and more particularly 32 Years in the Poultry Industry. With the thorough practical experience in all the facets of the Poultry Industry right from Poultry Keeping, Feed management, Farm management, Hatching of eggs, management of Hatcheries to Marketing of chicks, eggs and Birds. He is now a Poultry Technocrat of the Poultry Industry in Madhya Pradesh. His contribution in the development and growth of Poultry Industry in Madhya Pradesh as well as in company is very well recognized. He carries a vision of growth of the Company and has made invaluable contributions to the success and performance of the Company over the years. Looking to his total devotion and resultant progress made by the Company under his dynamic leadership skills inspite of various difficulties faced by the Company in time to time, your Board of Directors feels that his continuation on the Board will be highly beneficial to the company and recommend the adoption of the resolution proposed under this item.

Accordingly, it is proposed to reappoint him as Managing Director w.e.f. 1st October, 2013 on remuneration as mentioned in resolution. For the same remuneration committee and Board of Directors have accorded their approval subject to approval of the members.

The proposed remuneration will be in the limit prescribed for the managerial person in Schedule XIII of the Companies Act, 1956 amended up to date.

Except proposed appointee, Mr. Gurdeep Singh Bhatia and Mr. Kawaljeet Singh Bhatia, no other Director is concerned or interested in the proposed resolution. The contents of resolution along with explanatory statement and details contain therein shall be deemed to be abstract of the terms and conditions of reappointment of Mr. Harender Singh Bhatia under section 302 of the Companies Act, 1956 and memorandum of interest in that behalf.

ANNEXURE TO THE EXPLANATORY STATEMENT

Perquisites shall be restricted to an amount equal to annual salary as detailed in categories 'A', 'B' and 'C' :

**Category 'A'**

- Housing:** House rent allowance @ 50% of the salary. The expenditure incurred by the Company on gas, electricity, water and furnishing shall be valued as per the Income Tax Rules, 1962 which shall be subject to a ceiling of 5% of salary.
- Medical Reimbursement:** Medical expenses incurred by him and his family shall be reimbursed to him subject to a ceiling of one months salary in a year or three months salary over a period of three years.
- Leave Travel Concession:** For him and his family, twice in a year, incurred in accordance with the Rule specified by the Company.
- Club Fees:** Fees of club subject to a maximum of two clubs. This will not include admission and life membership fees.
- Personal Accident Insurance:** Benefit of a personal accident insurance of an amount, the premium of which does not exceed ₹ 4,000/- per annum.

Explanation: For the purpose of Category 'A' above, 'Family' means the spouse, dependent children and dependent parents of the Managing Director.

Category 'B'

- Provident Fund etc.:** Contribution to Provident Fund and Superannuation Fund or Annuity Fund and Leave to be in accordance with the practice, and Regulations in force, from time to time. The contribution to Provident Fund and Superannuation Fund or Annuity Fund will not be included in the computation of the ceiling of the perquisites to the extent these, either singly or put together, are not taxable under the Income Tax Act 1961.
- Gratuity:** Not exceeding half month's salary for every completed year of service.

Category 'C'

Provision of car for use on Company's business and telephone at residence:

These will not be considered as perquisites. However, personal long distance calls and use of the car for private purpose shall be billed by the Company to the Managing Director.

The Additional disclosures mentioned in Para 1(B)(iv) of Section II of Part II of Schedule XIII to the Companies Act, 1956 is as under:

(I) GENERAL INFORMATION

1.	Nature of Industry	Poultry Farming and Animal Breeding.	
2.	Date or expected date of Commencement of Commercial Production	The company is not engaged in any manufacturing activities and is engaged in poultry farming and animal breeding activities.	
3.	In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the Prospectus.	Not Applicable	
4.	Financial Performance based on given indicators	As give below (₹ in Lacs)	
		<u>2010-11</u>	<u>2011-12</u> <u>2012-13</u>
	Turnover	16602.13	22970.59 28265.69
	Profit/Loss before tax	600.95	103.79 (292.51)
	Profit/Loss after tax	398.99	67.65 (292.51)
	Net Worth	1726.81	1759.20 1464.27
5.	Export performance and net foreign Exchange collaborations.	Not Applicable	
		<u>2010-11</u>	<u>2011-12</u> <u>2012-13</u>
	Export of Goods (FOB basic)	NA	NA NA
6.	Foreign investments or collaborators, if any.	The company has no foreign investments or foreign collaborations. The company has not made any foreign investments or has any collaboration overseas.	

**(II) INFORMATION ABOUT THE APPOINTEE**

Name of the Appointee	Mr. Harender Singh Bhatia (Managing Director)
Background details	<p>Mr. Harender Singh Bhatia is Bachelor of Science and is Post Graduate in Arts and has 35 Years rich experience in various business activities and more particularly 32 Years in the Poultry Industry.</p> <p>He is having thorough practical experience in all the facets of the Poultry Industry right from Poultry Keeping, Feed management, Farm management, Hatching of eggs, management of Hatcheries to Marketing of chicks, eggs and Birds. He is now a Poultry Technocrat of the Poultry Industry in Madhya Pradesh. His contribution in the development and growth of Poultry Industry in Madhya Pradesh as well as in company is very well recognized.</p> <p>Simran Farms has been on a growth path under his able leadership and rich experience. His values of integrity and transparency have been inculcated in all the employees. He always innovates new ideas; adapt latest technology for the growth of the company.</p>
Past remuneration	₹ 2,50,000 per month
Recognition or awards	None
Job profile and his suitability	<p>Mr. Harender Singh Bhatia is a Managing Director as well as promoter Director of the company and he is responsible for overall management of the company. The job profile essentially requires a leader who is innovative, self-motivated and result oriented and Mr. Harender Singh Bhatia is one of such leader.</p> <p>Mr. Harender Singh Bhatia has rich experience in conceptualizing; planning, directing and implementing business decision and translates them in terms of business growth.</p>
Remuneration proposed	₹ 2,50,000 per month
Comparative remuneration profile with respect to industry, size of the company profile of the post and Person (in case of expatriates the relevant details would be w.r.t. the country of origin.)	Though the exact latest data of the comparative profile with remuneration of the CEO/MD/Key Personnel of poultry farming is not available, however generally the CEOs/MDs/Key Managerial personnel of poultry farming Companies of comparable status are generally receiving remuneration above ₹ 25 lacs per annum.
Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel if any.	Mr. Harender Singh Bhatia is a Promoter Director. He is related to Mr. Gurdeep Singh Bhatia and Shri Kawaljeet Singh Bhatia, Directors of the Company except from these he does not have any other pecuniary relationship with any of the director of the Company.

**(III) OTHER INFORMATION**

Reason of loss or inadequate profits	Due to rising prices of major feed ingredients such as maize and Soya which result into increase in expenditure and less realisation of sale of grownup birds.
Expected increase in productivity and profits in measurable terms.	Poultry sector is the one of the fastest growing segment of Indian agriculture sector. The Company has already shown growth in the year 2010-11 and 2011-2012 in comparison to previous years.

(IV) DISCLOSURES

- Remuneration package payable to Mr. Harender Singh Bhatia, Managing Director of the company has been disclosed in the commencing paragraph of this Explanatory Statement.
- All elements of remuneration package to all directors is disclosed in the Corporate Governance Report.
- The particulars set out herein above may be treated as the abstract of the terms and conditions for reappointment of Mr. Harender Singh Bhatia, Managing Director of the Company, to be sent to the shareholders under section 302 of the Companies Act, 1956.
- None of the Directors except proposed appointee, Mr. Gurdeep Singh Bhatia and Mr. Kawaljeet Singh Bhatia is concerned or interested in this resolution.
- The Directors recommend the resolution for approval by the members.
- Stock Option Details: NA

Item No. 6

Mr. Kawaljeet Singh Bhatia, is paying his full time to the Company and having good experience in poultry industry particularly in production and purchase activities. Keeping in view of the contribution made by him, it is proposed to reappoint him as an Executive Director of the Company for further period of three years on remuneration as detailed in the resolution. The proposed remuneration will be in the limits prescribed in the schedule XIII of the companies Act, 1956.

The contents of the resolution along with the explanatory statement shall be deemed to be abstract of terms and conditions of reappointment of Mr. Kawaljeet Singh Bhatia under section 302 of the Companies Act, 1956 and the Memorandum of interest in that behalf.

Yours Board of Directors feels that his continuation on the Board will be highly beneficial to the company and recommend the adoption the resolution proposed under this item.

ANNEXURE TO THE EXPLANATORY STATEMENT

Perquisites shall be restricted to an amount equal to annual salary as detailed in categories 'A', 'B; and 'C' :

Category 'A'

1. **Housing:** House rent allowance @ 50% of the salary. The expenditure incurred by the Company on gas, electricity, water and furnishing shall be valued as per the Income Tax Rules, 1962 which shall be subject to a ceiling of 5% of salary.
2. **Medical Reimbursement:** Medical expenses incurred by him and his family shall be reimbursed to him subject to a ceiling of one months salary in a year or three months salary over a period of three years.
3. **Leave Travel Concession:** For him and his family, twice in a year, incurred in accordance with the Rule specified by the Company.
4. **Club Fees:** Fees of club subject to a maximum of two clubs. This will not include admission and life membership fees.



5. **Personal Accident Insurance:** Benefit of a personal accident insurance of an amount, the premium of which does not exceed ₹ 4,000/- per annum.

Explanation: For the purpose of Category 'A' above, 'Family' means the spouse, dependent children and dependent parents of the Executive Director.

Category 'B'

- Provident Fund etc.:** Contribution to Provident Fund and Superannuation Fund or Annuity Fund and Leave to be in accordance with the practice, and Regulations in force, from time to time. The contribution to Provident Fund and Superannuation Fund or Annuity Fund will not be included in the computation of the ceiling of the perquisites to the extent these, either singly or put together, are not taxable under the Income Tax Act 1961.
- Gratuity:** Not exceeding half month's salary for every completed year of service.

Category 'C'

Provision of car for use on Company's business and telephone at residence:

These will not be considered as perquisites. However, personal long distance calls and use of the car for private purpose shall be billed by the Company to the Executive Director.

The Additional disclosures mentioned in Para 1(B)(iv) of Section II of Part II of Schedule XIII to the Companies Act, 1956 is as under:

(I) GENERAL INFORMATION

1.	Nature of Industry	Poultry Farming and Animal Breeding.	
2.	Date or expected date of Commencement of Commercial Production	The company is not engaged in any manufacturing activities and is engaged in poultry farming and animal breeding activities.	
3.	In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the Prospectus.	Not Applicable	
4.	Financial Performance based on given indicators	As give below (₹ in Lacs)	
		<u>2011-12</u>	<u>2012-13</u>
	Turnover	22970.59	28265.69
	Profit/Loss before tax	103.79	-292.51
	Profit/Loss after tax	67.65	-292.51
	Net Worth	1759.20	1464.27
5.	Export performance and net foreign Exchange collaborations.	Not Applicable	
		<u>2011-12</u>	<u>2012-13</u>
	Export of Goods (FOB basic)	NA	NA
6.	Foreign investments or collaborators, if any.	The company has no foreign investments or foreign collaborations. The company has not made any foreign investments or has any collaboration overseas.	

**(II) INFORMATION ABOUT THE APPOINTEE**

Name of the Appointee	Mr. Kawaljeet Singh Bhatia (Executive Director)
Background details	<p>Mr. Kawaljeet Singh Bhatia is Bachelor of Science and has completed his Masters in International business. Mr. Bhatia has vast experience in various functional activities of business. He is associated with the company since very long time and handling various administrative work of the company.</p> <p>Being an Executive Director, Mr. Bhatia is vested with wide power of administration and management of Business activities of the Company more particularly purchase of raw ingredients, Feed management, Farm management, Hatching of eggs, management of Hatcheries. He is also responsible for production of chicks and eggs and marketing and distribution of the same. His contribution in the development and growth of Poultry Industry in Madhya Pradesh as well as in company is very well recognized.</p> <p>Due to his tremendous direction and involvement, company has been on growth path and accounted in sales and net worth. Mr. Kawaljeet Singh Bhatia always endeavour each and every person of the company to properly execute long term object of the Company so that company will achieve its missions soon.</p>
Past remuneration	₹ 2,00,000 per month
Recognition or awards	None
Job profile and his suitability	Mr. Kawaljeet Singh Bhatia is an Executive Director of the company and he is responsible for purchase and administration of the company.
Remuneration proposed	₹ 2,00,000 per month
Comparative remuneration profile with respect to industry, size of the company, profile of the post and Person (in case of expatriates the relevant details would be w.r.t. the country of origin.)	Though the exact latest data of the comparative profile with remuneration of the CEO/MD/Key Personnel of poultry farming is not available, however generally the CEOs / MDs / Key Managerial personnel of poultry farming Companies of comparable status are generally receiving remuneration above ₹ 25 lacs per annum.
Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel if any.	Mr. Kawaljeet Singh Bhatia is an Executive Director. He is related to Harender Singh Bhatia, Managing Director and Mr. Gurdeep Singh Bhatia Director of the Company except from these, he does not have any other pecuniary relationship with any of the director of the Company.

**(III) OTHER INFORMATION**

Reason of loss or inadequate profits	Due to rising prices of major feed ingredients such as maize and Soya which result into increase in expenditure and less realisation of sale of grownup birds.
Expected increase in productivity and profits in measurable terms.	Poultry sector is the one of the fastest growing segment of Indian agriculture sector. The Company has already shown growth in the year 2010-2011 and 2011-2012 in comparison to previous years.

(IV) DISCLOSURES

- Remuneration package payable to Mr. Kawaljeet Singh Bhatia, Executive Director of the company has been disclosed in the commencing paragraph of this Explanatory Statement.
- All elements of remuneration package to all directors is disclosed in the Corporate Governance Report.
- The particulars set out hereinabove may be treated as the abstract of the terms and conditions reappointment of Mr. Kawaljeet Singh Bhatia, Executive Director of the Company, to be sent to the shareholders under section 302 of the Companies Act, 1956.
- None of the Directors except proposed appointee, Mr. Harender Singh Bhatia, Managing Director and Mr. Gurdeep Singh Bhatia, Director are concerned or interested in this resolution.
- The Directors recommend the resolution for approval by the members.
- Stock Option Details: NA

Item No. 7

In terms of section 314(1) of the Companies Act, 1956, the prior consent of the Company by a special resolution is required for holding or continuing to hold office or place of profit by any relative of a Director of the Company. The Board of Directors feels that there is imperative need to strengthen the management structure of the company and increase managerial resources to make smooth working in business operation. The Board considered and appreciated the qualification of Avneet Singh Bhatia, who is young and energetic professional having good experience of operation and marketing more than five years to his credit in the field of operation management and marketing. The Board has, therefore, subject to the approval of the members, appointed Mr Avneet Singh Bhatia as Vice President (Operation) on monthly Salary of Rs. 50000/- per month and his annual increment will be decided by the Board of the Directors from time to time subject to a condition that the total remuneration shall not exceed the limits specified in section 314 of the Companies Act, 1956 read with the Directors' Relatives (Place of profit) Rules, 2003 amended to date.

None of Directors except Mr. Harender Singh Bhatia, Managing Director, Mr. Kawaljeet Singh Bhatia, Executor Director and Mr. Gurdeep Singh Bhatia, Director who are relatives of Mr. Avneet Singh Bhatia may be deemed concerned or interested in the resolution.

Place : Indore
Date : 13.08.2013

By Order of the Board
For SIMRAN FARMS LIMITED

Registered Office:
1-B, Vikas Rekha Complex,
Near Tower Square,
Khatiwala Tank, Indore

Sd/-
HARENDER SINGH BHATIA
(Managing Director)



DIRECTOR'S REPORT

To
The Members of Simran Farms Limited

Your Directors here by presents the 26th Annual Report of your company together with the Audited Statements of Accounts for the year ended on 31st March, 2013. The Financial Results of the company in the year under review are as under:

FINANCIAL AND OPERATIONAL PERFORMANCE.

	Year ended 31/3/2013	Year ended 31/03/2012
		(₹ In Lacs)
Total Income	28265.69	22970.59
Total Expenditure	28558.20	22867.83
Profit/(Loss) before prior period adjustments and extra ordinary income	(292.51)	102.76
Add: Extra ordinary item	0.00	1.03
Profit/Loss before tax	(292.51)	103.79
Provision for taxation:		
Income Tax	0.00	35.25
Deferred Tax Assets/Liability	2.43	0.89
Profit/Loss after tax	(294.94)	67.65
Paid up Equity Share Capital	379.17	379.17
Reserves	1085.10	1380.03

During the financial year your company has achieved good turnover but due to increase in cost of feed ingredients and low realization of sale of chickens, your Company has incurred net loss of ₹ 294.94 Lacs in comparison to previous year's net profit of ₹ 67.65 lacs.

DIVIDEND

Due to non-availability of profit, your Directors have not recommended any dividend for the year under review.

DIRECTORS:

In accordance with the provision of the Companies Act, 1956, and As per Article 115 of Article of Association of the Company, Dr. Surendra Singh and Mr. Gurdeep Singh Bhatia, retires from the Board of Directors by rotation and being eligible offer themselves for reappointment in ensuing Annual General Meeting.

SUBSIDIARY COMPANY AND CONSOLIDATION OF ACCOUNTS

The Ministry of Corporate Affairs has vide its circular dated 08th February 2011, had granted general exemption to companies from attaching to their balance sheet, the accounts and other documents of their subsidiaries companies, subject to fulfillment of specified conditions. In view of this general exemption and being in compliance with the conditions thereof, the accounts and other documents of the company's subsidiaries are not attached to the Annual report of the company. The consolidated financial statement of the Company, which includes the financial information of its subsidiary (i.e. Puregene Biotech Limited) are forming part of this.

The Annual accounts and financial statements of the Subsidiary company of your company and related detailed information shall be made available to members on request and are open for inspection at the Registered office of your company.



CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

Pursuant to Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosures of particulars in the Report of Board of Directors) Rules 1988, the Poultry is exempted. Further the Company's operations do not involve substantial consumption of energy in comparison to cost of production, However possible energy conservation measures have been implemented with a view to conserve and optimize the use of energy.

Technology absorption:

The Company has neither purchased within India nor imported any technology.

Foreign Exchange Earnings and Outgo

Total foreign exchange earned	:	₹ Nil
Total foreign exchange used	:	₹ 48629.00

DIRECTOR'S RESPONSIBILITIES STATEMENT

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956, with respect to the Director's Responsibility Statement, your directors hereby confirm:

- I) That in the preparation of the annual accounts for the financial year ended on 31st March 2013; the applicable accounting standards have been followed except accounting standard 13;
- II) That they 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 at the end of financial year and of the loss of the Company for the year under review;
- III) That they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of this Act, for safeguarding the assets of the Company and for preventing and detecting Fraud and other irregularities.
- (IV) That they have prepared the annual accounts on a going concern basis.

AUDITORS:

M/s Khandelwal Kakani & Co., auditors of the company, retires as the auditors at the ensuing Annual General Meeting and being eligible, offers them for reappointment.

COMMENTS ON AUDITORS REPORT

The qualification of Auditors regarding non provisions of diminution in value of shares of ₹ 1.17 Lacs of subsidiary Company, the directors of the opinion that In view of, recovering maximum losses of subsidiary company and future profits of the subsidiary company, the Directors expects to recover all the losses in short period, hence not provided. Further the Auditors in their report have referred to the notes forming part of the Accounts which are self-explanatory and do not require any explanation.

AUDIT COMMITTEE

Under the provisions of Companies Act, 1956 and Listing Agreement with the Stock Exchanges an Audit Committee Comprises of Dr. Surendra Singh, Mr. Harbhajan Singh Khanuja and Mr. Surjit Singh.

PUBLIC DEPOSITS

Your Company has not accepted any Public deposit within the meaning of section 58A of the Companies Act 1956, read with the Companies (Acceptance of Deposit) Rules, 1975.

CORPORATE GOVERNANCE:

A separate section titled "Corporate Governance" including a certificate from the Auditors of the Company confirming compliance of the conditions of the Corporate Governance as stipulated under clause 49 of the Listing Agreement and also the Management Discussion and Analysis Report and CEO certification are annexed hereto and form part of the report.

PARTICULARS OF EMPLOYEES

The Company did not have any employee, during the year drawing remuneration attracting the provision of section 217 (2A) of the Companies Act, 1956 read with the Companies (particulars of employees) Rule 1975. The company continued to have cordial and harmonious relations with employees. In totality our employees have shown a high degree of maturity and responsibility in responding to the changing environment, economic and the market condition.

HUMAN RESOURCES DEVELOPMENT

Your Company believes that nurturing and development of human capital is of key importance for its operations, The HR policies and procedures of your Company are geared up towards this objective. In totality our employees have shown a



high degree of maturity and responsibility in responding to the changing environment, economic and the market condition.

SECRETARIAL COMPLIANCE CERTIFICATE

A Secretarial Compliance Certificate is obtained from Practicing Company Secretary in terms of provisions of section 383A(1) of the Companies Act, 1956 is annexed herewith.

COST AUDITOR

Pursuant to the Provisions of Companies Act, 1956, the Board of Directors on the recommendation of the Audit Committee, appointed Sudeep Saxena & Associates, Cost Accountant, as Cost Auditor of the Company for the financial year ending 31st March 2014.

CODE OF CONDUCT

The company has laid-down a code of conduct for all Board members and senior management of the Company. All the Board members and senior management personnel have affirmed compliance with the code of conduct. The code of conduct has posted on website of the company i.e www.simranfarms.com

LISTING OF THE SHARES

Equity shares of the company are listed on Bombay Stock Exchange Ltd., Mumbai.

DEPOSITORY SYSTEM

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

GREEN INITIATIVES IN THE CORPORATE GOVERNANCE

In order to reduce cost of posting and speedy delivery of documents, service of documents through electronic mode has been permitted under section 53 of the Companies Act, 1956 in place of service of document under certificate of posting. Similarly, to reduce the consumption of papers and speedy secure delivery, service of copies of Balance Sheets and Auditors Report etc., to the members of the company as required under section 219 of the Companies Act, 1956 has been allowed to be served through electronic mode by capturing their e-mail addresses available with the depositories or by obtaining directly from the shareholders.

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. The Company has also taken insurance cover for any claims /losses arising out of its core business of security broking.

ACKNOWLEDGMENT:

Your director's wishing to place on record their appreciation for the contribution made by employees at all levels and only due to their hard work, solidarity and support. Your directors also wish to thank the customers, dealers, agents. Suppliers, partners, investors, banks and other stakeholders for their continued support and faith respond in the Company. We look forward to their continued support in the future.

For and behalf of the Board

Date : 30.05.2013

Place : Indore

Sd/-
H.S. Bhatia
Managing Director

Sd/-
G.S. Bhatia
Director



COMPLIANCE CERTIFICATE
(See Rule 3)

CIN No. L01222MP1984PLC002627
Nominal Capital. ₹ 600.00 Lacs

To,
The Members
M/S SIMRAN FARMS LIMITED
1-B, Vikas Rekha Complex
Khatiwala Tank
Indore (M.P.)

We have examined the registers, records, books and papers of **M/S SIMRAN FARMS LIMITED** as required to be maintained under the Companies Act, 1956, (herein after called Act) and rules made there under and also the provisions contained in the Memorandum and Article of Association of the Company for the financial year ended on 31st March, 2013. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the rules made there under and entries therein have been duly recorded.
2. The Company has filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, M.P. with additional fee as prescribed under the Act and the rules made there under.
3. The Company, being a Public Limited Company, Comments are not required.
4. The Board of Directors duly met ten times on 30.04.2012, 22.05.2012, 30.05.2012, 13.08.2012, 22.10.2012, 10.11.2012, 30.11.2012, 30.01.2013, 14.02.2013 and 30.03.2013 respectively in respect of which, meeting proper notices were given and the proceedings were properly recorded and signed.
5. The Company has closed its Register of Members from Saturday 22nd September, 2012 to Thursday 27th September, 2012 and necessary compliance of section 154 of the Act has been made.
6. The Annual General Meeting for the financial year ended on 31st March 2012 was held on Thursday 27th September, 2012 giving due notice to the members of the Company and resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the financial year.
8. As informed by the management the Company has not given any loan to its Directors or persons or firms or Companies referred to under section 295 of the Companies Act, 1956 except ordinary course of business.
9. As per informed by the management the Company having transactions with related parties under the provisions of section 297 of the Act but no approval of central government was obtained during the financial year.
10. The Company has made necessary entries only in the register maintained under section 301(3) of the Act.
11. The Company has not obtained any approval from the Board of Directors or members or central government pursuant to section 314 of the Act during the financial year.
12. The Company has issued duplicate share certificate during the financial year in accordance with the provision of the Act.
13. The Company has:
 - i) not allotted any securities during the financial year. However company has delivered all the certificate on lodgment thereof for transfer/transmission or any other purpose in accordance with the provision of the Act.
 - ii) deposited the amount of dividend declared during the year in separate bank account.
 - iii) posted/paid warrants for dividends to all the members entitled for dividend exceeding a period of 30 days from the date of declaration and that all unclaimed/unpaid dividends has been transferred to Unpaid Dividend account of the Company in prescribed time.
 - iv) not transferred the amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund. **NA**
 - v) generally complied with the requirements of section 217 of the Act.



14. The Board of Directors of the Company is duly constituted and appointment of Additional Director was made in accordance with the provisions of the Act and there was no appointment of alternate Director and Directors to fill casual vacancy during the Financial year.
15. The appointment of Managing Director/Whole time Director has been made in compliance with the provision of section 269 read with Schedule XIII to the Act.
16. The Company has not appointed any sole selling agent during the financial year of the Company.
17. The Company has not obtained any approval of Central Government, Company Law Board, Regional Director, Registrar and such other authorities prescribed under the various provisions of the Act during the financial year.
18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any shares, debentures or other securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. The company does not have any preference share capital nor it has issued any debentures and therefore, the question of redemption of the same does not arise.
22. There was no transaction necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/accepted any deposits including any unsecured loan falling within the purview of section 58A of the Act, read with the Companies (Acceptance of Deposits) Rules, 1975.
24. The Company has not made any borrowing during the financial year ended on 31st March 2013 exceeding the limit prescribed under section 293 (1) (d) of the Act.
25. As informed by the management the Company has not made loans and investment or given guarantees or provided any securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose during the financial year.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one state to another state during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year.
31. There was no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the financial year for offences under the Act. However company has received notice from Registrar of Companies Madhya Pradesh and Chhattisgarh for submission of certain information and documents under section 234 (1) of the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. As informed by the management, the Company has deposited both employee's and employer's contribution to provident fund with prescribed authorities pursuant to section 418 of the Act.

Signature : Sd/-
Name of Company Secretary : L.N. Joshi
L.N. Joshi & Co.
Company Secretaries
C.P. No. : 4216

Place : Indore

Date : 30th May, 2013

**Annexure-A**

CIN No. L01222MP1984PLC002627

Nominal Capital. ₹ 600.00 Lacs

Registers as maintained by **M/s Simran Farms Limited****Statutory Register**

1. Register of Members U/s 150 and Register of Index of Members U/s151 under the Companies Act, 1956.
2. Registers and Returns under section 163 of Companies Act, 1956.
3. Minutes Book of Meeting under Sec 193 of the Act.
4. Books of Accounts U/s 209 of Companies Act, 1956.
5. Register maintained u/s 301 (3) of the Act.
6. Register of Directors under section 303 of the Act.
7. Register of Directors' Shareholding under section 307 of the Act.
8. Register of Charges.

Other Registers

1. Register of Share Transfer/ Transmission.
2. Register of Shareholder's attendance.

Annexure-B

Forms and Returns as filed by the Company with Registrar of Companies, M.P. during the financial year ending 31st March 2013.

S. No.	Form No. / Return	Filed U/S	For	Date of Filing & ROC Receipt No.	Whether filed Within Prescribed Time Yes / No	If delay in filing Whether requisite Additional fee Paid Yes / No
1.	Form No. 32	303	Appointment & Resignation of Director	21.08.2012 B55837645	Yes	No
2.	Secretarial Compliance Certificate Form No. 66	383A	F.Y.2011-2012	16.10.2012 P90458282	Yes	No
3.	Form No. 32	303	Change in Designation of Additional Director in AGM	16.10.2012 B59693770	Yes	No
4.	Annual Return (Form No. 20B)	159	F.Y.2011-2012 AGM: 27.09.2012	12.11.2012 P95758561	Yes	No
5.	Balance Sheet (Form No. 23AC-XBRL)	220	F.Y.2011-2012	03.04.2013 Q07938848	No	Yes

Signature : Sd/-
 Name of Company Secretary : L.N. Joshi
 L.N. Joshi & Co.
 Company Secretaries
 C.P. No. : 4216

Place : Indore
 Date : 30th May, 2013



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ECONOMIC SCENARIO

The problems stalking the global economy are multiple and interconnected. The rapidly cooling economy is both a cause and an effect of the debt crises and fiscal problems. India's economic growth rate this fiscal went sharply lower at 5 percent, lowest in decade on account of poor performance of manufacturing, agriculture and service sector. The year 2012-13 has been a year of ups and down not only for Simran but for entire economy as the GDP has reached the lowest rate in last nine years. Rupee depreciation has been contributing to increasing inflationary pressures. Monetary and liquidity conditions have eased so far in 2012-13 after the Reserve Bank of India slashed its policy rates. The economy is expected to continue mending gradually, Indian economy is projected to grow by 5.7 percent in 2013 and 6.2 percent in next year as against world output growth of 3.3 percent and 4 percent respectively during period under review ; But with old dangers remaining and new risks emerging.

INDUSTRY STRUCTURE

Poultry is one of the fastest growing segments of the agricultural sector in India today. While the production of agricultural crops has been rising at a rate of 1.5 to 2 percent per annum that of eggs and broilers has been rising at a rate of 8 to 10 percent per annum. As a result, India is now the world's second largest egg producer and the third largest producer of broilers. Driving this expansion are a combination of factors - growth in per capita income, a growing urban population and falling real poultry prices.

During the year under review, the performance of the poultry and poultry products was affected due to the unprecedented high cost of feed ingredients and the lower realizations from sale of day old chicks and grown up birds. While the cost of feed ingredients went up by 40% to 45%, the increase in prices of eggs and chicken was only by 20% to 25%. The extent of increase in the prices of raw material is unprecedented in the history of the poultry industry so far, and this can be considered as the worst year experienced by the poultry industry.

OPPORTUNITIES

India has one of the world's largest and fastest growing poultry industries, ranking second in hen egg production and third in broiler production. Over the last few decades, the Indian poultry industry has undergone a paradigm shift - from backyard farming practice to commercial production systems using modern technology. In addition to the availability of almost all the major international breeds, local research and breeding programs have played a major role in the development of highly productive layer and broiler breeds with proven adaptability to Indian and tropical agro-climatic and management conditions. Some 60-65 percent of broiler production is integrated, and this figure continues to rise. Integrators take full responsibility for supply day-old chicks, feed, medicines, vaccines, and supervision. As well as supplying direct inputs, the integrated model has also resulted in an improvement in farmers' skills and the adoption of new technology and better management practices, resulting in higher productivity levels and lower production costs.

RISK

The poultry industry faces all sorts of threats and risks. Various diseases and epidemics, increase in the price of chicken feed, ploys by foreign companies to take over the market and, above all, weak policies of the government, are throwing the industry off balance. The poultry industry has suffered major losses with the problems such as bird flu, spiraling costs of feed materials such as maize and soya because of low production.

OUTLOOK

The future outlook for Indian poultry also appears to be very favorable. The most conservative estimates predict a two- to three-fold increase in poultry production. However, any steep increase in cost of poultry feed prices - as happened in the last year - will have an impact on the profitability of the Company.

INTERNAL CONTROL SYSTEM

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

HUMAN RESOURCES

Your Company follows a strategy of attracting and retaining the best talent and keep employees engaged, motivated and innovative. The Company continues to have cordial relations with its employees and provide personnel development opportunities for all round exposure to them.

FINANCIAL AND OPERATIONAL PERFORMANCE

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

**CAUTIONARY STATEMENT:**

Some of the Statements in Management discussion and Analysis describing companies 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

A report of the financial year ended on 31st March, 2013 on the compliance by the company with the corporate governance requirement under clause 49 of the Listing agreement, is furnished below:

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

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

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

A. BOARD OF DIRECTORS

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

As will be seen from the following table, none of the directors hold directorship in more than 15 public limited company, nor is any of them a member of more than ten committees of the prescribed nature or holds chairmanship of more than five such committee across all public limited companies in which they are directors. The Board does not have any nominee director representing any institution.

The last Annual General meeting was held on 27th September 2012.

Name of Director	Category	No. of Board Meetings Attended	Other Directorship		Committee Position		Whether attended last AGM held on 27.09.2012
			Chairman	Member	Chairman	Member	
Mr. Harender Singh Bhatia	MD	10	1	1	NIL	NIL	Yes
Mr. Gurdeep Singh Bhatia	NED	4	NIL	NIL	NIL	NIL	No
Mr. Kawaljeet Singh Bhatia	ED	10	NIL	1	NIL	NIL	Yes
Dr. Surendra Singh	ID	4	NIL	NIL	3	3	Yes
Mr. Surjit Singh Kohli	ID	4	NIL	1	NIL	3	No
CA Lalit Khatri (up to 13.08.2012)	ID	2	NIL	1	NIL	3	No
Mr. Harbhajan Singh Khanuja (From 13.08.2012)	ID	3	NIL	NIL	NIL	3	Yes

MD = Managing Director, NED = Non Executive Director, ED = Executive Director, ID = Independent Director

Note: This includes directorship in public limited companies and subsidiary of public limited companies and excludes directorship in private Limited companies, overseas companies, companies under section 25 of the Companies Act, 1956 and alternate directorship.



During the year 2012-13 the Board Met 10 (Ten) times on the following dates, namely:

30/04/2012	22/05/2012	30/05/2012	13/08/2012
22/10/2012	10/11/2012	30/11/2012	30/01/2013
14/02/2013	30/03/2013		

ii) Inter-se relationship among directors

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

iii) Role of Independent Director

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

iv) Shareholding of Non-executive Director

The Number of equity shares held by Non-Executive Directors as on 31.3.2013 were as under:

Name of Director	No. of shares
Mr. Gurdeep Singh Bhatia	78300
Dr. Surendra Singh	NIL
Mr. Surjit Singh Kohli	NIL
Mr. Harbhajan Singh Khanuja	100

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

Particulars	Dr. Surendra Singh	Mr. Gurdeep Singh Bhatia
Date of Birth	01.02.1940	13.05.1949
Date of Appointment	15.04.1994	10.11.1988
Qualification	Post Graduate	Graduate
Expertise in specific functional area	Experienced poultry technocrat and has more than 40 years rich experience in the poultry industry	24 years rich experience in poultry farms and finance.
Directorship held in other Companies	Tarini Farms Private Limited	Simran Chicks Private Limited Simran Hatcheries Limited
Number of shares held in the Company	N.A.	78300
Relationship	No relationship with any other director	Mr. H.S. Bhatia is brother of Mr. Gurdeep Singh Bhatia



B. Board Procedure

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

Committees of the board

(I) Audit Committee (Mandatory Committee)

The Company has constituted a qualified and independent Audit committee under section 292A of the Companies Act, 1956 read with clause 49 of the listing agreement. All the members of the committee, including committee chairman are independent director. All the members of the committee are financial literate.

(i) Meeting and Composition

The Composition of Audit Committee as on 31.3.2013 and attendance record of the members at the meetings held during the year was as under:

Name of the Member	Category	Status	No. of meetings attended	
			Held during tenure	Attended
Dr. Surendra Singh	Non executive Independent Director	Chairman	4	4
Mr. Surjeet Singh Kohli	Non executive Independent Director	Member	4	4
CA Lalit Khatri (up to 13.08.2012)	Non executive Independent Director	Member	2	2
Mr. Harbhajan Singh Khanuja (From 13.08.12)	Non executive Independent Director	Member	2	2

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

30/05/2012	13/08/2012	10/11/2012	14/02/2013
------------	------------	------------	------------

As mandated by clause 49 of the Listing agreement

- The representative of statutory and internal auditors of the company are also invited in the audit committee meetings.
- The gap between two audit committee meetings was not more than four months.

Terms of reference of the Audit Committee

The terms of reference of Audit Committee are as under:

- Overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending the appointment and removal of external auditor, fixation of audit fee and approval of payment of any other services:
- Reviewing with management, the annual financial statement before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Directors responsibility statement to be included in the boards report as per Section 217(2AA) of the Companies Act, 1956.
 - Changes in the Accounting policies and practices and the reasons for the same, major accounting entries and significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of any related party transactions.
 - Qualifications in the draft audit report if any.
- Reviewing with the management and external and internal auditors, the adequacy of internal control systems:



- Reviewing the adequacy of internal audit function;
- Discussing with internal auditors, any significant findings and follow up on such issues;
- Reviewing the findings of any internal investigations by the internal auditors in matters where there is suspected fraud or irregularity, or a failure of internal control systems of a material nature, and then reporting such matters to the Board;
- Discussing with external auditors before the audit commences on the nature and scope of audit, as well as having post-audit discussion to ascertain any area of concern,
- Reviewing the management discussion and analysis of the financial conditions and results of operations.
- Reviewing with the management and the statutory auditors anticipated changes in the Accounting Standards.
- Reviewing the Company's financial and risk management policies;
- Undertake such other functions as may be entrusted to it by the Board from time to time.

(II) Shareholder /Investors Grievance Committee

Pursuant to clause 49 of the listing agreement, the Company has constituted a Board Committee designated as shareholder's/investor's Grievance Committee under the Chairmanship of Non Executive independent director to specifically look in the redressal of shareholder's/investor's complaints like transfer of shares, non receipt of balance sheet, non receipt of declared dividend and other ancillary matters. Mr. Herender Singh Bhatia is the compliance Officer of the company.

(i) Meeting and Composition

The Composition of Committee as on 31.3.2013 and attendance record of the members at the meetings held during the year was as under:

Name of the Member	Category	Status	No. of meetings attended	
			Held during tenure	Attended
Dr. Surendra Singh	Non executive Independent Director	Chairman	4	4
Mr. Surjeet Singh Kohli	Non executive Independent Director	Member	4	4
CA Lalit Khatri (up to 13.08.2012)	Non executive Independent Director	Member	2	Nil
Mr. Harbhajan Singh Khanuja (From 13.08.12)	Non executive Independent Director	Member	2	2

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

30/05/2012	13/08/2012	10/11/2012	14/02/2013
------------	------------	------------	------------

- During the year under review, 33 (Thirty Three) complaints were received from shareholders and the same were resolved to the shareholder and there were no complaints pending unresolved as at the end of the year.
- Share transfer in physical form are registered by the Registrar and returned to respective Transferee/person within a period ranging from one to two weeks provided the documents lodged with Registrar/Company are clear in all respects.

(III) Remuneration Committee (Non mandatory Committee)

The Company has constituted a remuneration committee under Schedule XIII to the Companies Act, 1956 read with clause 49 of the listing agreement. All the members of the committee are Non Executive independent directors.



a) Terms of reference

The Company has constituted a remuneration committee under Schedule XIII to the Companies Act, 1956 read with clause 49 of the listing agreement. All the members of the committee are Non Executive independent directors.

b) Meeting and Composition

The composition of committee as on 31.3.2013 and attendance record of the members at the meeting held during the year are as under:

Name of the Member	Category	Status	No. of meetings attended	
			Held during tenure	Attended
Dr. Surendra Singh	Non executive Independent Director	Chairman	1	1
Mr. Surjeet Singh Kohli	Non executive Independent Director	Member	1	1
Mr. Harbhajan Singh Khanuja	Non executive Independent Director	Member	1	1

c) Remuneration policy Executive Directors

The remuneration of executive directors is reviewed by the remuneration committee and thereafter recommended to the Board of the directors of the Company for subject to approval of the members at general meeting and such other authorities as may be required. While recommending remuneration, the committee considers various factors such as practices prevalent in the industry for the time being, qualification, expertise of the appointee and financial position of the company.

d) Remuneration of Directors

Remuneration paid or payable to Directors during the year 2012-2013

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

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

MANAGEMENT

A. The Management discussion and analysis report

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

B. Disclosure by Management to the Board

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

Compliance with Mandatory / Non Mandatory requirements.

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



- The Company has also adopted the non mandatory requirement as specified in Annexure 1D to clause 49 of the listing agreement regarding constitution of remuneration committee, the details of which already been provided in this report

SUBSIDIARY COMPANY

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

DISCLOSURES

- A. There were no material transactions of the Company with its promoters, directors, and management on their relatives that may have conflict with the interest of the Company at large.
- B. The particulars of transactions between the Company and its related parties in accordance with the accounting standard 18 are set out in Annual report. These transactions are in the ordinary course of business and are not likely to have any conflict with the interest of the Company.
- C. The financial statements have been prepared in compliance with the requirements of the Companies Act, 1956, and in conformity, in all respects, with the generally accepted accounting principles and standards in India. The estimates/judgments made in preparation of these financial statements are consistent, reasonable and on prudent basis so as to reflect true and fair view of the state of affairs and results/operations of the Company
- D. The Company has well defined management policies to manage the risk inherent in the various aspects of business. The Board is regularly informed about the business risks and the steps taken to mitigate the same.
- E. There has been no non-compliance by the company or penalty or strictures imposed on the company by the stock exchange or SEBI or any statutory authority, on any matter related to capital markets during last three years.
- F. During the year under review Company has not issued any type of securities. No GDR/ADR issued by the Company.
- G. The company has established a mechanism for employees to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy.
- H. As per clause 5All of the listing agreement there is no unclaimed shares in the company.

SHAREHOLDER'S INFORMATION

Means of Communication

Presently, the quarterly/half yearly financial result are not sent individually to the shareholders. However as required under the listing agreement, the same are published in the Free Press Journal (English) and Choutha Sansar (Hindi).

The Company's website www.simranfarms.com contains information on the Company and it performance. Presentations to analysts, as and when made, are immediately put on the website for the benefit of the shareholders and the public at large. The secretarial department's e-mail address is simrangroup@sancharnet.in

General body meetings

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



Meeting	Date	Time	Venue
25th	27th September 2012	10.00 a.m.	Pishori Premises, 910 Khatiwala Tank, Tower Square, Indore.
24th	22nd September 2011	10.00 a.m	Pishori Premises, 910 Khatiwala Tank, Tower Square, Indore.
23rd	23rd September 2010	10.00 a.m	Gymnasium hall Behind Sindoor Marriage Hall Bhanwarkuan Road, Indore.

POSTAL BALLOT & SPECIAL RESOLUTION :

No resolutions were passed by postal ballot in last three years.

None of the Businesses proposed to be transacted in the ensuing Annual General Meeting require passing of a resolution through Postal Ballot.

Following special resolutions were passed in last three Annual General meeting by way of show of hands:

- Increase in the remuneration of Mr. Harender Singh Bhatia, Managing Director and Mr. Kawaljeet Singh Bhatia, whole time Director in the annual general meeting held on 23.09.2010.
- Increase in the remuneration of Mr. Harender Singh Bhatia, Managing Director & Mr. Kawaljeet Singh Bhatia, whole time Director and appointment of Mr. Gurmeet Singh Bhatia as vice president of company pursuant to the provisions of Section 314(1B) in the annual general meeting held on 22.09.2011.

General shareholder information

- **Registered office of the Company:**
1-B, Vikas Rekha Complex, Khatiwala Tank, Indore (M.P.)
- **Forthcoming Annual General Meeting:**
Date & time of meeting: 26th September, 2013 - 10.00 a.m. (Thursday)
Venue of the meeting: Kings Park Hotel, 1, Vishnupuri Main, A.B. Road, Bhanwarkua, Indore-452017 (M.P.)
Last date for receipt of proxy forms: 24th September, 2013

Financial Calendar:	1st April to 31st March
Annual General Meeting	26th September, 2013
Results for the quarter ended	
1st Quarter ending 30th June, 2012 (First quarter)	Before 14th Aug. 2013
2nd Quarter ending 30th Sept, 2012 (Second quarter)	Before 14th Nov. 2013
3rd Quarter ending 31st Dec, 2012 (Third quarter)	Before 14th Feb. 2014
4th Quarter ending 31st Mar, 2013 (Fourth quarter and Annual)	Before 30th May 2014

- **Book Closure:**
The book closure period is from Saturday 21st September, 2013 to Thursday 26th September, 2013 (both days inclusive) to determine the members entitled to dividend.
- **Dividend Payment:**
No Dividend was recommended by the board of the Directors for financial year 31st March, 2013.
- **Transfer Unpaid/Unclaimed amount of Dividend to Investor Education and Protection fund:**
Those members who have so far not encashed their dividend warrants for below mentioned financial years, may claim or approach the company for payment thereof as the same will be transferred to Investor Education and Protection Fund (IEPF) established by the Central Government, pursuant to section 205 C of the Companies Act, 1956 after seven years from the date of their declaration. Intimation in this regard is



being given to the concerned shareholder for encased their dividend warrants as soon as possible. Kindly note due date for encashing dividend warrant after that the members will lose their right to claim such dividend.

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

- **Listing on Stock Exchange**

The Company's equity shares are listed on "The Bombay Stock Exchange Ltd, Mumbai". The Company has paid listing fees for the Financial year 2012-2013.

The stock code is as under:

Name of the Stock Exchange	Stock Code
Bombay Stock Exchange, Mumbai	519566

The **ISIN Number** of Company on both NSDL and the CSDL is **INE354D01017**.

Secretarial Audit for Reconciliation of Capital.

As stipulated by SEBI a qualified practicing Company Secretary carries out secretarial Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the listed stock exchanges. The audit confirms that the total listed and paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialized form. (Held with NSDL/CDSL) and total number of shares in physical form.

Code of Conduct

The Company has laid down a code of conduct for all Board members and senior management of the Company. All the Board members and management personnel have affirmed compliance with the Code of Conduct. The Code of conduct is posted on the website of the Company i.e www.simranfarms.com.

Code for prevention of Insider trading practices.

In Compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1997, as amended till date on prohibition of insider trading, the Company has a comprehensive code of conduct and the same is being strictly adhered to by its management, staff and relevant business associates. The code expressly lays down the guidelines and the procedures to be followed and disclosures to be made, while dealing with shares of the Company and cautioning them on the consequences on non-compliance thereof.

CEO/CFO Certification

The CEO/CFO certification of the financial statements and the cash flow statement for the year is obtained and was placed before the Board. The same is annexed to this report.

Auditors Certificate on corporate governance

As required under clause 49 of the listing agreement, the company has obtained certificate from statutory auditors regarding compliance of conditions of corporate governance. The same is annexed to this report.

- **Market Price Data:**

April, 2012 to March, 2013 at BSE

Month	Apr. 12	May12	June12	July12	Aug. 12	Sept. 12	Oct. 12	Nov. 12	Dec. 12	Jan. 13	Feb. 13	Mar. 13
High	24.75	22.40	24.00	26.25	30.55	39.45	34.00	27.70	26.90	23.90	19.90	23.15
Low	20.25	18.55	19.40	20.25	19.35	29.00	26.00	19.70	21.50	18.55	16.00	16.15



• **SHARE HOLDING PATTERN AS AT 31ST MARCH 2013**
[SHAREHOLDING PATTERN]

Category	No. Of Share held	Percentage of Shareholding
A Promoters Holding		
1. Promoters:		
Indian Promoters		
Foreign Promoters	1407000	37.11
2. Persons acting in concert		
Sub Total	1407000	37.11
B. Non-Promoters Holding		
1. Institutional Investors	-	-
2. Mutual Funds and UTI	-	-
3. Banks, Financial Institutions, Insurance Companies [Central/State Govt. Institutions, Non- Government Institutions]	2100	0.06
4. FIs	-	-
Sub-Total	2100	0.06
5. Others	-	-
Private Corporate Bodies	176331	4.65
6. Individuals	-	-
Holding up to ₹ 1.00 lac	1602123	42.25
Holding excess ₹ 1.00 lac	476981	12.58
7. NRIs/OCBs	125129	3.30
8. Any other [Clearing member]	2036	0.05
Sub-Total	2382600	62.83
Grand Total	3791700	100.00

• **Distribution of Shareholding by size as on 31st March 2013:**

Shareholding of Nominal Value	Shareholder		Share Amount	
	Number	% of Total	In Rupees	% of Total
(1)	(2)	(3)	(4)	(5)
Less than – 5000	6268	91.56	9212880	24.29
5001 – 10000	273	3.99	2213690	5.84
10001 – 20000	147	2.15	2203560	5.81
20001 – 30000	49	0.72	1247960	3.29
30001 – 40000	25	0.37	908620	2.40
40001 – 50000	16	0.23	735860	1.94
50001 – 100000	32	0.47	2250620	5.94
100001 and above	35	0.51	19143810	50.49
Total	6845	100.00	37917000	100.00



- **Shares held in Physical and Dematerialization form:**
As on 31st March 2013, 77.95% of shares were held in dematerialized form and rest 22.05% in physical form.
- **Outstanding GDRs / ADRs / Warrants or convertible instruments**
Not Applicable
- **Address for Correspondence**
Registrars and Share Transfer Agents
Ankit Consultancy Pvt. Ltd.
60, Electronics Complex
Pardeshipura
Indore - 452010 (M.P.)
Ph. 0731-3198601-602 Fax: 0731-4065798
- **Administrative Office of the Company (For general assistance)**
1-B, Vikas Rekha Complex, Tower Square, Khatiwala Tank, Indore 452001

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

This is to confirm that the Company has adopted a code of conduct for the Board of Directors and Senior Management of the Company. The same is available on website of the Company as www.simranfarms.com.

As Managing Director of the Simran Farms Limited and as required by clause 49 (1) (D) (ii) of the Listing Agreement of the Stock Exchange in India, I hereby declare that all the Board Members and senior Management personnel of the Company have affirmed compliance with the code of Conduct for financial year 2012-2013.

Sd/-

Harender Singh Bhatia
Managing Director

Place : Indore

Date : 30.05.2013



CEO CERTIFICATION

I hereby certify to the Board of Directors of **SIMRAN FARMS LIMITED** that:

- a. I have reviewed financial statements and the cash flow statement for the year ended on 31/03/2013 and that to the best of my knowledge and belief.
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading.
 - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c. I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- d. I have indicated to the auditors:
 - i. Significant changes in internal control over financial reporting during the year;
 - ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. Instances of significant fraud of which I 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.

Place : Indore
Date : 30.05.2013

For **SIMRAN FARMS LIMITED**
Sd/-
HARENDER SINGH BHATIA
Managing Director

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

We have examined to the compliance of conditions of Corporate Governance by Simran Farms Limited, for the year ended on 31st March, 2013, as stipulated in the clause 49 of the Listing agreement entered into by the company with the Stock Exchange.

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

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

We state that in respect of investor grievances received during the year ended on 31st March, 2013, the Registrars of the Company have certified that as at 31st March, 2013, there were no investor grievances remaining unattended/ pending for more than 30 days.

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

For **Khandelwal Kakani & Company**
Chartered Accountants
Sd/-
SANTOSH DESHMUKH
(Partner)
Membership No. 071011

Place : Indore
Date : 30.05.2013



AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of **SIMRAN FARMS LIMITED, INDORE (M.P.)** which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Basis for Qualified Opinion

That the Company Has not provided permanent diminution in the value of shares of subsidiary company Rs. 1.17 lakhs and to that extent profit and investment in subsidiary is overstated.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) *In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;*
- (b) *In the case of the Profit and Loss Account, of the loss for the year ended on that date; and*
- (c) *In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.*

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Companies Act, 1956, we report that:
 - We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the accounting standards referred to in sub-section (3C) of section 211 of the Act;
 - On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

Place : Indore
 Date : 30.05.2013

For KHANDELWAL KAKANI & Co.
 Chartered Accountants
Sd/-
SANTOSH DESHMUKH
 PARTNER
 M.No. 071011



ANNEXURE REFERRED TO IN PARAGRAPH 'B' OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF SIMRAN FARMS LIMITED ON THE ACCOUNTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2013

1. (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
(b) The Management has physically verified the fixed assets at reasonable intervals during the year and on the basis of the explanations given to us, no discrepancies were noticed on such verification.
(c) No substantial dispositions of fixed assets have taken place during the year which affects the going concern of company.
2. (a) In our opinion, physical verification of inventories has been conducted at reasonable interval by the management of the company.
(b) In our opinion, the procedure of physical verification of stocks followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.
(c) In our opinion, the Company is maintaining proper records of inventories and the discrepancies noticed on verification between the physical stock and book and book records were not significant and the same have been properly dealt with in the books of accounts.
3. (a) The Company has not granted any loan to any company, firms or other party covered under section 301 of the Companies Act, 1956. Accordingly, to the clauses (iii)(b), (iii)(c) and (iii)(d) of the paragraph 4 of the order are not applicable. The Company has not taken any loan, secured or unsecured from Companies, firms or other parties covered in register maintained under section 301 of the Companies Act, 1956. Accordingly, the clauses (iii)(f) and (iii)(g) of the paragraph 4 of the order are not applicable.
(b) Since no loan is outstanding hence the question regarding terms & condition and rate of interest and other terms and conditions not applicable.
(c) There was no overdue amount more than one lacs as there is no stipulation regarding repayment of Loan Amount..
4. In our opinion and according to the information and explanations given to us, and on such checks carried out during the course of Audit, there are adequate internal control procedures commensurate with the size of the Company and nature of its business, for the purchase of stores, raw material, including components, plant and machinery, equipments, other assets, and for the sale of goods. During the course of our audit, no major weakness has been observed in the internal controls.
5. (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
(b) In our opinion and according to the information and explanations given to us, these transactions with parties with whom transactions exceeding the value of Rupees Five Lacs have been entered into during the financial year are at prices, which are reasonable, having regard to the prevailing market prices at the relevant time.
6. The Company has not accepted any deposits from public and hence this clause is not applicable.
7. In our opinion, the Company has an internal audit system commensurate with size and nature of the business.
8. The cost accounting records Pursuant to Companies(cost accounting records) Rules,2011 prescribed by the Central government under section 209(1)(d) of the companies act ,1956 are maintained by the Company. However we have not made a detailed examination of the records with a view to determine its accuracy. Based on our view we are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
9. (a) According to the information and explanations given to us and the books and records examined by us, the Company has been regular in depositing undisputed statutory dues including Provident Fund, Sales Tax and other statutory dues applicable to it with the appropriate authorities.
(b) According to the information and explanations given to us and as per records of the Company, the dues of Sales Tax, Income Tax, Wealth Tax, Service Tax, Excise Duty, Cess which have not been deposited on account of dispute are as follows:



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

10. The Company has been registered for more than 5 years and has no accumulated losses at the end of the year, which is 50% of its net worth. The Company has incurred cash losses in the current year but not in the previous year.
11. The Company has no loans from Financial Institutions or Banks or Debenture holders except vehicle loans.
12. The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute applicable to chit fund and nidhi/ mutual benefit fund/ societies.
14. The Company is neither dealing nor trading in shares, securities, debentures and other investments. Hence clause is not applicable.
15. The Company has not given any guarantee for loan taken by others from Banks and Financial Institutions.
16. Based on information and explanations given to us by the management, term loans taken in earlier years were applied for the purpose for which the loans were obtained. No new term loan was obtained during the year.
17. On the basis of an overall examination of the Balance Sheet of the company, in our opinion and according to the information and explanations given to us, there are no funds raised on short-term basis, which have been used for long-term investment.
18. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. The Company has not issued any kind of debentures.
20. The Company has not raised any money through a public issue during the year.
21. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

Place : Indore
Date : 30.05.2013

For KHANDELWAL KAKANI & Co.
Chartered Accountants

Sd/-
SANTOSH DESHMUKH
PARTNER
M.No. 071011

**BALANCE SHEET AS AT 31st MARCH, 2013**

(₹ in Lakhs)

Particulars	Note	31st March, 2013	31st March, 2012
A EQUITY AND LIABILITIES			
1. Shareholders' funds			
(a) Share capital	1	379.17	379.17
(b) Reserves and surplus	2	1085.10	1380.03
		<u>1464.27</u>	<u>1759.20</u>
2. Non-current Liabilities			
(a) Long term borrowings	3	68.21	16.51
(b) Deferred tax liabilities (net)	4	104.88	102.45
(c) Long-term provisions	5	69.88	63.95
		<u>242.97</u>	<u>182.91</u>
3. Current Liabilities			
(a) Trade payables	6	4551.42	2732.94
(b) Other current liabilities	7	511.55	208.72
(c) Short-term provisions	8	122.29	212.84
		<u>5185.26</u>	<u>3154.50</u>
		<u>6892.49</u>	<u>5096.61</u>
B ASSETS			
1. Non-current assets			
(a) Fixed assets			
(i) Tangible assets	9	1120.04	1051.10
(b) Non current investments	10	131.54	131.54
(c) Long term loans and advances	11	61.23	60.95
		<u>1312.81</u>	<u>1243.59</u>
2. Current assets			
(a) Inventories	12	4417.05	2863.94
(b) Trade receivables	13	732.17	751.77
(c) Cash and bank balances	14	261.36	68.33
(d) Short-term loans and advances	15	169.10	168.98
		<u>5579.68</u>	<u>3853.02</u>
		<u>6892.49</u>	<u>5096.61</u>
See accompanying notes forming part of the Accounts			

In terms of our report attached.

FOR KHANDELWAL KAKANI & CO.
Chartered Accountants

Sd/-
SANTOSH DESHMUKH
PARTNER

Sd/-
H.S. BHATIA
MANAGING DIRECTOR

Sd/-
G.S. BHATIA
DIRECTOR

Place : Indore
Date : 30th May 2013



PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2013

(₹ in Lakhs except EPS)

Particulars	Note	31st March, 2013	31st March, 2012
Revenue from operation Sales (Net)		28209.09	22794.01
Other income	16	56.60	176.58
Total revenue		28265.69	22970.59
Expenses			
(a) Cost of materials consumed	17	24475.56	19958.75
(b) Farm expenses	18	2285.57	1644.28
(c) Administrative expenses	19	353.92	263.17
(d) Selling & distribution expenses	20	712.06	386.12
(e) Employee benefits expense	21	578.97	508.08
(f) Finance costs	22	56.16	25.73
(g) Depreciation	9	95.96	81.70
Total expenses		28558.20	22867.83
Profit / (Loss) before exceptional and extraordinary items		(292.51)	102.76
Profit / (Loss) before extraordinary items		(292.51)	102.76
Extraordinary items		0.00	1.03
Profit / (Loss) before tax		(292.51)	103.79
Tax expense:			
(a) Current tax expense		0.00	35.25
(b) Deferred tax	4	2.43	0.89
Profit / (Loss) for the year		(294.94)	67.65
Earnings per share (of ₹ 10/- each)			
Basic and diluted		(7.78)	1.78
Earnings per share (excluding extraordinary items) (of ₹ 10/- each)			
Basic and diluted		(7.78)	1.76
See accompanying notes forming part of the accounts			

In terms of our report attached.

FOR KHANDELWAL KAKANI & CO.
Chartered Accountants

Sd/-
SANTOSH DESHMUKH
PARTNER

Sd/-
H.S. BHATIA
MANAGING DIRECTOR

Sd/-
G.S. BHATIA
DIRECTOR

Place : Indore
Date : 30th May 2013



NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2013

(₹ in Lakhs)

Particulars	As at			
	31st March, 2013	31st March, 2012		
1. Share Capital				
(a) Authorised 60,00,000 Equity shares of ₹ 10/- each	600.00	600.00		
(b) Issued Subscribe and Paid Up 37,91,700 Equity Shares of ₹ 10/- each	379.17	379.17		
The details of shareholders holding more than 5 % shares :-				
Name of Shareholder	31st March, 2013		31st March, 2012	
	No. of Shares	% Held	No. of Shares	% Held
Harender Singh Bhatia (HUF)	251700	6.64%	251700	6.64%
Amarjee Singh Bhatia (HUF)	195800	5.16%	195800	5.16%
Porinju V Veliyath			196526	5.18%
2. Reserve and Surplus				
a. General Reserves				
As per Last Balance Sheet		217.18		217.18
b. Securities Premium Account				
As per Last Balance Sheet		169.59		169.59
c. Utilised Investment Allo. Reserve				
As per Last Balance Sheet		0.54		0.54
d. Surplus				
As per Last Balance Sheet		992.72		960.33
(+) Net Profit /(Net Loss) For the current year		(294.94)		67.65
(-) Proposed Dividends		0.00		30.33
(-) Tax on Dividend		0.00		4.93
Closing Balance		697.78		992.72
Total		1085.10		1380.03
3. Long term borrowings				
Secured				
from banks				
Vehicle Loans (First Charge on Trucks and Cars)		68.21		16.51
		68.21		16.51
4 Deferred tax liabilities				
(a) Deferred tax liabilities on account of:				
Opening Deferred tax liabilities		102.45		101.56
(i) Depreciation		4.35		5.67
(ii) Profit on sale of Car		0.00		0.33
(b) Deferred tax Asset on account of:				
(i) Others {Disallowance u/s 43B & 40(a)}		(1.92)		(5.11)
		104.88		102.45

Note: During the year there is a creation of Deferred Tax Liability amounting to ₹ 2.43 lacs which has been recorded in the Profit & Loss A/c.



NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2013

(₹ in Lakhs)

Particulars	As at	
	31st March, 2013	31st March, 2012
5. Long term provisions		
(a) Provision for employee benefits		
Gratuity (funded)	31.20	25.39
Leave Encashment (unfunded)	26.47	26.35
(b) Others		
Income tax payable	12.21	12.21
	69.88	63.95
6. Trade Payables	4551.42	2732.94
All Balances of Sundry Creditors are subject to confirmation.	4551.42	2732.94
7. Other current liabilities		
Punjab & Sindh Bank	436.56	146.52
ICICI Bank Ltd.	0.00	20.21
Advances from Customers	19.45	18.26
Rearing Charges Receivable	55.54	23.73
	511.55	208.72
8. Short term provisions		
(a) Provision for employee benefits		
Salary payable	31.69	31.46
Bonus payable	13.04	10.39
Contribution to PF (Employees)	2.37	1.93
(b) Provisions Others		
Service Tax payable	0.25	0.92
Professional Tax (Staff)	0.11	0.66
Dividend Distribution Tax Payable	0.00	4.93
Dividend Payable	0.00	30.33
Income Tax Payable	0.00	35.25
TDS Payable	9.63	8.20
(c) Others Payable	65.20	88.77
	122.29	212.84

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2013

Note 9

(₹ in Lakhs)

Fixed Assets	Gross Block			Accumulated Depreciation				Net Block		
	Balance as at April 1, 2012	Additions During the Year	Sales/ Deduction	Balance as at 31st March 2013	Balance at as at 31st March 2012	Depreciation for the Year	Deduction during the year	Balance as at 31st March 2013	Balance as at 31st March 2012	Balance as at 31st March 2013
Tangible Assets										
Land	28.76	-	-	28.76	-	0.00	-	-	28.76	28.76
Buildings (Factory)	540.57	18.44	-	559.01	194.60	18.11	-	212.71	345.97	346.30
Buildings (Office & Staff)	62.00	0.65	-	62.65	7.45	1.60	-	9.05	54.55	53.60
Poultry Equipment	683.81	30.00	-	713.81	281.68	33.16	-	314.84	402.13	398.97
Cycle	0.10	-	-	0.10	0.03	0.01	-	0.04	0.07	0.06
Computer Equipment	43.55	4.50	-	48.05	35.52	7.41	-	42.93	8.03	5.12
Office equipment	37.91	9.72	-	47.63	19.12	7.34	-	26.46	18.79	21.17
Furniture and Fixtures	55.41	2.35	-	57.76	31.84	3.60	-	35.44	23.57	22.32
Motor Car	85.25	27.06	-	112.31	18.16	9.12	-	27.28	67.09	85.03
Eicher Trucks	52.93	54.39	-	107.32	14.20	9.25	-	23.45	38.73	83.87
Electrical Installation	65.01	16.83	-	81.84	37.04	4.95	-	41.99	27.97	39.85
Tubewell & Land Development	36.86	0.27	-	37.13	5.05	0.60	-	5.65	31.81	31.48
Vehicles	8.43	0.69	-	9.12	4.80	0.81	-	5.61	3.63	3.51
Total	1700.59	164.90	0.00	1865.49	649.49	95.96	0.00	745.45	1051.10	1120.04
Previous Year	1430.74	272.06	2.20	1700.60	568.00	81.70	0.20	649.50	862.74	1051.10





NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2013

(₹ in Lakhs)

Particulars	As at	
	31st March, 2013	31st March, 2012
9A Contingent Liabilities and Commitments		
(To the extent not provided)		
Claims against company not acknowledged as debt		
Income tax matters in dispute	11.50	0.00
Non agriculture cases in dispute	0.00	0.00
Other demands in dispute	0.00	0.00
	11.50	0.00
10. Non Current investment (Unquoted)		
Simran Hatcheries Private Limited	11.89	11.89
Puregene Biotech Limited (subsidiaries)	119.65	119.65
	131.54	131.54
11. Long term loans and advances		
(Unsecured Considered goods)		
Security deposits	44.60	44.60
MPSEB Deposit	12.71	12.57
Others Deposits	3.92	3.78
	61.23	60.95
12. Inventories		
(a) Raw materials		
a) Parent Birds	678.21	416.50
b) Feed & Medicines	1963.23	1382.08
c) Commercial Chicks	1490.08	1004.91
d) Hatching Eggs	285.53	60.45
	4417.05	2863.94
13. Trade receivables		
(Unsecured considered goods)		
Over six months	65.76	75.01
Others	666.41	676.76
	732.17	751.77
All Balances of Sundry Debtors are subject to confirmation.		
14. Cash and bank balances		
(a) Cash on hand	152.43	55.89
(b) Balances with banks		
(i) In current accounts		
Bank of Baroda, Chikli	4.86	1.47
Axis Bank Ltd.	0.00	10.39
ICICI Bank, Indore	103.45	0
(ii) In fixed deposits		
Fixed deposit with BOB Chikhli	0.52	0.48
Fixed deposit with PSB	0.10	0.10
	261.36	68.33



NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2013

(₹ in Lakhs)

Particulars	As at	
	31st March, 2013	31st March, 2012
15. Short term loan and advances (Unsecured Considered goods)		
Advances to employees	3.60	2.23
Advance income tax	0.00	30.00
Prepaid expenses	4.52	4.05
Advances recoverable in cash or in kind or for value to be received	160.98	132.70
	169.10	168.98
16. Other Income		
Rearing charges (Income)	55.51	174.43
Interest received MPSEB	1.09	1.17
Insurance claim received	0.00	0.98
	56.60	176.58
17. Cost of material consumed		
Opening Stock	2863.94	1650.03
Add:- Purchases		
Feed & Medicines	21459.56	17033.15
Store, Spares & Consumable	266.64	302.99
Parent Birds	236.46	205.25
Packing Material	46.24	44.67
Carriage Inward	343.43	434.59
Godown rent	10.00	4.44
Chicks	3072.67	2855.08
Hatching Eggs	560.08	260.27
Cull Bird	33.59	32.22
	28892.61	22822.69
Less:- Closing Stock	4417.05	2863.94
Cost of material consumed	24475.56	19958.75
18. Farm expenses		
Expenses at Farm	113.22	69.74
Power & Energy	126.99	110.04
Fuel Consumption	50.34	49.89
Light & Water Charges	34.36	26.81
Farm Rent	97.93	82.49
Lease Rent	78.04	77.36
Rearing Charges Expenses	1714.49	1204.60
Hatchery Expenses	10.12	0.91
Hatching Exp.	46.28	19.56
Hatcheries Rent	13.80	2.88
	2285.57	1644.28



NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2013

(₹ in Lakhs)

Particulars	As at	
	31st March, 2013	31st March, 2012
19 Administrative expenses		
General Office Expenses	139.06	122.21
Traveling & Conveyance	199.36	121.57
Certification & consultancy fees to auditors	0.76	0.58
Audit Fees	2.81	1.65
Legal & Professional Expenses	9.22	8.94
Foreign Tour Exp	0	5.64
Penalty & Fines	0.15	0.00
Entry Tax after Assessment	0.68	1.48
Service Tax Exp.	0	0.30
Software Development Charges	1.88	0.80
	353.92	263.17
20 Selling and distribution Exp.		
Forwarding Expenses	675.66	354.23
Advertisement & Publicity	0.92	0.93
Vehicle Repair & Maintenance	25.68	17.59
Sales Promotion Expenses	9.8	13.37
	712.06	386.12
21 Employee benefits expense		
Salary wages & Bonus	399.32	363.81
Remuneration to directors	54.00	54.00
Remuneration to vice president	24.00	15.00
Contribution to Provident Fund	30.56	21.43
Performance incentive	8.35	1.14
Staff welfare	4.27	1.26
Gratuity	13.50	10.90
Leave Encashment	0.12	10.89
Stipend	43.69	29.02
House rent allowance	1.16	0.63
	578.97	508.08
22 Finance cost		
Bank Charges & Commission	17.69	12.82
Interest	33.57	7.45
Interest on Late Payment	4.90	5.46
	56.16	25.73



NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2013

23. Earning Per Share

Basic & Diluted earning per equity share have been worked out in accordance with AS-20 "Earnings Per Share". Basic and diluted earnings per equity share has been calculated by dividing Net loss of ₹ 294.94 lacs by 3791700 equity shares (Face Value of ₹ 10/- each).

24. Related parties disclosures :

1. Relationship

(a) Subsidiary Companies

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

(b) Key Management Personnel:

Mr. Harendar Singh Bhatia
(Managing Director)
Mr. Gurdeep Singh Bhatia
(Director)
Mr. Kanwaljeet Singh Bhatia
(Whole Time Director)
Mr. Gurmeet Singh Bhatia
(Vice President)

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

Mrs. Amarjeet Kaur Bhatia

Mr. Amarjeet Singh Bhatia (HUF)

Mr. Kawaljeet Singh Bhatia (HUF)

Mr. Sumeet Singh Bhatia

Simran Feed (P) Ltd.

Simran Poultry

Singh Poultry

Simran Hatcheries

Simran Hatcheries (P) Ltd.

Early Bird Hatcheries

Simfa Labs Pvt. Ltd.

Simran Foods Pvt. Ltd

Singh Hatcheries

Mr. Avneet Singh Bhatia

Mrs. Simrath Kaur Bhatia

Mrs. Kawaljeet 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:

Nature of Transaction	Referred in 1 (a) above	Referred in 1 (b) above	(₹ in lacs)
			Referred in 1 (c) above
Purchase			4242.47
Sales			2473.45
Director Remuneration		54.00	
Vice President Remuneration		24.00	
Rearing Charges	45.00		
Sales Manager's Salary			4.20
Office Rent			10.80
Tractor Ren			0.96
Lease Rent:-			
Plant & Machinery			4.20
Land & Building	9.00		50.40
Telephone Charges			10.41
Auto Hire Expenses			0.72
Feed Processing Charges			44.78
Hatching Charges			46.28
Payable			983.76
Receivable	2.79	7.22	57.43


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

S.No.	Transactions	2012-2013	2011-2012
Purchase of Ram Material/Finished goods			
1	Simran Hatcheries (P) Ltd.	788.81	867.91
2	Simran Hatcheries	1856.31	1432.73
3	Singh Hatcheries	0.00	480.52
4	Simfa Labs Pvt.Ltd.	1165.52	1521.97
5	Others	431.83	87.70
	Total	4242.47	4390.82
Sales of Material/ Finished Goods			
1	Simran Hatcheries (P) Ltd.	623.55	747.02
2	Simran Hatcheries	1265.39	1610.04
3	Simran Food (P) Ltd.	259.58	195.87
4	Singh Hatcheries	323.98	586.05
5	Others	0.95	15.54
	Total	2473.45	3154.52
Rearing Charges			
1	Puregen Biotech Ltd.	45.00	45.00
	Total	45.00	45.00
Sales Manager's Salary			
1	Avneet Singh Bhatia	4.20	4.20
	Total	4.20	4.20
Rent Paid:-			
a	Office Rent:-		
1	Mrs. Amarjeet Kaur Bhatia	3.60	1.20
2	Mrs. Simrath Kaur Bhatia	3.60	1.20
3	Mrs. Kawaljeet Kaur Bhatia	3.60	1.20
	Total	10.80	3.60
b	Tractor Rent:-		
1	Amarjeet Singh Bhatia (HUF)	0.96	0.96
	Total	0.96	0.96
Lease Rent:-			
a	Plant & Machinery		
1	Early Bird Hatcheries	4.20	4.20
	Total	4.20	4.20
b	Land & Building		
1	Simran Poultry	5.40	5.40
2	Singh Poultry	36.00	36.00
3	Early Bird Hatcheries	9.00	9.00
4	Puregen Biotech Ltd.	9.00	9.00
	Total	59.40	59.40
Telephone Charges (Income)			
1	Simran Hatcheries (P) Ltd.	3.47	4.20
2	Simran Hatcheries	3.47	4.20
3	Singh Hatcheries	3.47	4.20
	Total	10.41	12.6



S.No.	Transactions	2012-2013	2011-2012
Auto Hire Expenses			
1	Kawaljeet Singh Bhatia (HUF)	0.72	0.72
	Total	0.72	0.72
Feed Processing Charges			
1	Simran Feed (P) Ltd.	44.78	0.00
	Total	44.78	0.00
Hatching Charges			
1	Simran Hatcheries	5.73	0.00
2	Singh Hatcheries	19.38	0.00
3	Simran Hatcheries Pvt. Ltd.	21.17	0.00
	Total	46.28	0.00

3a DETAILS REGARDING PAYMENTS MADE TO KEY MANAGERIAL PERSONNEL

S.No.	Transactions	2012-2013	2011-2012
1	Remuneration		
	Salary	78.00	69.00
	Contribution to provident and other funds	0.00	0.00
	Perquisites	0.00	0.00
2	Commission	0.00	0.00
3	Sitting fees	0.00	0.00
4	Rent paid (expense)	0.00	0.00

3b BREAKUP OF PAYMENTS MADE TO KEY MANAGERIAL PERSONNEL

S.No.	Transactions	2012-2013	2011-2012
1	Remuneration		
	Mr Harender Singh Bhatia	30.00	30.00
	Mr. Kawaljeet Singh Bhatia	24.00	24.00
	Mr. Gurmeet Singh Bhatia	24.00	15.00
	Total	78.00	69.00

25. Payment to Auditors	2012-13	2011-12
(i) As Auditors	2.81	1.65
(ii) As per Certification	0.76	0.41



NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2013

26. Additional information pursuant to the provisions of paragraph 3 & 4 of Part II of Schedule VI of the Companies Act, 1956

PRODUCTS		OPENING STOCK		PROD & PURCHASES		USED FOR PROD.	TURNOVER		CLOSING STOCK	
		QTY NOS.	VALUE ₹ ('000)	QTY NOS.	VALUE ₹ ('000)		QTY NOS.	VALUE ₹ ('000)	QTY NOS.	VALUE ₹ ('000)
HATCHING EGGS	2012-13	484570	6026.52	26405327	-	6278087	18337364	220048.37	2274446	28213.66
	2011-12	(310219)	(4388.25)	(26981131)	-	(2291296)	(24515484)	(294185.81)	(484570)	(6026.52)
PARENT BIRDS	2012-13	181764	41649.55	163548	-	-	158388	38521.79	186924	64848.68
	2011-12	(182728)	(44952.82)	(144874)	-	-	(145838)	(17214.41)	(181764)	(41649.55)
COMM. & REJ. EGGS	2012-13	18035	18.04	1098347	-	-	1065437	1602.34	50945	50.95
	2011-12	(10824)	(10.82)	(1074947)	-	-	(1067736)	(1334.32)	(18035)	(18.04)
COMM. BROILER	2012-13	2584885	100491.08	19020595	-	-	19010495	2438471.49	2594985	145731.31
	2011-12	(1576676)	(47589.71)	(16371952)	-	-	(15363743)	(1781027.64)	(2584885)	(100491.08)
OTHERS	2012-13		138208.83					122265.02		202860.62
	2011-12		(68061.74)					(185639.04)		(138208.83)
TOTAL		3269254	286394.01	46687817		6278087	38571684	2820909.00	5107300	441705.21
PREVIOUS YEAR		(2080447)	(165003.34)	(44572904)		(2291296)	(41092801)	(2279401.22)	(3269254)	(286394.01)

NOTE :

1. Production/Purchase of Hatching Eggs is net off smashed, rejected.
2. Purchase/ Production of Birds is net off Mortality/Adjustment.
3. Figures shown below in brackets represent Previous Year Figures.

(ii) (a) RAW MATERIAL

CONSUMED	QUANTITY (In M.T.)		VALUE (In 000')	
	2012-13	2011-12	2012-13	2011-12
MIXED FEEDS	93793	77838	1873070	1375612
INDIGENOUS & IMPORTED				
(INDIGENOUS)	100%	100%	100%	100%
(IMPORTED)	-	-	-	-

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

	VALUE (In '000) 2012-13				VALUE (In '000) 2011-12			
	RAW MAT.		ST. & SP.		RAW MAT.		ST. & SP.	
	VAL.	%	VAL.	%	VAL.	%	VAL.	%
INDIGENOUS	1873070	100%	26664	100	1375612	100%	30299	100%
IMPORTED	-	-	-	-	-	-	-	-



iii)	2012-2013	2011-2012
a) Value of imports CIF basis accounted during the year.	-	-
b) Expenditure in Foreign currency	\$1000.00	€ 4958.33
c) Earning in Foreign Exchange.	-	-
d) Particulars relating to non-residential Share-holders.	-	-

27. Sales Offices

Company having following sales offices during the period in India

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

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

The Company has initiated the process of identification Micro, Small & Medium Scale Enterprises covered under Micro, Small & Medium Enterprises Act, 2006. In view of low number of suppliers and non receipt of critical inputs & response from such potential parties, the liability of interest if any, can not be reliably estimated in the Management's view and past experience, the company will not be liable to pay interest as prescribed under the Micro, Small & medium Scale Enterprise development Act, 2006.

29. In the opinion of the Board Of Directors, Fixed Assets, Current Assets, Loans & Advances are approximately of the value as stated, if realized in the ordinary course of business except otherwise specified. The provisions for all known liabilities are adequate and not in excess of the amount which is reasonably necessary.

30. As per information given by the management, Excise Duty is Not applicable to the company.

31. All Balances of sundry debtors and creditors are subject to confirmation.

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SIMRAN BREEDERS PVT LIMITED NOW W.E.F. 13.07.2002 KNOW AS PUREGENE BIOTECH LIMITED A SUBSIDIARY COMPANY

- 1 The Company held 1196500 equity shares of ₹ 10 each fully paid up representing 82.71% paid up capital of subsidiary company.
- 2 The net aggregate of losses of the subsidiary company since its incorporation, not dealt with in the accounts of the Company of ₹ 1.17 Lacs.
- 3 There are no material changes between the financial year of subsidiary company ended on 31st March 2013 and the end of financial year of the company.

As per our Report of Even Date

For and on behalf of Board

FOR KHANDELWAL KAKANI & CO.
Chartered Accountants

Sd/-
SANTOSH DESHMUKH
PARTNER

Sd/-
H.S. BHATIA
MANAGING DIRECTOR

Sd/-
G.S. BHATIA
DIRECTOR

Place : Indore
Date : 30th May 2013

**1. SIGNIFICANT ACCOUNTING POLICIES :****A) Basis of preparation of Financial Statements****a) Method of Accounting**

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

b) Classification under Companies Act,1956

The Company is a Non -Small and Medium sized Company (Non SMC) as defined in the general instructions in respect of accounting standards as notified by the Companies(Accounting Standards) Rules,2006.

B) Valuation of Inventories

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

C) Fixed Assets

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

D) Depreciation

Depreciation on Fixed Assets has been charged on Straight Line Method on the rates prescribed in Schedule-XIV of the Companies Act, 1956 on prorata basis.

E) Revenue Recognition

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

F) Investment

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

G) Retirement / Post Retirement Benefits

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

H) Borrowing Cost

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

**I) Operating lease**

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

J) Earning Per Share

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

K) Taxes on income

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

L) Research and Development

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

M) Contingent Liability

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



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

(₹ in Lakhs)

Particulars	As at 31.03.2013	As at 31.03.2012
A. CASH FLOW FROM OPERATING SYSTEM :		
NET PROFIT BEFORE TAX & EXTRA ORDINARY ITEM	(292.51)	102.76
Add : Depreciation	95.96	81.70
Provision for employee benefits	5.93	15.74
Interest Paid	33.57	7.45
	<u>(157.05)</u>	<u>207.65</u>
Less : Excess Provision written back	0.00	0.00
Income Tax paid during the year	0.89	42.55
	<u>0.89</u>	<u>42.55</u>
Operating Profit before working capital change	a <u>(157.94)</u>	165.10
Add : Trade receivable	19.60	0.00
Short Term Provisions	0.00	45.87
Trade Payable	1818.48	1310.24
Other Current Liabilities	302.83	90.05
	b <u>2140.91</u>	<u>1446.16</u>
Less : Inventories	1553.11	1213.91
Short Term Loans & Advance	34.48	40.77
Short Term Provisions	20.04	0.00
Trade Receivable	0.00	154.44
	c <u>1607.63</u>	<u>1409.12</u>
Net Cash inflow from operating activities	(a+b-c) <u>375.34</u>	<u>202.14</u>
Less : Extra Ordinary Item	0.00	0.00
Net Cash inflow from operating activities	A <u>375.34</u>	<u>202.14</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
Proceed from:-		
Sale of Fixed Assets	0.00	3.03
Inflow form Long term Loans & Advances	0.00	0.79
Less : Purchase of Assets	164.90	185.23
Outflow form Long term Loans & Advances	0.28	0.00
Net Cash inflow from Investing Activities	B <u>(165.18)</u>	<u>(181.41)</u>
C. CASH FLOW FROM FINANCIAL ACTIVITIES		
Add : Proceed From :		
Vehicle Loan	51.70	5.09
	a <u>51.70</u>	<u>5.09</u>
Less : Interest Paid	33.57	7.45
Proposed Dividend	30.33	37.92
Dividend Tax	4.93	6.30
	b <u>68.83</u>	<u>51.67</u>
NET CASH GENERATED FROM FINANCIAL ACTIVITIES	C (a-b) <u>(17.13)</u>	<u>(46.58)</u>
NET INCREASE IN CASH & CASH EQUIVALENTS	(A+B+C) <u>193.03</u>	<u>(25.85)</u>
Add : Cash & Cash equivalents (opening)	68.33	94.18
CASH & CASH EQUIVALENTS (CLOSING)	<u>261.36</u>	<u>68.33</u>

Previous year figures have been regrouped or rearranged wherever necessary and also reclassified to meet the requirements of classification of assets and liabilities and heads of Profit & Loss Account of the Revised Schedule VI.



AUDITOR'S CERTIFICATE

We have examined the attached Cash Flow Statement of Simran Farms Limited for the period ended 31st March, 2013. The statement has been prepared from the audited accounts of the Company in accordance with requirements of Listing Agreement Clause-32 with Stock Exchanges and is based on and in agreement with corresponding Profit and Loss Account and Balance Sheet of the company.

FOR KHANDELWAL KAKANI & CO.
Chartered Accountants

Sd/-

SANTOSH DESHMUKH
PARTNER

For and on behalf of Board

Sd/-

H.S. BHATIA
CHAIRMAN - MANAGING DIRECTOR

Place : Indore

Date : 30th May 2013

**AUDITOR'S REPORT**

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

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of **SIMRAN FARMS LIMITED** Company INDORE (M.P.), and its subsidiaries, which comprise the consolidated balance sheet as of December 31, 2013, and the related consolidated statements of income, changes in stockholders' equity, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated 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 consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated 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 accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

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

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) In the case of the Profit and Loss Account, of the loss for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date

Place : Indore
Date : 30.05.2013

For KHANDELWAL KAKANI & CO.
Chartered Accountants

Sd/-
SANTOSH DESHMUKH
PARTNER
M.No. 071011


CONSOLIDATED BALANCE SHEET AS AT 31st March, 2013

(₹ in Lakhs)

Particulars	Note	31st March, 2013	31st March, 2012
A EQUITY AND LIABILITIES			
1. Shareholders' funds			
(a) Share capital	1	379.17	379.17
(b) Reserves and surplus	2	1083.74	1364.82
(c) Minority interest		24.97	22.08
		<u>1487.88</u>	<u>1766.07</u>
2. Non-current Liabilities			
(a) Long term borrowings	3	68.21	16.51
(b) Deferred tax liabilities (net)	4	102.48	100.12
(c) Long-term provisions	5	69.87	63.95
		<u>240.56</u>	<u>180.58</u>
3. Current Liabilities			
(a) Trade payables	6	4551.55	2737.10
(b) Other current liabilities	7	511.54	211.58
(c) Short-term provisions	8	127.55	218.20
		<u>5190.64</u>	<u>3166.88</u>
		<u>6919.08</u>	<u>5113.53</u>
B ASSETS			
1. Non-current assets			
(a) Fixed assets			
(i) Tangible assets	9	1283.2	1222.78
(b) Non current investments	10	11.89	11.89
(c) Long term loans and advances	11	44.08	43.81
		<u>1339.2</u>	<u>1278.48</u>
2. Current assets			
(a) Inventories	12	4417.05	2863.94
(b) Trade receivables	13	729.39	729.90
(c) Cash and bank balances	14	262.17	69.89
(d) Short-term loans and advances	15	171.31	171.32
(e) Other current assets			
		<u>5579.92</u>	<u>3835.05</u>
		<u>6919.08</u>	<u>5113.53</u>
See accompanying notes forming part of the Accounts			

In terms of our report attached.

FOR KHANDELWAL KAKANI & CO.

Chartered Accountants

Sd/-

SANTOSH DESHMUKH
PARTNER

Sd/-

H.S. BHATIA
MANAGING DIRECTOR

Sd/-

G.S. BHATIA
DIRECTOR

Place : Indore

Date : 30th May 2013



CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 March, 2013

(₹ in Lakhs except EPS)

Particulars	31st March, 2013	31st March, 2012
Revenue from operation Sales (Net)	28209.09	22794.01
Other income	16	176.57
Total revenue	28265.69	22970.58
Expenses		
(a) Cost of materials consumed	17	19958.74
(b) Farm expenses	18	1597.27
(c) Administrative expenses	19	264.44
(d) Selling & distribution expenses	20	386.19
(e) Employee benefits expense	21	525.80
(f) Finance costs	22	25.88
(g) Depreciation	9	90.22
Total expenses	28537.61	22848.54
Profit / (Loss) before exceptional and extraordinary items	(271.92)	122.04
Exceptional items		
Profit / (Loss) before extraordinary items	(271.92)	122.04
Extraordinary items	0.00	1.03
Profit / (Loss) before tax	(271.92)	123.07
Tax expense:		
(a) Current tax expense	3.92	38.92
(b) Deferred tax	4	1.15
Profit / (Loss) for the year	(278.19)	83.00
Less : Minority Interest	2.89	2.65
TOTAL	(281.08)	80.35

Earnings per share (of ₹ 10/- each)

Basic and diluted (7.34) 2.19

**Earnings per share (excluding extraordinary items)
(of ₹ 10/- each)**

Basic and diluted (7.34) 2.16

See accompanying notes forming part of the accounts

In terms of our report attached.

FOR KHANDELWAL KAKANI & CO.
Chartered Accountants

Sd/-
SANTOSH DESHMUKH
PARTNER

Sd/-
H.S. BHATIA
MANAGING DIRECTOR

Sd/-
G.S. BHATIA
DIRECTOR

Place : Indore
Date : 30th May 2013



NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2013

(₹ in Lakhs)

Particulars	As at			
	31st March, 2012	31st March, 2011		
1. Share Capital				
(a) Authorised 60,00,000 Equity shares of ₹ 10/- each	600.00	600.00		
(b) Issued Subscribe and Paid Up 37,91,700 Equity Shares of ₹ 10/- each	379.17	379.17		
Name of Shareholder	31st March, 2013		31st March, 2012	
	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%
Porinju V Veliyath			196526	5.18%
2. Reserve and Surplus				
a. General Reserves				
As per Last Balance Sheet	217.18		217.18	
Closing Balance	217.18		217.18	
b. Securities Premium Account				
As per Last Balance Sheet	169.58		169.58	
Closing Balance	169.58		169.58	
c. Utilised Investment Allo. Reserve				
As per Last Balance Sheet	0.54		0.54	
Closing Balance	0.54		0.54	
d. Surplus				
Opening balance	977.52		932.43	
(+) Net Profit/(Net Loss) For the current year	(281.08)		80.34	
(-) Proposed Dividends	0.00		30.33	
(-) Tax on Dividend	0.00		4.92	
Closing Balance	696.44		977.52	
Total	1083.74		1364.82	
3. Long term borrowings				
Secured				
from banks				
Vehicle Loans (First Charge on Trucks and Cars)	68.21		16.51	
	68.21		16.51	
4 Deferred tax liabilities				
1) (a) Deferred tax liabilities on account of:				
Opening Deferred tax liabilities	100.12		98.98	
(i) Depreciation	4.28		5.92	
(ii) Profit on sale of Car	0.00		0.33	
(b) Deferred tax Asset on account of:				
(i) Others {Disallowance u/s 43B & 40(a)}	(1.92)		(5.11)	
	102.48		100.12	

Note: During the year there is a creation of Deferred Tax Liability amounting to ₹ 2.35 lacs which has been recorded in the Profit & Loss A/c.



NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2013

(₹ in Lakhs)

Particulars	As at	
	31st March, 2013	31st March, 2012
5. Long term provisions		
(a) Provision for employee benefits		
Gratuity (funded)	31.19	25.39
Leave Encashment (unfunded)	26.47	26.35
(b) Others		
Income tax payable	12.21	12.21
	69.87	63.95
6. Trade Payables	4551.55	2737.10
	4551.55	2737.10
All Balances of Sundry Creditors are subject to confirmation.		
7. Other current liabilities		
Punjab & Sindh Bank	436.56	146.52
ICICI Bank Ltd.	0.00	23.07
Advances from Customers	19.45	18.27
Rearing Charges Receivable	55.53	23.73
	511.54	211.58
8. Short term provisions		
(a) Provision for employee benefits		
Salary payable	32.53	32.57
Bonus payable	13.04	10.39
Contribution to PF (Employees)	2.46	2.02
(b) Provisions Others		
Service Tax payable	0.25	0.92
Professional Tax (Staff)	0.12	0.66
Dividend Distribution Tax Payable	0.00	4.92
Dividend Payable	0.00	30.33
Income Tax Payable	3.92	38.92
TDS Payable	9.63	8.20
(c) Others Payable	65.60	89.27
	127.55	218.20

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2013

Note - 09

(₹ in Lakhs)

Fixed Assets	Gross Block			Accumulated Depreciation				Net Block		
	Balance as at April 1, 2012	Additions During the Year	Sales/ Deduction	Balance as at 31st March 2013	Balance as at April 1, 2012	Depreciation for the Year	Deduction during the year	Balance as at 31st March 2013	Balance as at April 1, 2012	Balance as at 31st March 2013
Tangible Assets										
Land	50.70	-	-	50.70	-	-	-	-	50.70	50.70
Buildings (Factory)	711.26	18.44	-	729.70	260.10	23.81	-	283.91	451.16	445.79
Buildings (Office & Staff)	62.00	0.65	-	62.65	7.45	1.60	-	9.05	54.55	53.60
Poultry Equipment	727.97	29.99	-	757.96	295.45	35.26	-	330.71	432.52	427.25
Cycle	0.10	-	-	0.10	0.03	0.01	-	0.04	0.07	0.06
Computer Equipment	45.24	4.50	-	49.74	37.21	7.41	-	44.62	8.03	5.12
Office equipment	38.09	9.72	-	47.81	19.30	7.34	-	26.64	18.79	21.17
Furniture and Fixtures	55.83	2.34	-	58.17	32.08	3.63	-	35.71	23.75	22.46
Motor Car	85.25	27.06	-	112.31	18.16	9.12	-	27.28	67.09	85.03
Eicher Trucks	52.93	54.39	-	107.32	14.20	9.24	-	23.44	38.73	83.88
Electrical Installation	65.27	16.83	-	82.10	37.19	4.97	-	42.16	28.08	39.94
Tubewell & Land Development	47.52	0.27	-	47.79	6.99	0.78	-	7.77	40.53	40.02
Vehicles	8.82	0.69	-	9.51	5.14	0.85	-	5.99	3.68	3.52
Poultry Equipment (R & D)	9.68	-	-	9.68	4.57	0.46	-	5.03	5.11	4.65
Total	1960.66	164.88	-	2125.54	737.87	104.48	-	842.35	1222.8	1283.2
Previous Year	1690.80	272.06	2.20	1960.66	647.86	90.22	0.20	737.87	1042.94	1222.78





NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2013

(₹ in Lakhs)

Particulars	As at	
	31st March, 2013	31st March, 2012
10. Non Current investment (Unquoted)		
Simran Hatcheries Private Limited	11.89	11.89
	11.89	11.89
11. Long term loans and advances (Unsecured Considered goods)		
Security deposits	25.28	25.28
MPSEB Deposit	14.74	14.60
Others Deposits	4.06	3.93
	44.08	43.81
12. Inventories		
(a) Raw materials		
a) Parent Birds	678.20	416.49
b) Feed & Medicines	1963.24	1382.09
c) Commercial Chicks	1490.09	1004.91
d) Hatching Eggs	285.52	60.45
	4417.05	2863.94
13. Trade receivables (Unsecured considered goods)		
Over six months	65.76	75.01
Others	663.63	654.89
	729.39	729.90
All Balances of Sundry Debtors are subject to confirmation.		
14. Cash and bank balances		
(a) Cash on hand	152.46	57.22
(b) Balances with banks		
(i) In current accounts		
Bank of Baroda, Chikhli	4.86	1.47
Axis Bank Ltd.	0.00	10.39
ICICI Bank, Indore	103.5	0.00
Punjab and Sindh Bank	0.72	0.23
(ii) In fixed deposits		
Fixed deposit with BOB Chikhli	0.52	0.48
Fixed deposit with PSB	0.10	0.10
	262.17	69.89
15. Short term loan and advances (Unsecured Considered goods)		
Advances to employees	3.60	2.22
Advance income tax	0.00	30.00
Prepaid expenses	4.52	4.05
Advances recoverable in cash or in kind or for value to be received	163.19	135.05
	171.31	171.32



NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2013

(₹ in Lakhs)

Particulars	As at	
	31st March, 2013	31st March, 2012
16. Other Income		
Rearing charges (Income)	55.51	174.43
Interest received MPSEB	1.09	1.16
Insurance claim received	0.00	0.98
	56.6	176.57
17. Cost of material consumed		
Opening Stock	2863.94	1650.03
Add:- Purchases		
Feed & Medicines	21459.56	17033.14
Store, Spares & Consumable	266.64	302.99
Parent Birds	236.46	205.25
Packing Material	46.24	44.67
Carriage Inward	343.43	434.59
Godown rent	10.00	4.44
Chicks	3072.67	2855.08
Hatching Eggs	560.08	260.27
Cull Bird	33.59	32.22
	28892.61	22822.68
Less:- Closing Stock	4417.05	2863.94
Cost of material consumed	24475.56	19958.74
18. Farm expenses		
Expenses at Farm	113.84	70.32
Power & Energy	131.44	114.30
Fuel Consumption	50.42	49.99
Light & Water Charges	36.38	28.87
Farm Rent	97.93	82.48
Lease Rent	69.04	68.36
Supervision Incentive	0.00	0.00
Rearing Charges Expenses	1669.49	1159.61
Hatchery Expenses	10.12	0.91
Hatching Exp.	46.28	19.56
Hatcheries Rent	13.80	2.87
	2238.74	1597.27



NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2013

(₹ in Lakhs)

Particulars	As at	
	31st March, 2013	31st March, 2012
19 Administrative expenses		
General Office Expenses	139.53	123.30
Traveling & Conveyance	199.55	121.61
Certification & consultancy fees to auditors	0.76	0.58
Audit Fees	2.93	1.77
Legal & Professional Expenses	9.33	8.96
Foreign Tour Exp	0.00	5.64
Penalty & Fines	0.15	0.00
Entry Tax after Assessment	0.68	1.48
Service Tax Exp.	0.00	0.30
Software Development Charges	1.87	0.80
	354.80	264.44
20 Selling and distribution Exp.		
Forwarding Expenses	675.66	354.23
Advertisement & Publicity	0.92	0.93
Vehicle Repair & Maintenance	25.71	17.65
Sales Promotion Expenses	9.80	13.38
	712.09	386.19
21 Employee benefits expense		
Salary Wages & Bonus	414.74	380.47
Remuneration to directors	54.00	54.00
Remuneration to vice president	24.00	15.00
Contribution to Provident Fund	31.74	22.48
Performance incentive	8.35	1.14
Staff welfare	4.28	1.26
Gratuity	13.5	10.90
Leave Encashment	0.12	10.89
Stipend	43.68	29.02
House rent allowance	1.16	0.64
	595.57	525.80
22 Finance cost		
Bank Charges & Commission	17.69	12.83
Interest	33.57	7.45
Interest on Late Payment	5.11	5.60
	56.37	25.88



NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2013

23. Earning Per Share

Basic & Diluted earning per equity share are recorded in accordance with AS-20 "Earnings Per Share". Basic and diluted earnings per equity share are calculated by dividing Net Loss after tax of ₹ 281.08 lacs by 1446700 equity shares (Face value of ₹ 10/- each).

24. Related parties disclosures :

1. Relationship

(a) Key Management Personnel:

Mr. Harendar Singh Bhatia
(Managing Director)
Mr. Gurdeep Singh Bhatia
(Director)
Mr. Kanwaljeet Singh Bhatia
(Whole Time Director)
Mr. Gurmeet Singh Bhatia
(Vice President)

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

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

Nature of Transaction	Referred in 1 (a) above	Referred in 1 (b) above	(₹ in lacs)
			Referred in 1 (c) above
Purchase			4242.47
Sales			2473.45
Director Remuneration		54.00	
Vice President Remuneration		24.00	
Rearing Charges	45.00		
Sales Manager's Salary			4.20
Office Rent			10.80
Tractor Rent			0.96
Lease Rent:-			
Plant & Machinery			4.20
Land & Building	9.00		50.40
Telephone Charges			10.41
Auto Hire Expenses			0.72
Feed Processing Charges			44.78
Hatching Charges			46.28
Payable			983.76
Receivable	2.79	7.22	57.43


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

S.No.	Transactions	2012-2013	2011-2012
	Purchase of Ram Material/Finished goods		
1	Simran Hatcheries (P) Ltd.	788.81	867.91
2	Simran Hatcheries	1856.31	1432.73
3	Singh Hatcheries	0.00	480.52
4	Simfa Labs Pvt. Ltd.	1165.52	1521.97
5	Others	431.83	87.70
	Total	4242.47	4390.82
	Sales of Material/ Finished Goods		
1	Simran Hatcheries (P) Ltd.	623.55	747.02
2	Simran Hatcheries	1265.39	1610.04
3	Simran Food (P) Ltd.	259.58	195.87
4	Singh Hatcheries	323.98	586.05
5	Others	0.95	15.54
	Total	2473.45	3154.52
	Rearing Charges		
1	Puregene Biotech Ltd.	45.00	45.00
	Total	45.00	45.00
	Sales Manager's Salary		
1	Avneet Singh Bhatia	4.20	4.20
	Total	4.20	4.20
	Rent Paid:-		
a	Office Rent:-		
1	Mrs. Amarjeet Kaur Bhatia	3.60	1.20
2	Mrs. Simrath Kaur Bhatia	3.60	1.20
3	Mrs. Kawaljeet Kaur Bhatia	3.60	1.20
	Total	10.80	3.60
b	Tractor Rent:-		
1	Amarjeet Singh Bhatia (HUF)	0.96	0.96
	Total	0.96	0.96
	Lease Rent:-		
a	Plant & Machinery		
1	Early Bird Hatcheries	4.20	4.20
	Total	4.20	4.20
b	Land & Building		
1	Simran Poultry	5.40	5.40
2	Singh Poultry	36.00	36.00
3	Early Bird Hatcheries	9.00	9.00
4	Puregene Biotech Ltd.	9.00	9.00
	Total	59.40	59.40
	Telephone Charges (Income)		
1	Simran Hatcheries (P) Ltd.	3.47	4.20
2	Simran Hatcheries	3.47	4.20
3	Singh Hatcheries	3.47	4.20
	Total	10.41	12.6



S.No.	Transactions	2012-2013	2011-2012
Auto Hire Expenses			
1	Kawaljeet Singh Bhatia (HUF)	0.72	0.72
	Total	0.72	0.72
Feed Processing Charges			
1	Simran Feed (P) Ltd.	44.78	0.00
	Total	44.78	0.00
Hatching Charges			
1	Simran Hatcheries	5.73	0.00
2	Singh Hatcheries	19.38	0.00
3	Simran Hatcheries Pvt. Ltd.	21.17	0.00
	Total	46.28	0.00

3a DETAILS REGARDING PAYMENTS MADE TO KEY MANAGERIAL PERSONNEL

S.No.	Transactions	2012-2013	2011-2012
1	Remuneration		
	Salary	78.00	69.00
	Contribution to provident and other funds	0.00	0.00
	Perquisites	0.00	0.00
2	Commission	0.00	0.00
3	Sitting fees	0.00	0.00
4	Rent paid (expense)	0.00	0.00

3b BREAKUP OF PAYMENTS MADE TO KEY MANAGERIAL PERSONNEL

S.No.	Transactions	2012-2013	2011-2012
1	Remuneration		
	Mr Harender Singh Bhatia	30.00	30.00
	Mr. Kawaljeet Singh Bhatia	24.00	24.00
	Mr. Gurmeet Singh Bhatia	24.00	15.00
	Total	78.00	69.00

25. Payment to Auditors	2012-13	2011-12
(i) As Auditors	2.93	1.77
(ii) As per Certification	0.76	0.41



NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2013

26. Additional information pursuant to the provisions of paragraph 3 & 4 of Part II of Schedule VI of the Companies Act, 1956

PRODUCTS		OPENING STOCK		PROD & PURCHASES		USED FOR PROD.	TURNOVER		CLOSING STOCK	
		QTY NOS.	VALUE ₹ ('000)	QTY NOS.	VALUE ₹ ('000)		QTY NOS.	VALUE ₹ ('000)	QTY NOS.	VALUE ₹ ('000)
HATCHING EGGS	2012-13	484570	6026.52	26405327	-	6278087	18337364	220048.37	2274446	28213.66
	2011-12	(310219)	(4388.25)	(26981131)	-	(2291296)	(24515484)	(294185.81)	(484570)	(6026.52)
PARENT BIRDS	2012-13	181764	41649.55	163548	-	-	158388	38521.79	186924	64848.68
	2011-12	(182728)	(44952.82)	(144874)	-	-	(145838)	(17214.41)	(181764)	(41649.55)
COMM. & REJ. EGGS	2012-13	18035	18.04	1098347	-	-	1065437	1602.34	50945	50.95
	2011-12	(10824)	(10.82)	(1074947)	-	-	(1067736)	(1334.32)	(18035)	(18.04)
COMM. BROILER	2012-13	2584885	100491.08	19020595	-	-	19010495	2438471.49	2594985	145731.31
	2011-12	(1576676)	(47589.71)	(16371952)	-	-	(15363743)	(1781027.64)	(2584885)	(100491.08)
OTHERS	2012-13		138208.83	-	-	-		122265.02	-	202860.62
	2011-12		(68061.74)	-	-	-		(185639.04)	-	(138208.83)
TOTAL		3269254	286394.01	46687817	-	-	38571684	2820909.00	5107300	441705.21
PREVIOUS YEAR		(2080447)	(165003.34)	(44572904)	-	-	(41092801)	(2279401.21)	(3269254)	(286394.01)

NOTE :

1. Production/Purchase of Hatching Eggs is net off smashed, rejected.
2. Purchase/ Production of Birds is net off Mortality/Adjustment.
3. Figures shown below in brackets represent Previous Year Figures.

(ii) (a) RAW MATERIAL

CONSUMED	QUANTITY (In M.T.)		VALUE (In 000')	
	2012-13	2011-12	2012-13	2011-12
MIXED FEEDS	93793	77838	1873070	1375612
INDIGENOUS & IMPORTED				
(INDIGENOUS)	100%	100%	100%	100%
(IMPORTED)	-	-	-	-

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

	VALUE (In '000) 2012-13				VALUE (In '000) 2011-12			
	RAW MAT.		ST. & SP.		RAW MAT.		ST. & SP.	
	VAL.	%	VAL.	%	VAL.	%	VAL.	%
INDIGENOUS	1873070	100%	26664	100	1375612	100%	30299	100%
IMPORTED	-	-	-	-	-	-	-	-

**27. Sales Offices**

Company having following sales offices during the period in India

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

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

The Company has initiated the process of identification Micro, Small & Medium Scale Enterprises covered under Micro, Small & Medium Enterprises Act, 2006. In view of low number of suppliers and non receipt of critical inputs & response from such potential parties, the liability of interest if any, can not be reliably estimated. In the Management's view and past experience, the company will not be liable to pay interest as prescribed under the Micro, Small & medium Scale Enterprise development Act, 2006.

29.	2012-2013	2011-2012
a) Value of imports CIF basis accounted during the year.	-	-
b) Expenditure in Foreign currency	\$1000.00	€ 4958.33
c) Earning in Foreign Exchange.	-	-
d) Particulars relating to non-residential Share-holders.	-	-

30. Previous year figure have been regrouped or rearranged wherever necessary and also reclassified to meet the requirement of classification of assets and liabilities and heads of profit & loss Account of the revised schedule VI.

31. In the opinion of the Board of director Fixed assets, Current assets, loans & Advances are approximately of the values as stated, if realized in the ordinary course of business except otherwise specified. The provision for all known liabilities are adequate and not in excess of amount which is reasonably necessary.

32. As per information given by the Management, Excise duty is not applicable to the company.

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SIMRAN BREEDERS PVT. LIMITED NOW W.E.F. 13/07/2002 KNOW AS PUREGENE BIOTECH LIMITED A SUBSIDIARY COMPANY

1. The Company held 1196500 equity shares of ₹ 10 each fully paid up representing 82.71% paid up capital of subsidiary company.
2. The net aggregate of losses of the subsidiary company since its incorporation, not dealt with in the accounts of the Company of ₹ 1.17 Lacs.
3. There are no material changes between the financial year of subsidiary company ended on 31st march 2013 and the end of Financial Year of the company.

As per our Report of Even Date

For and on behalf of Board

FOR KHANDELWAL KAKANI & CO.
Chartered Accountants

Sd/-
SANTOSH DESHMUKH
PARTNER

Sd/-
H.S. BHATIA
MANAGING DIRECTOR

Sd/-
G.S. BHATIA
DIRECTOR

Place : Indore
Date : 30th May 2013



1. SIGNIFICANT ACCOUNTING POLICIES :

A) Basis of preparation of Financial Statements

a) Method of Accounting

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

b) Classification under Companies Act,1956

The Company is a Non -Small and Medium sized Company (Non SMC) as defined in the general instructions in respect of accounting standards as notified by the Companies (Accounting Standards) Rules, 2006.

B) Valuation of Inventories

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

C) Fixed Assets

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

D) Depreciation

Depreciation on Fixed Assets has been charged on Straight Line Method on the rates prescribed in Schedule-XIV of the Companies Act, 1956 on prorata basis.

E) Revenue Recognition

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

F) Investment

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

G) Retirement / Post Retirement Benefits

The company provides retirement benefits in the form of gratuity and leave encashment. In view of Companies employees turnover due to resignation during the year, the accounts of the employees for gratuity and leave encashment have been already settled and there is no liability as on 31.03.2013 towards employee's retirement benefits who have joined during the year hence not provided.

H) Borrowing Cost

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

**I) Operating lease**

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

J) Earning Per Share

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

K) Taxes on income

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

L) Research and Development

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

M) Contingent Liability

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



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2013

(₹ in Lakhs)

Particulars	As at 31.03.2013	As at 31.03.2012
A. CASH FLOW FROM OPERATING SYSTEM :		
NET PROFIT BEFORE TAX & EXTRA ORDINARY ITEM	(271.93)	122.04
Add : Depreciation	104.47	90.21
Provision for employee benefits	5.93	15.74
Interest Paid	33.57	7.45
	<u>(127.96)</u>	<u>235.44</u>
Less : Excess Provision written back	0.00	0.00
Income Tax paid during the year	2.76	43.83
	<u>2.76</u>	<u>43.83</u>
Operating Profit before working capital change	a (130.72)	191.61
Add :		
Trade receivable	19.60	0.00
Short Term Provisions	0.00	46.31
Trade Payable	1818.48	1310.24
Other Current Liabilities	302.83	92.91
	<u>b 2,140.91</u>	<u>1,449.46</u>
Less : Inventories	1553.11	1213.91
Short Term Loans & Advance	36.13	42.88
Trade Payable	23.10	28.07
Trade receivable	0.00	154.44
Short Term Provisions	20.40	0.00
Other Current Liabilities	2.86	0.00
	<u>c 1635.60</u>	<u>1439.30</u>
Net Cash inflow from operating activities	(a+b-c) 374.59	201.77
Less : Extra Ordinary Item	0.00	0.00
Net Cash inflow from operating activities	A 374.59	201.77
B. CASH FLOW FROM INVESTING ACTIVITIES		
Proceed From:		
Sale of Fixed Assets	0.00	3.03
Inflow form Long term Loans & Advances	0.00	0.79
Less : Purchase of Assets	164.90	185.23
Outflow form Long term Loans & Advances	0.28	0.00
Net Cash inflow from Investing Activities	B (165.18)	(181.41)
C. CASH FLOW FROM FINANCIAL ACTIVITIES		
Proceed From:		
Vehicle Loan	51.70	5.09
	<u>a 51.70</u>	<u>5.09</u>
Less : Interest Paid	33.57	7.45
Proposed Dividend	30.33	37.92
Dividend Tax	4.93	6.30
	<u>b 68.83</u>	<u>51.67</u>
NET CASH GENERATED FROM FINANCIAL ACTIVITIES	C (a-b) (17.13)	(46.58)
NET INCREASE IN CASH & CASH EQUIVALENTS	(A+B+C) 192.28	(26.22)
Add : Cash & Cash equivalents (opening)	69.89	96.11
CASH & CASH EQUIVALENTS (CLOSING)	262.17	69.89

Previous year figures have been regrouped or rearranged wherever necessary and also reclassified to meet the requirements of classification of assets and liabilities and heads of Profit & Loss Account of the Revised Schedule VI.



AUDITOR'S CERTIFICATE

We have examined the attached Consolidated Cash Flow Statement of Simran Farms Limited for the period ended 31st March 2013. The statement has been prepared from the audited accounts of the Company in accordance with requirements of Listing Agreement Clause-32 with Stock Exchanges and is based on and agreement with corresponding Profit and Loss Accounts and Balance Sheet of the company.

FOR KHANDELWAL KAKANI & CO.
Chartered Accountants

Sd/-

SANTOSH DESHMUKH
PARTNER

For and on Behalf of Board

Sd/-

H.S. BHATIA
CHAIRMAN – MANAGING DIRECTOR

Place : Indore

Date : 30th May 2013





ATTENDANCE SLIP

Shareholders attending the meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

I hereby record my presence at the Annual General Meeting of the Company at Kings Park Hotel, 1, Vishnupuri Main, A.B. Road, Bhanwarkua, Indore - 452017 (M.P.) on Thursday 26th September, 2013 at 10.00 A.M.

.....
Full name of the Shareholder/ Proxy
(in Capitals)
Folio No.....

.....
Signature

.....
Full name of the Shareholder / Proxy
(in capitals)

.....
Signature

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

PROXY FORM

I/We

Ofin district of

Being a member/members of the above-named Company, hereby appoint

.....of

or failing him

.....of as my/our proxy to vote for

me/us..... On my / our behalf at the Annual General Meeting of the

Company, to be held on Thursday, 26th September, 2013 at 10.00 A.M. and at any adjournment thereof.

Signed this.....

Please
Affix
1 Rupee
Revenue
Stamp

.....day of2013.

Note: The Proxy must be returned so as to reach the registered office of the Company not less than 48 hours before the time for holding the aforesaid meeting. The proxy need not to be a member of the Company.





E-COMMUNICATION REGISTRATION FORM

To,
SIMRAN FARMS LIMITED
1-B, Vikas Rekha Complex,
Khatiwala Tank, Indore - 452 001
Madhya Pradesh (INDIA)

Dear Sir/Madam,

Re : Green Initiative in Corporate Governance.

I agree to receive all documents like notices, annual report etc. from the Company in electronic mode. Please register my e-mail ID in your records for sending all the notices/documents etc. through e-mail.

Folio No. / DPID & Client

Name of 1st Registered Holder

Name of the Joint Holder (s)

Registered Address

.....

.....

.....

.....

E-mail ID

Date

Signature of the 1st Holder

Notes:

1. Shareholders are requested to keep company informed as and when there is any change in the e-mail address. Unless the e-mail ID given is changed by you by sending another communication in writing, the company will continue to send the notices/documents to you on the above mentioned e-mail ID.
2. If shares are held in electronic mode, kindly register your e-mail ID with your DP.



FORM A

Format of covering letter of the annual audit report to be filed with the stock exchanges

1	Name of Company	SIMRAN FARMS LIMITED 1-B, Vikas Rekha Complex, Tower Square Khatiwala Tank, Indore-452001
2	Annual Financial Statements for the year ended	31.03.2013
3	Type of Audit observation	Qualified That the Company has not provided permanent diminution in the value of shares of subsidiary company Rs. 1.17 lakhs and to that extent profit and investment in subsidiary is overstated.
4	Frequency of observation	Eight years
5	To be signed by:- • CEO • CFO • Auditor of the Company • Audit Committee Chairman	Harender Singh Bhatia ,Managing Director N.A. Khandelwal Kakani & Company Santosh Deshmukh (Partner) Harbhajan singh Khanjuja

Dated.20.08.2013

Place-Indore

For SIMRAN FARMS LTD.

Harender

Managing Director

For SIMRAN FARMS LTD.

Director

Director

Besant