



23RD
ANNUAL REPORT
2020-2021

SIMPLEX MILLS COMPANY LIMITED

Board of Directors

Shri Sabhapati G. Shukla

Smt. Sita Sunil

Shri Shekhar R Singh

Smt. Fatima Fernandes (Resigned w.e.f 1st April, 2021)

Shri Manish Harsehy

Chief Financial Officer and Chief Executive Officer

Smt. Fatima Fernandes (w.e.f. 7th April, 2021)

Company Secretary

Mrs. Harshika Kataria (w.e.f 1st August, 2020)

Statutory Auditors

M/s. K.M. Shah & Co.

Chartered Accountants

Mumbai

Secretarial Auditors

M/s. Taher Sapatwala & Associates

Company Secretaries

Mumbai

Banker

State Bank of India, Mumbai

Corporate Identification Number (CIN)

L65900MH1998PLC116585

Registered Office

Village Shivni, Taluka and District,

Akola - 444104

Corporate 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

Email: support@freedomregistry.co.in

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23rd Annual General Meeting of the Company will be held on Tuesday, the 6th July, 2021 at 11.00 a.m. through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM")

NOTICE

NOTICE is hereby given that the **Twenty-Third ANNUAL GENERAL MEETING** of the Members of **SIMPLEX MILLS COMPANY LIMITED** will be held on Tuesday, the 6th July, 2021 at 11.00 a.m. through Video Conferencing ("VC") / Other Audio Video Means ("OAVM") 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, 2021 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. Re-appointment of Shri Manish Harshey (DIN: 07733097) as an Independent Non-Executive Director of the Company for a second term of 5 years w.e.f 20th February, 2022

To consider and, if thought fit, to pass, the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") (including any statutory amendment(s), modification(s), variation(s) or re-enactment(s) thereto, for the time being in force) and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, Shri Manish Harshey, whose first term as an Independent Non-Executive Director of the Company expires on 19th February 2022, and who is eligible to be reappointed as an Independent Director of the Company and in respect of whom the Company has received a Notice in writing from a Member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Independent Director, be re-appointed as an Independent Non-Executive Director of the Company, not liable to retire by rotation, to hold office for a second term of five (5) consecutive years with effect from 20th February, 2022 upto 19th February, 2027;

RESOLVED FURTHER THAT the Board of Directors of the Company or Company Secretary of the Company, be and are hereby authorized to do all such acts, deed, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution".

4. **Reclassification of Promoters into Public Category under Regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:**

To consider and, if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the recommendation of the Board of Directors and subject to the provisions of Regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (including any statutory modification(s) or re-enactment thereof, for the time being in force) and other applicable provisions, if any, and subject to the necessary approval from the Securities and Exchange Board of India (SEBI), BSE Limited and other appropriate Statutory authorities, as may be necessary, the consent of the Members be and is hereby accorded to re-classify the following persons (hereinafter individually and jointly referred to as the 'outgoing promoters') from the Promoter to Public Shareholding of the Company:

NAME OF OUTGOING PROMOTERS	NO. OF SHARES	%
Shashi A Patodia	4,765	0.16
Sandip Somany	2,302	0.08
Nalini Somany	311	0.01
Kamladevi Devratan Bagri	243	0.01
Sumita Somany	25	0.00

RESOLVED FURTHER THAT upon receipt of the necessary approval(s) for reclassification for the aforesaid outgoing promoters, the Company shall effect such re-classification in the statement of shareholding pattern of the Company from the immediate succeeding quarter end under Regulation 31 of the Listing Regulations, under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, SEBI (Prohibition of Insider Trading) Regulations, 2015 and other applicable provisions for the time being in force;

SIMPLEX MILLS COMPANY LIMITED

RESOLVED FURTHER THAT any Director or Company Secretary of the Company be and are hereby severally authorized to execute and submit the reclassification application to BSE Limited and thereby execute all documents, instruments, papers and writings to do all such acts, things and deeds on behalf of the Company, as may be required from time to time, to give effect to this resolution.”

5. Consolidation of face value of equity shares of the company from ₹10/- per share to ₹1000/- per share and Alteration of Memorandum of Association of the company

To consider and, if thought fit, to pass, the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to Section 61(1)(b) and all other applicable provisions, if any of the Companies Act, 2013 read with rules made thereunder (including any statutory modification, amendment or re-enactment thereof for the time being in force) and any other statutory provisions and regulations, as may be applicable, and in accordance with the Articles of Association of the Company, and subject to such approvals, sanctions, consents and permissions, as may be necessary or required from any appropriate or statutory authorities including National Company Law Tribunal (NCLT) consent of the Members of the Company be and is hereby accorded to consolidate 100(One Hundred) Equity Shares of the Company having face value of ₹ 10/- (Rupees Ten Only) each in the capital of the Company fully paid -up, into 1 (one) equity Share of face value of ₹ 1000/- (Rupees One Thousand Only) each fully paid-up;

RESOLVED FURTHER THAT pursuant to the Consolidation of the Equity Shares of the Company, the 100 (One Hundred) paid up Equity Shares of the Company of the face value of ₹ 10/- (Rupees Ten) each, as existing on the Record Date shall stand consolidated into 1(One) Equity Share of the face value of ₹ 1000/- (Rupees One Thousand) each fully paid-up, with effect from the Record Date to be fixed by the Board of Directors for this purpose;

RESOLVED FURTHER THAT no letter for consolidation of shares shall be issued but the share certificates for the consolidated new equity shares of ₹1000/- (Rupees One Thousand) each to be delivered to the shareholders who hold existing shares in physical form without calling for surrender of the share certificates held by them and the old share certificate of ₹ 10/- each shall stand cancelled from the date of issue of new share certificate of ₹

1000/- each and the respective beneficiary accounts be credited with the consolidated new equity shares of face value of ₹ 1000/- each for such shareholders who hold the existing shares in dematerialised form;

RESOLVED FURTHER THAT the Company shall not issue fractional shares to those shareholder who become entitled to a fraction of an equity share pursuant to the consolidation. All fractional entitlements resulting from the consolidation shall be aggregated and round up the aggregate of such fractions to the next whole number (except fraction of shares which can not be rounded off to whole number shall stand cancelled and will be paid back by the trustee) and such number of shares so arising shall be held by trust/trustee appointed by the Board who shall dispose off the said shares in the market at the best available price or at such fair price arrived based on the generally accepted valuation method, in one or more lots and the decision of the Trust/Trustee in this regard shall be final and binding on all the concerned and the Trust/Trustee shall hold the net sale proceeds of all such shares after deducting therefrom all costs, charges and expenses of such sale and shall thereafter distribute such sale proceeds to the members of the Company in proportion to their fractional entitlements;

RESOLVED FURTHER THAT pursuant to Section 13, 61 and other applicable provisions, if any of the Companies Act, 2013 the existing clause V(a) of the Memorandum of Association of the Company be and is hereby substituted by the following new Clause V(a):

The Authorised Share Capital of the Company is ₹13,10,00,000/- (Thirteen Crores Ten Lakhs only) divided into 31,000 (Thirty-One thousand) Equity Shares of ₹1000/- 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 the Board be and is hereby authorised to fix a Record Date and to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things and to give, from time to time, such directions as may be necessary, proper and expedient or incidental for the purpose of giving effect to this resolution;

RESOLVED FURTHER THAT any of the Directors or Company Secretary of the Company be and are hereby authorised to do all such acts, deeds and things as may be necessary in order to give effect to the above resolution;

RESOLVED FURTHER THAT the Managing Director and/or Chief Financial Officer and / or Company Secretary of the Company be and are hereby severally authorized to issue certified true copies of this resolution to various authorities.”

6. Alteration of Articles of Association of the Company

To consider and, if thought fit, to pass, the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013, read with all the applicable rules made under the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) (‘the Act’), the consent of the members of the Company be and is hereby accorded for the substitution of the existing Article 4 of the Articles of Association of the Company, with the following new Article 4:

“The Authorised Share Capital of the Company shall

be as per the Clause V (a) of the Memorandum of Association of the Company, 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 the Board be and is hereby authorized to delegate all or any of its powers to any of its committee(s) or any director or officer or person to do all such acts, deeds, matters and things as it may deem necessary, desirable or expedient to give effect to this Resolution and to take all such steps as may be required in this connection including filing the requisite forms or submission of documents with regulatory authorities and seeking all necessary approvals and to settle any questions, difficulties or doubts that may arise for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto.”

By Order of the Board of Directors

Harshika Kataria
Company Secretary

Mumbai, 27th May 2021

CIN L65900MH1998PLC116585

Registered Office:
Village Shivni,
Taluka and District,
Akola 444001

SIMPLEX MILLS COMPANY LIMITED

NOTES:

1. The details under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) and Secretarial Standards in respect of the Directors seeking appointment/re-appointment at the Twenty Third Annual General Meeting (the AGM), forms integral part of the Notice. The Directors have furnished the requisite declarations for their re-appointment.
2. In view of the COVID-19 pandemic, the Ministry of Corporate Affairs ("the MCA") vide its Circular number 20/2020 dated May 05, 2020 read with Circulars number 14/2020 and 17/2020 dated April 08, 2020 and April 13, 2020 respectively, followed Circular No. 02/2021 dated January 13, 2021 (collectively referred to as 'the MCA Circulars'), has introduced certain measures enabling companies to convene their Annual General Meeting through Video Conferencing (VC) or Other Audio Visual Means (OAVM) without the physical presence of the Members at a common venue and also sending notice of the Annual General Meeting and other correspondences related thereto, through electronic mode and Securities and Exchange Board of India ("SEBI") vide its circular no. SEBI/ HO/ CFD/ CMD1/ CIR/ P/ 2020/79 dated May 12, 2020 in relation to "Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("SEBI Listing Regulations")– Covid-19 pandemic" and circular no. SEBI/ HO/ CFD / CMD2 / CIR / P / 2021/11 dated January 15, 2021 in relation to "Relaxation from compliance with certain provisions of the SEBI Listing Regulations, 2015 due to the COVID-19 pandemic" (collectively referred to as "SEBI Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars and SEBI Circulars, the AGM of the members of the Company is being held through VC / OAVM. The corporate office of the Company shall be deemed to be the venue for the AGM.
3. In view of the MCA Circulars, no proxy shall be appointed by the Members and accordingly the Proxy Form and Attendance Slip are not annexed to this Notice. However, the Corporate Members (other than Individuals, HUF, NRI etc.) intending to authorize their representatives are requested to send duly certified copy of the Board Resolution alongwith attested specimen signature of the duly authorized signatory (ies) who are authorized to participate in the AGM through VC and to vote through remote e-voting to the Scrutinizer by e-mail to pankaj.cs@hotmail.com with a copy marked to evoting@nsdl.co.in.
4. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
5. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
6. **Book Closure:**

The Register of Members and Transfer Books of the Company will be closed Wednesday, the 30th June, 2021 to Tuesday, the 6th July, 2021 (both days inclusive) for the purpose of the Twenty Third Annual General Meeting (the AGM) or any adjournment thereof.
7. 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 in the electronic form (scanned copy) by the Members during the AGM. All documents referred to in the Notice will also be available for inspection in the electronic form (scanned copy) without any fee by the Members from the date of circulation of this Notice up to the date of AGM, i.e. 6th July, 2021. Members seeking to inspect such documents can send an email to mills@simplex-group.com
8. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form or to Company's STA in case the shares are held by them in physical form.
9. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website http://www.simplex-group.com/upload_pdf/4944Nomination%20Form.pdf Members are requested

to submit the said details to their DP in case the shares are held by them in electronic form or to STA in case the shares are held in physical form.

10. 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.
11. 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.
12. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, 1st April, 2019, except in case of request received for transmission or transposition and relogged transfers of securities. Further, SEBI vide its circular no. SEBI / HO / MIRSD / RTAMB / CIR / P / 2020 / 236 dated December 2, 2020 had fixed 31st March, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company’s Registrars and Transfer Agents, Freedom Registry Limited for assistance in this regard.

13. Voting through Electronic means

- I In compliance with provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and the Listing Regulations, as amended from time to time the Company is pleased to provide the 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 National Securities Depositories Limited (NSDL).

The facility for voting, through electronic voting system shall also be made available during the AGM. The Members attending the meeting, through VC/OVAM facility and who have not already cast their vote through remote e-voting shall be eligible to vote through e-voting system in the AGM. 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 Saturday, 3rd July, 2021 (09.00 A.M.) and ends on Monday, 5th July, 2021 (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) i.e. Tuesday, the 29th June, 2021, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter.
- (ii) Any person, holding shares in physical form and non-individual shareholders who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” or “Physical User Reset Password” option available on www.evoting.nsdl.com or call on toll free no. **1800 1020 990 and 1800 22 44 30**. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. 29th June, 2021 may follow steps mentioned in the Notice of the AGM under “Access to NSDL e-Voting system”.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

SIMPLEX MILLS COMPANY LIMITED

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat

mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> 1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under “IDeAS” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com/. Select “Register Online for IDeAS” Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> 1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification

Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial

password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

- (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
- (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on **"Forgot User Details / Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
 8. Now, you will have to click on "Login" button.
 9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to pankaj.cs@hotmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of

www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 /1800 224 430 or send a request at evoting@nsdl.co.in.

4. In case of any grievances connected with facility for e-voting, please contact Ms. Sarita Mote, Assistant Manager, NSDL, 4th Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013. Email: evoting@nsdl.co.in/1800 1020 990 /1800 224 430

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), self-attested scanned copies of PAN card and AADHAR card by email to support@freedomregistry.co.in
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to support@freedomregistry.co.in. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

14. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM AREAS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join General meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Facility of joining the AGM through VC/OAVM shall open 30 minutes before the time scheduled for the AGM and shall be kept open throughout the proceedings of the AGM.
3. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at mills@simplex-group.com from 1st July, 2021 (9:00 a.m. IST), to 3rd July, 2021 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
4. Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in/ 1800 1020 990 /1800 224 430 or contact Ms. Sarita Mote, Assistant Manager, NSDL, at evoting@nsdl.co.in

SIMPLEX MILLS COMPANY LIMITED

- II The voting rights of Members 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) i.e. Tuesday, 29th June, 2021.
- III Shri Pankaj Khandelwal, Practicing 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 NSDL within two days of passing of the resolutions at the AGM of the Company and communicated to BSE Limited.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

As required by Section 102 of the Companies Act, 2013 (the Act), the following Explanatory Statement sets out all material facts relating to the business mentioned under **Item Nos. 3 to 6** of the accompanying Notice dated 27th May, 2021.

Item No. 3

The Members of the Company at the 19th Annual General Meeting held on 8th August, 2017 approved the appointment of Shri Manish Harshey as an Independent Director of the Company for a period of 5 (five) consecutive years with effect from 20th February, 2017. Shri Manish Harshey will be completing his first term on 19th February, 2022.

The Board of Directors at the meeting held on 27th May, 2021, on the recommendation of the Nomination and Remuneration Committee and based on his skills, rich experience, knowledge, contributions, continued valuable guidance to the management made by him during his tenure and outcome of performance evaluation of the Independent Directors, has recommended for approval of Members, the re-appointment of Shri Manish Harshey as an Independent Director of the Company, for a second term of 5 (five) consecutive years with effect from 20th February, 2022 upto 19th February, 2027, shall not be liable to retire by rotation.

As per Section 149(10) of the Act, an Independent Director shall hold office for a term of upto 5 (five) consecutive years on the board of a company, but shall be eligible for re-appointment on passing a special resolution by the company for another term of upto 5 (five) consecutive years on the board of a company.

Shri Manish Harshey, aged 45 years, is a professionally qualified surgeon, who is working as an Ophthalmologist. During the financial year under

review, he has attended all the four Meetings of the Board. Further, he is not related to any Director or Key Managerial Personnel of the Company.

Shri Manish Harshey is a Member of Audit Committee, Nomination and Remuneration Committee and Stakeholder Relationship Committee of the Company. He also serves as an Independent Director on the Board of Simplex Papers Limited and also a Member of Audit Committee, Nomination and Remuneration Committee and Stakeholder Relationship Committee of Simplex Papers Limited.

Shri Manish Harshey does not hold by himself or of any other person on a beneficial basis, any Shares in the Company.

Shri Manish Harshey is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director and a declaration to that he meets the criteria of independence as prescribed both under Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has received notice in writing from a Member under Section 160(1) of the Act proposing the candidature of Shri Manish Harshey for the office of Independent Director of the Company.

In the opinion of the Board, Shri Manish Harshey fulfill the conditions for re-appointment as Independent Director as specified in the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Shri Manish Harshey is independent of the management.

A copy of the draft letter for re-appointment of Shri Manish Harshey setting out the terms and conditions of re-appointment is available for inspection at the

Corporate Office of the Company during normal business hours (11.00 A.M. to 1.00 P.M.) on all working days, upto and including the date of the AGM.

The Board considers that his continued association would be of immense benefit to the Company as it has been beneficial in the past and it is desirable to continue to avail his services. Accordingly, consent of the Members is sought for passing special resolution as set out in this Item of the Notice for re-appointment of Shri Manish Harshey as an Independent Director of the Company.

Except Shri Manish Harshey, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item no. 3 except to the extent of their shareholding, if any, in the Company.

The Explanatory Statement together with the accompanying Notice may also be regarded as disclosure under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India.

The Board recommends the Resolution at Item No. 3 of the Notice for your approval.

Item no. 4

The Company had received an application from the following outgoing promoters for re-classification of their shareholding from Promoter Category to Public Category under Regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) on 1st April 2021. The current shareholding of the outgoing promoters is as under and they do not hold more than 10% of the total voting rights in the Company:

Name of Outgoing Promoters	No. of shares	%
Shashi A Patodia	4,765	0.16
Sandip Somany	2,302	0.08
Nalini Somany	311	0.01
Kamladevi Devratan Bagri	243	0.01
Sumita Somany	25	0.00

It may be noted that the outgoing promoters seeking re-classification and persons related to the promoters seeking re-classification do not:

1. exercise control over the affairs of the listed entity directly or indirectly;

2. have any special rights with respect to the listed entity through formal or informal arrangements including through any shareholder agreements;
3. be represented on the board of directors (including not having a nominee director) of the listed entity;
4. act as a key managerial person in the listed entity;
5. be a 'wilful defaulter' as per the Reserve Bank of India Guidelines;
6. be a fugitive economic offender.

The outgoing promoters have also confirmed in their application that they shall continue to comply with the requirements of Regulation 31A (4) of the Listing Regulations, subsequent to re-classification as public.

The Outgoing Promoters have informed that the rationale for such re-classification is that they are not engaged in the management or day to day affairs of the Company and also do not have ability to control the management or decision making process of the Company in any manner whatsoever including by virtue of their shareholding and that none of their act would influence the decision taken by the Company.

Accordingly on the basis of the rationale and the confirmation provided by them in accordance with provisions of Regulation 31A of the Listing Regulations, the Board in their meeting held on 7th April 2021, approved the said reclassification application. The members are requested to note that the Company, post reclassification will continue to be compliant with the requirement for minimum public shareholding as required under Regulation 38 of the Listing Regulations.

In accordance with Regulation 31A of the Listing Regulations, the Company is required to obtain approval of members by way of Ordinary resolution for reclassification of promoters to Public Category and thereafter obtain approval of the Stock Exchange. Accordingly, the Board recommends the Resolution at Item no. 4 to the members for their approval as an Ordinary Resolution.

The Promoter and Promoter Group shareholding in the Company would be 71.82% after the above reclassification.

None of the Directors or Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise in the said resolution.

Item no.5 & 6

Considering the mutual benefits of Consolidation to the Shareholders and the Company, the Management of the Company proposed to consolidate the share capital by increasing its face value from ₹ 10/- to ₹ 1000/-.

SIMPLEX MILLS COMPANY LIMITED

The proposed Consolidation will result in increase in trading price of each share which will attract the attention of the institutional investors and fund managers. The increased price per share will also generate interests among investors. These factors may encourage trading in shares of the Company which are currently very infrequently traded.

As per the data available with the Company certain shareholder are holding shares in the Company from more than a decade are untraceable and the notices sent to them are returned undelivered to the Company. Many Shareholders wish to sell their shares. But since the shares of the Company are very infrequently traded,

the shareholders have no exit route. They are unable to sell their shares even if they may not be interested in the Company.

However, if the shares are consolidated by increasing their face value from ₹ 10/- to ₹ 1000/- it would provide an exit route to the fragmented minority shareholders. They will receive fair price for their shares which presently they are unable to sell.

It further believes that the overhead costs incurred on servicing the fragmented minority shareholding who are holding vary minimal shares will be reduced significantly post consolidation and will get an exit opportunity.

Pre and Post Share Capital

	Pre - Consolidation	Post - Consolidation
Authorized Share Capital	₹ 13,10,00,000/- (Rupees 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.	₹ 13,10,00,000/- (Rupees Thirteen Crores Ten Lakhs only) divided into 31,000 (Thirty One Thousand) Equity Shares of ₹ 1,000/- each and 1,00,00,000 (One Crore) Redeemable Preference Shares of ₹ 10/- each.
Issued and Subscribed Share Capital	₹ 3,00,04,750/- (Rupees Three Crores Four Thousand Seven Hundred Fifty Only) divided into 30,00,475 (Thirty Lakhs Four Hundred Seventy Five only) Equity Shares of ₹ 10/- each.	*₹ 3,00,04,000/- (Rupees Three Crores Four Thousand Only) divided into 30,004 (Thirty Thousand Four only) Equity Shares of ₹ 1,000/- each.
*Note	In order to eliminate the fractional share capital, 75 Equity Shares of face value of ₹ 10/- each shall stand cancelled, and pursuant to provision of Section 61(1)(b), such cancellation shall not be deemed to be a reduction of share capital.	

All the fractional entitlement shall be paid as per the best available price or at such fair price arrived at based on the generally accepted valuation method. The Company shall appoint such Registered valuer or any other valuer, wherever required to arrive at the fair price of the Company.

The power to consolidate the shares is required to be exercised by the Company in a General Meeting. The Memorandum of Association (MOA) and Articles of Association (AOA) of the Company will also require alteration so as to reflect the consolidated share capital. Accordingly, the resolution at Item No. 5 and 6 of the notice seeks approval of the members for consolidating the share capital of the Company and consequent amendments to its MOA and AOA by way of Special Resolution.

After obtaining members' and other necessary approvals, the Board shall fix the record date for ascertaining the list of shareholders for the purpose of consolidation of shares. All fractional entitlements will be consolidated into whole shares (rounded off to the

nearest complete Share) and sold off in the market through a Trust/Trustee created/appointed for this purpose. The Sale proceeds of the same will be distributed to the members in the ratio of their fractional entitlements after deducting the expenses incurred in this regard, if any.

The approval of members as mentioned herein above shall be subject to the approval of the National Company Law Tribunal, stock exchange and such statutory or appropriate authority if any, required pursuant to the proviso to Section 61 (1) (b) of the Companies Act, 2013.

The Board of Directors hereby recommends the resolutions at Item No. 5 and 6 for approval of members to be passed as a Special Resolutions and the same shall be subject to the necessary approvals as mentioned herein above.

None of the Directors, Key Managerial Personnel and their relatives are concerned or interested in the proposed resolution except to the extent of their shareholding, if any, in the Company.

DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AS REQUIRED UNDER REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARDS-2:**Re-appointment of Shri Shekhar R Singh (DIN 03357281) (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, Nomination and Remuneration Committee and Stakeholder Relationship 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 aged 36 years, 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.

Shri Shekhar R Singh has attended all the four Board Meetings held during the year. Further, he is not related to any Director or Key Managerial Personnel of the Company.

Except Shri Shekhar R Singh, being an appointee, none of the Directors or Key Managerial Personnel 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.

Re-appointment of Shri Manish Harshey as an Independent Director (Item No.3)

For the details of Shri Manish Harshey as an Independent Director of the Company, for the second term of five (5) consecutive years with effect from 20th February, 2022 upto 19th February, 2027, please refer to the above explanatory statement in respect to Special Business set out at Item No. 3 of the Notice of the AGM pursuant to the Companies Act, 2013.

By Order of the Board of Directors

Harshika Kataria
Company Secretary

Mumbai, 27th May 2021

CIN L65900MH1998PLC116585

Registered Office:
Village Shivni, Taluka and District,
Akola 444001

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, 2021.

FINANCIAL RESULTS

(in ₹)

Particulars	2020-2021	2019-2020
Profit before Depreciation, Finance Costs, Exceptional Items and Taxation	39,83,540	24,74,961
Less: Depreciation	5,52,918	8,77,984
Less: Finance Costs	16,28,037	14,91,042
Profit before Exceptional Items and Tax	18,02,585	1,05,935
Add/(Less): Exceptional Items (net)	-	56,58,689
Profit before Tax	18,02,585	57,64,624
Profit after Tax for the year	18,02,585	57,64,624

DIVIDEND

As there were operational losses, in view of that, your Directors do not recommend any dividend for the financial year under review.

OPERATIONS

Your Company has reported total income of ₹ 72,12,692/- and net profit after tax of ₹ 18,02,585/- during the year ended 31st March, 2021.

TRANSFER TO RESERVES

The Board of Directors of your Company have not transferred any amount to the reserves for the financial year under review.

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 AND KEY MANAGERIAL PERSONNEL

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

During the year, Mrs. Harshika Kataria was appointed on 1st August, 2020 as the Company Secretary,

designated as the Key Managerial Personnel of the Company.

Shri Manish Harshey was appointed as an Independent Director in the 19th Annual General Meeting for a term of five (5) consecutive years with effect from 20th February, 2017. His first term of five (5) years will expire on 19th February, 2022. It is proposed to the members to re-appoint him as the Independent Director for a second term of five consecutive years with effect from 20th February, 2022 to 19th February, 2027 by passing a Special Resolution at the ensuing 23rd Annual General Meeting.

Smt Fatima Fernandes, Non- Executive Director of the Company, resigned with effect from 1st April, 2021 due to acceptance of the position of Chief Executive Officer and Chief Financial Officer, designated as the Key Managerial Personnel of the Company with effect from 7th April, 2021.

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) and that they are not disqualified to become directors under the Companies Act, 2013. In terms of Section 150 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, Independent Directors of the Company have confirmed that they have registered themselves with the databank maintained by The Indian Institute of Corporate Affairs at Manesar ('IICA').

In terms of Section 134 (3)(q) read with Rule 8 of the Companies (Accounts) Rules, 2014, the Board of

Directors is of the opinion that all the Independent Directors of the Company hold highest standards of integrity and possess requisite expertise and experience required to fulfill their duties as Independent Directors. As per the requirement of the circular from the stock exchange (no: LIST/COMP/14/2018-19 Dated June 20, 2018), the Board of Directors and its Nomination and Remuneration Committee, while considering the appointment and re-appointment of the directors, have verified that they are not debarred from holding the office of director pursuant to any SEBI order. Accordingly, the Company affirms that the Director proposed to be re-appointed is not debarred from holding the office of director by virtue of any SEBI order or any other such authority.

CONSOLIDATION OF EQUITY SHARES

Considering the mutual benefits of Consolidation to the Shareholders and the Company, the Management of the Company proposed to consolidate the Equity Share capital by increasing its face value from ₹ 10/- to ₹ 1000/- per share.

Since the shares of the Company are infrequently traded, the shareholders have no exit route. They are unable to sell their shares in the market. However, if the shares are consolidated by increasing their face value from ₹ 10/- to ₹ 1000/-, the 100 (One Hundred) paid up Equity Shares of the Company of the face value of ₹ 10/- (Rupees Ten) each, shall stand consolidated into 1(One) Equity Share of the face value of ₹ 1000/- (Rupees One Thousand). Thus, it would provide an exit route to the fragmented minority shareholders.

Further the overhead costs incurred on servicing the fragmented minority shareholding will be reduced significantly post consolidation.

In view of the above, the Board of Directors in its Meeting held on 27th May, 2021 has approved the proposal for Consolidation of Shares, subject to approval of Members and other regulatory authorities.

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.

NOMINATION AND REMUNERATION POLICY

The Board has framed a policy for selection and appointment for Directors and Senior Management and their remuneration. The details of this Policy are given in the Corporate Governance Report which forms part of this Report. The Nomination and Remuneration Policy is also available on the website of the Company on [http://simplex-group.com /upload_pdf /13186 Nomination%20and%20Reumenration%20Policy.pdf](http://simplex-group.com/upload_pdf/13186Nomination%20and%20Reumenration%20Policy.pdf).

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.

AUDITORS AND AUDITORS' REPORT

M/s. K. M. Shah & Co. Chartered Accountants, Mumbai (ICAI Firm Registration No. 109637W), Statutory Auditors of the Company were appointed in the 19th Annual General Meeting held on 8th August, 2017 for a term of five years i.e. from 2017-18 to 2021-22.

The Statutory auditors have submitted their Independent Auditors Report on the financial statements of the Company for the year ended 31st March, 2021 and they have given an unmodified opinion(s) report on the financial statements for the year under review. No frauds have been reported by the Auditors under Section 143(12) of the Act.

COST AUDIT

As there was no production during the year 2020-2021, 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 the observations contained in the Secretarial Audit Report, Directors state the following:

Reply to observations- a and b

Due to the Company's weak financial position and low business operations, it was not in a position to appoint Chief Executive Officer/Managing Director and Chief Financial Officer.

SIMPLEX MILLS COMPANY LIMITED

However as the Company endeavors to ensure compliance, has appointed Smt Fatima Fernandes as the Chief Executive Officer and Chief Financial Officer, designated as the Key Managerial Personnel with effect from 7th April, 2021.

SECRETARIAL STANDARDS

The Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and Annual General Meeting.

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 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 judgements 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, 2021 and the profit of the Company for the said period;
- 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 system to ensure compliance with the provisions of all applicable laws and that such system is 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 an adequate and functional Whistle Blower Policy/Vigil Mechanism in place. The objective of the Vigil Mechanism is to provide the employees, directors, customers, vendors, contractors and other stakeholders of / in the Company an impartial and fair avenue to raise genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct and seek redressal, in line with the Company's commitment to the highest possible standards of ethical, moral and legal business conduct and fair dealings with all its stakeholders and constituents and its commitment to open communication channels. The details of the Policy are explained in the Corporate Governance Report and are also available on the Company's website on http://simplex-group.com/upload_pdf/16307Whistle-Blower-Policy.pdf.

ANNUAL RETURN

In terms of Section 92(3) of the Companies Act, 2013, copy of the Annual Return of the Company is placed on the website of the Company i.e. www.simplex-group.com

PARTICULARS OF EMPLOYEES

During the year, there was no employee 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 II and forms a part of this Report.

STOCK EXCHANGE

The Company's equity shares are listed at BSE Limited and the Annual Listing Fees for the year 2021-2022 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.

MATERIAL CHANGES AFFECTING THE COMPANY :

There were no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which these financial statements relate and the date of this Report.

RISK ASSESSMENT AND MANAGEMENT:

The Company in its Board Meeting identifies various risk involved in the working of the Company and suitable mitigation measures are thereafter adopted by the management after discussion with the Board.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

In line with the provisions of the Companies Act, 2013 and the rules framed there under with respect to the Corporate Social Responsibility (CSR), your Company is not governed by the provisions of Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014. So, the Company is not required to formulate a policy on CSR and was not required to constitute a CSR Committee.

CHANGE IN THE NATURE OF BUSINESS

During the year there was no change in nature of business.

DETAILS OF HOLDING/SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

The Company does not have any Holding/Subsidiary Company/Joint Venture/Associate Company during the year under review. Accordingly, the following disclosures of the same are not applicable:

- Form AOC-1 pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013 read with rule 5 of the Companies (Accounts) Rules, 2014) under Section 134 of the Companies Act, 2013, in Form AOC – 1.
- Highlights of performance of subsidiaries, associates and joint venture companies and their contribution to the overall performance of the Company pursuant to Rule 8(1) of the Companies (Accounts) Rules, 2014) under Section 134 of the Companies Act, 2013.
- Receipt of commission from any holding company or subsidiary company by a Director of the Company.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

During the financial year under review, no significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

SHARE CAPITAL

The paid up Equity Share capital stood at ₹ 3,00,04,750/-. During the year under review, the Company has not issued equity shares with differential voting rights, sweat equity shares, employees stock options and not made any provision for purchase of its own shares.

INTERNAL FINANCIAL CONTROLS SYSTEMS AND THEIR ADEQUACY

The details in respect of internal financial control and their adequacy are included in the Management Discussion and Analysis, which is a part of this report.

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (IBC) DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR

Not applicable as the Company has not made or received any application under the IBC during the financial year.

DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

The Company has not entered into any one time settlement and thus, this clause is not applicable.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report for the Financial Year under review as stipulated under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, is attached and forms a part of this Report.

DISCLOSURE UNDER THE PREVENTION OF SEXUAL HARASSMENT ACT

The Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at

SIMPLEX MILLS COMPANY LIMITED

workplace and has duly constituted an Internal Complaints Committee in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder.

During the year under review, there was no complaint 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. The Directors express their appreciation for the dedicated and sincere services rendered by the employee of the Company.

For and on behalf of the Board of Directors

Sabhapati G Shukla

Shekhar R Singh

Mumbai, 27th May, 2021

Directors

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year ended on 31st March, 2021
[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

I 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 Village Shivni, Taluka and District, Akola 444001 and corporate office at 30, Keshavrao Khadye Marg, Sant Gadge Maharaj Chowk, Jacob Circle, Mumbai 400011 (hereinafter called 'the Company'). Subject to limitation of physical interaction and verification of records caused by COVID-19 pandemic lock down while taking review after completion of financial year, the secretarial audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to me and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021 ("Review Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (*Not applicable to the Company during the Review 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, 2018 (*Not applicable to the Company during the Review Period*);
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (*Not applicable to the Company during the Review Period*);
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (*Not applicable to the Company during the Review Period*);
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations,

SIMPLEX MILLS COMPANY LIMITED

2009 (Not applicable to the Company during the Review Period);

- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the Review Period);
 - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR);
- (vi) There are no laws that are specifically applicable to the Company based on their sector / industry.

I 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 and as per representations and clarifications provided by the management, the Company has complied with the provisions of the Act, Rules, Regulations, Standards, Guidelines etc. mentioned above except to the extent as mentioned below:

- (a) the Company did not have a Managing Director or Whole-time Director or Manager or Chief Executive Officer (CEO) and Chief Financial Officer (CFO) during the Review Period. The Company has now appointed CEO and CFO with effect from 07.04.2021.
- (b) the CEO-CFO certificate to be taken under regulation 33 of LODR is not complied as the company did not have CEO and CFO during the Review Period. The Company has now appointed CEO and CFO with effect from 07.04.2021.
- (c) the Company appointed Compliance Officer with effect from 21st July, 2020. As there was delay in filling up the position of Compliance Officer from the resulting vacancy within a period of 6 months, BSE had imposed penalty on the Company under regulation 6 (1) of LODR (which requires appointment of Compliance Officer who should be qualified Company Secretary). Later BSE has considered and waived the penalty on the request made by the Company; the delay was on account of pandemic and lockdown.

I further report that:

The Board of Directors of the Company is duly constituted with Non-Executive Directors and Independent Directors subject to my observations at (a) above. There were no changes in the composition of the Board of Directors during the period under review and hence necessary compliance with the provisions of the Act was not applicable.

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.

There was no prosecution initiated and no fines (except for the fines levied by BSE on the Company for late submission of certain documents for the quarter ended 31.03.2020 which were later waived off by BSE considering the request made by the Company; the delay which were on account of pandemic and lockdowns) or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.

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

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

I 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 my letter of even date which is annexed as Annexure – 'A' and forms an integral part of this report.

Taher Sapatwala
Taher Sapatwala & Associates
Company Secretaries
FCS: 8029
C.P. No. 16149
UDIN:F008029C000375858

Place : Mumbai
Date : 27th May, 2021

Annexure A

To
The Members,
Simplex Mills Company Limited
Mumbai

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

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

4. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulation, standards is the responsibility of management. My 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.

Taher Sapatwala
Taher Sapatwala & Associates
Company Secretaries
FCS: 8029
C.P. No. 16149
UDIN:F008029C000375858

Place:Mumbai
Date: 27th May, 2021

SIMPLEX MILLS COMPANY LIMITED

Annexure II

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 and Company Secretary during the financial year under review
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	1
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, 27th May, 2021

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Indian Economy

Since the big jolt given by pandemic Covid-19 in March 2020, India has been facing a huge decline in revenues and growth of the income. As India was on its road to recovery from COVID-19 pandemic in last quarter of financial year 2020-21, the ongoing second wave of the pandemic (April and May 2021), India is witnessing a decline in the economic activity owing to the localised lockdowns. Due to this outbreak, almost 80% of Indian companies witnessed cash flow difficulty and over 50% of companies are facing operations issues. As per Federation of Indian Chambers of Commerce and Industry (FICCI) 53% of companies are impacted by COVID-19. Slow economic activity is resulting in cash flow problems eventually impacting repayments, interest, taxes, etc.

Indian Textile Industry

The textile industry is one of the earliest industries to have developed in India. Its inherent and unique strength is its incomparable employment potential. This is owing to the presence of the entire value chain from fibre to apparel manufacturing within the country. The domestic textile and apparel industry contributes 2% to India's GDP, 13% to industrial production and 12% to export earnings. Due to the pandemic, all activities except for the essential goods and services came to standstill and textile industry was no exception to this. Textile industry has a direct impact in India's economy improvement which will increase in the future markets. On the other hand, the textile industries also face several challenges due to several factors. A recent study reveals that Indian textile sectors will take economy to new height in the future markets. Moreover, it will shape the economy effectively with high success rates. The textile industries have large diversified segments which enable businesses to choose a wide range of products accordingly. There are several factors which determine the success of garment industries in India. Some of them include cheap labour costs, skilled manpower, availability of raw materials, product development, and diversification. Growing economy is also another factor that contributes more to the growth of garment industries in India. Another thing is that the potential local and international markets make textile sectors to perform well with high success rates. Apart from that, new innovations and technologies also transformed the garment industries that made them to improve their productivity levels.

OUTLOOK, OPPORTUNITIES AND THREATS

The Covid-19 pandemic is primarily expected to adversely impact exports and on the domestic markets with both exports as well as domestic sales falling.

The pandemic has affected the majority of India's export market, causing order cancellations/deferral of order

leading to inventory build-up and expectation of slower realization of export receivables leading to higher working capital requirements.

The demand of textile value chain, including yarn, fabric and apparels contracted approximately by 25-35 per cent in the financial year 2021 due to ongoing economic slowdown following lockdown to curb the spread of the Covid-19 pandemic, finds a study by India Ratings and Research.

The textile industry is labour intensive in nature, and with most labourers headed to their hometowns, sector companies face challenges to operate even at low capacities. Key issues such as supply chain disruptions, incentives and labour unavailability need to be addressed to revive the textile sector. Labour retention policies of each state would be critical to ensure minimum disruption of manpower availability.

The government has initiated special measures to help ameliorate the conditions in textile sector due to Covid pandemic and to boost production, marketing and job opportunities in the sector. The government has conducted a study viz. 'Impact of Covid-19 pandemic on Indian silk industry' to ascertain the crisis caused to the sector. The industry has faced various problems of production, cocoon and raw silk prices, transportation problem, non-availability of skilled workers, sale of raw silk and silk products, working capital and cash flow, reduced export/import orders, besides restrictions.

The Government has conducted a Symposium with textile Export Promotion Councils and other industry stakeholders for finalizing a list of potential export products against which exports of textile and apparel can be enhanced. The list of potential export products were shared with the Indian Mission abroad for identification of potential buyers in the respective countries. In order to make the textile sector competitive by rebating all taxes/levies in international market, the Government has decided to continue the RoSCTL (Rebate of State and Central Taxes and Levies) scheme until such time the RoSCTL scheme is merged with Remission of Duties and Taxes on Exported Products (RoDTEP) scheme. For this purpose, the Government has approved adhoc allocation of funds of ₹ 7398 crore for FY 2020-21 for issuance of duty credit scrips under RoSCTL scheme. Further, in order to boost exports in MMF sector, Government has removed anti-dumping duty on PTA (Purified Terephthalic Acid), a key raw material for the manufacture of MMF fibre and yarn. To mitigate the effect of the COVID-19 pandemic on trade, this Ministry has taken up the various trade facilitation related issues raised by the industry stakeholders from time to time with the concerned Ministries for early redressal.

The future for the Indian textile industry looks promising, buoyed by both strong domestic consumption as well as

SIMPLEX MILLS COMPANY LIMITED

export demand. The post-Covid era has provided a big opportunity for the online textile industry. The sales in the online textile industry witnessed a jump in various cities and states of India. In the future, e-retailers will prove to be a big game-changer by playing a pivotal role in recovery of the Indian economy. The government has also made it clear that the textile sector is one of the key focuses of new policies being framed to achieve the target of a \$5 trillion economy. The government in its Budget 2021-22 proposed a scheme for setting up mega textile parks in the country to enable India's textile industry to become globally competitive, attract large investments and boost employment generation through the creation of world-class infrastructure. It has been announced in the Budget 2021 that 7 seven mega textile parks will be established over three years as part of the scheme.

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 indepth 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, Technology Obsolescence, Retention of talent etc.

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 ₹ 72,12,692/- as compared to ₹ 70,62,446/- in the previous year. The Company has registered a net profit of ₹ 18,02,585/- as against a net profit of ₹ 57,64,624/- in the previous year.

KEY FINANCIAL RATIOS

The Key Financial Ratios for the financial year ended 31st March, 2021 are as under:

Particulars	2020-21	2019-20
Inventory Turnover	0.36	8.76
Interest Coverage Ratio	2.11	4.87
Current Ratio	0.92	0.92
Debt Equity Ratio	-2.13	-2.09
EBIDTA Margin %	55.23	115.17
Net Profit/(Loss) Margin %	24.99	81.62
Return on Net worth (%)	4.58	13.99

During the year, there was lower sales due to which inventory turnover ratio was lower compare to the previous year. Profit for the current year was less compare to previous year, in the previous year there was higher amount of exceptional income and it has resulted in decrease in interest coverage ratio, EBIDTA margin, net profit margin and return on net worth for the year compare to previous year.

CAUTIONARY STATEMENT

Statement in this report on Management Discussion and Analysis describing the Company's objectives, projects, 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 differ materially from those expressed or implied. Important factors that could make a difference of the company's operation include economic conditions affecting demand.

REPORT ON CORPORATE GOVERNANCE

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy of Corporate Governance envisages attainment of the highest level of integrity, fairness, transparency, equity and accountability in all the facets of its functioning and in its interactions with shareholders, employees, statutory authorities and the community at large. Your Company has been upholding fair and ethical business and corporate practices and transparency in its dealings.

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 Company believes that an active, knowledgeable and experienced Board of Directors is vital to achieve the apex standard of Corporate Governance. The Board of Directors provides strategic direction and thrust to the operations of the Company. As on 31st March, 2021, 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, 2021, 4 (four) Board Meetings were held. The dates on which the said meetings were held are as follows:

19th June, 2020, 30th July, 2020, 20th October, 2020 and 2nd February, 2021.

Attendance of Directors at Board Meetings during 2020-21 and Directorship(s) and Committee Chairmanship(s)/Membership(s) of other companies as on 31st March, 2021

Name	Category	No. of Board Meetings held - 4	No. of Directorships and Committee Chairmanship (s) / Membership (s)			Attendance at AGM held on 18th August, 2020
		Attended				
			Other Directorship*	Committee Chairmanship(s)**	Committee Membership(s)**	
Shri Manish Harshey	Independent Non-Executive	4	1	-	2	Yes
Shri Sabhapati G Shukla	Independent Non-Executive	4	2	-	2	Yes
Smt. Sita Sunil	Non-Executive	4	1	-	-	Yes
Shri Shekhar R Singh	Non-Executive	4	1	-	2	Yes
Smt. Fatima Fernandes#	Non-Executive	4	1	-	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 and Stakeholders' Relationship Committee of all Public Limited Companies have been considered.

Smt. Fatima Fernandes resigned as a Non-Executive Director with effect from 1st April, 2021, due to acceptance of the position of a Chief Executive Officer and Chief Financial Office (CEO & CFO) of the Company w.e.f. 7th April, 2021

SIMPLEX MILLS COMPANY LIMITED

c) Details of Directorship in other Listed Companies:

Name	Name of Listed Company	Category
Shri Manish Harshey	Simplex Papers Limited	Independent Non-Executive
Shri Sabhapati G Shukla	Simplex Realty Limited	Independent Non-Executive
Smt. Sita Sunil	Simplex Papers Limited	Non-Executive
Shri Shekhar R Singh	Simplex Papers Limited	Non-Executive
Smt. Fatima Fernandes	Simplex Papers Limited	Non-Executive

d) List of Core Skills/ Expertise /Competences of Directors

The Board has identified the following skills/expertise /competences for the effective function of the Company which are currently available with the Board:

Industry	<ul style="list-style-type: none"> Experience in and knowledge of the industry in which the Company operates Experience in and knowledge of broader industry environment and business planning
Professional	Expertise in professional areas such as Technical, Accounting, Finance, Legal, Management, Human Resources, Marketing etc.
Governance	Experience in developing governance practices, serving the best interest of all stakeholders, maintaining the Board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values
Behavioural	Knowledge and skills to function well as team Members, effective decision making process, integrity effective communication, innovative thinking

e) Key Board Qualifications

Director	Area of Expertise			
	Industry	Professional	Governance	Behavioural
Shri Sabhapati G Shukla	✓	✓	✓	
Smt. Sita Sunil		✓		✓
Shri Shekhar R Singh		✓	✓	✓
Shri Manish Harshey		✓		✓
Smt. Fatima Fernandes	✓		✓	

f) Other Disclosures

- Shri Sabhapati G. Shukla, Non-Executive Independent Director holds 71 equity shares i.e. 0.00% of the shareholding in the Company. Shri Shekhar R. Singh, Smt. Sita Sunil, Smt. Fatima Fernandes and Shri Manish Harshey did not hold any shares during the year.
- The Board confirms that the Independent Directors fulfill the conditions specified in the Listing Regulations and are independent of the management.
- None of the Independent Directors have resigned during the year.

3. AUDIT COMMITTEE

During the year ended 31st March, 2021, 4 (four) Audit Committee Meetings were held. The dates on which the said meetings were held are as follows:

19th June, 2020, 30th July 2020, 20th October 2020 and 2nd February, 2021.

The composition of the Audit Committee and the number of meetings attended by each Member during the year ended 31st March, 2021 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 Company Secretary, Mrs. Harshika Kataria acts as the Secretary of the Audit Committee w.e.f. 1st August 2020.

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, 2021, 2 (two) Nomination and Remuneration Committee meetings were held on 19th June, 2020 and 30th July 2020.

The composition of the Nomination and Remuneration Committee and the number of meeting attended by each Member during the year ended 31st March, 2021 is as follows.

Name of the Member	Designation	No. of Meetings held - 2
		Attended
Shri Sabhapati G Shukla	Chairman	2
Shri Manish Harshey	Member	2
Shri Shekhar R Singh	Member	2

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

SIMPLEX MILLS COMPANY LIMITED

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 only 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, 2021:

(Amount in ₹)

Name	Salary, Perquisites & Allowances	Sitting fees
Shri Sabhapati G. Shukla	Nil	11,500
Smt. Sita Sunil	Nil	5,500
Shri Shekhar R Singh	Nil	10,500
Smt. Fatima Fernandes	Nil	6,500
Shri Manish Harshey	Nil	11,500

5. STAKEHOLDERS RELATIONSHIP COMMITTEE

During the year ended 31st March, 2021, 3 (three) Stakeholders Relationship Committee Meetings were held. The dates on which the said meetings were held are as follows:

19th June 2020, 30th July 2020 and 20th October 2020.

The composition of Stakeholders Relationship Committee and the number of meetings attended by each Member during the year ended 31st March, 2021 is as follows:

Name of the Member	Designation	No. of Committee Meetings held - 3
		Attended
Shri Sabhapati G Shukla	Chairman	3
Shri Manish Harshey	Member	3
Smt. Fatima Fernandes	Member	3

The Company Secretary, Mrs. Harshika Kataria acts as the Secretary of the Stakeholder Relationship Committee w.e.f. 1st August 2020.

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.
- Mrs. Harshika Kataria is Compliance Officer of the Company.

Investor Relations

During the year ended 31st March, 2021, one complaint was received from the investor pertaining to non-receipt of dividend, which was resolved by the Company

6. INDEPENDENT DIRECTORS' MEETING

During the year under review, Independent Directors met on 2nd February, 2021, 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
2017-2018	01.08.2018	12:30 p.m.	M.C.Ghia Hall, 4th floor, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Kala Ghoda, Mumbai-400 001	Issue an offer and allot, upto 1,00,00,000, Non-Convertible Redeemable Preference Shares to Simplex Realty Limited, the controlling company
2018-2019	07.08.2019	12:30 p.m.	Babubhai Chinai Committee Room, 2nd Floor, Indian Merchants Chamber, IMC Marg, Churchgate, Mumbai - 400020	Re-appointment of Shri Sabhapati Shukla as an Independent Director for a second term of 5 years w.e.f 1st April, 2019 to 31st March, 2024
2019-2020	18.08.2020	12:00 noon	Through Video Conferencing Deemed Venue: Registered office of the Company at 30, Keshavrao Khadye Marg, Sant Gadge Maharaj Chowk, Mumbai – 400011	Shifting of the registered office outside the local limits of the existing city, but within the same state and the same ROC jurisdiction

Postal Ballot during the last year:

No resolution was passed through postal ballot voting process during the financial year under review and last year.

8. DIRECTORS

Resume and other information regarding the Director 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 Board has approved a policy for related party transactions which has been uploaded on the Company's website and the web-link for the same is - <http://www.simplex->

group.com/upload_pdf/7936Revised%20Related%20Party%20Policy.pdf

The detailed suitable disclosure as required by the Indian Accounting Standards (Ind AS) -24 on material significant related party transactions has 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 markets during the last three years. No other penalties or strictures has been imposed on the Company by the Stock Exchange, SEBI or other statutory authorities except fines levied by the Stock Exchange for late submission of certain documents for the quarter ended 31st March, 2020, which were later waived off by the stock exchange, considering the request made by the Company; the delay were on account of pandemic and lockdown.

c) Familiarization Programme for Independent Directors

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. The Familiarization Programmes are available on the Company's website and the web-link for the same is http://simplex-group.com/upload_pdf/6434Familiarization-Programme-for-Independent-Directors-of-SMCL.pdf

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 and Senior Management Personnel of the Company. The code has been

posted on the website of the Company. A declaration to the effect that the Directors and Senior Managerial Personnel have adhered to the same, signed by the Chief Executive Officer and Chief Financial Officer of the Company, forms part of this report.

f) Disclosure of Accounting Treatment

In the preparation of the financial statements, the Company has followed Ind AS specified under section 133 of the Companies Act 2013.

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, CEO and CFO of the Company on financial statements for the year ended 31st March, 2021 was placed before the Board.

**Smt. Fatima Fernandes resigned as a Director with effect from 1st April, 2021 and was appointed as the CEO and CFO of the Company with effect from 7th April, 2021*

i) Review of Directors' Responsibility Statement

The Board in its report has confirmed that the annual accounts for the year ended 31st March, 2021 have been prepared as per applicable Indian Accounting Standards (Ind AS) and policies and that sufficient care has been taken for maintaining adequate accounting records.

j) Recommendation of the Committee

During the financial year 2020-21, all the recommendations of the Committees of the Board, which were mandatorily required, have been accepted by the Board of Directors.

10. MEANS OF COMMUNICATION

- a. The quarterly, half-yearly, nine months and full year results are published in The Financial

Express (English edition) and Mumbai Lakshdeep (Regional edition).

b. 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.

c. At present, the Company does not make presentation to Institutional Investors and Analysts.

d. The Management Discussion and Analysis is given separately in this Annual Report.

11. CODE FOR PREVENTION OF INSIDER TRADING

The Company has adopted the 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 and the web-link for the same is <http://simplex-group.com>

12. GENERAL INFORMATION FOR SHAREHOLDERS

i. Date, Time and Venue of forthcoming AGM	Date : Tuesday, 6th July, 2021 Time : 11.00 a.m. through Video Conferencing (VC)/Other Audio Video Means (OVAM)
ii. Financial Calendar (2021-2022)	<ul style="list-style-type: none"> First Quarterly Results - Upto 14th August, 2021 Second Quarterly Results - Upto 14th November, 2021 Third Quarterly Results - Upto 14th February, 2022 Annual Results - Upto 30th May, 2022
iii. Date of Book Closure	From Wednesday, the 30th June, 2021 to Tuesday, the 6th July, 2021 (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, 2020 to March, 2021 are as follows:

Month	Volume (No. of shares)	Price (₹)		BSE Sensex	
		High	Low	High	Low
April, 2020	516	11.51	10.00	33,887.25	27,500.79
May, 2020	644	12.68	12.05	32,845.48	29,968.45
June, 2020	245	13.92	12.65	35,706.55	32,348.10
July, 2020	5,564	18.40	14.58	38,617.03	34,927.20
August, 2020	5,154	19.40	15.50	40,010.17	36,911.23
September, 2020	11	19.50	19.40	39,359.51	36,495.98
October, 2020	10	19.10	19.10	41,048.05	38,410.20
November, 2020*	-	-	-	44,825.37	39,334.92
December, 2020	125	18.15	17.25	47,896.97	44,118.10
January, 2021	778	18.10	16.35	50,184.01	46,160.46
February, 2021	7,506	15.55	11.75	52,516.76	46,433.65
March, 2021	2,212	13.90	11.70	51,821.84	48,236.35

* There were no transaction during this period

SIMPLEX MILLS COMPANY LIMITED

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.co.in

ix) Share Transfer System

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended from time to time, securities can be transferred only in dematerialized form with effect from 1st April, 2019, except in case of request received for transmission or

transposition of securities. Further, SEBI has fixed 31st March, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. 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.

x) Shareholding Pattern as on 31st March, 2021

Category	Number of Shares held	Percentage of Shareholding
(A) Shareholding of Promoter and Promoter Group	21,62,646	72.08
(B) Public shareholding		
(1) Institutions		
(a) Mutual Funds/ UTI	102	0.00
(b) Financial Institutions/ Banks	4,942	0.16
(c) Insurance Companies	4,46,220	14.87
(d) Central Govt.	219	0.01
(2) Non-Institutions		
(a) Bodies Corporate	19,667	0.66
(b) Individuals -		
i. holding nominal share capital up to ₹ 2 lakh	3,51,294	11.71
ii. holding nominal share capital in excess of ₹ 2 lakh	-	-
(c) Non Residents and Others	15,314	0.51
(d) Directors and their Relatives	71	0.00
Total Public Shareholding (B)= (B)(1)+(B)(2)	8,37,829	27.92
TOTAL (A)+(B)	30,00,475	100

Distribution of Shareholding as on 31st March, 2021

Category	Number of Shareholders	Percentage of Total Number of Shareholders	Total Number of Shares	Percentage of Total Number of Shares
1 to 500	5,039	97.65	2,17,486	7.25
501 to 1,000	55	1.07	38,478	1.28
1,001 to 5,000	50	0.97	104,494	3.48
5,001 to 10,000	4	0.08	24,229	0.81
10,001 & above	12	0.23	26,15,788	87.18
Total	5,160	100	30,00,475	100

xi) Dematerialization of Shares and Liquidity

About 95.54 percent shares have been dematerialized as on 31st March, 2021.

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

OR

- 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.co.in

Liasoning Office

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

xiv) Details of Total Fees Paid to Statutory Auditors

The details of total fees for all services paid by the Company, on a consolidated basis, to the Statutory Auditor and all entities in the network firm / network entity of which the statutory auditor is a part, are as follows:

(In ₹)

Audit Fees	22,500
In other capacity	7,500
Total	30,000

xv) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

During the year ended 31st March, 2021, there were no complaints received by the Company.

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 and Senior Management Personnel of the Company have affirmed adherence to and compliance with the Code of Conduct for the year ended 31st March, 2021.

For Simplex Mills Company Limited

Fatima Fernandes
Chief Executive Officer and
Chief Financial Officer

Mumbai, 27th May, 2021

SIMPLEX MILLS COMPANY LIMITED

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Simplex Mills Company Limited

We have examined the compliance of the conditions of Corporate Governance by Simplex Mills Company Limited for the year ended 31st March, 2021 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 the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statements of the Company.

In our opinion and based on the information and according to 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 Chapter IV of the 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
UDIN: 21003857AAAADJ3894

Mumbai, 27th May, 2021

INDEPENDENT AUDITOR'S REPORT

To the Members of Simplex Mills Company Limited

Report on the audit of the Standalone Financial Statements

Opinion

We have audited the accompanying financial statements of **Simplex Mills Company Limited** ('the Company'), which comprise the Balance Sheet as at 31st March, 2021, 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 (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2021, the profit and total comprehensive income / expense, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

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

1. 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.
2. Attention is drawn on Note No. 1 (1(a)) of the Standalone financial statements relating to impact of COVID – 19 pandemic on the Company. In the opinion of the Management, the said pandemic is not likely to significantly impact the carrying amount of loans, investments, receivables, inventories and other assets. The impact of COVID-19 pandemic on the Company's Financial Statements may differ from that estimated as at the date of approval of these financial statements.

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

SIMPLEX MILLS COMPANY LIMITED

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(l) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to

continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 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. 27 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 number: 109637W

Kantilal M. Shah

Proprietor

Membership number: 003857

Mumbai, 27th May, 2021

UDIN: 21003857AAAADC4710

Annexure 'A' to the Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31st March, 2021 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. The fixed assets have been physically verified by the management at reasonable intervals and as per information and explanation given, the discrepancies noticed on physical verification as compared to book records maintained, if any, were not material and have been properly dealt with in the books of account. In our opinion, such frequency is reasonable having regard to the size of the Company and the nature of its fixed assets.
- c. Based on the audit procedure performed and according to the records of the Company, title deeds of all the freehold immovable properties are held in the name of the Company.
- ii. As explained to us, management conducted physical verification of stocks of raw materials, finished goods and others at reasonable intervals during the year, as also as at the balance sheet date. In our opinion and according to the information and explanations given to us, the frequency of verification is reasonable. On the basis of our examination of records of inventory, we are of the opinion that the discrepancies noticed on verification between the physical stocks and book records were not material and have been properly dealt with in the books of accounts.

- iii. The Company has granted loans to one party covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act').
 - a. In our opinion, the terms and conditions on which the Company has given loans are not prima facie prejudicial to the interest of the Company.
 - b. The schedule of repayment of principle and payment of interest has not been stipulated by the Company and hence we are unable to make any comment on the regularity of repayment of principle and payment of interest.
 - c. The repayment terms are 'On demand' and hence, there is no overdue amount of principal 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 ₹ 1,02,46,247/- on account of the following disputes pending before authorities:

Excise duty

Period to which dues relate	Pending before	In ₹
1984-85 and 1995 to 1996	Assistant Commissioner	49,13,695
1981-84	CESTAT	5,291
1981 to 1984	High Court	53,27,261
	Total	1,02,46,247

- 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.

- xi. As per the information and explanations given to us, the Company has paid / provided for managerial remuneration in accordance with the provisions of Section 197 read with Schedule V to the Act.
- 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 standards.
- 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 number: 109637W

Kantilal M. Shah

Proprietor

Membership number: 003857

Mumbai, 27th May, 2021

UDIN: 21003857AAAADC4710

SIMPLEX MILLS COMPANY LIMITED

Annexure 'B' to the Independent Auditors' Report of the even date.

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31st March, 2021, 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, 2021 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 authorisations 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, 2021, 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 number: 109637W

Kantilal M. Shah
Proprietor
Membership number: 003857
Mumbai, 27th May, 2021
UDIN: 21003857AAAADC4710

SIMPLEX MILLS COMPANY LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2021

	Note	As at 31st March, 2021 ₹	As at 31st March, 2020 ₹
A ASSETS			
I Non-Current Assets			
Property, Plant and Equipment	2	4,15,60,602	4,21,13,520
Financial Assets:			
Loans	3	32,690	32,690
Deferred Tax Assets (net)	4	-	-
Other Non-Current Assets	5	13,75,902	13,57,888
Total Non-Current Assets		4,29,69,194	4,35,04,098
II Current Assets			
Inventories	6	1,18,582	1,70,302
Financial Assets:			
Investments	7	-	4,78,380
Trade Receivables	8	4,111	15,92,958
Cash and Cash Equivalents	9	5,23,144	10,10,361
Loans	10	2,07,55,000	2,17,05,000
Other Financial Assets	11	16,81,303	5,59,175
Other Current Assets	12	10,69,689	8,76,797
Total Current Assets		2,41,51,829	2,63,92,973
TOTAL ASSETS		6,71,21,023	6,98,97,071
B EQUITY AND LIABILITIES			
I Equity			
Equity Share Capital	13	3,00,04,750	3,00,04,750
Other Equity	14	(6,94,00,729)	(7,12,03,314)
Total Equity		(3,93,95,979)	(4,11,98,564)
II Liabilities			
Non-Current Liabilities:			
Financial Liabilities :			
Borrowings	15	1,94,51,309	1,78,34,870
Other Financial Liabilities	16	-	1,08,199
Other Non-Current Liabilities	17	6,07,32,325	6,44,40,566
Total Non-Current Liabilities		8,01,83,634	8,23,83,635
Current Liabilities			
Financial Liabilities :			
Trade Payables		79,397	25,48,937
Other Financial Liabilities	18	4,96,698	3,96,932
Other Current Liabilities	19	2,57,57,273	2,57,66,131
Total Current Liabilities		2,63,33,368	2,87,12,000
Total Liabilities		10,65,17,002	11,10,95,635
TOTAL EQUITY AND LIABILITIES		6,71,21,023	6,98,97,071

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.**

Chartered Accountants

(Firm's Registration No.109637W)

Fatima Fernandes

Chief Executive Officer &

Chief Financial Officer

Sabhapati G Shukla

Director

Kantilal M.Shah

Proprietor

Membership No. 003857

Mumbai, 27th May, 2021

Harshika Kataria

Company Secretary and

Compliance Officer

Shekhar R Singh

Director

Mumbai, 27th May, 2021

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2021

	Note	2020-21 ₹	2019-20 ₹
I Revenue from Operations	20	33,345	15,17,103
II Other Income	21	71,79,347	55,45,343
III Total Income (I+II)		72,12,692	70,62,446
IV EXPENSES			
Purchase of Stock-in-trade	22	-	14,91,767
Changes in Inventories of Finished Goods	22	51,720	-
Employee Benefits Expense	23	1,60,000	2,29,758
Finance Costs	24	16,28,037	14,91,042
Depreciation	2	5,52,918	8,77,984
Other Expenses	25	30,17,432	28,65,960
Total Expenses (IV)		54,10,107	69,56,511
V Profit before Exceptional Items and Tax (III-IV)		18,02,585	1,05,935
VI Exceptional Items	26	-	56,58,689
VII Profit before Tax (V+VI)		18,02,585	57,64,624
VIII Tax Expense		-	-
IX Profit for the Year (VII-VIII)		18,02,585	57,64,624
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)		18,02,585	57,64,624
Earnings per Equity Share (Face Value of ₹ 10/- each)			
Basic and Diluted Earnings Per Share (in ₹) before exceptional items		0.60	0.04
Basic and Diluted Earnings Per Share (in ₹) after exceptional items		0.60	1.92

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.**
Chartered Accountants
(Firm's Registration No.109637W)

Fatima Fernandes
Chief Executive Officer &
Chief Financial Officer

Sabhapati G Shukla
Director

Kantilal M.Shah
Proprietor
Membership No. 003857
Mumbai, 27th May, 2021

Harshika Kataria
Company Secretary and
Compliance Officer

Shekhar R Singh
Director

Mumbai, 27th May, 2021

SIMPLEX MILLS COMPANY LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2021

1. EQUITY SHARE CAPITAL

Particulars	As at 31st March, 2021	As at 31st March, 2020
	₹	₹
Balance at the beginning of the reporting year	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

2. OTHER EQUITY

(In ₹)

Particulars	Other Equity			Total
	Reserves and Surplus			
	Capital Reserve	General Reserve	Retained Earnings	
Balance as at 1st April, 2019	25,00,000	12,78,59,088	(20,73,27,026)	(7,69,67,938)
Profit for the period	-	-	57,64,624	57,64,624
Other comprehensive income / (expense)	-	-	-	-
Total comprehensive income / (expense)	-	-	57,64,624	57,64,624
Balance as at 31st March, 2020	25,00,000	12,78,59,088	(20,15,62,402)	(7,12,03,314)
Profit for the period	-	-	18,02,585	18,02,585
Other comprehensive income / (expense)	-	-	-	-
Total comprehensive income / (expense)	-	-	18,02,585	18,02,585
Balance as at 31st March, 2021	25,00,000	12,78,59,088	(19,97,59,817)	(6,94,00,729)

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 and on behalf of the Board

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

Fatima Fernandes
Chief Executive Officer &
Chief Financial Officer

Sabhapati G Shukla
Director

Kantilal M.Shah
Proprietor
Membership No. 003857
Mumbai, 27th May, 2021

Harshika Kataria
Company Secretary and
Compliance Officer

Shekhar R Singh
Director
Mumbai, 27th May, 2021

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

	2020-21 ₹	2019-20 ₹
A. CASH FLOW FROM OPERATING ACTIVITIES :		
PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX	18,02,585	1,05,935
Adjustment for :		
Depreciation	5,52,918	8,77,984
Interest expense	16,28,037	14,91,042
Interest income	(60,07,652)	(51,01,270)
Interest receivable written off	5,73,922	4,51,266
Balances written (back)/off- (net)	(9,65,509)	(924)
Changes in fair value of financial assets through profit or loss (FVTPL)	10,178	(10,178)
Unwinding of discount on security deposit	(9,113)	(9,110)
	(42,17,219)	(23,01,190)
OPERATING LOSS BEFORE WORKING CAPITAL CHANGES	(24,14,634)	(21,95,255)
Adjustment for changes in working capital		
Adjustment for (increase) / decrease in operating assets:		
Inventories	51,720	-
Trade receivables	15,88,847	(4,55,037)
Other financial assets	(97,584)	-
Other current assets	(1,92,893)	(1,62,211)
Adjustment for increase / (decrease) in operating liabilities:		
Other financial liabilities	22,540	(10,168)
Trade payables	(15,44,743)	4,63,668
Other current liabilities	(1,647)	27,68,292
	(1,73,760)	26,04,544
CASH (USED IN) / GENERATED FROM OPERATIONS	(25,88,394)	4,09,289
Direct taxes paid-net	(18,014)	(40,083)
NET CASH (USED IN) / GENERATED FROM OPERATING ACTIVITIES BEFORE EXCEPTIONAL ITEMS	(26,06,408)	3,69,206
Exceptional items (net)	-	56,58,689
NET CASH (USED IN) / GENERATED FROM OPERATING ACTIVITIES (A)	(26,06,408)	60,27,895
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of investments	-	(1,29,68,202)
Sale of investments	4,68,202	1,25,00,000
Interest received	7,02,847	6,38,832
Inter corporate deposits (given) - net	9,50,000	(53,19,956)
NET CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES (B)	21,21,049	(51,49,326)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Interest paid	(1,858)	-
NET CASH (USED IN) FINANCING ACTIVITIES (C)	(1,858)	-
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	(4,87,217)	8,78,569
CASH AND CASH EQUIVALENTS - AT THE START OF THE YEAR	10,10,361	1,31,792
CASH AND CASH EQUIVALENTS - AT THE END OF THE YEAR	5,23,144	10,10,361
Cash and cash equivalents comprise of :	As on	As on
	31-Mar-21	31-Mar-20
Balances with banks :		
- in Current accounts	5,16,002	10,00,289
Cash on hand	7,142	10,072
Cash and cash equivalents (Note No.9)	5,23,144	10,10,361

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, 27th May, 2021

Fatima Fernandes
Chief Executive Officer &
Chief Financial Officer

Harshika Kataria
Company Secretary and
Compliance Officer

For and on behalf of the Board

Sabhapati G Shukla
Director

Shekhar R Singh
Director

Mumbai, 27th May, 2021

CORPORATE INFORMATION

Simplex Mills Company Limited ("the Company") is a public limited company, incorporated and domiciled in India having its registered office at Village Shivni, Taluka and District, Akola - 444104. 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. SUMMARY OF 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.

(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 prices (unadjusted) in active market for identical assets or liabilities.
- Level 2- Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3- Inputs based on unobservable market data.

(iv) Revenue Recognition:

Revenue is measured at the fair value of consideration received or receivable, excluding Goods and Services Tax (GST). Revenue from sale of goods is recognized when the control over goods is transferred to the buyer and no significant uncertainty exists regarding collectability of the amount of consideration that is derived from the sale of goods. Payment is generally received either in cash or based on credit terms. The normal credit term is 1-60 days which is generally in line with the industry standards.

(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.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

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 equipments) 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

(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

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

- 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 other income in the Statement of Profit and 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

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

- **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 Statement of Profit and 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. Stores and spare parts are valued at cost.

(ix) Taxes:

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

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.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

(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.

Estimation of uncertainties relating to the global health pandemic from COVID-19

The Company, as at the date approval of these financial statements has considered internal and external sources of information, in assessing the possible effects that may result from the global health pandemic relating to COVID-19 on the carrying amounts of loans, investments, receivables, inventories and other assets. As on the date of approval of these financial statements, the Company has concluded that the impact of COVID - 19 is not material based on these estimates and expects to recover the carrying amount of these assets. The impact of COVID-19 on the Company's Financial Statements may differ from that estimated as at the date of approval of these financial statements

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

2. PROPERTY, PLANT AND EQUIPMENT

(In ₹)

	GROSS CARRYING AMOUNT				DEPRECIATION				NET CARRYING AMOUNT	
	As at 1st April, 2020	Additions during the year	Deductions/ Adjustments during the year	As at 31st March, 2021	Upto 31st March, 2020	Provided during the year	On Deductions/ Adjustments	Upto 31st March, 2021	As at 31st March, 2021	As at 31st March, 2020
Land	3,76,89,402	-	-	3,76,89,402	-	-	-	-	3,76,89,402	3,76,89,402
Buildings	78,31,634	-	-	78,31,634	35,11,944	5,52,918	-	40,64,862	37,66,772	43,19,690
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	35,11,944	5,52,918	-	40,64,862	4,15,60,602	4,21,13,520

(In ₹)

	GROSS CARRYING AMOUNT				DEPRECIATION				NET CARRYING AMOUNT	
	As at 1st April, 2019	Additions during the year	Deductions/ Adjustments during the year	As at 31st March, 2020	Upto 31st March, 2019	Provided during the year	On Deductions/ Adjustments	Upto 31st March, 2020	As at 31st March, 2020	As at 31st March, 2019
Land	3,76,89,402	-	-	3,76,89,402	-	-	-	-	3,76,89,402	3,76,89,402
Buildings	78,31,634	-	-	78,31,634	26,33,960	8,77,984	-	35,11,944	43,19,690	51,97,674
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	26,33,960	8,77,984	-	35,11,944	4,21,13,520	4,29,91,504

3. LOANS - NON-CURRENT

(Unsecured, considered good)

Security deposits

31.03.2021	31.03.2020
₹	₹
32,690	32,690
32,690	32,690

SIMPLEX MILLS COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

4. DEFERRED TAX (ASSETS) / LIABILITY (NET)	31.03.2021 ₹	31.03.2020 ₹
Deferred tax liability		
Property, plant and equipment	(3,20,198)	(3,98,815)
Other items	(12,76,064)	(7,52,798)
Deferred tax assets		
Unused tax losses	2,89,20,858	2,89,82,351
Net deferred tax asset*	<u>2,73,24,596</u>	<u>2,78,30,738</u>

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

In assessing the reliability 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.

Movement in deferred tax

Movement in deferred tax during the year ended 31st March, 2021

	Opening balance as at 01.04.2020	Recognised in profit or loss	Recognised in OCI	Others	Closing balance as at 31.03.2021 (In ₹)
Property, plant and equipment	(3,98,815)	-	-	78,617	(3,20,198)
Interest income on unwinding of financial liability	(7,50,236)	-	-	(5,25,828)	(12,76,064)
Unused tax losses	2,89,82,351	-	-	(61,493)	2,89,20,858
Others	(2,562)	-	-	2,562	-
Net deferred tax asset*	<u>2,78,30,738</u>	<u>-</u>	<u>-</u>	<u>(5,06,142)</u>	<u>2,73,24,596</u>

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

Movement in deferred tax during the year ended 31st March, 2020

	Opening balance as at 01.04.2019	Recognised in profit or loss	Recognised in in OCI	Others**	Closing balance as at 31.03.2020 (In ₹)
Property, plant and equipment	(4,59,158)	-	-	60,343	(3,98,815)
Interest income on unwinding of financial liability	(1,96,692)	-	-	(5,53,544)	(7,50,236)
Unused tax losses	3,38,52,244	-	-	(48,69,893)	2,89,82,351
Others	-	-	-	(2,562)	(2,562)
Net deferred tax asset*	<u>3,31,96,394</u>	<u>-</u>	<u>-</u>	<u>(53,65,656)</u>	<u>2,78,30,738</u>

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

** There was reduction in deferred tax asset due to change in tax rate and on lapse of brought forward business losses during the year.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

Income tax recognised in profit or loss	31.03.2021 ₹	31.03.2020 ₹
Current tax		
In respect of current year	-	-
in respect of earlier years	-	-
Deferred tax		
Relating to origination and reversal of temporary differences	-	-
Total income tax recognised for the year	-	-
The income tax expense for the year can be reconciled to the accounting profit as follows:	31.03.2021 ₹	31.03.2020 ₹
Profit before tax	18,02,585	57,64,624
Tax expense / (income) calculated at 25.168% (2019-20:25.168%)	4,53,675	14,50,841
Effect of expenses that are not deductible/(chargeable) in income tax	(3,83,641)	(3,38,868)
Effect of expenses that are deductible in income tax	(8,541)	(9,774)
Utilisation of brought forward business losses set off during the year	(61,493)	(11,02,199)
	-	-
Adjustments recognised in the current year in relation to the current tax of earlier years	-	-
Income tax expense recognised in profit or loss	-	-
The tax rate used for the above reconciliations is the corporate tax rate of 25.168% for the year 2020-21 and 2019-20 payable by the Company.		

5. OTHER NON-CURRENT ASSETS	31.03.2021 ₹	31.03.2020 ₹
Advance tax (net of provisions)	13,75,902	13,57,888
	13,75,902	13,57,888

6. INVENTORIES	31.03.2021 ₹	31.03.2020 ₹
(As valued and certified by the management)		
Finished goods (including waste)	1,18,582	1,70,302
	1,18,582	1,70,302

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

7. CURRENT INVESTMENTS (Measured at fair value through profit or loss- FVTPL)	31.03.2021 ₹	31.03.2020 ₹
Investments in mutual funds	-	4,78,380
	-	4,78,380

SIMPLEX MILLS COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

8. TRADE RECEIVABLES	31.03.2021	31.03.2020
	₹	₹
Trade receivables considered good-(Unsecured)	<u>4,111</u>	<u>15,92,958</u>
	<u>4,111</u>	<u>15,92,958</u>
9. CASH AND CASH EQUIVALENTS	31.03.2021	31.03.2020
	₹	₹
Cash and cash equivalents		
Balances with banks:		
In current accounts	5,16,002	10,00,289
Cash on hand	<u>7,142</u>	<u>10,072</u>
	<u>5,23,144</u>	<u>10,10,361</u>
10. LOANS - CURRENT	31.03.2021	31.03.2020
(Considered good - Unsecured)	₹	₹
Inter corporate deposits-related parties	65,50,000	53,00,000
Inter corporate deposits-others	<u>1,42,05,000</u>	<u>1,64,05,000</u>
	<u>2,07,55,000</u>	<u>2,17,05,000</u>
11. OTHER FINANCIAL ASSETS - CURRENT	31.03.2021	31.03.2020
	₹	₹
Interest receivable	<u>15,83,719</u>	<u>5,59,175</u>
Others	<u>97,584</u>	<u>-</u>
	<u>16,81,303</u>	<u>5,59,175</u>
12. OTHER CURRENT ASSETS	31.03.2021	31.03.2020
(Unsecured, considered good)	₹	₹
Balances with government authorities	9,13,159	7,61,827
Prepaid expenses	30,167	27,321
Others	<u>1,26,363</u>	<u>87,649</u>
	<u>10,69,689</u>	<u>8,76,797</u>
13. EQUITY SHARE CAPITAL	31.03.2021	31.03.2020
	₹	₹
AUTHORISED		
31,00,000 (31st March, 2020 - 31,00,000) Equity Shares of ₹10/- each	3,10,00,000	3,10,00,000
1,00,00,000 (31st March, 2020 - 1,00,00,000) Redeemable Preference Shares of ₹10/- each	<u>10,00,00,000</u>	<u>10,00,00,000</u>
	<u>13,10,00,000</u>	<u>13,10,00,000</u>
ISSUED, SUBSCRIBED AND PAID UP		
30,00,475 (31st March, 2020 - 30,00,475) Equity shares of ₹ 10/- each fully paid up.	<u>3,00,04,750</u>	<u>3,00,04,750</u>
Total Issued, subscribed and fully paid up share capital	<u>3,00,04,750</u>	<u>3,00,04,750</u>

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

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

	31.03.2021		31.03.2020	
	Equity Shares		Equity Shares	
	Number	₹	Number	₹
Shares outstanding at the beginning of the year	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

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

Name of Shareholder	As at 31.03.2021		As at 31.03.2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Simplex Realty Ltd.	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
Shreelekha Global Finance Ltd.	2,52,553	8.42	2,52,553	8.42
New Textiles LLP (formerly known as New Textiles Pvt. Ltd)	2,51,505	8.38	2,51,505	8.38

14. OTHER EQUITY

	31.03.2021	31.03.2020
	₹	₹
CAPITAL RESERVE - Backward area incentive		
Opening balance	25,00,000	25,00,000
Addition/(utilisation) during the year	-	-
Closing balance	25,00,000	25,00,000
GENERAL RESERVE		
Opening balance	12,78,59,088	12,78,59,088
Addition/(utilisation) during the year	-	-
Closing balance	12,78,59,088	12,78,59,088
RETAINED EARNINGS		
Opening balance	(20,15,62,402)	(20,73,27,026)
Profit/(Loss) for the year	18,02,585	57,64,624
Other comprehensive income / (expense)	-	-
Closing balance	(19,97,59,817)	(20,15,62,402)
Total other equity	(6,94,00,729)	(7,12,03,314)

SIMPLEX MILLS COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

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.

15. BORROWINGS - CURRENT

	31.03.2021	31.03.2020
	₹	₹
Unsecured - at Amortised Cost		
Non-cumulative redeemable preference shares	1,94,51,309	1,78,34,870
	1,94,51,309	1,78,34,870

Non-cumulative redeemable preference shares (NCRPS)

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

Particulars	31.03.2021 NCRPS Number	31.03.2020 NCRPS Number
Shares outstanding at the beginning of the year	90,00,000	90,00,000
Shares issued during the year	-	-
Shares redeemed during the year	-	-
Shares outstanding at the end of the year	90,00,000	90,00,000

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

Name of Shareholder	As at 31.03.2021		As at 31.03.2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Simplex Realty Limited	90,00,000	100	90,00,000	100

c. 90,00,000 Non-cumulative redeemable preference shares of ₹ 10 each are redeemable at face value within 20 years from the date of allotment i.e. 20.11.2018.

d. Rights and restrictions to NCRPS

NCRPS of the Company have priority over the Equity Shares of the Company i) for receiving dividend if declared and paid ii) for repayment of capital in the event of liquidation of the Company in proportion to their holding.

16. OTHER FINANCIAL LIABILITIES - NON-CURRENT

	31.03.2021	31.03.2020
	₹	₹
Security deposit	-	1,08,199
	-	1,08,199

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

17. OTHER LIABILITIES - NON-CURRENT	31.03.2021	31.03.2020
	₹	₹
Deferral liability on account of Non-Cumulative Redeemable Preference Shares	6,07,32,325	6,44,38,664
Deferred income	-	1,902
	6,07,32,325	6,44,40,566

18. OTHER FINANCIAL LIABILITIES - CURRENT	31.03.2021	31.03.2020
	₹	₹
Security deposit	1,17,939	-
Liability for expenses	3,58,959	3,96,932
Other Liabilities	19,800	-
	4,96,698	3,96,932

19. OTHER CURRENT LIABILITIES	31.03.2021	31.03.2020
	₹	₹
Deferred income	1,902	9,113
Deferral liability on account of Non-Cumulative Redeemable Preference Shares	37,06,339	37,06,339
Statutory dues	8,552	10,199
Other liabilities	2,20,40,480	2,20,40,480
	2,57,57,273	2,57,66,131

20. REVENUE FROM OPERATIONS	2020-21	2019-20
	₹	₹
Revenue from operations		
Sale of products		
Finished goods	33,345	-
Traded goods	-	15,17,103
Revenue from operations (net)	33,345	15,17,103
Details of products sold		
Finished goods		
Cloth	33,345	-
Traded goods - Cloth	-	15,17,103
	33,345	15,17,103

SIMPLEX MILLS COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

21. OTHER INCOME	2020-21 ₹	2019-20 ₹
Interest on		
Inter corporate deposits	22,86,051	13,87,103
Interest on income tax refund	7,321	4,744
Others	7,941	3,084
Rent	1,89,833	2,04,770
Interest on amortisation of financial liability	37,06,339	37,06,339
Changes in fair value of financial assets through profit or loss (FVTPL)	-	10,178
Sundry balances written back (net)	9,65,505	923
Profit on sale of Investment	16,357	2,28,202
	<u>71,79,347</u>	<u>55,45,343</u>

22. INCREASE / (DECREASE) IN INVENTORIES	2020-21 ₹	2019-20 ₹
Closing stock		
Finished goods	1,18,582	1,70,302
	<u>1,18,582</u>	<u>1,70,302</u>
Less: Opening stock		
Finished goods	1,70,302	1,70,302
	<u>1,70,302</u>	<u>1,70,302</u>
Decrease in stock	<u>(51,720)</u>	-
Details of purchase of traded goods		
Cloth	-	14,91,767
Details of inventory		
Finished goods		
Cloth	1,05,230	1,56,950
Waste	13,352	13,352
	<u>1,18,582</u>	<u>1,70,302</u>

23. EMPLOYEE BENEFITS EXPENSES	2020-21 ₹	2019-20 ₹
Salaries	1,60,000	2,29,758
	<u>1,60,000</u>	<u>2,29,758</u>

24. FINANCE COSTS	2020-21 ₹	2019-20 ₹
Interest expense	16,26,179	14,91,042
Interest on income tax	1,858	-
	<u>16,28,037</u>	<u>14,91,042</u>

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

25. OTHER EXPENSES	2020-21 ₹	2019-20 ₹
Power and fuel	24,111	29,567
Repairs - others	2,260	2,810
Insurance	9,836	11,017
Rates and taxes	9,32,429	8,09,965
Travelling and conveyance expenses	210	8,634
Director's sitting fees	45,500	4,750
Advertisements	22,936	29,008
Postage, stationery and printing	8,968	83,563
Bank charges	2,509	3,212
Motor maintenance	34,936	49,643
Professional fees	6,70,247	6,85,884
Security charges	3,15,815	3,16,053
Membership and subscription charges	3,00,000	3,00,000
Interest receivable written off	5,73,922	4,51,266
Changes in fair value of financial assets through profit or loss (FVTPL)	10,178	-
Sundry expenses	33,575	50,588
Payments to Auditor		
Audit fees	22,500	22,500
In other capacity	7,500	7,500
	30,17,432	28,65,960

26. EXCEPTIONAL ITEMS	2020-21 ₹	2019-20 ₹
Bad debts recovered	-	59,78,340
Closure compensation paid	-	(3,19,651)
	-	56,58,689

27. CONTINGENT LIABILITIES

Claims against the Company not acknowledged as debt:

(In ₹)

	31.03.2021	31.03.2020
Appeals filed in respect of disputed demands:		
i) Central Excise	1,02,46,247	1,02,46,247
ii) Labour Matters	43,89,977	43,89,977

28. The net worth of the Company has been fully eroded due to continuous losses. During the year, the Company has activity of dealing 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.

SIMPLEX MILLS COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

30. As there is only one employee in the Company as at the balance sheet date and has not completed required minimum period to become eligible for retirement benefits, accordingly, the provisions relating to Ind AS 19 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	2020-21	2019-20
(a)	Profit/(Loss) after tax – ₹	18,02,585	57,64,624
(b)	Weighted average number of shares	30,00,475	30,00,475
(c)	Face value of shares (₹ per share)	10/-	10/-
(d)	Basic and Diluted EPS before exceptional item - ₹	0.60	0.04
(e)	Basic and Diluted EPS after exceptional item - ₹	0.60	1.92

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

33. RELATED PARTY DISCLOSURE

(I) List of Related Parties as required by Ind AS-24 "Related Party Disclosures" are given below:

a) Controlling Company :	Simplex Realty Limited
b) Common Directors :	Simplex Papers Limited
c) Non Executive/Independent Directors :	Shri Sabhapati G Shukla
	Shri Manish Harshey
	Smt. Sita Sunil
	Shri Shekhar R Singh
	Smt. Fatima Fernandes

II) Transactions with related parties

(In ₹)

Name of the Related Party	Type of Related Party	Description of the nature of the transactions	Volume of transactions during 2020-21	Volume of transactions during 2019-20	As on 31.03.2021 Receivable/ (Payable)	As on 31.03.2020 Receivable/ (Payable)
Simplex Realty Limited	Controlling Company	Reimbursement of expenses	51,891	42,634	-	-
Simplex Papers Limited	Common Directors	Loan (repaid) / given-net	12,50,000	8,00,000	-	-
		Receivable / (Payable)	-	-	65,50,000	53,00,000
		Interest accrued	5,59,972	4,51,266	-	-
		Interest receivable written off	5,59,972	4,51,266	-	-
Shri Sabhapati G Shukla	Non Executive / Independent Directors	Sitting fees	11,500	1,000		
Shri Manish Harshey			11,500	1,000		
Smt. Sita Sunil			5,500	750		
Shri Shekhar R Singh			10,500	1,000		
Smt. Fatima Fernandes			6,500	1,000		

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

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 ₹)

Particulars	31.03.2021			31.03.2020		
	At cost	FVTOCI	Amortised cost	At cost	FVTOCI	Amortised cost
Financial Assets						
Loans	-	-	2,07,87,690	-	-	2,17,37,690
Trade receivables	-	-	4,111	-	-	15,92,958
Cash and cash equivalents	-	-	5,23,144	-	-	10,10,361
Other financial assets	-	-	16,81,303	-	-	5,59,175
	-	-	2,29,96,248	-	-	2,49,00,184
Financial Liabilities						
Borrowings	-	-	1,94,51,309	-	-	1,78,34,870
Trade payables	-	-	79,397	-	-	25,48,937
Other financial liabilities	-	-	4,96,698	-	-	5,05,131
	-	-	2,00,27,404	-	-	2,08,88,938

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 include loans, trade receivables, cash and cash equivalents and others. The Company is exposed to credit risk, liquidity risk and market risk. The Company's senior management oversees the management of these risks. The Company's senior management 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:

- Credit Risk
- Liquidity Risk
- 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, investment in inter corporate deposit.

SIMPLEX MILLS COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

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, 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.

(In ₹)

As at 31st March, 2021	Carrying amount	Contractual cash flows				
		Total	Within 1 year	1-2 years	2-5 years	More than 5 years
Financial liabilities						
Borrowings	1,94,51,309	1,94,51,309	-	-	-	1,94,51,309
Trade payables	79,397	79,397	79,397	-	-	-
Other financial liabilities	4,96,698	4,96,698	4,96,698	-	-	-
	2,00,27,404	2,00,27,404	5,76,095	-	-	1,94,51,309

(In ₹)

As at 31st March, 2020	Carrying amount	Contractual cash flows				
		Total	Within 1 year	1-2 years	2-5 years	More than 5 years
Financial liabilities						
Borrowings	1,78,34,870	1,78,34,870	-	-	-	1,78,34,870
Trade payables	25,48,937	25,48,937	25,48,937	-	-	-
Other financial liabilities	5,05,131	5,05,131	5,05,131	-	-	-
	2,08,88,938	2,08,88,938	30,54,068	-	-	1,78,34,870

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

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.

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate at the reporting date would not affect profit or loss.

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, production cost. The Company does not buy any new material, if it can not be sold to the customers above the cost of procurement.

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.

The Company's net debt to equity ratio is as follows:

	As at 31st March, 2021 ₹	As at 31st March, 2020 ₹
Borrowing	1,94,51,309	1,78,34,870
Less : Cash and cash equivalents	5,23,144	10,10,361
Net Debt	1,89,28,165	1,68,24,509
Total equity	(3,93,95,979)	(4,11,98,564)
Debt/Equity ratio	(0.48)	(0.41)

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)

SIMPLEX MILLS COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

37. The Financial Statements of the Company for the year ended 31st March, 2021 were approved by the Board of Directors on 27th May, 2021.

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, 27th May, 2021

Fatima Fernandes
Chief Executive Officer &
Chief Financial Officer

Harshika Kataria
Company Secretary and
Compliance Officer

For and on behalf of the Board

Sabhapati G Shukla
Director

Shekhar R Singh
Director
Mumbai, 27th May, 2021

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
Corporate Office:
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
Corporate Office:
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:
- Nationality:
- 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

Simplex Mills Company Limited

Corporate Office :

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