



**20TH
ANNUAL REPORT
2017-2018**

SIMPLEX MILLS COMPANY LIMITED

Board of Directors

Shri Sabhapati G.Shukla
Smt. Sita Sunil
Shri Shekhar R Singh
Smt. Fatima Fernandes
Shri Manish Harshey

Statutory Auditors

M/s. K.M.Shah & Co.
Chartered Accountants
Mumbai

Secretarial Auditors

M/s. Manish Ghia & Associates
Company Secretaries
Mumbai

Banker

State Bank of India, Mumbai

Corporate Identification Number (CIN)

L65900MH1998PLC116585

Registered Office

30, Keshavrao Khadye Marg,
Sant Gadge Maharaj Chowk,
Mumbai-400 011
Tel.: 23082951

Share Transfer Agent

Freedom Registry Limited
Plot No. 101/102, 19th Street,
MIDC, Satpur,
Nashik-422 007
Tel.: 0253-2354032
Fax : 0253-2351126
Email : support@freedomregistry.in

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Annual General Meeting of the Company will be held on Wednesday, the 1st August, 2018 at 12.30 P.M. or soon after the conclusion of the Annual General Meeting of Simplex Realty Limited convened on the same day, whichever is later at M.C. Ghia Hall, 4th Floor, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Kala Ghoda, Mumbai - 400 001.

NOTICE

NOTICE is hereby given that the Twentieth **ANNUAL GENERAL MEETING** of the Members of **SIMPLEX MILLS COMPANY LIMITED** will be held on Wednesday, the 1st August, 2018 at 12.30 p.m. or soon after the conclusion of the Annual General Meeting of Simplex Realty Limited convened on the same day, whichever is later at M.C. Ghia Hall, 4th Floor, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Kala Ghoda, Mumbai 400 001 to transact the following businesses:-

Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2018 and the Reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Shri Shekhar R Singh (DIN 03357281), who retires by rotation and, being eligible, offers himself for re-appointment.

Special Business:

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

"RESOLVED THAT pursuant to the provisions of Section 61 and all other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and subject to such other approvals, permissions and sanctions, if any, consent of the Members of the Company be and is hereby accorded to increase in and re-classify the Authorised Share Capital of the Company from the existing ₹ 3,10,00,000/- (₹ Three Crores Ten Lakhs only) divided into 31,00,000 (Thirty One Lakhs) Equity Shares of ₹ 10/- each to ₹ 13,10,00,000 (₹Thirteen Crores Ten Lakhs only) divided into 31,00,000 (Thirty One Lakhs) Equity Shares of ₹10/- each and 1,00,00,000 (One Crore) Redeemable Preference Shares of ₹ 10/- each and the existing Clause V of the Memorandum of Association of the Company be and is hereby altered and substituted by the following:

- V. "The Authorised Share Capital of the Company is ₹13,10,00,000/- (₹Thirteen Crores Ten Lakhs only) divided into 31,00,000 (Thirty One Lakhs) Equity Shares of ₹ 10/- each and 1,00,00,000 (One Crore) Redeemable Preference Shares

of ₹ 10/- each with the rights, privileges and conditions attaching thereto as provided by the Articles of Association of the Company for the time being. The Company has power from time to time to increase or reduce its Capital and to divide the shares in the Capital for the time being into other classes and to attach thereto respectively such preferential, deferred, qualified or other special rights, privileges, conditions or restrictions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such right, privilege, conditions or restrictions in such manner as may for the time being be permitted by the Articles of Association of the Company or the legislative provisions for the time being in force in that behalf."

RESOLVED FURTHER THAT, for the purpose of giving effect to this resolution, the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any committee(s) or authorised person(s) which the Board has constituted or appointed to exercise its powers, as the case may be, including the powers, conferred by this resolution) be and is hereby authorized to take such steps and to do all such acts, deeds and things as the Board may, in its absolute discretion, consider necessary, expedient, usual, proper or incidental and to settle any question, remove any difficulty or doubt that may arise from time to time in relation to increase and re-classification in the Authorised Share Capital of the Company, and to take such actions or to give such directions as may be necessary or desirable and to obtain any approvals, permissions, sanctions which may be necessary or desirable, as they may deem fit and to pay fees, remuneration, expenses relating thereto, with power to settle all questions, difficulties that may arise in regard to such increase as it may in its discretion deem fit in the best interest of the Company."

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

"RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and consequent

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upon increase in and re-classification the Authorised Share Capital, the exiting Article 4 of the Articles of Association of the Company be altered and substituted by the following:

Article - 4

“The Authorised Share Capital of the Company is ₹ 13,10,00,000 (₹ Thirteen Crores Ten Lakhs only) divided into 31,00,000 (Thirty One Lakhs) Equity Shares of ₹ 10/- each and 1,00,00,000 (One Crore) Redeemable Preference Shares of ₹ 10/- each with the rights, privileges and conditions attaching thereto as provided by the Articles of Association of the Company for the time being. The Company has power from time to time to increase or reduce its Capital and to divide the shares in the Capital for the time being into other classes and to attach thereto respectively such preferential, deferred, qualified or other special rights, privileges, conditions or restrictions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such right, privilege, conditions or restrictions in such manner as may for the time being be permitted by the Articles of Association of the Company or the legislative provisions for the time being in force in that behalf.”

RESOLVED FURTHER THAT, for the purpose of giving effect to this resolution, the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any committee(s) or authorised person(s) which the Board has constituted or appointed to exercise its powers, as the case may be, including the powers, conferred by this resolution) be and is hereby authorized to take such steps and to do all such acts, deeds and things as the Board may, in its absolute discretion, consider necessary, expedient, usual, proper or incidental and to settle any question, remove any difficulty or doubt that may arise from time to time and to take such actions or to give such directions as may be necessary or desirable and to obtain any approval, permission, sanction which may be necessary or desirable, as they may deem fit, in the best interest of the Company.”

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

“RESOLVED THAT pursuant to the provisions of Sections 42, 55, 62 (1) (c) and all other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with the Companies (Share Capital and

Debentures) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and subject to the enabling provisions of the Memorandum and Articles of Association of the Company and subject to such other approvals, permissions and sanctions, if any, and subject to such conditions and modifications, if any, as may be prescribed or imposed by the appropriate authorities while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any committee(s) or authorised person(s) which the Board has constituted or appointed to exercise its powers, as the case may be, including the powers, conferred by this resolution), consent of the Members of the Company be and is hereby accorded to create, issue, offer and allot, upto 1,00,00,000 Non-Convertible Redeemable Preference Shares (hereinafter referred to as “NCRPS”) of the face value of ₹10/-each, for cash at par or otherwise, aggregating upto a nominal value of ₹ 10,00,00,000/- (₹ Ten Crores only), in one or more tranche(s) on preferential basis, at its sole and absolute discretion, to be redeemed at par within a period not exceeding 20 (Twenty) years from the date of allotment of the said Preference Shares, to Simplex Realty Limited, the Promoter of the Company and in such proportion and on such terms and conditions, as set out in the Explanatory Statement annexed to the Notice convening this meeting;

RESOLVED FURTHER THAT the said, NCRPS shall not be listed with any Stock Exchanges;

RESOLVED FURTHER THAT the said, NCRPS shall be non-participating, carry a preferential right, vis-a-vis equity shares of the Company with respect to payment of dividend and repayment in case of winding up or repayment of capital;

RESOLVED FURTHER THAT pursuant to the applicable provisions of the Act, read with the Rules made thereunder and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and the Company's policy on Related Party Transactions and pursuant to the resolution passed by the Audit Committee, consent of the Members of the Company be and is hereby accorded for the proposed Material Related Party Transaction relating to issuance of the aforesaid NCRPS to Simplex Realty Limited, the Promoter of the

Company, aggregating upto a nominal value of ₹ 10,00,00,000/- (₹ Ten Crores only);

RESOLVED FURTHER THAT, for the purpose of giving effect to this resolution, the Board be and is hereby authorized, to take such steps and to do all such acts, deeds and things as the Board may, in its absolute discretion, consider necessary, expedient, usual, proper or incidental and to settle any question, remove any difficulty or doubt that may arise from time to time in relation to the offer, issue, allotment, and utilization of the issue proceeds of the shares, to prescribe the forms of application, enter into an agreement or other instruments and to take such actions or to give such directions as may be necessary and the Board in its absolute discretion without being required to seek any further consent or fresh approval of the Members of the Company and the decision of the Board shall be

final and conclusive and also to pay fees, remuneration, expenses relating thereto, with power to settle all questions, difficulties that may arise in regard to such issue and allotment as it may in its discretion deem fit in best interest of the Company.”

For and on behalf of the Board of Directors

Shekhar R Singh
Director

Mumbai, 14th May, 2018

CIN L65900MH1998PLC116585

Registered Office:

30, Keshavrao Khadye Marg,
Sant Gadge Maharaj Chowk,
Mumbai-400 011

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The proxies, in order to be valid, should be duly completed, stamped and signed and must be lodged at the registered office of the Company not less than 48 hours before the commencement of the meeting. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.
2. The Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 (the Act), in respect of the Special Business under **Item numbers 3, 4 and 5** of the Notice dated 14th May, 2018 is appended hereto. The requirement to place the matter relating to appointment of Auditors for annual ratification by Members at every Annual General Meeting is done away in the terms of the Companies Amendment Act, 2017 read with notification S.O. 1833 (E) dated 7th May, 2018. Accordingly, no resolution is proposed for the annual ratification of the appointment of the Auditors, who were appointed in the Nineteenth Annual General Meeting held on 8th August, 2017.
3. The details under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements)

Regulations, 2015 (the Listing Regulations) in respect of the Directors seeking appointment/re-appointment at the Twentieth Annual General Meeting (AGM), forms integral part of the Notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.

4. The Members/Proxy holders are requested to bring their duly filled Attendance Slip along with their copy of the Annual Report to the meeting.
5. The Register of Members and Transfer Books of the Company will be closed from Thursday, the 26th July, 2018 to Wednesday, the 1st August, 2018 (both days inclusive) for the purpose of the AGM or any adjournment thereof.
6. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, will be available for inspection by the Members at the AGM of the Company.
7. The Members who hold shares in physical form are requested to notify any change in their address to the Company's Share Transfer Agent, Freedom Registry Limited, having its office at Plot No. 101/102, 19th Street, MIDC, Satpur, Nashik-422007. The Members who hold shares in dematerialized form are requested to notify any change in their address to their respective Depository Participants.

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8. Corporate Members intending to send their Authorized Representatives to attend and vote at the Meeting are requested to ensure that the Authorized Representative carries a duly certified true copy of their Board Resolution.
9. The format of the Register of Members prescribed by the Ministry of Corporate Affairs under the Act, requires the Company/Share Transfer Agent to record additional details of Members, including their PAN details, email address, bank details for payment of dividend, etc. A form for capturing the additional details is appended at the end of this Annual Report. Members holding shares in physical form are requested to submit the filled in form to the Company or its Share Transfer Agent. Members holding shares in electronic form are requested to submit the details to their respective Depository Participants.
10. As per the provisions of Section 72 of the Act, facility for making nomination is available for the Members in respect of the shares held by them. Members holding shares in single name and who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to cancel the earlier nomination and record fresh nomination, he may submit the same in Form No. SH-14. Both Forms are appended at the end of the Annual Report. Members holding shares in physical form are requested to submit the forms to the Company's Share Transfer Agent. Members holding shares in electronic form may obtain Nomination forms from their respective Depository Participant.
11. Electronic copy of the Annual Report for 2017-18 is being sent to all Members whose email addresses are registered with the Company/Depository Participants for communication purposes, unless any Member has requested for a hard copy of the same. For Members who have not registered their email addresses, physical copies of the Annual Report for 2017-18 are being sent in the permitted mode.
12. To support the "Green Initiative", Members who have not registered their email addresses are requested to register the same with the Company's Share Transfer Agent/their Depository Participants, in respect of shares held in physical/ electronic mode respectively.
13. **Voting through Electronic means**
 - I In compliance with provisions of Section 108 of the Act and Rule 20 of the Companies

(Management and Administration) Rules, 2014, as amended from time to time the Company is pleased to provide Members facility of 'remote e-voting' (e-voting from a place other than venue of the AGM) to exercise their right to vote at the AGM. The business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).

The facility for voting, either through electronic voting system or through ballot/polling paper shall also be made available at the venue of the AGM. The Members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The Members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.

The instructions for Members voting electronically are as under:

- (i) The voting period begins on Sunday, 29th July, 2018 (10.00 a.m.) and ends on Tuesday, 31st July, 2018 (5.00 p.m.). During this period Members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of the Wednesday, the 25th July, 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The Members should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Members.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 Digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in Demat form and had logged on to www.evotingindia.com and

voted on an earlier voting of any company, then your existing password is to be used.

- (vii) If you are a first time user follow the steps given below:

Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat members as well as physical members)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. If both the details are not recorded with the depository of the Company please enter the Member Id / Folio Number in the Dividend Bank details field as mentioned in instruction no. iv.</p>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non-Individual Members and Custodians
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on www.evotingindia.com and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they should create compliance user using the admin login and password. The Compliance user would be able to link the depository account(s) / folio numbers on which they wish to vote.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

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- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries regarding e-voting, you may refer the Frequently Asked Questions at www.evotingindia.com under help section.
- II The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of the Wednesday, the 25th July, 2018.
- III Shri Manish L. Ghia, Practising Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- IV The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make not later than three days of conclusion of the meeting a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.
- V The Results shall be declared on or after the AGM of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.simplex-group.com and on the website of CDSL within two days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.
- VI All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (10.00 a.m. to 6.00 p.m.) on all working days, upto and including the date of the AGM of the Company.

EXPLANATORY STATEMENT PURSUANT TO SECTIONS 102 OF THE COMPANIES ACT, 2013 (the Act)

The following statement sets out material facts relating to Special Business as mentioned under item numbers 3, 4 and 5 in the accompanying Notice dated 14th May, 2018.

The Company's Fund requirements:

The Board of Directors has taken a decision to raise the funds, to meet the Company's business expenditure and repayment of borrowings / loans by way to create / offer and issue of 1,00,00,000 Non-Convertible Redeemable Preferential Shares (NCRPS) of the face value of ₹10/- each at par for cash in one or more tranche(s), as the case may be, on preferential basis to Simplex Realty Limited, the Promoter of the Company.

Therefore, in order to facilitate the issuance of the said Preference Shares, the existing Authorised Share Capital is required to be increased and re-classified with approval of the Members for allotment of NCRPS on preferential basis to Simplex Realty Limited, the Promoter of the Company, in one more tranche(s) within the limits as set out in the Resolution.

Item Nos. 3 and 4

In light of the above, it is proposed to increase the Authorised Share Capital of the Company from the

existing ₹ 3,10,00,000/- (₹ Three Crores Ten Lakhs only) divided into 31,00,000 (Thirty One Lakhs) Equity Shares of ₹ 10/- each to ₹ 13,10,00,000 (₹ Thirteen Crores Ten Lakhs only) divided into 31,00,000 (Thirty One Lakhs) Equity Shares of ₹ 10/- each and 1,00,00,000 Non-Convertible Redeemable Preference Shares (NCRPS) of the face value of ₹ 10/- each as indicated in the Resolution at Item No. 3 of the Notice.

Consequently, it is also proposed to make appropriate alterations in the Memorandum and Articles of Association of the Company to reflect such changes in the Authorised Share Capital of the Company.

The Resolution set out at Item No. 4 is relating to issue of NCRPS on the preferential basis, therefore, it is necessary to amend the capital clause of the Memorandum and Articles of Association of the Company.

The proposed increase in and re-classification of the Authorised Share Capital and consequent alterations in the Memorandum and Articles of Association of the Company, requires approval of the Members by passing of Ordinary Resolution.

A modified copy of Memorandum and Articles of Association of the Company is available for inspection without any fee by the Members at the registered office of the Company during the normal business hours on all

working days, upto and including the date of Twentieth Annual General Meeting (AGM).

None of the Directors and/or Key Managerial Personnel of the Company and/ or their relatives are in any way concerned or interested, financially or otherwise, in the Resolution, except to the extent of their shareholding, if any, in the Company.

The Board accordingly, recommends the Ordinary Resolution as mentioned at Item Nos. 3 and 4 of the Notice for your approval.

Item No. 5

In furtherance of the explanation given above, the Company proposes to create, issue, offer and allot upto 1,00,00,000 Non-Convertible Redeemable Preference Shares (NCRPS) of the face value of ₹10/- each aggregating upto ₹10,00,00,000/- (₹ Ten Crores only) on preferential basis for cash, at par or otherwise to Simplex Realty Limited, the Promoter of the Company in one or more tranche(s), as the case may be.

A statement of disclosures as required under Rule 9(3) of the Companies (Share Capital and Debentures) Rules, 2014, as amended and the terms of the issue of the NCRPS, as under:

The size of the issue and number of preference shares to be issued and nominal value of each share	1,00,00,000 Non-Convertible Redeemable Preference Shares(NCRPS) of ₹ 10/- each aggregating upto ₹ 10,00,00,000/ only, in one or more tranche(s)
The nature of such shares i.e. cumulative or non – cumulative, participating or non – participating , convertible or non – convertible	Non-Convertible Redeemable Preference Shares
The objectives of the issue	To meet the Company's business expenditure and repayment of borrowings/loans and General Corporate purposes.
The manner of issue of shares	Preferential issue and allotment
The price at which such shares are proposed to be issued	The NCRPS will be issued at Par i.e. ₹ 10/- per share
The basis on which the price has been arrived at	To be issued at Par
The terms of issue, including terms and rate of dividend on each share, etc.	To be issued and offered on preferential basis, in one or more tranche(s) to Simplex Realty Limited, Promoter of the Company. The Preference Shares shall not carry any dividend on the Capital over the tenure of the Preference Shares
The terms of redemption, including the tenure of redemption, redemption of shares at premium and if the preference shares are convertible, the terms of conversion	The proposed Preference Shares shall be redeemed at par, within a period not exceeding 20 years from the date of allotment, in accordance with provision of Section 55 of the Act. The Preference Shares are not convertible into Equity Shares of the Company
The manner and modes of redemption	The proposed Preference Shares shall be redeemed in accordance with the provision of the Act or any such other applicable law, rules and regulations as may be applicable
The expected dilution in equity share capital upon conversion of preference shares	Not applicable. Since, the proposed Preference Shares are Non-Convertible in nature

SIMPLEX MILLS COMPANY LIMITED

The Equity shareholding pattern of the Company as on 31st March, 2018 is as under:

Sr. No.	Category	Number of Shares	% to Share Capital
1	Promoter and Promoter Group	21,61,702	72.05
2	Public	8,38,773	27.95
Total		30,00,475	100

Please visit the Company's website, www.simplex-group.com and the Exchange (BSE Limited) website i.e. www.bseindia.com for detailed shareholding pattern.

Section 62(1) (c) of the Act, *inter-alia*, provides that where it is proposed to increase the subscribed capital of the company by the issue of further shares, such shares may be offered to any persons, whether or not those persons are holders of the equity shares of the Company, by way of preferential offer, if authorised by way of a Special Resolution.

Further, as per Section 42 of the Act read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, a company offering or making an invitation to subscribe to securities, including Redeemable Preference Shares on a preferential basis, is required to obtain the prior approval of the Members by way of a Special Resolution, for each of the offers and invitations.

In view of the above, the proposed offer, issue and allot upto 1,00,00,000 NCRPS in the manner provided herein as per the Resolution set out at Item No. 5 of the Notice, requires approval of the Members by passing of Special Resolution.

As per the provisions of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Related Party Transactions shall require prior approval of the Audit Committee and all Material Related Party Transactions shall require approval of the Members of the Company.

The aforesaid Regulation provides that a transaction with a Related Party shall be considered as Material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity.

The above proposed transaction, being a transaction between the Company and the Promoter Company, exceeding 10 percent of the Company's turnover for the last financial year, is Material Related Party Transaction and therefore, the Company is also required to approval of Members. The prior approval of the Audit Committee has been received for the same.

All the related parties viz., all entities falling under definition of related parties as per Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, shall abstain from voting on the Resolution set out at Item No. 5 of the Notice, irrespective of whether the entity is a party to the particular transaction or not.

None of the Directors and/or Key Managerial Personnel of the Company and/ or their relatives are in any way concerned or interested, financially or otherwise, in the Resolution, except to the extent of their shareholding, if any, in the Company.

The Board accordingly, recommends the Special Resolution as mentioned at Item No. 5 of the Notice for your approval.

DETAILS OF DIRECTOR RETIRING BY ROTATION / SEEKING RE-APPOINTMENT AT THE MEETING

Re-appointment of Shri Shekhar R Singh (Item No.2)

Shri Shekhar R Singh joined the Board of the Company on 19th January, 2013. He is a member of the Audit Committee and Nomination and Remuneration Committee of the Company. He is also a Director on the Board of Simplex Papers Limited and the member of the Audit Committee and Nomination and Remuneration Committee of the Simplex Papers Limited. Shri Shekhar R Singh is a commerce graduate, law graduate, post graduate diploma in Securities Law and an Associate Member of the Institute of Company Secretaries and having more than twelve years of experience in the field of Corporate Laws and SEBI matters.

Shri Shekhar R Singh does not hold by himself or for other person on a beneficial basis, any shares in the Company.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Shri Shekhar R Singh as a Director.

Except Shri Shekhar R Singh, being an appointee, none of the Directors of the Company and their relatives are concerned or interested, financial or otherwise, in the Resolution, except to the extent of their shareholding, if any, in the Company.

The Board accordingly, recommends the Resolution as mentioned at Item No. 2 of the Notice for your approval.

For and on behalf of the Board of Directors

Shekhar R Singh
Director

Mumbai, 14th May, 2018

CIN L65900MH1998PLC116585

Registered Office:

30, Keshavrao Khadye Marg,
Sant Gadge Maharaj Chowk,
Mumbai-400 011

SIMPLEX MILLS COMPANY LIMITED

DIRECTORS' REPORT

To
The Members,

Your Directors present the Annual Report, together with the Audited Accounts for the year ended 31st March, 2018.

FINANCIAL RESULTS

(in ₹)

	2017-18	2016-17
Loss before Depreciation, Finance Costs, Exceptional Items and Taxation	(27,44,893)	(29,23,257)
Less: Depreciation	8,77,988	9,50,486
Less: Finance Costs	44	-
Loss before Exceptional Items and Tax	(36,22,925)	(38,73,743)
Add/(Less): Exceptional Items (net)	(15,04,494)	16,05,279
Loss before Tax	(51,27,419)	(22,68,464)
Less : Earlier year taxes	(7,93,747)	-
Loss after tax for the year	(43,33,672)	(22,68,464)

DIVIDEND

In view of the losses, your Directors regret their inability to propose any dividend.

OPERATIONS

Your Company has reported total income of ₹ 17,25,475/- and net loss after tax of ₹ 43,33,672/- during the year ended 31st March, 2018.

PUBLIC DEPOSITS

The Company has not accepted any deposits from the public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the balance sheet date.

LOANS, GUARANTEES AND INVESTMENTS

The details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 (the Act) are given in the notes to the Financial Statements.

DIRECTORS

Shri Shekhar R Singh, Director of the Company who retires by rotation at the Twentieth Annual General Meeting (AGM) and, being eligible, offer himself for re-appointment.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under the Act and under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

BOARD EVALUATION

Pursuant to the provisions of the Act and the Listing Regulations, a structured questionnaire was prepared after taking into consideration of the various aspects of the Board's functioning, composition of the Board and its committees, culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of the Independent Directors was completed. The performance evaluation of the Chairman and the Non Independent Directors were carried out by the Independent Directors. The Directors expressed their satisfaction with evaluation process.

NUMBER OF MEETINGS OF THE BOARD

During the year under review, four Board meetings were held. The details of the meetings are given in Corporate Governance Report which forms part of this Report.

REMUNERATION AND NOMINATION POLICY

The Board has framed a policy for selection and appointment for Directors, Senior Management and their remuneration. The details of this Policy are given in the Corporate Governance Report which forms part of this Report.

FAMILIARIZATION PROGRAMME OF INDEPENDENT DIRECTORS

The Company has practice of conducting familiarization programme for Independent Directors of the Company. The details of the programme are given in the Corporate Governance Report which forms part of this Report.

PARTICULARS OF EMPLOYEES

During the year, there were no employees in the Company and therefore none of the employee was in receipt of remuneration as prescribed in the Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The prescribed particulars of Employees as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as **Annexure III** and forms a part of this Report.

AUDITORS

At the Nineteenth Annual General Meeting of the Company held on 8th August, 2017, M/s. K. M. Shah & Co. Chartered Accountants, Mumbai were appointed as the Statutory Auditors of the Company to hold the office from the conclusion of that AGM until the conclusion of the fifth consecutive AGM held thereafter (subject to ratification of the appointment by Members at every AGM held after this AGM).

The Companies Amendment Act, 2017 read with Notification S.O. 1833(E) dated 7th May, 2018 has deleted the provisions of annual ratification of the appointment of auditor with effective from 7th May, 2018. Accordingly, the annual ratification of the appointment of M/s. K. M. Shah & Co. Chartered Accountants, Mumbai as the Statutory Auditors of the Company does not require the ratification and hold the office from the conclusion of this AGM till the conclusion of Twenty-Fourth AGM.

The Auditors have confirmed that they are not disqualified from continuing as the Auditors of the Company.

The Auditors have given an unmodified opinion(s) report on the financial statements for the year under review.

COST AUDIT

As there was no production during the year 2017-2018, no cost audit required to be carried out.

SECRETARIAL AUDIT

A Secretarial Audit was conducted during the year in accordance with provisions of Section 204 of the Act. The Secretarial Auditor's Report is attached as **Annexure I** and forms part of this Report.

With regard to observations/remarks contained in Secretarial Audit Report, Directors state that the Company does not have any major operation since long and no source of major revenue and on account of the same, the Company is suffering losses continuously. Accordingly, it was unable to attract the suitable talent to the position of Key Managerial Personnel and Compliance Officer. The Company is law binding entity and is endeavor to take necessary steps to comply with the requirement of the Act and the Listing Regulations.

CORPORATE GOVERNANCE

The Company has complied with the mandatory provisions of Corporate Governance as stipulated in the Listing Regulations. A separate report on Corporate Governance along with the requisite Auditors' Certificate is annexed and forms part of this Report.

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to Section 134(3) (c) read with Section 134(5) of the Act and the Listing Regulations, on the basis of information placed before them, the Directors state that:

- i. in the preparation of the annual accounts, the applicable indian accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii. appropriate accounting policies have been selected and applied consistently, and the judgments and estimates that have been made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2018 and the Loss of the Company for the said period;

SIMPLEX MILLS COMPANY LIMITED

- iii. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the annual accounts have been prepared on a going concern basis;
- v. the internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- vi. there is a proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and that the provisions of Section 188 of the Act are not attracted. Thus disclosure in form AOC-2 is not required. Further, there are no materially significant related party transactions made by the Company with Promoters and Directors or other designated persons which may have a potential conflict with the interest of the Company at large.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has a Vigil Mechanism / Whistle Blower Policy to deal with instance of fraud and mismanagement, if any. The details of the Policy are explained in the Corporate Governance Report and are also available on the Company's website.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as **Annexure II**.

STOCK EXCHANGE

The Company's equity shares are listed at BSE Limited and the Annual Listing Fees for the year 2018-19 has been paid.

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

During the year under review, the Company has not carried out any manufacturing activity and hence the Directors have nothing to report under Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 with reference to Conservation of Energy and Technology Absorption. There was no foreign exchange earnings and outgo during the year under review.

DISCLOSURE UNDER THE PREVENTION OF SEXUAL HARASSMENT ACT

There were no complaints reported under the Prevention of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

ACKNOWLEDGMENT

Your Directors place on record their appreciation for the assistance and support extended by all government authorities, financial institutions, banks, consultants, solicitors and shareholders of the Company.

For and on behalf of the Board of Directors

Sabhapati G.Shukla

Shekhar R Singh
Directors

Mumbai, 14th May, 2018

SECRETARIAL AUDIT REPORT

For the financial year ended on 31st March, 2018
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

To
The Members,
Simplex Mills Company Limited
Mumbai

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Simplex Mills Company Limited (CIN: L65900MH1998PLC116585) and having its registered office at 30, Keshavrao Khadye Marg, Sant Gadge Maharaj Chowk, Jacob Circle, Mumbai-400011 (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings **(Not applicable to the Company during the audit period);**

- (v) The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not applicable to the Company during the audit period);**
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(Not applicable to the Company during the audit period);**
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the audit period);**
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client **(Not applicable to the Company during the audit period);**
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the audit period);**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the audit period);** and
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (vi) There are no laws that are specifically applicable to the Company based on their sector/industry.

SIMPLEX MILLS COMPANY LIMITED

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Standards, Guidelines, etc. mentioned above except as under:

- a) the Company does not have a Managing Director or Whole-time Director or Manager or Chief Executive Officer, Chief Financial Officer, and Company Secretary (the Whole-time Key Managerial Personnel) as required under Section 203 of the Act; and
- b) the Company has not complied with regulation 6 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 which requires appointment of qualified Company Secretary as a compliance officer of the Company.

We further report that

The Board of Directors of the Company is duly constituted with Non-Executive Directors and Independent Directors. However, as already stated herein before, the Company does not have an Executive Director (Managing/Whole-time Director). The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

To
The Members,
Simplex Mills Company Limited
Mumbai

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provided a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Account of the Company.

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

Majority decision is carried through while the dissenting member's views are captured and recorded as part of the minutes.

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

We further report that during the audit period there were no major corporate events having a major bearing on the Company's affairs.

This report is to be read with our letter of even date which is annexed as **Annexure-A** and forms an integral part of this report.

For **Manish Ghia & Associates**
Company Secretaries

A.N. Sarma
Partner

FCS No.: 4557 CP No.: 7812

Mumbai, 14th May, 2018

Annexure A

4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulation, standards is the responsibility of management. Our examination was limited to the verification of procedures on the test basis.
6. The Secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Manish Ghia & Associates**
Company Secretaries

A.N. Sarma
Partner

FCS No.: 4557 CP No.: 7812

Mumbai, 14th May, 2018

FORM NO. MGT - 9
Annexure II
EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March, 2018
[Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12 (1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

1	CIN	L65900MH1998PLC116585
2	Registration Date	21st September, 1998
3	Name of the Company	Simplex Mills Company Limited
4	Category / Sub-Category of the Company	Company having Share Capital
5	Address of the Registered office Contact details	30, Keshavrao Khadye Marg, Sant Gadge Maharaj Chowk, Mumbai 400011 Tel No. 022-23082951 E-mail : mills@simplex-group.com
6	Whether listed company	Yes
7	Name, Address and Contact details of Share Transfer Agent, if any	Freedom Registry Limited Plot No. 101/102, 19th Street, MIDC, Satpur, Nashik – 422007 Tel No. 0253-2354032 E-mail : support@freedomregistry.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the Company shall be stated)

Sr. No.	Name and Description of main products / services	NIC Code of the Product / Service	% to total turnover of the Company
1	Trading of Cloths and Fabrics	46411	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary/ Associate	% of Shares held	Applicable Section
NIL					

SIMPLEX MILLS COMPANY LIMITED

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

i. Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01.04.2017]				No. of Shares held at the end of the year [As on 31.03.2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	89388	-	89388	2.98	89388	-	89388	2.98	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	2072314	-	2072314	69.07	2072314	-	2072314	69.07	-
e) Banks /FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	=
Sub-Total A(1)	2161702	-	2161702	72.05	2161702	-	2161702	72.05	-
(2) Foreign									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Bank/ FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub- Total(A)(2):	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoters (A)= (A)(1) + (A)(2)	2161702	-	2161702	72.05	2161702	-	2161702	72.05	-
B. Public Shareholding									
(1) Institutions									
a) Mutual Fund / UTI	102	-	102	0.00	102	-	102	0.00	-
b) Banks / FI	-	4843	4843	0.16	-	4843	4843	0.16	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	448760	-	448760	14.96	448760	-	448760	14.96	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B)(1):	448862	4843	453705	15.12	448862	4843	453705	15.12	-

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01.04.2017]				No. of Shares held at the end of the year [As on 31.03.2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Non – Institutions									
a) Bodies Corporate									
i) Indian	21102	2534	23636	0.79	18624	2534	21158	0.71	-0.08
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual Shareholders holding nominal share capital upto ₹ 1 lakh	215007	140335	355342	11.84	218945	138698	357643	11.92	0.08
ii) Individual Shareholders holding nominal share capital in excess of ₹ 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (HUF, Clearing Members, Foreign Nationals, NRI, Trust)	5032	1058	6090	0.20	5209	1058	6267	0.20	-
Sub – Total (B)(2)	241141	143927	385068	12.83	242778	142290	385068	12.83	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	690003	148770	838773	27.95	691640	147133	838773	27.95	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	2851705	148770	3000475	100	2853242	147133	3000475	100	-

ii. Shareholding of Promoters

Shareholder's Name	Shareholding at the beginning of the year [As on 01.04.2017]			Shareholding at the end of the year [As on 31.03.2018]			% change in shareholding during the year
	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total Shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total Shares	
A. Individual							
a. Nandan Damani	42765	1.43	-	42765	1.43	-	-
b. Nandan Damani - HUF	153	0.00	-	153	0.00	-	-
c. Kamladevi Devratan Bagri	243	0.01	-	243	0.01	-	-
d. Nalini Somany	311	0.01	-	311	0.01	-	-
e. Sandip Somany	2302	0.08	-	2302	0.08	-	-
f. Sanjay N Damani	12253	0.41	-	12253	0.41	-	-
g. Shashi A Patodia	4765	0.16	-	4765	0.16	-	-
h. Shreelekha N Damani	26571	0.89	-	26571	0.89	-	-
i. Sumita Somany	25	0.00	-	25	0.00	-	-
B. Bodies Corporate							
a. Lucky Vyapaar and Holdings Private Limited	98256	3.27	-	98256	3.27	-	-
b. Simplex Realty Limited	1470000	48.99	-	1470000	48.99	-	-
c. New Textiles LLP (Formerly known as New Textiles Private Limited)	251505	8.38	-	251505	8.38	-	-
d. Shreelekha Global Finance Limited	252553	8.42	-	252553	8.42	-	-
Total (A+B)	2161702	72.05	-	2161702	72.05	-	-

SIMPLEX MILLS COMPANY LIMITED

iii) Change in Promoters' Shareholding (please specify, if there is no change)

	Shareholding at the beginning of the year [As on 01.04.2017]		Cumulative Shareholding during the year [01.04.2017 to 31.03.2018]	
	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
a. At the beginning of the year	2161702	72.05	-	-
b. Change during the year	No change during the year			
c. At the end of the year	-	-	2161702	72.05

iv. Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year [As on 01.04.2017]		Cumulative Shareholding during the year [01.04.2017 to 31.03.2018]	
	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1. Life Insurance Corporation of India				
a. At the Beginning of the year	378869	12.63	-	-
b. Changes during the year	No change during the year			
c. At the end of the year	-	-	378869	12.63
2. The Oriental Insurance Company Limited				
a. At the Beginning of the year	50940	1.70	-	-
b. Changes during the year	No change during the year			
c. At the end of the year	-	-	50940	1.70
3. National Insurance Company Limited				
a. At the Beginning of the year	18830	0.63	-	-
b. Changes during the year	No change during the year			
c. At the end of the year	-	-	18830	0.63
4. VSL Securities Private Limited				
a. At the Beginning of the year	14842	0.49	-	-
b. Changes during the year	No change during the year			
c. At the end of the year	-	-	14842	0.49
5. Jerambhai Karamshibhai Kakadia				
a. At the Beginning of the year	7268	0.24	-	-
b. Changes during the year	No change during the year			
Date Reason				
25.08.2017 Purchase	150	0.05	7418	0.29
c. At the end of the year	-	-	7418	0.29
6. Girishkumar Kanjibhai Vaghasia				
a. At the Beginning of the year	5691	0.18	-	-
b. Changes during the year	No change during the year			
c. At the end of the year	-	-	5691	0.18

iv. Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year [As on 01.04.2017]		Cumulative Shareholding during the year [01.04.2017 to 31.03.2018]	
	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
7. Ganesh Shankar Dwivedi				
a. At the Beginning of the year	5254	0.18	-	-
b. Changes during the year	No change during the year			
c. At the end of the year	-	-	5254	0.18
8. Laxmi Devi Damani				
a. At the Beginning of the year	4765	0.15	-	-
b. Changes during the year	No change during the year			
c. At the end of the year	-	-	4765	0.15
9. Mahesh Kanjibhai Vaghasiya				
a. At the Beginning of the year	3865	0.13	-	-
b. Changes during the year				
Date Reason				
06.10.2017 Purchase	636	0.02	4501	0.15
c. At the end of the year	-	-	4501	0.15
10. Mahendra Kumar Jain				
a. At the Beginning of the year	4500	0.15	-	-
b. Changes during the year	No change during the year			
c. At the end of the year	-	-	4500	0.15

v. Shareholding of Directors and Key Managerial Personnel

For Each of the Director	Shareholding at the beginning of the year [As on 01.04.2017]		Cumulative Shareholding during the year [01.04.2017 to 31.03.2018]	
	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
Sabhapati G. Shukla				
At the beginning of the year	71	0.00	-	-
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/decrease (eg. Allotment/ transfer/ bonus/ sweat equity etc.)	No change during the year			
At the end of the year	-	-	71	0.00

SIMPLEX MILLS COMPANY LIMITED

For Each of the KMP	Shareholding at the beginning of the year [As on 01.04.2017]		Cumulative Shareholding during the year [01.04.2017 to 31.03.2018]	
	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
Chief Financial Officer				
At the beginning of the year	-	-	-	-
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/decrease (eg. Allotment/ transfer/ bonus/ sweat equity etc.)	-	-	-	-
At the end of the year	-	-	-	-
Company Secretary and Compliance Officer				
At the beginning of the year	-	-	-	-
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/decrease (eg. Allotment/ transfer/ bonus/ sweat equity etc.)	-	-	-	-
At the end of the year	-	-	-	-

Smt. Sita Sunil, Shri Shekhar R Singh, Smt. Fatima Fernandes and Shri Manish Harshey did not hold any shares during the year.

V. INDEBTEDNESS

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

(in ₹)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	8,17,24,118	-	8,17,24,118
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	8,17,24,118	-	8,17,24,118
Change in Indebtedness during the financial year				
Addition	-	-	-	-
Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	8,17,24,118	-	8,17,24,118
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	8,17,24,118	-	8,17,24,118

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

(in ₹)

Sr. No.	Particulars of Remuneration	Managing Director
1	Gross Salary	
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	-
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	-
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-
2	Stock Options	-
3	Sweat Equity	-
4	Commission	-
	- as % of profit	-
	- others, specify	-
5	Others, please specify	-
	Total (A)	-

B. Remuneration to other Directors

1. Independent Directors

(in ₹)

Sr. No.	Particulars of Remuneration	Name of Director		Total Amount
		Shri Sabhapati G.Shukla	Shri Manish Harshey	
	Fee for attending Board/Committee Meetings	1,000	1,000	2,000
	Commission	-	-	-
	Other, please specify	-	-	-
	Total (B)(1)	1,000	1,000	2,000

2. Other Non - Executive Directors

(in ₹)

Sr. No.	Particulars of Remuneration	Name of Director			Total Amount
		Shri Shekhar Singh	Smt. Sita Sunil	Smt. Fatima Fernandes	
	Fee for attending Board/Committee Meetings	1,000	1,000	500	2,500
	Commission	-	-	-	-
	Other, please specify	-	-	-	-
	Total (B)(2)	1,000	1,000	500	2,500
	Total (B)= (B)(1) + (B)(2)				4,500

SIMPLEX MILLS COMPANY LIMITED

C. Remuneration to Key Managerial Personnel other than Managing Director/Whole-time Director / Manager

(in ₹)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel
1	Gross Salary	
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	-
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	-
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-
2	Stock Options	-
3	Sweat Equity	-
4	Commission	-
	- as % of profit	-
	- others, specify	-
5	Others, please specify	-
	Total (C)	-

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

NIL

Annexure III

PARTICULAR OF EMPLOYEES

The ratio of the remuneration of each Director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule (5)(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Sr. No	Requirements	Details
i	The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year	No remuneration was paid to Directors except sitting fees
ii	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	No increase in remuneration of Directors
iii	The percentage increase in the median remuneration of employees in the financial year	Nil
iv	The number of permanent employees on the rolls of Company	Nil as on 31.03.2018
v	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Nil
vi	Affirmation that the remuneration is as per the remuneration policy of the Company	There was no remuneration paid to Directors except sitting fees

For and on behalf of the Board of Directors

Sabhapati G.Shukla

Shekhar R Singh
Directors

Mumbai, 14th May, 2018

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENTS

Indian textiles industry has an overwhelming presence in the economic life of the country. Apart from providing one of the basic necessities of life, the textile industry also plays a pivotal role through its contribution to industrial output, employment generation and the export earnings of the country.

The textiles industry plays a major role in the Indian Economy, it contributes 14 percent to industrial production and 4 percent to Gross Domestic Product (GDP), with over 45 million people, the industry is one of the largest source of employment generation in the country. The textiles sector is the second largest provider of employment after agriculture. Textiles sector is one of the largest contributors to India's exports with approximately 13 percent of total exports. The Indian textiles industry, currently estimated at around US\$ 120 billion, is expected to reach US\$ 230 billion by 2020. Thus, growth and all round development of this industry has a direct bearing on the improvement of the India's economy.

The Indian government has come up with a number of export promotion policies for the textiles sector. It has also allowed 100 per cent FDI in the Indian textiles sector under the automatic route.

OUTLOOK, OPPORTUNITIES AND THREATS

Increased penetration of organised retail, favourable demographics, and rising income levels are likely to drive demand for textiles. The domestic market for apparel and lifestyle products, currently estimated at US\$ 85 billion, is expected to reach US\$ 160 billion by 2025. Textile and apparel exports from India are expected to increase to US\$ 82 billion by 2021.

As the production costs are increasing in China due to high wages and power cost, manufacturing of textile and apparel for export purpose has become less viable and it is giving an opportunity to other countries to enter into the new market. The Indian textiles industry has the potential to scale new height in the globalized economy.

In spite of immense factors fuelling the growth of the Indian textile industry, there are certain challenges faced by the country in terms of scarcity of trained manpower, escalating energy costs, high transportation costs, low level of technology, and lack of economies of scale.

Irrespective of a handful of unfavorable conditions, the future for the Indian textile industry looks promising, buoyed by both strong domestic consumption as well as export demand. Further, the growing Indian economy and rising disposable income also render a strong tailwind to the textile sector.

RISKS AND CONCERNS

In today's challenging and competitive environment, risks are inherent in all businesses. The Company's risk management strategy encompasses the proper and in-depth identification, assessment and prioritization of risks, followed by speedy mobilization of resources to minimize, monitor and control the probability of unfortunate events. The common risks, inter alia, are Regulations, Competition, Business risk which includes financial risk and technology obsolescence.

INTERNAL CONTROL SYSTEM AND ADEQUACY

The Company has proper and adequate system of internal control system to ensure maintenance of proper accounting records, their accuracy and that all the assets are safeguarded from loss or damages.

FINANCIAL AND OPERATING PERFORMANCE

During the year under review, the Company has reported total income of ₹ 17,25,475/- as compared to ₹ 19,98,748/- in the previous year. The Company has registered a net loss of ₹ 43,33,672/- as against a net loss of ₹ 22,68,464/- in the previous year. During the year, the Company has written off capital advances of ₹ 18,15,260/- given for procurement of machines in earlier years. As the Company is not having any plan for making the balance and procuring the machines, the same have been written off and shown as exceptional item.

CAUTIONARY STATEMENT

Statements in this report on Management Discussion and Analysis, describing the Company's objectives, projections, estimates, expectations or predictions may be forward looking, considering the applicable laws and regulations. These statements are based on certain assumptions and expectation of future events. Actual results, could, however differ materially from those expressed or implied.

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy of Corporate Governance is aimed to enhance the confidence among shareholders and customers and ensuring a long term relationship of trust by maintaining transparency and disclosures. The Company believes in maintaining highest standards of quality and ethical conduct, in all the activities of the Company.

A Report on compliance with the principles of Corporate Governance as prescribed by the SEBI in Chapter IV read with Clause C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) is given below:

2. BOARD OF DIRECTORS

a) Composition

The Board of Directors provides strategic direction and thrust to the operations of the Company. As on 31st March, 2018, the Board comprises of three Non-Executive Directors and two Independent Directors.

None of the Directors on the Board is a Member on more than ten Committees and the Chairman in more than five Committees, across all companies in which they are Directors.

b) Attendance at Board Meetings and the last Annual General Meeting (AGM)

During the year ended 31st March, 2018, 4 (four) Board Meetings were held. The dates on which the said meetings were held are as follows:

10th May, 2017, 8th August, 2017, 6th November, 2017, 8th February, 2018.

Attendance of Directors at Board Meetings during 2017-18 and Directorship(s) and Committee Chairmanship(s)/Membership(s) of other companies as on 31st March, 2018

Name	Category	No. of Board Meetings held - 4	No. of Directorships and Committee Chairmanship (s) / Membership (s)			Attendance at AGM held on 8th August, 2017
		Attended				
			Other Directorship*	Committee Chairmanship(s)**	Committee Membership(s)**	
Shri Sabhapati G.Shukla	Independent Non-Executive	4	2	-	1	Yes
Shri Manish Harshey	Independent Non-Executive	4	1	-	2	No
Smt. Sita Sunil	Non-Executive	4	1	-	-	Yes
Shri Shekhar R Singh	Non-Executive	4	1	-	1	Yes
Smt. Fatima Fernandes	Non-Executive	2	1	-	-	Yes

There are no inter-se relationships between the Board Members.

*The Directorships held by Directors as mentioned above, do not include Alternate Directorships and Directorships of Foreign Companies, Section 8 Companies and Private Limited Companies.

**Chairmanship(s)/Membership(s) of only the Audit Committee, Stakeholders' Relationship Committee and Nomination and Remuneration Committee of all Public Limited Companies have been considered.

SIMPLEX MILLS COMPANY LIMITED

3. AUDIT COMMITTEE

During the year ended 31st March, 2018, 4 (four) Audit Committee Meetings were held. The dates on which the said meetings were held are as follows:

10th May, 2017, 8th August, 2017, 6th November, 2017 and 8th February, 2018.

The composition of the Audit Committee and the number of meetings attended by each Member during the year ended 31st March, 2018 is as follows:

Name of the Member	Designation	No. of Meetings held - 4
		Attended
Shri Sabhapati G.Shukla	Chairman	4
Shri Manish Harshey	Member	4
Shri Shekhar R Singh	Member	4

The Audit Committee comprises of three Members out of which two are Independent Directors and one is a Non-Executive Director having good knowledge of Finance, Accounts and Company Law.

The Audit Committee, as and when considers appropriate, invites the Statutory Auditors at the meetings of the Committee.

The terms of reference of this Committee includes those specified under Regulation 18 read with Part C of Schedule II of the Listing Regulations in consonance with the provisions of Section 177 of the Companies Act, 2013 (the Act). The brief descriptions of terms of reference are as follows:

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommending the appointment / re-appointment / replacement, if required, of Statutory Auditors, fixation of audit fees and approval of payments for any other services;
- Reviewing with management, the annual financial statements before submission to the Board for approval with particular reference to:
 - Matters required to be included in the Directors' Responsibility Statement are included in the Directors' Report in terms of sub-section 3 (c) of Section 134 of the Act.

- Changes, if any, in accounting policies and practices and reasons for the same.
- Major accounting entries involving estimates based on the exercise of judgment by the management.
- 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 related party transactions.
- Un-modified opinion(s) in draft audit report.
- Reviewing with management, quarterly financial statements before submission to the Board for approval;
- Review and monitor the Auditor's independence and performance and effectiveness of Audit process;
- Reviewing performance of Statutory Auditors;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the shareholders (in case of non-payment of declared dividends) and creditors;
- To grant omnibus approval for related party transactions which are in the ordinary course of business and on an arm length pricing basis and to review and approve such transactions subject to the approval of the Board;

- To review the functioning of the Whistle Blower mechanism; and
- Carrying out such other function as may be specifically referred to the Committee by the Board of Directors and/or other Committees of Directors of the Company.

4. NOMINATION AND REMUNERATION COMMITTEE

During the year ended 31st March, 2018, Nomination and Remuneration Committee meeting was held on 10th May, 2017.

The composition of the Nomination and Remuneration Committee and the number of meetings attended by each Member during the year ended 31st March, 2018 is as follows.

Name of the Member	Designation	No. of Meetings held - 1
		Attended
Shri Sabhapati G.Shukla	Chairman	1
Shri Manish Harshey	Member	1
Shri Shekhar R Singh	Member	1

The terms of reference of this Committee includes those specified under Regulation 19 read with Part D of Schedule II of the Listing Regulations in consonance with the provisions of Section 178 of the Act. The brief descriptions of terms of reference of the Committee inter-alia, include the following:

- Succession planning of the Board of Directors and other Senior Management Employees;
- To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down;
- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to remuneration for the directors and Key Managerial Personnel and other Senior Management Employees;
- Review the performance of the Board of Directors and other Senior Management Employees in accordance with the criteria laid down; and
- To oversee the matters pertaining to HR Policies.

REMUNERATION TO DIRECTORS

The Non-Executive Directors are entitled to sitting fees for every meeting of the Board or Committee thereof attended by them.

The Nomination and Remuneration Policy, which was approved by the Board is available on the Company's website and the web-link for the same is http://simplex-group.com/upload_pdf/13186Nomination%20and%20Reumenration%20Policy.pdf

Details of remuneration paid to Directors during the year ended 31st March, 2018:

(In ₹)

Name	Salary, Perquisites & Allowances	Sitting fees
Shri Sabhapati G.Shukla	Nil	1000
Smt. Sita Sunil	Nil	1000
Shri Shekhar R Singh	Nil	1000
Smt. Fatima Fernandes	Nil	500
Shri Manish Harshey	Nil	1000

5. STAKEHOLDERS RELATIONSHIP COMMITTEE

During the year ended 31st March, 2018, 4 (four) Stakeholders Relationship Committee Meetings were held. The dates on which the said meetings were held are as follows:

10th May, 2017, 8th August, 2017, 6th November, 2017 and 8th February, 2018.

The composition of Stakeholders Relationship Committee and the number of meetings attended by each Member during the year ended 31st March, 2018 is as follows

Name of the Member	Designation	No. of Committee Meetings held - 4
		Attended
Shri Sabhapati G.Shukla	Chairman	4
Shri Manish Harshey	Member	4

The brief descriptions of terms of reference of the Committee inter-alia, include the following:

- To allot shares/securities from time to time;
- To consider all matters pertaining to securities, including but not limited to offer of securities

alongwith issue and allotment of securities, crediting of securities in depository system, listing and de-listing of securities on/from stock exchange in India, transfer and transmission of securities, demat and remat of securities, issue of duplicate securities certificate, consolidation and split of securities certificate and to do all acts required to be done under the applicable rules, regulations and guidelines, from time to time and to consider matters incidental thereto;

- To monitor the shareholding pattern and related reports on securities;
- To approve the opening, operations and closure of bank accounts for payment of interest and dividend, issue and redemption of securities, to authorize officials to open, operate and close the said accounts from time to time;
- To consider and resolve the grievances of security holders of the Company;
- To appoint/change and fix the fees and other charges payable to the Share Transfer Agents(STA) for handling the work relating to securities and to delegate powers to the STA as may be deemed fit and to monitor all activities of the STA;
- To consider and resolve the matters/ grievances of Shareholders/Investors in regard to the following:
 - transfer of shares
 - non-receipt of dividends
 - non-receipt of shares in demat account
 - non-receipt of annual report
 - any other matter of Shareholders/ Investors grievance
- To delegate any of the aforesaid matters to Director(s)/official(s) and/or to the officials of the STA, as the Committee may deem fit.

Smt. Fatima Fernandes is Compliance Officer of the Company.

Investor Relations

The total numbers of complaints received, resolved and pending during the year ended 31st March, 2018 were Nil.

6. INDEPENDENT DIRECTORS' MEETING

During the year under review, Independent Directors met on 8th February, 2018, *inter- alia*, to discuss:

- Evaluation of the performance of Non-Independent Directors and the Board as a whole;
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors; and
- Evaluation of the quality, quantity content and timeliness of flow of information between the Management and the Board.

7. GENERAL BODY MEETINGS

Annual General Meeting (AGM)

Location, Time and Date of the AGMs held during the last three years:

Financial Year	Date of AGM	Time	Location of the Meeting	Special Resolution
2014-2015	05.08.2015	12.30 P.M.	M.C.Ghia Hall, 4th floor, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Kala Ghoda, Mumbai-400 001	NIL
2015-2016	09.08.2016	12.30 P.M.		a) Adoption of New Set of the Articles of a Association of the Company; b) Increase in limits of investments in other bodies corporate.
2016-2017	08.08.2017	12.30 P.M.		NIL

No special resolution was put through Postal ballot at the last AGM nor is proposed at the forthcoming AGM.

8. DIRECTORS

Resume and other information regarding the Directors seeking appointment/re-appointment as required by Regulation 36(3) of the Listing Regulations has been given in the Notice of the forthcoming AGM annexed to the Annual Report.

9. DISCLOSURES

a) Related party transactions

All transactions entered into with Related Parties as defined under the Act and the Listing Regulations during the financial year on an arm's length pricing basis and do not attract the provisions of Section 188 of the Act. There were no materially significant transactions with

related parties during the financial year which were in conflict with the interest of the Company.

The detailed disclosure as required by the Indian Accounting Standards (Ind AS)-24 on Related Party Disclosures have been made in the notes to the Financial Statements.

b) Compliance by the Company

The Company has complied with the requirements of the Stock Exchange, the SEBI and other statutory authorities on all matters relating to capital market during the last three years. No penalties or strictures have been imposed on the Company by the Stock Exchange, the SEBI or other statutory authorities.

c) Familiarization Programme for Independent Director

At the time of appointment, a formal letter of appointment is given to Independent Directors which inter-alia explain the role, functions, duties and responsibilities expected from them as a Director of the Company. The Company conducts structure orientation programmes for the Independent Directors to understand and get updates on the business and operations of the Company on a continuous basis.

d) Vigil Mechanism/Whistle-blower Policy

The Company has adopted Vigil Mechanism/ Whistle-blower Policy, which is available on the Company's website. No personnel have been denied access to the Audit Committee to lodge their grievances.

e) Code of Conduct

The Company has laid down a code of conduct for the Directors of the Company. The code has been posted on the website of the Company. A declaration to the effect that the Directors have adhered to the same, signed by the Director of the Company, forms part of this report.

f) Disclosure of Accounting Treatment

In the preparation of the financial statements, the Company has followed Indian Accounting Standards issued by The Institute of Chartered Accountants of India to the extent applicable.

g) Disclosure of Risk Management

The Company has a procedure to inform the Board about the risk assessment and minimization procedures. The Board of Directors periodically reviews the risk management framework of the Company.

h) CEO/CFO Certification

As per requirement of Regulation 33 of the Listing Regulations, the certificate from Smt. Fatima Fernandes and Shri Sabhapati G. Shukla, Directors of the Company, on financial statements for the year ended 31st March, 2018 was placed before the Board.

i) Review of Directors' Responsibility Statement

The Board in its report has confirmed that the annual accounts for the year ended 31st March, 2018 have been prepared as per applicable Indian accounting standards and policies and that sufficient care has been taken for maintaining adequate accounting records.

10. MEANS OF COMMUNICATION

- The quarterly, half-yearly, nine months and full year results are published in The Financial Express (English edition) and Mumbai Lakshdeep (Regional edition).
- The Company has its own website i.e. www.simplex-group.com and has been uploading the financial results and quarterly shareholding pattern of the Company along with other relevant information useful to investors on the website.
- At present, the Company does not make presentation to Institutional Investors and Analysts.
- The Management Discussion and Analysis is given separately in this Annual Report.

11. CODE FOR PREVENTION OF INSIDER TRADING

The Company has adopted a Code for Prevention of Insider Trading in the shares of the Company which is in line with the Model Code as prescribed by the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended. The said code, inter-alia prohibits purchase/sale of shares of the Company by Directors and Employees while in possession of unpublished price sensitive information in relation to the Company.

SIMPLEX MILLS COMPANY LIMITED

12. GENERAL INFORMATION FOR SHAREHOLDERS

i. Date, Time and Venue of forthcoming AGM	Date : Wednesday, 1st August, 2018 Time : 12.30 P.M. or soon after the conclusion of the Annual General Meeting of Simplex Realty Limited convened on the same day, whichever is later. Venue : M. C. Ghia Hall, 4th Floor, Bhogilal Hargovindas Building, 18/20, Kaikhushra Dubash Marg, Kala Ghoda, Mumbai - 400 001
ii. Financial Calendar (2018-2019)	<ul style="list-style-type: none"> First Quarterly Results - Upto 15th August, 2018 Second Quarterly Results - Upto 15th November, 2018 Third Quarterly Results - Upto 15th February, 2019 Annual Results - Upto 30th May, 2019
iii. Date of Book Closure	From Thursday, 26th July, 2018 to Wednesday, 1st August, 2018 (both days inclusive)
iv. Dividend payment date	N.A.
v. Listing on Stock Exchange	BSE Limited (BSE) P. J. Towers, Dalal Street, Fort, Mumbai- 400 001
vi. Security Code ISIN	533018 INE457H01019

vii. Market Price Data:

The monthly high and low quotations of shares traded on the BSE from April, 2017 to March, 2018 are as follows:

Month	Volume (No. of shares)	Price (₹)		BSE Sensex	
		High	Low	High	Low
April, 2017	613	18.55	14.95	30,184.22	29,241.48
May, 2017	2107	15.01	12.24	31,255.28	29,804.12
June, 2017*	-	-	-	31,522.87	30,680.66
July, 2017	51	12.00	12.00	32,672.66	31,017.11
August, 2017	211	12.00	12.00	32,686.48	31,128.02
September, 2017*	-	-	-	32,524.11	31,081.83
October, 2017	391	12.60	12.00	33,340.17	31,440.48
November, 2017*	-	-	-	33,865.95	32,683.59
December, 2017*	-	-	-	34,137.97	32,565.16
January, 2018	970	12.00	10.30	36,443.98	33,703.37
February, 2018	85	10.50	9.98	36,256.83	33,482.81
March, 2018*	-	-	-	34,278.63	32,483.84

*No Trading in these months

viii) Share Transfer Agent

Freedom Registry Limited
Plot No. 101/102, 19th Street,
MIDC, Satpur, Nashik – 422 007
Tel.: (0253) 2354032 Fax : (0253) 2351126
E-mail: support@freedomregistry.in

ix) Share Transfer System

All shares sent or transferred in physical form are registered by the Share Transfer Agent within 30 days of the lodgment, if documents, are found in order. Shares under objection are returned within two weeks. All requests for dematerialization of shares are processed and confirmations are given to the respective Depositories i.e. National Securities Depository Limited and Central Depository Services (India) Limited within 15 days.

x) Shareholding Pattern as on 31st March, 2018

Category	Number of shares held	Percentage of Shareholding
(A) Shareholding of Promoter and Promoter Group	21,61,702	72.05
(B) Public shareholding		
(1) Institutions		
(a) Mutual Funds/ UTI	102	0.00
(b) Financial Institutions/ Banks	4,843	0.16
(c) Insurance Companies	4,48,760	14.96
(2) Non-Institutions		
(a) Bodies Corporate	21,158	0.71
(b) Individuals -		
i. holding nominal share capital up to ₹ 2 lakh	3,57,572	11.92
ii. holding nominal share capital in excess of ₹ 2 lakh	-	-
(c) Non-Residents	6,267	0.20
(d) Directors and their Relatives	71	0.00
Total Public Shareholding (B)= (B)(1)+(B)(2)	8,38,773	27.95
TOTAL (A)+(B)	30,00,475	100

Distribution of Shareholding as on 31st March, 2018

Category	Number of Shareholders	Percentage of Total Number of Shareholders	Total Number of Shares	Percentage of Total Number of Shares
1 to 500	5,073	97.61	2,20,568	7.35
501 to 1,000	57	1.10	40,137	1.34
1,001 to 5,000	52	1.00	1,04,023	3.47
5,001 to 10,000	3	0.06	18,363	0.61
10,001 & above	12	0.23	26,17,384	87.23
Total	5,197	100	30,00,475	100

xi) Dematerialization of Shares and Liquidity OR

About 95.10 percent shares have been dematerialized as on 31st March, 2018.

xii) Outstanding ADRS, GDRS, Warrants or any convertible instruments, conversion date and impact on Equity

Not Applicable

xiii) Address for Investor Correspondence

- a) Simplex Mills Company Limited
30, Keshavrao Khadye Marg, Sant Gadge
Maharaj Chowk, Mumbai- 400011
Tel. : (022) 2308 2951
Fax : (022) 2307 2773
E-mail : mills@simplex-group.com
Website : www.simplex-group.com

b) Freedom Registry Limited

Registered Office

Plot No. 101/102, 19th Street,
MIDC, Satpur, Nashik- 422007
Tel. : (0253) 2354032
Fax : (0253) 2351126
E-mail : support@freedomregistry.in

Liasioning Office

104, BaySide Mall,
35/C, M.M.Malviya Marg, Tardeo Road,
Haji Ali, Mumbai- 400034
Tel.: (022) 23525589

SIMPLEX MILLS COMPANY LIMITED

DECLARATION UNDER REGULATION 26(3) READ WITH PART D OF SCHEDULE V OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

It is hereby declared that all the Board Members of the Company have affirmed adherence to compliance with the Code of Conduct for the year ended 31st March, 2018.

For Simplex Mills Company Limited

Sabhapati G. Shukla
Director

Mumbai, 14th May, 2018

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Simplex Mills Company Limited

We have examined the compliance of conditions of Corporate Governance by Simplex Mills Company Limited for the year ended on 31st March, 2018, as stipulated in Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) with the BSE Limited.

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

In our opinion and based on information and according to the explanations given to us and the representations made by the Management and to the best of our knowledge and belief, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the aforementioned listing regulations.

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

For **K.M.Shah & Co.**
Chartered Accountants
Firm's Registration No.: 109637W

Kantilal M.Shah
Proprietor
Membership No.: 003857

Mumbai, 14th May, 2018

INDEPENDENT AUDITOR'S REPORT

To the Members of Simplex Mills Company Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Simplex Mills Company Limited** ('the Company'), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the 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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 31st March, 2018;
- b) in the case of the Statement of Profit and Loss (including Other Comprehensive Income), of the Loss for the year ended on that date;
- c) in the case of the Statement of Changes in Equity, of the changes in equity for the year ended on that date; and
- d) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

SIMPLEX MILLS COMPANY LIMITED

Emphasis of Matters

We draw attention to the following matters in the Notes to the financial statements:

1. During the year, the Company has accumulated losses and its net worth has been fully eroded. This situation, along with other matters set forth in Note no. 28, indicate the existence of an uncertainty that may cast doubt about the Company's ability to continue as a going concern. However, the financial statements of the Company have been prepared on a going concern basis for the reason stated in the said note.

Our opinion is not modified in respect of the aforesaid matter.

Report on Other Legal and Regulatory Requirements

1. As required by The Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure 'A', a statement on the matters specified in Paragraphs 3 of the Order to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

- (e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and operative effectiveness of such controls, refer to our separate report in Annexure 'B' and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note No. 25 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For K.M.Shah & Co.
Chartered Accountants
Firm's Registration No.: 109637W

Kantilal M.Shah
Proprietor
Membership No.: 003857
Mumbai 14th May, 2018

Annexure ‘A’ to the Independent Auditor’s Report to the members of the Company on the financial statements for the year ended 31st March, 2018 referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date.

- i. a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b. According to information and explanation given to us, during the year, the management conducted physical verification of certain fixed assets in accordance with its policy of physical verification in a phased manner. In our opinion, such frequency is reasonable having regard to the size of the Company and the nature of its fixed assets. As explained to us, the discrepancies noticed on physical verification as compared to book records maintained, were not material and have been properly dealt with in the books of account.
- c. Based on the audit procedure performed and according to the records of the Company, title deeds of all the immovable properties are held in the name of the Company.
- ii. The Company does not have any stock during the year, hence clause 3 (ii) of the order is not applicable.
- iii. The Company has not granted loans to any parties covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act'). Accordingly, paragraph 3(iii)(a,b&c) of the Order is not applicable to the Company in respect of receipt of the principal amount and interest.
- iv. In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of Section 185 and 186 of the Act.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Section 73 to 76 of the Act, and the rules framed there under.
- vi. As per information and explanation given to us, by the management, the provisions for maintenance of the cost records under Section 148(1) of the Act are

not applicable to the Company as there is no manufacturing activity during the year under review.

- vii. a. According to the information and explanations given to us, the Company was regular during the year in depositing undisputed statutory dues including Provident fund, Income tax, Sales tax, Customs duty, Goods and Service Tax and Excise duty with the appropriate authorities. According to the information and explanation given to us, as at the balance sheet date, the Company has no undisputed statutory dues of a material nature which remained unpaid for a period exceeding six months from the date on which they were payable.
- b. According to the information and explanation given to us, as at the balance sheet date, the Company has not deposited dues of excise duty aggregating to ₹ 1,08,72,016/- on account of the following disputes pending before authorities:

Excise duty

Period to which dues relate	Pending before	(₹)
1984-85 and 1995 to 1996	Assistant Commissioner	49,13,695
1981-84	CESTAT	5,291
1981 to 1984	High Court	59,53,030
	Total	1,08,72,016

- viii. According to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders during the year.
- ix. According to the information and the explanations given to us, the Company has not raised any money by way of Initial/further public offer (including debt instruments) and term loans during the year. Accordingly, Para 3(ix) of the Order is not applicable.
- x. To the best of our knowledge and belief and according to the information and explanations given to us, there have been no cases of fraud on or by the Company noticed or reported during the year under report.

SIMPLEX MILLS COMPANY LIMITED

- xi. As per the information and explanations given to us, no managerial remuneration has been paid or provided during the year.
- xii. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, provisions of the clause 3(xii) of the Order are not applicable to the Company.
- xiii. In our opinion and as per the information and explanation given by the management, all the transactions with the related parties are in compliance with Section 177 and 188 of Act where applicable and details have been disclosed in the financial statements as required by the applicable accounting standard.
- xiv. The Company has not made any preferential allotment or private placement of shares or partly/fully convertible debentures during the year, therefore reporting under clause 3(xiv) shall not be applicable.
- xv. According to the information and explanation given to us and on an overall examination of financial statement of the Company, we report that Company has not entered in to any non-cash transactions with director or persons connected with him.
- xvi. In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **K.M.Shah & Co.**
Chartered Accountants
Firm's Registration No.: 109637W

Kantilal M.Shah
Proprietor
Membership No.: 003857
Mumbai 14th May, 2018

Annexure 'B' to the Independent Auditor's Report of the even date.

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

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

We have audited the internal financial controls over financial reporting of **Simplex Mills Company Limited** ('the Company') as of 31st March, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of

adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by the Institute of Chartered Accountants of India and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention

or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For K.M.Shah & Co.
Chartered Accountants
Firm's Registration No.: 109637W

Kantilal M.Shah
Proprietor
Membership No.: 003857
Mumbai 14th May, 2018

SIMPLEX MILLS COMPANY LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2018

	Note	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹	As at 1st April, 2016 ₹
A ASSETS				
I Non-Current Assets				
Property, Plant and Equipment	2	4,38,69,488	4,47,47,476	4,78,20,571
Capital Work-in-Progress	3	-	18,15,260	18,15,260
Financial Assets:				
Loans	4	33,490	2,90,220	2,94,123
Deferred Tax Assets (net)	5	-	-	-
Other Non-Current Assets	6	11,90,988	3,37,138	2,77,073
Total Non-Current Assets		4,50,93,966	4,71,90,094	5,02,07,027
II Current Assets				
Inventories	7	2,68,924	2,98,934	2,98,934
Financial Assets:				
Trade Receivables	8	2,675	5,675	11,19,299
Cash and Cash Equivalents	9	21,15,982	7,77,656	25,77,814
Other Bank Balances	10	-	-	29,242
Loans	11	72,69,692	68,54,649	62,88,669
Other Financial Assets	12	-	40,000	21,430
Other Current Assets	13	15,73,670	19,34,842	23,05,766
Total Current Assets		1,12,30,943	99,11,756	1,26,41,154
TOTAL ASSETS		5,63,24,909	5,71,01,850	6,28,48,181
B EQUITY AND LIABILITIES				
I Equity				
Equity Share Capital	14	3,00,04,750	3,00,04,750	3,00,04,750
Other Equity	15	(7,53,96,379)	(7,10,62,707)	(6,87,94,243)
Total Equity		(4,53,91,629)	(4,10,57,957)	(3,87,89,493)
II Liabilities				
Current Liabilities				
Financial Liabilities :				
Borrowings	16	8,17,24,118	8,17,24,118	8,17,24,118
Trade Payables		10,21,387	10,75,394	23,36,375
Other Financial Liabilities	17	4,73,567	5,50,410	7,65,294
Other Current Liabilities	18	1,84,97,466	1,48,09,885	1,68,11,887
Total Current Liabilities		10,17,16,538	9,81,59,807	10,16,37,674
Total Liabilities		10,17,16,538	9,81,59,807	10,16,37,674
TOTAL EQUITY AND LIABILITIES		5,63,24,909	5,71,01,850	6,28,48,181

Significant Accounting Policies 1

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached

For and on behalf of the Board

For **K.M.Shah & Co.**

Sabhapati G. Shukla

Chartered Accountants

Director

(Firm's Registration No.109637W)

Kantilal M.Shah

Shekhar R Singh

Proprietor

Director

Membership No. 003857

Mumbai, 14th May, 2018

Mumbai, 14th May, 2018

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

	Note	2017-18 ₹	2016-17 ₹
I Revenue from Operations	19	10,34,783	12,38,797
II Other Income	20	6,90,692	7,59,951
III Total Income (I+II)		17,25,475	19,98,748
IV EXPENSES			
Purchase of Stock-in-trade	21	9,95,540	12,02,715
Changes in inventories of Finished Goods and Work-in-progress	21	30,010	-
Finance Costs	22	44	-
Depreciation	2	8,77,988	9,50,486
Other Expenses	23	34,44,818	37,19,290
Total Expenses (IV)		53,48,400	58,72,491
V Loss before Exceptional Items and Tax (III-IV)		(36,22,925)	(38,73,743)
VI Exceptional Items	24	15,04,494	(16,05,279)
VII Loss before Tax (V-VI)		(51,27,419)	(22,68,464)
VIII Tax Expense			
Earlier year taxes		(7,93,747)	-
IX Loss for the year (VII-VIII)		(43,33,672)	(22,68,464)
X Other Comprehensive Income / (Expense) - (OCI)			
Total Other Comprehensive Income / (Expense) for the year, net of tax		-	-
XI Total Comprehensive Income / (Expense) for the year (IX+/-X)		(43,33,672)	(22,68,464)
Earnings per Equity Share (Face Value of ₹ 10/- each)			
Basic and Diluted Earnings Per Share (in ₹)		(1.44)	(0.76)

Significant Accounting Policies

1

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached

For and on behalf of the Board

For **K.M.Shah & Co.**

Sabhapati G. Shukla

Chartered Accountants

Director

(Firm's Registration No.109637W)

Kantilal M.Shah

Shekhar R Singh

Proprietor

Director

Membership No. 003857

Mumbai, 14th May, 2018

Mumbai, 14th May, 2018

SIMPLEX MILLS COMPANY LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2018

1. EQUITY SHARE CAPITAL

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	₹	₹	₹
Balance at the beginning of the reporting year	3,00,04,750	3,00,04,750	3,00,04,750
Changes in equity share capital during the year	-	-	-
Balance at the end of the reporting year	3,00,04,750	3,00,04,750	3,00,04,750

2. OTHER EQUITY

(In ₹)

Particulars	Other Equity			Total Other Equity
	Reserves and Surplus			
	Capital Reserve	General Reserve	Retained Earnings	
Balance as at 1st April, 2016	25,00,000	12,78,59,088	(19,91,53,331)	(6,87,94,243)
Loss for the period	-	-	(22,68,464)	(22,68,464)
Other comprehensive income/(expense)	-	-	-	-
Total comprehensive income/(expense)	-	-	(22,68,464)	(22,68,464)
Balance as at 31st March, 2017	25,00,000	12,78,59,088	(20,14,21,795)	(7,10,62,707)
Loss for the period	-	-	(43,33,672)	(43,33,672)
Other comprehensive income/(expense)	-	-	-	-
Total comprehensive income/(expense)	-	-	(43,33,672)	(43,33,672)
Balance as at 31st March, 2018	25,00,000	12,78,59,088	(20,57,55,467)	(7,53,96,379)

Significant Accounting Policies - Note 1

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached

For **K.M.Shah & Co.**

Chartered Accountants

(Firm's Registration No.109637W)

Kantilal M.Shah

Proprietor

Membership No. 003857

Mumbai, 14th May, 2018

For and on behalf of the Board

Sabhapati G. Shukla

Director

Shekhar R Singh

Director

Mumbai, 14th May, 2018

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

	2017-18 ₹	2016-17 ₹
A. CASH FLOW FROM OPERATING ACTIVITIES :		
NET LOSS BEFORE EXCEPTIONAL ITEMS AND TAX	(36,22,925)	(38,73,743)
Adjustment for :		
Depreciation	8,77,988	9,50,486
Interest expense	44	-
Interest income	(6,90,644)	(6,89,577)
Balances written off / (back) - (net)	1,53,496	(67,713)
	3,40,884	1,93,196
OPERATING LOSS BEFORE WORKING CAPITAL CHANGES	(32,82,041)	(36,80,547)
Adjustment for changes in working capital		
Adjustment for (increase) / decrease in operating assets:		
Inventories	30,010	-
Trade receivables	3,000	11,13,624
Other financial assets	2,50,730	3,903
Other current assets	1,09,116	3,66,989
Other bank balances	-	29,242
Adjustment for increase /(decrease) in operating liabilities:		
Other financial liabilities	(51,843)	(2,14,884)
Trade payable	(13,296)	(11,89,333)
Other liabilities	37,39,393	(20,02,002)
	40,67,110	(18,92,461)
CASH GENERATED FROM / (USED IN) OPERATIONS	7,85,069	(55,73,008)
Direct taxes paid	(73,066)	(60,065)
NET CASH GENERATED FROM / (USED IN) OPERATING ACTIVITIES BEFORE EXCEPTIONAL ITEMS	7,12,003	(56,33,073)
Exceptional items (net)	3,10,766	10,36,299
NET CASH GENERATED FROM / (USED IN) OPERATING ACTIVITIES	(A) 10,22,769	(45,96,774)
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Sale of fixed assets	-	26,91,589
Interest received	7,30,644	6,71,007
Inter corporate deposits (given)	(4,15,043)	(5,65,980)
NET CASH GENERATED FROM INVESTING ACTIVITIES	(B) 3,15,601	27,96,616
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Interest paid	(44)	-
NET CASH USED IN FINANCING ACTIVITIES	(C) (44)	-
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(A+B+C) 13,38,326	(18,00,158)
CASH AND CASH EQUIVALENTS - AT THE START OF THE YEAR	7,77,656	25,77,814
CASH AND CASH EQUIVALENTS - AT THE END OF THE YEAR	21,15,982	7,77,656
Cash and cash equivalents comprise of :	As on	As on
	31-Mar-18	31-Mar-17
Balances with banks :		
- in Current accounts	21,04,323	7,66,937
Cash on hand	11,659	10,719
	21,15,982	7,77,656

Significant Accounting Policies- Note 1

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached
For **K.M.Shah & Co.**
Chartered Accountants
(Firm's Registration No.109637W)

Kantilal M.Shah

Proprietor

Membership No. 003857

Mumbai, 14th May, 2018

For and on behalf of the Board

Sabhapati G. Shukla
Director

Shekhar R Singh
Director

Mumbai, 14th May, 2018

SIMPLEX MILLS COMPANY LIMITED

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

CORPORATE INFORMATION

Simplex Mills Company Limited ("the Company") is a public limited company, incorporated and domiciled in India having its registered office at 30, Keshavrao Khadye Marg, Sant Gadge Maharaj Chowk, Mumbai – 400 011, Maharashtra, India. The equity shares of the Company are listed on BSE Limited. The Company is in trading of textile products (i.e. cloths and fabrics).

1. SIGNIFICANT ACCOUNTING POLICIES

(i) Basis of Preparation:

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("the Act") [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. The financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities, which are measured at fair value.

The financial statements up to year ended 31st March, 2017 were prepared in accordance with the accounting standards notified under Section 133 of the Act read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ("Indian GAAP") and the relevant provisions of the Act as applicable. These financial statements are the first financial statements of the Company under Ind AS. Refer to note 1b for information on first time adoption of Ind AS.

(ii) Current and Non-Current Classification:

The operating cycle is the time between the procurement of goods i.e. raw material or traded goods and their realization in cash and cash equivalent. All assets and liabilities have been classified into current and non-current based on a period of twelve months.

(iii) Fair Value Measurement:

The Company's accounting policies and disclosures require the measurement of fair values for financial instruments.

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

All assets and liabilities for which fair value is measured or disclosed in the separate financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

(iv) Revenue Recognition:

Revenue from sales of goods is recognized on dispatch of goods to customers, or when substantial risks and rewards of ownership are transferred by the Company. Revenue from sale of goods is measured at the fair value of the consideration received or receivable. Sales are net of Value Added Tax / Goods and Service Tax.

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

(v) Property, Plant and Equipment:

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment, if any. The cost of property, plant and equipment includes purchase price, including freight, duties, taxes and expenses incidental to acquisition and installation. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Property, plant and equipment are derecognized from financial statements, either on disposal or when no economic benefits are expected from its use or disposal. The gain or losses arising from disposal of property, plant and equipment are recognized in the Statement of Profit and Loss in the year of occurrence.

Subsequent expenditures

Subsequent expenditures related to an item of property, plant and equipment are added to its carrying value only when it is probable that the future economic benefits from the asset will flow to the Company and cost can be reliably measured. All other repair and maintenance costs are recognized in the Statement of Profit and Loss during the year in which they are incurred.

Depreciation

Depreciation is provided on all property, plant and equipment (excluding furniture and office equipment's) on straight-line method and on furniture and office equipment's on the written down value method on pro-rata basis over the useful lives of the assets as prescribed in the Schedule II to the Companies Act, 2013.

Assets class	Useful life
Buildings	60 years
Furniture and fixtures	10 years
Office equipments	5 years
Vehicles	8 years
Electrical installations	10 years
Computers	3 years

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at 1st April, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

(vi) Impairment of Non-Financial Assets:

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's or cash generating unit's (CGU) fair value less costs of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. If such recoverable amount of the asset or cash generating unit is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the Balance Sheet date there is any indication that any impairment loss recognized for an asset in prior years may no longer exist or may have decreased, the recoverable amount is reassessed and such reversal of impairment loss is recognized in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss..

(vii) Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

Financial Assets

Initial recognition and measurement

The Company recognizes financial assets when it becomes a party to the contractual provisions of the instrument. All financial assets are recognized initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

Subsequent measurement

For the purpose of subsequent measurement, the financial assets are classified as under:

i) Financial assets at amortised cost

A financial asset is measured at the amortised cost, if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. Interest income from these financial assets is included in other income using the EIR in the Statement of Profit and Loss. The losses arising from impairment are recognized in the Statement of Profit and Loss.

ii) Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets are classified as FVTOCI, if both the following conditions are met:

- These assets are held within a business model whose objective is achieved both by collecting contractual cash flows and selling the financial assets; and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding

Fair value movements are recognised in the other comprehensive income (OCI), except for the recognition of impairment gains or losses, interest income and foreign exchange gains or losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to Profit or Loss and recognised in other income/(loss).

iii) Financial assets at fair value through profit or loss (FVTPL)

Financial assets that do not meet the criteria for amortized cost or FVTOCI are measured at fair value through profit or loss. Gain/losses are recognized in the Profit and Loss.

Impairment of financial assets

The Company applies 'simplified approach' of measurement and recognition of impairment loss on financial assets that are loans, deposits and trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime Expected Credit Loss at each reporting date, right from its initial recognition.

De-recognition

A financial asset is derecognized when:

- the rights to receive cash flows from the assets have expired or
- the Company has transferred substantially all the risk and rewards of the asset, or
- the Company has neither transferred nor retained substantially all the risk and rewards of the asset, but has transferred control of the asset.

Financial Liabilities

- **Initial recognition and measurement**

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction cost.

- **Subsequent measurement**

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. For trade and other payables maturing within operating cycle, the carrying amounts approximate the fair value due to short maturity of these instruments.

- **Loans and borrowings**

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using Effective Interest Rate (EIR) method. Gain and losses are recognized in the Profit or Loss when the liabilities are derecognized.

Amortised cost is calculated by taking into account any discount or premium on acquisition and transaction costs. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

- **Derecognition**

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability.

- **Offsetting financial instruments**

Financial Assets and Liabilities are offset and the net amount is reflected in the balance sheet when there is legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

(viii) Inventories:

Traded goods are valued at cost or market rate, whichever is lower. Finished product is valued at cost or market rate whichever is lower.

(ix) Taxes:

Income tax expense comprises current and deferred tax. It is recognized in the Statement of Profit or Loss except to the extent that it relates to items recognized directly in equity or in OCI.

SIMPLEX MILLS COMPANY LIMITED

i. Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantially enacted at the reporting date.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

ii. Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities for financial reporting purpose and the amount used for taxation purposes.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

(x) Borrowing Costs:

Borrowing costs attributable to the acquisition or construction of qualifying assets are considered as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use.

All other borrowing costs are recognized as expense in the period in which these are incurred.

(xi) Cash and Cash Equivalents:

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand, demand deposit and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

(xii) Provisions and Contingent Liabilities:

The Company recognizes a provision when there is a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are disclosed when there is a possible obligation arising from past events the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

(xiii) Earnings Per Share:

Basic earnings per share is calculated by dividing the profit / (loss) attributable to the equity shareholders by weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit / (loss) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(xiv) Investments:

Long-term investments are valued at cost less provision for impairment in value of such investments.

1(a) USE OF ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, income, expenses and disclosures of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Estimates and underlying assumptions are reviewed at each reporting date. Any revision to accounting estimates and assumptions are recognised prospectively i.e. recognised in the period in which the estimate is revised and future periods affected.

1(b) FIRST TIME ADOPTION OF IND AS

The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 31st March, 2018, the comparative information presented in these financial statements for the year ended 31st March, 2017 and in the preparation of an opening Ind AS balance sheet as at 1st April, 2016 (the Company's date of transition to Ind AS). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (as amended) and other relevant provisions of the Act ("Indian GAAP" or "previous GAAP").

In preparing these financial statements, the Company has availed certain exemptions and exceptions in accordance with Ind AS 101 as explained below:

Ind AS Optional Exemptions availed:

Deemed cost for property, plant and equipment

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. Accordingly, the Company has elected to measure all of its property, plant and equipment at their previous GAAP carrying value and use that as its deemed cost as at the date of transition (1st April, 2016).

Fair value measurement of financial assets or financial liabilities at initial recognition

Ind AS 101 provides optional exemption to apply Ind AS 109 prospectively. The Company has availed the said exemption.

Reconciliation

As there is no impact on Equity as at 1st April, 2016 and as at 31st March, 2017 and on Total Comprehensive Income for the year ended 31st March, 2017 due to implementation of Ind AS, hence no reconciliation is required.

Impact of Ind AS adoption on the Statement of Cash Flow for the year ended 31st March, 2017

There were no material differences between the Cash Flow Statement presented under Ind AS and the previous GAAP.

SIMPLEX MILLS COMPANY LIMITED

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

2. PROPERTY, PLANT AND EQUIPMENT

(In ₹)

	GROSS CARRYING AMOUNT				DEPRECIATION				NET CARRYING AMOUNT	
	As at 1st April, 2017	Additions during the year	Deductions/ Adjustments during the year	As at 31st March, 2018	Upto 31st March, 2017	Provided during the year	On Deductions/ Adjustments	Upto 31st March, 2018	As at 31st March, 2018	As at 31st March, 2017
Land	3,76,89,402	-	-	3,76,89,402	-	-	-	-	3,76,89,402	3,76,89,402
Buildings	78,31,634	-	-	78,31,634	8,77,988	8,77,988	-	17,55,976	60,75,658	69,53,646
Plant, Machinery and Computers	18,575	-	-	18,575	-	-	-	-	18,575	18,575
Furniture, Fixtures and Office Equipments	42,543	-	-	42,543	-	-	-	-	42,543	42,543
Vehicles	43,310	-	-	43,310	-	-	-	-	43,310	43,310
Total	4,56,25,464	-	-	4,56,25,464	8,77,988	8,77,988	-	17,55,976	4,38,69,488	4,47,47,476

(In ₹)

	GROSS CARRYING AMOUNT				DEPRECIATION				NET CARRYING AMOUNT	
	Deemed cost as at 1st April, 2016	Additions during the year	Deductions/ Adjustments during the year	As at 31st March, 2017	Opening as at 1st April, 2016	Provided during the year	On Deductions/ Adjustments	Upto 31st March, 2017	As at 31st March, 2017	As at 1st April, 2016
Land	3,76,89,402	-	-	3,76,89,402	-	-	-	-	3,76,89,402	3,76,89,402
Buildings	1,00,26,741	-	21,95,107	78,31,634	-	9,50,486	72,498	8,77,988	69,53,646	1,00,26,741
Plant, Machinery and Computers	18,575	-	-	18,575	-	-	-	-	18,575	18,575
Furniture, Fixtures and Office Equipments	42,543	-	-	42,543	-	-	-	-	42,543	42,543
Vehicles	43,310	-	-	43,310	-	-	-	-	43,310	43,310
Total	4,78,20,571	-	21,95,107	4,56,25,464	-	9,50,486	72,498	8,77,988	4,47,47,476	4,78,20,571

3. CAPITAL WORK-IN-PROGRESS

	31.03.2018	31.03.2017	01.04.2016
	₹	₹	₹
Capital advances	-	18,15,260	18,15,260
	-	18,15,260	18,15,260

4. LOANS - NON-CURRENT (Unsecured, considered good)

	31.03.2018	31.03.2017	01.04.2016
	₹	₹	₹
Security deposits	33,490	2,90,220	2,94,123
	33,490	2,90,220	2,94,123

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

5. DEFERRED TAX (ASSETS) / LIABILITY (NET)	31.03.2018 ₹	31.03.2017 ₹	01.04.2016 ₹
Deferred tax liability			
Property, plant and equipment	(5,32,797)	(7,06,640)	(10,20,829)
Deferred tax assets			
Unused tax losses	3,31,41,891	3,71,78,716	3,84,03,467
Net deferred tax asset*	3,26,09,094	3,64,72,076	3,73,82,638

***Deferred tax asset has not been recognised in the books.**

In assessing the realizability of deferred tax assets, the Company considers the extent to which it is probable that the deferred tax asset will be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the period in which those temporary differences and tax loss carry forwards become deductible. The Company considers the expected reversal of deferred tax liabilities, projected future taxable income in making this assessment.

The Company has not recognised deferred tax asset, considering that the Company had a history of tax losses for recent years and these losses expire in various years through fiscal 2026.

Movement in deferred tax

Movement in deferred tax during the year ended 31st March, 2018

	Opening balance as at 01.04.2017	Recognised in profit or loss	Reocgnised in OCI	Others**	Closing balance as at 31.03.2018 (In ₹)
Property, plant and equipment	(7,06,640)	-	-	1,73,843	(5,32,797)
Unused tax losses	3,71,78,716	-	-	(40,36,825)	3,31,41,891
Net deferred tax asset*	3,64,72,076	-	-	(38,62,982)	3,26,09,094

*Deferred tax asset has not been recognised in the books.

** There was reduction in deferred tax asset due to change in tax rate and deferred tax asset on current year's losses not recognized.

Movement in deferred tax during the year ended 31st March, 2017

	Opening balance as at 01.04.2016	Recognised in profit or loss	Reocgnised in OCI	Others**	Closing balance as at 31.03.2017 (In ₹)
Property, plant and equipment	(10,20,829)	-	-	3,14,189	(7,06,640)
Unused tax losses	3,84,03,467	-	-	(12,24,751)	3,71,78,716
Net deferred tax asset*	3,73,82,638	-	-	(9,10,562)	3,64,72,076

*Deferred tax asset has not been recognised in the books.

** There was reduction in deferred tax asset due to change in tax rate and unused tax losses used to set off against available taxable profits during the year.

SIMPLEX MILLS COMPANY LIMITED

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

Income tax recognised in profit or loss	31.03.2018	31.03.2017
	₹	₹
Current tax		
In respect of current year	-	-
in respect of earlier years	(7,93,747)	-
Deferred tax		
Relating to origination and reversal of temporary differences	-	-
Total income tax recognised for the year	(7,93,747)	-
The income tax expense for the year can be reconciled to the accounting profit as follows:	31.03.2018	31.03.2017
	₹	₹
Profit or (loss) before tax and exceptional item	(51,27,419)	(22,68,464)
Tax expense/(income) calculated at 25.75% (2016-17:29.87%)	(13,20,310)	(6,77,590)
Effect of expenses that are not deductible in income tax	2,29,038	95,239
Deferred tax asset not created on current year loss	10,91,272	-
Effect of income that is taxable in income tax	-	6,37,050
Set off brought forward losses	-	(54,699)
	-	-
Adjustments recognised in the current year in relation to the current tax of earlier years	(7,93,747)	-
Income tax expense recognised in profit or loss	(7,93,747)	-

The tax rate used for the above reconciliations is the corporate tax rate of 25.75% for the year 2017-18 and 29.87% for the year 2016-17 payable by corporate entities based on the turnover criteria on taxable profits under Indian Income Tax Laws.

6. OTHER NON-CURRENT ASSETS	31.03.2018	31.03.2017	01.04.2016
	₹	₹	₹
Advance tax (net of provisions)	11,90,988	3,37,138	2,77,073
	11,90,988	3,37,138	2,77,073

7. INVENTORIES	31.03.2018	31.03.2017	01.04.2016
(As valued and certified by the management)	₹	₹	₹
Finished goods (including waste)	2,68,924	2,98,934	2,98,934
	2,68,924	2,98,934	2,98,934

Finished products and waste are valued at cost or market rate whichever is lower, whereas the sold quantity is valued at contract rates.

8. TRADE RECEIVABLES	31.03.2018	31.03.2017	01.04.2016
	₹	₹	₹
Unsecured, considered good	2,675	5,675	11,19,299
	2,675	5,675	11,19,299

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

9. CASH AND CASH EQUIVALENTS	31.03.2018 ₹	31.03.2017 ₹	01.04.2016 ₹
Cash and cash equivalents			
Balances with banks:			
In current accounts	21,04,323	7,66,937	15,66,229
In fixed deposit	-	-	10,07,372
Cash on hand	11,659	10,719	4,213
	<u>21,15,982</u>	<u>7,77,656</u>	<u>25,77,814</u>
10. OTHER BANK BALANCES	31.03.2018 ₹	31.03.2017 ₹	01.04.2016 ₹
Earmarked balance with bank	-	-	29,242
	<u>-</u>	<u>-</u>	<u>29,242</u>
11. LOANS - CURRENT (Unsecured, considered good)	31.03.2018 ₹	31.03.2017 ₹	01.04.2016 ₹
Inter corporate deposits	72,69,692	68,54,649	62,88,669
	<u>72,69,692</u>	<u>68,54,649</u>	<u>62,88,669</u>
12. OTHER FINANCIAL ASSETS - CURRENT	31.03.2018 ₹	31.03.2017 ₹	01.04.2016 ₹
Interest accrued on deposits	-	40,000	21,430
	<u>-</u>	<u>40,000</u>	<u>21,430</u>
13. OTHER CURRENT ASSETS (Unsecured, considered good)	31.03.2018 ₹	31.03.2017 ₹	01.04.2016 ₹
Value added tax receivables	9,74,346	11,91,995	15,35,847
Balances with government authorities	4,85,192	5,47,792	7,31,900
Other advances	-	28,446	28,446
Prepaid expenses	3,812	3,007	3,612
Others	1,10,320	1,63,602	5,961
	<u>15,73,670</u>	<u>19,34,842</u>	<u>23,05,766</u>

SIMPLEX MILLS COMPANY LIMITED

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

14. EQUITY SHARE CAPITAL	31.03.2018 ₹	31.03.2017 ₹	01.04.2016 ₹
AUTHORISED			
31,00,000 (31st March, 2017 - 31,00,000 and 1st April, 2016 - 31,00,000) Equity shares of ₹10/- each	3,10,00,000	3,10,00,000	3,10,00,000
ISSUED, SUBSCRIBED AND PAID UP			
30,00,475 (31st March, 2017 - 30,00,475 and 1st April, 2016 - 30,00,475) Equity shares of ₹ 10/- each fully paid up.	3,00,04,750	3,00,04,750	3,00,04,750
Total issued, subscribed and fully paid up share capital	3,00,04,750	3,00,04,750	3,00,04,750

a. Reconciliation of the shares outstanding at the beginning and at the end of the period

	31.03.2018		31.03.2017		01.04.2016	
	Equity Shares		Equity Shares		Equity Shares	
	Number	₹	Number	₹	Number	₹
Shares outstanding at the beginning of the year	30,00,475	3,00,04,750	30,00,475	3,00,04,750	30,00,475	3,00,04,750
Shares issued during the year	-	-	-	-	-	-
Shares bought back during the year	-	-	-	-	-	-
Shares outstanding at the end of the year	30,00,475	3,00,04,750	30,00,475	3,00,04,750	30,00,475	3,00,04,750

b. Terms/rights attached to the equity shares

The Company has one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.

c. Details of the shareholders holding more than 5% shares in the Company

	As at 31.03.2018		As at 31.03.2017		As at 01.04.2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Simplex Realty Limited	14,70,000	48.99	14,70,000	48.99	14,70,000	48.99
Life Insurance Corporation of India	3,78,869	12.63	3,78,869	12.63	3,78,869	12.63
Shreelekha Global Finance Limited	2,52,553	8.42	2,52,553	8.42	2,52,553	8.42
New Textiles LLP (formerly known as New Textiles Private Limited)	2,51,505	8.38	2,51,505	8.38	2,51,505	8.38

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

15. OTHER EQUITY	31.03.2018 ₹	31.03.2017 ₹	01.04.2016 ₹
CAPITAL RESERVE -Backward area incentive			
Opening balance	25,00,000	25,00,000	25,00,000
Addition/(utilisation) during the year	-	-	-
Closing balance	25,00,000	25,00,000	25,00,000
GENERAL RESERVE			
Opening balance	12,78,59,088	12,78,59,088	12,78,59,088
Addition/(utilisation) during the year	-	-	-
Closing balance	12,78,59,088	12,78,59,088	12,78,59,088
RETAINED EARNINGS			
Opening balance	(20,14,21,795)	(19,91,53,331)	(19,91,53,331)
Loss for the year	(43,33,672)	(22,68,464)	-
Other comprehensive income / (expense)	-	-	-
Closing balance	(20,57,55,467)	(20,14,21,795)	(19,91,53,331)
Total other equity	(7,53,96,379)	(7,10,62,707)	(6,87,94,243)

GENERAL RESERVE

General Reserve is used to represent amounts transferred from Retained Earnings for appropriation purpose as per the requirements of the erstwhile Companies Act, 1956. This General Reserve includes the amount credited as per the scheme of arrangement in earlier year. The reserve can be utilised in accordance with the provisions of the Act.

CAPITAL RESERVE

This includes the amount of backward area incentive received by the Company. The reserve can be utilised in accordance with the applicable provisions.

16. BORROWINGS - CURRENT (Unsecured, repayable on demand)	31.03.2018 ₹	31.03.2017 ₹	01.04.2016 ₹
Loans taken from related parties	8,17,24,118	8,17,24,118	8,17,24,118
	8,17,24,118	8,17,24,118	8,17,24,118
17. OTHER FINANCIAL LIABILITIES - CURRENT	31.03.2018 ₹	31.03.2017 ₹	01.04.2016 ₹
Unpaid fractional shares entitlement	-	-	29,242
Liability for expenses	4,73,567	5,50,410	7,36,052
	4,73,567	5,50,410	7,65,294
18. OTHER CURRENT LIABILITIES	31.03.2018 ₹	31.03.2017 ₹	01.04.2016 ₹
Statutory dues	19,126	79,733	7,01,735
Other liabilities	1,84,78,340	1,47,30,152	1,61,10,152
	1,84,97,466	1,48,09,885	1,68,11,887

SIMPLEX MILLS COMPANY LIMITED

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

19. REVENUE FROM OPERATIONS	2017-18 ₹	2016-17 ₹
Revenue from operations		
Sale of products		
Finished goods	23,927	-
Traded goods	10,10,856	12,38,797
Revenue from operations (net)	10,34,783	12,38,797
Details of products sold		
Finished goods		
Cloth	21,677	-
Waste	2,250	-
	23,927	-
Traded goods		
Cloth	10,10,856	12,38,797
	10,34,783	12,38,797
20. OTHER INCOME	2017-18 ₹	2016-17 ₹
Interest on		
Bank deposits	-	584
Inter corporate deposits	6,83,383	6,28,867
Income tax	-	98
Others	7,261	60,028
Sundry balances written back (net)	-	67,910
Miscellaneous receipts (including scraps)	48	2,464
	6,90,692	7,59,951
21. INCREASE / (DECREASE) IN INVENTORIES	2017-18 ₹	2016-17 ₹
Closing stock		
Finished goods	2,68,924	2,98,934
	2,68,924	2,98,934
Less:		
Opening stock		
Finished goods	2,98,934	2,98,934
	2,98,934	2,98,934
Decrease in stock	(30,010)	-
Details of purchase of traded goods		
Cloth	9,95,540	12,02,715
Details of inventory		
Finished goods		
Cloth	2,55,572	2,81,399
Waste	13,352	17,535
	2,68,924	2,98,934

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

22. FINANCE COSTS	2017-18 ₹	2016-17 ₹
Interest on income tax	44	-
	<u>44</u>	<u>-</u>

23. OTHER EXPENSES	2017-18 ₹	2016-17 ₹
Power and fuel	70,205	1,65,285
Repairs to others	3,100	5,490
Insurance	9,896	9,050
Rates and taxes	3,24,422	3,24,422
Travelling and conveyance expenses	8,410	12,143
Director's sitting fees	4,500	5,529
Advertisements	31,548	42,032
Postage, stationery and printing	77,097	1,16,733
Bank charges/commission	2,695	2,878
Motor maintenance	46,779	70,075
Professional fees	17,56,133	23,83,915
Security charges	2,83,817	2,87,751
Membership and subscription charges	2,87,500	2,01,000
Service tax expense	2,63,828	-
Sundry balances written off (net)	1,53,496	-
Sundry expenses	91,392	55,448
Payments to Auditor		
Audit fees	22,500	22,500
In other capacity	7,500	10,000
For reimbursement of expenses and service tax	-	5,039
	<u>34,44,818</u>	<u>37,19,290</u>

24. EXCEPTIONAL ITEMS	2017-18 ₹	2016-17 ₹
(Profit) / Loss on sale of fixed assets	-	(5,68,980)
Contribution to provident fund	-	1,52,998
Compensation received (refer note 26)	(3,10,766)	(11,89,297)
Capital advances written off (refer note 27)	18,15,260	-
	<u>15,04,494</u>	<u>(16,05,279)</u>

SIMPLEX MILLS COMPANY LIMITED

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

25. CONTINGENT LIABILITIES

Claims against the Company not acknowledged as debt:	31.03.2018	31.03.2017	01.04.2016
	₹	₹	₹
Appeals filed in respect of disputed demands:			
i) Central Excise	1,08,72,016	1,08,72,016	2,61,53,603
ii) Labour Matters	1,06,72,454	1,07,48,497	1,82,76,366

26. During the year, the Company has received ₹ 3,10,766/- towards additional compensation from the Government of Maharashtra for land acquired by them for construction of highway. The same has been shown as exceptional item.
27. During the year, the Company has written off ₹ 18,15,260/- which were shown as Capital advances given towards procurement of machines. As the Company's manufacturing unit at Akola has been closed down, these advances are not recoverable, hence the same have been written off and shown as exceptional item.
28. The net worth of the Company has been fully eroded due to continuous losses. During the year, the Company has trading activity in clothes. Further, the Management is in the process of evaluating other viable textile business options and accordingly, the accounts have been prepared on going concern basis.
29. The Company has not received any intimation from "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/payable as required under the said Act have not been given.
30. As there are no employees in the Company, the provisions relating to Ind AS19 Employee Benefits, are not applicable.
31. **Earnings Per Share - (EPS)** is calculated by dividing the profit/ (loss) attributable to the equity share holders by weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares, except when the results would be anti-dilutive.

	Particulars	2017-18	2016-17
(a)	Loss after tax – ₹	(43,33,672)	(22,68,464)
(b)	Weighted average number of shares	30,00,475	30,00,475
(c)	Face value of shares ₹ per share)	10/-	10/-
(d)	Basic - ₹	(1.44)	(0.76)
(e)	Diluted - ₹	(1.44)	(0.76)

32. The Company's activities are classified as belonging to a single business segment of trading of textile products. The Company's operations are largely limited to India.

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

33. Related party disclosure

(In ₹)

Name of Related Party	Type of Related Party	Description of the nature of the transactions	Volume of transactions during 2017-18	Volume of transactions during 2016-17	As on 31.03.2018 Receivable/ (Payable)	As on 31.03.2017 Receivable/ (Payable)
Simplex Realty Limited	Controlling Company	Loan taken / (repaid) - (net) Payable Interest accrued/ paid	- - -	- - -	(7,76,71,632)	(7,76,71,632)
Simplex Papers Limited	Common Directors	Loan taken / (repaid) - (net) Payable Interest accrued/paid	- - -	- - -	(40,52,486)	(40,52,486)

Terms and conditions of transactions with related party:

The transactions with related parties are made on terms, equivalent to those that prevail in arm's length transactions. Outstanding balance at the year-end are unsecured and settlement occurs in cash.

34. FINANCIAL INSTRUMENTS - FAIR VALUE AND RISK MANAGEMENT

a) Accounting classification

The carrying value of financial instruments by categories are as follows:

(In ₹)

	As at 31.03.2018			As at 31.03.2017			As at 01.04.2016		
Particulars	At cost	FVTOCI	Amortised cost	At cost	FVTOCI	Amortised cost	At cost	FVTOCI	Amortised cost
Financial Assets									
Loans	-	-	73,03,182	-	-	71,44,869	-	-	65,82,792
Trade receivables	-	-	2,675	-	-	5,675	-	-	11,19,299
Cash and cash equivalents	-	-	21,15,982	-	-	7,77,656	-	-	25,77,814
Other bank balances	-	-	-	-	-	-	-	-	29,242
Other financial assets	-	-	-	-	-	40,000	-	-	21,430
	-	-	94,21,839	-	-	79,68,200	-	-	1,03,30,577
Financial Liabilities									
Borrowings	-	-	8,17,24,118	-	-	8,17,24,118	-	-	8,17,24,118
Trade payables	-	-	10,21,387	-	-	10,75,394	-	-	23,36,375
Other financial liabilities	-	-	4,73,567	-	-	5,50,410	-	-	7,65,294
	-	-	8,32,19,072	-	-	8,33,49,922	-	-	8,48,25,787

b) Fair value hierarchy and Method of valuation

The Company considers that the carrying value amount recognised in the financial statements approximate their fair value largely due to the short term maturities of these instruments.

c) Risk management framework

The Company's principal financial liabilities includes borrowings, trade and other payables. The Company's principal financial assets includes loans, trade receivables, cash and cash equivalents and others. The

SIMPLEX MILLS COMPANY LIMITED

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

Company is exposed to credit risk, liquidity risk and market risk. The Company's Directors oversees the management of these risks. The Company's Directors provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

d) Financial Risk Management

The Company has exposure to the following risks arising from financial instruments:

- i) Credit Risk
- ii) Liquidity Risk
- iii) Market Risk

i) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customers and investment in inter-corporate deposit.

The carrying amount of following financial assets represents the maximum credit exposure:

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Each outstanding customer receivables are regularly monitored and if outstanding is above due date, the further sales are controlled and can only be released if there is a proper justification.

No impairment is observed on the carrying value of trade receivables.

Other financial assets

Credit risk from balances with banks and loans is managed by responsible and authorised person of the Company. Investments of surplus funds are made only with approved counterparties.

ii) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed condition, without incurring unacceptable losses or risking damage to the Company's reputation.

The Management monitors rolling forecasts of the Company's liquidity position on the basis of expected cash flows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of surplus funds and inter-corporate loans.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. (In ₹)

As at 31st March, 2018	Carrying amount	Contractual cash flows				
		Total	Within 1 year	1-2 years	2-5 years	More than 5 years
Financial Liabilities						
Borrowings	8,17,24,118	8,17,24,118	8,17,24,118	-	-	-
Trade Payables	10,21,387	10,21,387	10,21,387	-	-	-
Other Financial Liabilities	4,73,567	4,73,567	4,73,567	-	-	-
	8,32,19,072	8,32,19,072	8,32,19,072	-	-	-

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

(In ₹)

As at 31st March, 2017	Carrying amount	Contractual cash flows				
		Total	Within 1 year	1-2 years	2-5 years	More than 5 years
Financial Liabilities						
Borrowings	8,17,24,118	8,17,24,118	8,17,24,118	-	-	-
Trade Payables	10,75,394	10,75,394	10,75,394	-	-	-
Other Financial Liabilities	5,50,410	5,50,410	5,50,410	-	-	-
	8,33,49,922	8,33,49,922	8,33,49,922	-	-	-

(In ₹)

As at 01 April, 2016	Carrying amount	Contractual cash flows				
		Total	Within 1 year	1-2 years	2-5 years	More than 5 years
Financial Liabilities						
Borrowings	8,17,24,118	8,17,24,118	8,17,24,118	-	-	-
Trade Payables	23,36,375	23,36,375	23,36,375	-	-	-
Other Financial Liabilities	7,65,294	7,65,294	7,65,294	-	-	-
	8,48,25,787	8,48,25,787	8,48,25,787	-	-	-

iii) Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and commodity prices which will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market exposures within acceptable parameters, while optimising the return.

Currency risk

There is no currency risk to the Company, as the Company's primary business activities are within India and does not have any exposure in foreign currency.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to risk of changes in market interest rate is not material as the Company has taken loan from related party and interest is not provided on this loan, considering the financial position of the Company.

Commodity price risk

Exposure to market risk with respect to commodity prices arises from the cost of procurement of traded goods and this price may be influenced by factors such as demand and supply and production cost. The Company does not buy any new material, if it can not be sold to the customers above the cost of procurement.

SIMPLEX MILLS COMPANY LIMITED

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

35. CAPITAL MANAGEMENT

The capital structure of the Company consists of net debt and the total equity of the Company. For this purpose, net debt is defined as total borrowings less cash and cash equivalents. The net worth of the Company has been fully eroded.

The funding requirements are met through short-term/long-term borrowings. The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
	₹	₹	₹
Borrowings	8,17,24,118	8,17,24,118	8,17,24,118
Less : Cash and cash equivalents	21,15,982	7,77,656	25,77,814
Net Debt	7,96,08,136	8,09,46,462	7,91,46,304
Total equity	(4,53,91,629)	(4,10,57,957)	(3,87,89,493)
Debt/Equity ratio	(1.75)	(1.97)	(2.04)

36. CORPORATE SOCIAL RESPONSIBILITY

During the year, the Company was not required to spend any money as per the provision of Section 135 of the Companies Act, 2013 towards Corporate Social Responsibility (CSR) activities.

Gross amount required to be spent by the Company during the year ₹ Nil (previous year ₹ Nil)

(In ₹)

Amount spent during the year:	2017-18			2016-17		
	Amount spent in cash	Amount yet to be paid in cash	Total	Amount spent in cash	Amount yet to be paid in cash	Total
(i) Construction /acquisition of any asset	-	-	-	-	-	-
(ii) On the purpose other than (i) above	-	-	-	-	-	-

37. The Financial Statements of the Company for the year ended 31st March, 2018 were approved by the Board of Directors on 14th May, 2018.

38. Previous year's figures have been reclassified, wherever necessary, to conform current year's presentation.

As per our report of even date attached

For **K.M.Shah & Co.**

Chartered Accountants

(Firm's Registration No.109637W)

Kantilal M.Shah

Proprietor

Membership No. 003857

Mumbai, 14th May, 2018

For and on behalf of the Board

Sabhapati G. Shukla

Director

Shekhar R Singh

Director

Mumbai, 14th May, 2018

FORM NO. SH-13

NOMINATION FORM

[Pursuant to Section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014]

To
Simplex Mills Company Limited
30, Keshavrao Khadye Marg,
Sant Gadge Maharaj Chowk,
Mumbai - 400 011

I/We _____ the holder(s) of the securities, particulars of which are given hereunder, wish to make nomination and do hereby nominate the following persons in whom shall vest, all the rights in respect of such securities in the event of my/our death.

1. PARTICULARS OF THE SECURITIES (in respect of which nomination is being made):

Nature of securities	Folio No.	No. of securities	Certificate No.	Distinctive No.

2. PARTICULARS OF NOMINEE/S –

- Name:
- Date of Birth:
- Father's / Mother's / Spouse's name:
- Occupation:
- Nationality:
- Address:
- E-mail Id. & Telephone No.:
- Relationship with the security holder(s):

3. IN CASE NOMINEE IS A MINOR –

- Date of birth:
- Date of attaining majority:
- Name of guardian:
- Address of guardian:

4. PARTICULARS OF NOMINEE IN CASE MINOR NOMINEE DIES BEFORE ATTAINING AGE OF MAJORITY –

- Name:
- Date of Birth:
- Father's / Mother's / Spouse's name:
- Occupation:
- Nationality:
- Address:
- E-mail Id. & Telephone No.:
- Relationship with the security holder(s)
- Relationship with the minor nominee:

Name(s) and Address of Security holder(s)

Signature(s)

Name(s) and Address of Witness

Signature

SIMPLEX MILLS COMPANY LIMITED

FORM NO. SH-14

CANCELLATION OR VARIATION OF NOMINATION FORM

[Pursuant to sub- section (3) of Section 72 of the Companies Act, 2013 and Rule 19(9) of the Companies (Share Capital and Debentures) Rules, 2014]

To
Simplex Mills Company Limited
30, Keshavrao Khadye Marg,
Sant Gadge Maharaj Chowk,
Mumbai - 400 011

I/We hereby cancel the nomination(s) made by me/us in favour of _____ (name(s) and address of the nominee) in respect of the below mentioned securities.

Or

I/We hereby nominate the following person in place of _____ as nominee in respect of the below mentioned securities in whom shall vest all rights in respect of such securities in the event of my/ our death.

1. PARTICULARS OF THE SECURITIES (in respect of which nomination is being made):

Nature of securities	Folio No.	No. of securities	Certificate No.	Distinctive No.

2. (a) PARTICULARS OF NOMINEE/S –

- Name:
- Date of Birth:
- Father's / Mother's / Spouse's name:
- Occupation:
- Address:
- E-mail Id. & Telephone No.:
- Relationship with the security holder(s):

(b) IN CASE NOMINEE IS A MINOR –

- Date of birth:
- Date of attaining majority:
- Name of guardian:
- Address of guardian:

3. PARTICULARS OF NOMINEE IN CASE MINOR NOMINEE DIES BEFORE ATTAINING AGE OF MAJORITY –

- Name:
- Date of Birth:
- Father's / Mother's / Spouse's name:
- Occupation:
- Nationality:
- Address:
- E-mail Id. & Telephone No.:
- Relationship with the security holder(s)
- Relationship with the minor nominee:

Name(s) and Address of Security holder(s)

Signature(s)

Name(s) and Address of Witness

Signature

To
Freedom Registry Limited
Unit: Simplex Mills Company Limited
Plot No. 101/102, 19th Street,
MIDC, Satpur,
Nashik- 422 007

Updation of Shareholder Information

I/ We request you to record the following information against my/our Folio No.:

General Information:

Folio No.:	
Name of the first named Shareholder:	
PAN:*	
CIN/ Registration No.:* (applicable to Corporate Shareholders)	
Tel No. with STD Code:	
Mobile No:	
Email Id:	

**Self-attested copy of the document(s) enclosed*

Bank Details

IFSC: (11 digit)	MICR: (9 digit)
Bank A/c Type:	Bank A/c No.:*
Name of the Bank:	
Bank Branch Address:	

** A blank cancelled cheque is enclosed to enable verification of bank details.*

I/ We hereby declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete or incorrect information, I/ We would not hold the Company/ STA responsible. I/ We undertake to inform any subsequent changes in the above particulars as and when the changes take place. I/ We understand that the above details shall be maintained by you till I/We hold the securities under the above mentioned Folio No.

Place:

Date:

Signature of Sole/ First holder

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Corporate Identification Number (CIN) - L65900MH1998PLC116585

Registered Office: 30, Keshavrao Khadye Marg, Sant Gadge Maharaj Chowk, Mumbai - 400 011

ATTENDANCE SLIP

I hereby record my presence at the 20th Annual General Meeting held at M.C. Ghia Hall, 4th Floor, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Kala Ghoda, Mumbai-400001 on Wednesday, the 1st day of August, 2018 at 12.30 P.M. or soon after the conclusion of the Annual General Meeting of Simplex Realty Limited convened on the same day, whichever is later.

DP. ID. No. _____

Client I.D. No. _____

Folio No. _____

Full Name of the Member _____

Signature _____

Full Name of Proxy (in Block Capitals) _____

Signature _____

- 1) Members / Proxy holders are requested to bring the attendance slip duly completed when they come to the Meeting and hand them over at the entrance after affixing their signatures on them.
- 2) Members / Proxy holders should bring their copy of the Annual Report for reference at the Meeting.



Corporate Identification Number (CIN) - L65900MH1998PLC116585

Registered Office: 30, Keshavrao Khadye Marg, Sant Gadge Maharaj Chowk, Mumbai - 400 011

PROXY FORM

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

Name of the Member(s)	E-mail Id:
Registered address:	Folio No/ *Client Id: *DP ID

I/We, being the member(s) holdingshares of Simplex Mills Company Limited, hereby appoint:

1. Name :..... Address:.....
E.mail ID:..... Signature:..... or failing him
2. Name :..... Address:.....
E.mail ID:..... Signature:..... or failing him
3. Name :..... Address:.....
E.mail ID:..... Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 20th Annual General Meeting of the Company, to be held on Wednesday, the 1st day of August, 2018 at 12.30 P.M. or soon after the conclusion of the Annual General Meeting of Simplex Realty Limited convened on the same day, whichever is later at M. C. Ghia Hall, 4th Floor, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Kala Ghoda, Mumbai-400 001 and at any adjournment thereof in respect of such resolutions as are indicated below:



** I/ We wish my above proxy(ies) to vote in the manner as indicated in the box below:

Resolutions	For	Against
Ordinary Business:		
1. Adoption of the Audited Financial Statements, the Reports of the Directors' and Auditors.		
2. Re-appointment of Shri Shekhar R Singh, as a Director, who retires by rotation.		
Special Business:		
3. To increase and re-classify the Authorised Share Capital.		
4. Approval for consequential amendment in the Articles of Association.		
5. To issue an offer and allot, upto 1, 00,00,000, Non-Convertible Redeemable Preference Shares of ₹10/- each on a preferential basis to Simplex Realty Limited, the Promoter of the Company.		

Signed this.....day of2018.

Signature of Member

Signature of Proxy holder(s)

Affix
Revenue
stamp
(Signature)

Notes:

1. This form duly filled up, stamped and signed by the appointer or his attorney duly authorized in writing or if the appointer is a Body Corporate, under the seal or signed by an attorney duly authorized by it shall be deposited at the Registered Office of the Company along with the power of Attorney, if any under which the Proxy Form is signed, not less than 48 hours before the time for holding the meeting. A Proxy need not be a member of the Company.
2. **This is only optional. Please put a "✓" in the appropriate column against the resolutions indicated in the Box. If you leave the "For" or "Against" column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
3. Appointing a proxy does not prevent a Member from attending the meeting in person if he /she so wishes.
4. In the case of Joint holders, the signature of any one holder will be sufficient, but names of all the jointholders should be stated.

[illegible]

[illegible]

Route map of venue of the AGM Hall



If undelivered, please return to:

Simplex Mills Company Limited

30, Keshavrao Khadye Marg,
Sant Gadge Maharaj Chowk,
Mumbai - 400 011