



SIMRAN FARMS LIMITED

(CIN: L01222MP1984PLC002627)

Transcript of 35th Annual General Meeting of
SIMRAN FARMS LIMITED held on
Thursday, 15th September, 2022 at 11.30 A.M. (IST)
through video conferencing

Harender Singh Bhatia (Chairman)

A very Good Morning and a warm welcome to all our Esteemed Shareholders, my colleagues on the Board, and distinguished ladies and gentlemen to the 35th Annual General Meeting of Simran Farms Limited.

It gives me great pleasure to welcome you all to the 35th Annual General Meeting of Simran Farms Limited. I would like to thank you for sparing the time to be with us today, and for your continued faith in the Company.

It is 11.40 A.M. already and it's a time to start the meeting. **TANU, is there a quorum for this meeting?**

CS Tanu Parmar (Company Secretary)

Yes Sir. We have requisite quorum present for the Annual General Meeting. Please proceed.

Harender Singh Bhatia (Chairman)

Ok. So now, we have sufficient quorum of members participating through video conferencing. Accordingly, the meeting is properly constituted, and I

call this meeting to order. Now let me introduce you to the members of the Board present with us today.

- Mr. Kawaljeet Singh Bhatia, Whole-time Director
- Mr. Gurmeet Singh Bhatia, Whole-time Director
- Mr. Surendra Singh, Independent Director
- Mr. Gaurav Chhabra, Additional and Independent Director
- Mrs. Jasmeet Kaur Bhatia, Independent Director and Chairperson of Audit, Stakeholders Relationship and Nomination and Remuneration Committees.

In addition, we also have

- Mr. Mahesh Patidar, CFO
- CS Tanu Parmar, Company Secretary
- Mr. J.C. Baheti, Statutory Auditors,
- Mr. R.C Bagdi, Secretarial Auditor and
- Mr. L. N. Joshi, Scrutinizer;
- CA VK Khandelwal
- CA Piyush Khandelwal (Partner in Messers Khandelwal Kakani and Co., Chartered Accountants) who have also joined us today for this Meeting on invitation.

Before proceeding further, I request Company Secretary to explain the shareholders about Video Conferencing and Other Audio Visual Means, provisions of remote e-voting and e-voting at this AGM, Scrutinizer and Statutory Registers.

CS Tanu Parmar (Company Secretary)

Good Morning Ladies and Gentlemen, welcome to the 35th Annual General Meeting of SIMRAN FARMS LIMITED. It's my immense pleasure to extend a cheerful welcome to you all. With the permission of the Chair, I would like to highlight certain points here.

I would like to inform you that pursuant to MCA Circular No. 02/2022 dated 5th May, 2022 this meeting is not a physical meeting. Am I audible to everyone?

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

Yes, Please. You can continue

CS Tanu Parmar (Company Secretary)

Okay so I would like to inform you that pursuant to MCA Circular No. 02/2022 dated 5th May, 2022 this meeting is not a physical meeting and is held through Video Conferencing and Other Audio Visual Means in compliance with the circulars issued by the Government of India, the Ministry of Corporate Affairs and the Securities and Exchange Board of India and also in compliance with the applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations, 2015. The Company has enabled that the members participate at the 35th Annual General Meeting through the video conferencing facility. The proceedings of this meeting are being web-casted live for all the shareholders as per the details provided in the Notice to the 35th Annual General Meeting. The proceedings of this meeting are being recorded for compliance purposes. Further, in accordance with the provisions of the Companies Act, 2013 and the SEBI Listing Regulations, 2015 the members have been provided with the facility to exercise their right to vote by electronic means both through remote e-voting facility as well as e-voting (i.e. insta-poll) at this Annual General Meeting in respect of all businesses mentioned in the Notice of the AGM dated 13th of August, 2021. For this purpose, the Company has tied up with the e-voting system of Central Depository Services (India) Limited for facilitating voting through electronic means as the authorized agency.

Remote e-voting facility was made available to all the Members holding shares as on the cut-off date i.e. 8th September, 2022. Remote E-voting facility was open for a period of three days from Monday, 12th September, 2022 from 9 AM till 5 PM on Wednesday, 14th September, 2022. Remote e-voting has been blocked on 14th September, 2022 at 5 PM. We have also provided e-voting facility (insta-poll) during the AGM to the Shareholders. Please note that Members attending the AGM and who have not casted their votes earlier by Remote E-voting will only be able to cast their vote at this AGM through insta poll e-voting facility during the meeting and CDSL portal shall remain open for another 15 minutes after the conclusion of meeting for insta poll e-voting. The e-voting facility is open now and as I mentioned, it

shall remain open for 15 minutes after the conclusion of the meeting. I request all our shareholders who are present at this meeting and who have not casted their votes earlier through Remote E-voting, to cast their votes now. Further, as the meeting is convened through video conferencing today, all the resolutions have already been put to vote through remote e-voting and the requirement to propose and second are not applicable.

Mr. L.N. Joshi, Practicing Company Secretary (PCS) has been appointed as the Scrutinizer of the Company for scrutinizing the Remote e-voting as well as e-voting during this meeting.

Also, the Register of Directors & Key Managerial Personnel and their Shareholding and Register of contracts or arrangements in which directors are interested are available for inspection and are also uploaded on the website of the Company for easy access. This will remain accessible to the members electronically if they so desire. Members seeking to inspect such documents can send an email to compliance@simranfarms.com. This is to inform you that based on the report of the scrutinizer, the combined results of remote e-voting and the e-voting done at the meeting today will be announced and displayed on the website of the Company and will also be submitted to the stock exchanges as per the requirements under the SEBI Listing Regulations.

We have received requests from our members Mr. Abhishek J, Mr. Shubham Jain and Miss Rachana Sethi for registration as a speaker shareholder in the AGM today and we shall be allowing him or her to speak once the Chairman directs the same. We request speakers to limit their speeches to 5-10 minutes for the benefit of other shareholders.

We have received requests from one of our member Mr. Abhishek J, Mr. Shubham Jain and Miss Rachana Sethi for registration as a speaker shareholder in the AGM today and we shall be allowing him/her to speak once the Chairman directs the same. We request speakers to limit their speeches to 5-10 minutes for the benefit of other shareholders. I request our Chairman for the meeting Mr. Harender Singh Bhatia to continue with the proceedings of the meeting.

Harender Singh Bhatia (Chairman)

Ladies and Gentlemen, welcome to the 35th Annual General Meeting of Simran Farms Limited. This meeting is being held through video conferencing and other audio visual means as explained by the Company Secretary. On behalf of our Board of Directors, I would like to thank you again for joining us today. Now, the Annual Report for the financial year ended March 31, 2022 along with the AGM Notice, Board's Report and the Audited Financial Statements of the Company have already been circulated to you electronically to those Members whose e-mail addresses were registered with the Company or Depositories and with your permission, I shall take them as read. Dear Shareholders, before we take up the items as per the notice, I would like to apprise you of your Company's performance during the financial year 2022 and the prospects for the year ahead. I have pleasure in presenting the Company's performance for the financial year ended March, 31, 2022.

During the year ended March 31, 2022, On Standalone and Consolidated basis, the Company registered total revenue of Rs. 393.85 crore as against Rs. 322.45 crore in the previous year. The total Revenue of the Company increased by 22.15% as compared to previous year. In addition, on Standalone basis, the Company registered a profit Before Comprehensive Income of Rs. 10.35 crore as against profit of Rs. 12.48 crore in previous year and on Consolidated basis Rs. 10.29 crore as against 12.58 crore in previous year. The profit of the company has been decreased due to increase in cost of feed ingredients.

As you all know that the year 2021 began with 52-day long lockdown to prevent the spread of Covid-19 infections in the Country during the second wave of Covid-19. Further, the primary ingredients, like maize and soybean, the minerals and enzymes that are added in the feed became costly. Further, the feed prices were expected to come down this year but it has not dropped to the extent they expected due to international conditions and war between Ukrain and Russia. However, when Covid-19 battered the trade and economy in the country, the robust demand kept the business running. We saw a good demand for poultry with doctors recommending sufficient intake of proteins during the time of pandemic and even after the pandemic to boost the immunity. Consequently your Company has achieved admirable financial growth with respect to its operational performance during the year under

review despite of the trade disruptions, lockdowns, and a steep rise in production cost in Financial Year 2021-22.

Further, looking into the projected Indian economy in the current financial year, vigorous countrywide drive to deliver safe COVID-19 vaccinations, with minimal disruptions to mobility and economic activity and an increase in allocation of the budget for the livestock sector, the domestic economy is expected to be on a better footing with some early signs of revival and it is expected that the Company will register an efficient growth driven by positive trend in economy.

Now, Let's take up the items as per Notice. In terms of the Notice of the 35th AGM, the following items of ordinary and special businesses are to be considered at this meeting:

Ordinary Business –

Item No. 1:

To consider and adopt the Audited Standalone Financial Statements of the Company together with the Reports of the Board of Directors and the Auditors thereon for the financial year ended March 31, 2022.

Item No. 2:

To consider and adopt the Audited Consolidated Financial Statements of the Company together with the Report of the Auditors thereon for the financial year ended March 31, 2022.

Item No. 3:

Appointment of a Director in place of Mr. Gurmeet Singh Bhatia (DIN: 00401697) Whole Time Director of the Company, who retires by rotation in terms of clause 6 of Section 152 of the Companies Act, 2013 and being eligible offers himself for re-appointment.

Item No. 4:

Appointment of Messers Khandelwal Kakani & Co, Chartered Accountants, Indore (Firm Registration No. 001311C) as Statutory Auditor of the Company for a period of five years and fix their remuneration.

This is to inform you that J.C. Baheti & Associates, Chartered Accountants (FRN 03390C) were appointed as Statutory Auditors of the Company at 30th

AGM of the Company held on 28th September, 2017 to hold the office of the Auditors up to the conclusion of this 35th AGM. Therefore, the existing Auditor has completed a term of five consecutive years and retires at the conclusion of this Meeting. The Board hereby places on record its appreciation for the valuable contribution on the Audit and Reviews made by J.C. Baheti & Associates during their long association with the Company.

Now Special Business contains:

Item No. 5:

Appointment of Mr. Gaurav Chhabra (DIN: 09603279) as a Non Executive Independent Director of the Company.

Item No. 6:

Re-appointment of Mr. Harender Singh Bhatia (DIN: 00509426) as a Managing Director of the Company.

Item No. 7:

Re-appointment of Mr. Kawaljeet Singh Bhatia (DIN: 00401827) as a Whole-time Director of the Company.

The insta-poll e-voting facility will now be activated for Members who are participating in this meeting and have not already voted through remote e-voting. The insta-poll e-voting facility will remain active till 15 minutes after the meeting is concluded. The shareholders are now requested to cast their votes.

Now we have received requests from our members **Mr. Abhishek J, Mr. Shubham Jain and Miss Rachana Sethi** for registration as speaker shareholders in the AGM today. I request Mr. Abhishek to ask his questions and request Mr. Kawaljeet Singh Bhatia; Whole-time Director of the Company to address his questions.

Mr. Abhishek J (Speaker)

Am I audible sir? Can you enable the video as well sir? Video is not enabled. Can you enable the video Madam? Yes, now it is enabled.

Sir. my name is Abhishek J shareholder of the Company and my DP ID is IN301637 and client ID is 41359155. First of all, I congratulate the

management on the eve of annual general body meeting. Trust all is well with you and your family in this challenging situation. Our company deserves much more respect than the current market cap after completing more than a decade of successful operations, profitability, dividend history and becoming one of the strongest brands in our respective segment. I would like to know our business been impacted in these past three years of this Covid time as there has subsequent lockdowns unfortunately left no industry untouched after the covid. So whether any employees have been sacked, fired, salary cut in %, if any, I would like to know from you sir. Whether any salary cut was being taken by the management during the pandemic time. I would request the management to finally take part in concall, quarterly presentations and meeting with global investors on a regular basis.

So then what are the steps be take it by the management to reduce the other expenses, legal professional charges and the audit fees. So then myself and my team running a legal firm in the name and style of "7WellsAssociates" in Chennai. I would request your goodselves to kindly enroll our firm in the Empanelment of the company and we will be glad to extend our services sir.

Sir then SEBI has a portal where we exercise our e-voting and where we get access to the annual general body meeting as well. You are supposed to update the encryption of documents like Register of Members, Register of KMP, Register of contracts if any but unfortunately these are not updated so I would request you good self to kindly update the same for the inspection of members so that members can inspect the same during the course of AGM itself and they need not to contact you later on for asking or seeking for all these documents and results to be made available 30 minutes prior to the meeting and after the conclusion of the AGM so kindly make it available sir.

I thank the Company Secretary and the entire team for sending us the link well in advance and making this Annual General Body Meeting a grand success.

Kindly take care of the hospitality part of the investor fraternity sir and kindly arrange for a factory visit we are into animal feed business so we would like to know how the company is performing so Kindly arrange for factory visit in Indore sir. Whenever the pandemic standard allows, it is advisable for the Company to take the shareholders for your factory visit. So we will be glad to visit the factory sir. I thank the Company and Secretary for

conducting this Annual General body Meeting well in advance and making this general body meeting a grand success. Thank you very much, sir. Thank you for giving the opportunity, sir hope to you in the physical AGM next year.

Kawaljeet Singh Bhatia (Whole-time Director)

Hello, Am I audible?

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

Yes Sir, Please continue.

Kawaljeet Singh Bhatia (Whole-time Director)

Regarding his questions, what he required about the covid situation, as you know because of last 3 years due to covid lockdown was implemented and all the market were closed for 2 month in last year and more than 2 months in last to last year as well still the industry requested the government for functioning of the feed transportation and the shops and the government also supported in that after some time and we were able to operate, inspite of lockdown. That's why we were able to achieve some growth and some of it. It was not up to the mark what was expected of the transportation or all hindrance was there, but still the government supported and we were able to continue our operations. So it was problematic but still we were able to manage all the things. And that's why we were able to get some growth and some profits also. So, we tried to tackle the situation and with the help of the government we tried, we tried it and achieved some success in that, still there was the impact going on because of the closures of the shops and the key markets, impact was there, but, uh, we were able to handle it. Another question was asked.

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

Sir shall I unmute the other speaker or you are continue to answer that other question.

Kawaljeet Singh Bhatia (Whole-time Director)

Can answer some more questions about what were asked regarding sacked any employees or not. We haven't sacked employees due to covid restrictions. Maybe, because of performance of the employees may be sacked, but not because of covid. And another a few questions here are regarding covered only in the market situation because the feed prices are very high because of some restrictions also and due to some war situation also. So, the profitability also depends basically on feed prices and feed prices are all time high this year because of the war situation, agri product especially. So all the future prospects depends on the feed, what will the feed prices in the future. So basically we are hoping that with new crop, it might come down. But still, we don't know, because war is still going on and what is the further situation, you can't comment on that. Thank you.

Harender Singh Bhatia (Chairman)

And now I request, Mr. Shuham Jain to ask his question.

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

Yeah, next speaker Mr. Shubham Jain. Mr. Jain you may proceed with your question.

Mr. Shubham Jain (Speaker)

Am I audible?

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

Yeah. Please continue

Mr. Shubham Jain (Speaker)

Uh, yeah, my question is for the chairman. So 1st of all, I would like to congratulate for such a good set of numbers.

Yeah, so we have seen a growth in top line on year on year basis. And this year we have plugged revenue of approximately 250 crores. So when do we like, when the investors can expect this to reach 500 crores?

CS Tanu Parmar (Company Secretary)

Mr. Shubham Jain, I would like to request Mr. Kawaljeet Singh Bhatia, Whole-time Director to answer your query.

Mr. Shubham Jain (Speaker)

Yeah anyone can answer, anyone can answer.

Kawaljeet Singh Bhatia (Whole-time Director)

Our last year turnover was about Rs. 393.00 crores and so we are expecting 10- 20% growth expecting every year as per the industry standards more than the industry standards. So, we can't come to a conclusion by what time will we do like achieve turnover of Rs. 500 crores, but still we are expecting good growth for the next 3 years respective of the market conditions. We are expecting the good growth.

Mr. Shubham Jain (Speaker)

Okay sir, okay sir, thank you for this. And, uh, as my previous speaker said, we would like have some conference call, at least on a yearly basis so that we are updated about the you know, company, and in last, I would also like to thank the company secretary Madam Tanu and entire management for giving the opportunity to speak. And we look forward to being an association with you. Thank you.

Kawaljeet Singh Bhatia (Whole-time Director)

Thank you very much. Thanks.

Harender Singh Bhatia (Chairman)

And now I request, Miss Rachan Sethi to ask her question.

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

Miss Rachan Sethi. You may proceed with your question.

Miss Rachan Sethi (Speaker)

Am I audible Sir?

Kawaljeet Singh Bhatia (Whole-time Director)

Yes Audible.

Miss Rachan Sethi (Speaker)

Sir, there has been no dividend payout in last 10 years when we investors can expect dividend.

Kawaljeet Singh Bhatia (Whole-time Director)

Should I answer?

CS Tanu Parmar (Company Secretary)

Sir, I request you to answer her query she is asking for why we have not declared dividend from last 7-8 years.

Kawaljeet Singh Bhatia (Whole-time Director)

From last 3 years, covid situation is going on, so we don't know the actual for last year were difficult for the industry. Coordinate with the government and all the same we need to have a backup for what the eventualities that might happen because of lockdowns and all the escalations in the feed costs. So just one of the basic reason that we were not able to decide on the dividend still we'll discuss in the management and try to sort out the problem you are facing well we will discuss with the management and will try to sort out this.
Thanks

Miss Rachan Sethi (Speaker)

Thank you Sir.

Kawaljeet Singh Bhatia (Whole-time Director)

Thank you.

Harender Singh Bhatia (Chairman)

Further, if other members have any questions or queries, they are requested to mail the same & their queries will be answered through mail only.

I would also like to have your kind attention that: Results of Remote e-voting and e-voting at this AGM would be available within 48 hours from the conclusion of AGM. And it will be declared as soon as results are obtained from the Scrutinizer.

Now, on behalf of our Board of Directors and the management, I convey our sincere thanks to all the Members for attending and participating in this meeting. So, all the items of business as per the Notice of the 35th AGM have been taken-up.

Tanu, can we take the proceedings of the Meeting as complete now.

CS Tanu Parmar (Company Secretary)

Krishna Sir, Mr. Krishna Gupta, is there any other speaker.

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

No no there is no speaker at all.

CS Tanu Parmar (Company Secretary)

So should we take this meeting as complete now.

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

Ok

CS Tanu Parmar (Company Secretary)

Sir please proceed.

Harender Singh Bhatia (Chairman)

Before I conclude, before I conclude, I would like to thank all our stakeholders. Thank you for your support and cooperation. I would like to place on record my deep sense of gratitude to each and every one of you.

I now declare the proceedings of the Annual General Meeting as completed. Now with your consent I and other Board members would like to leave the meeting.

Take care. Have a good day.

CS Tanu Parmar (Company Secretary)

I would like to take a moment to thank all our directors, auditors, scrutinizer, other penal members, our eminent speakers and all our other shareholders to spare their valuable time for this meeting and investing and trusting in the Company. Thank you so much. With this we conclude this 35th Annual General Meeting. Thank you.

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

With the permission of the Chair, I am concluding the meeting, ending the meeting.