



**25TH  
ANNUAL REPORT  
2018-2019**

# SIMPLEX PAPERS LIMITED

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## Board of Directors

Shri Dinesh Chandra Shrimali  
Smt. Sita Sunil  
Shri Shekhar R Singh  
Shri Manish Harshey  
Smt. Fatima Fernandes

## Company Secretary

Mrs. Kinjal P Shah (appointed w.e.f.20.02.2019)

## Statutory Auditors

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

## Secretarial Auditors

M/s. Manish Ghia & Associates  
Company Secretaries  
Mumbai

## Banker

State Bank of India, Mumbai

## Corporate Identification Number (CIN)

L21010MH1994PLC078137

## Registered Office

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

## Share Transfer Agent

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

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25th Annual General Meeting of the Company will be held on Wednesday, the 7th August, 2019 at 1.00 p.m. or soon after the conclusion of the Annual General Meeting of Simplex Mills Company Limited convened on the same day, whichever is later at Babubhai Chinai Committee Room, 2nd Floor, Indian Merchants Chamber, IMC Marg, Churchgate, Mumbai – 400020

## NOTICE

NOTICE is hereby given that the Twenty-Fifth **ANNUAL GENERAL MEETING** of the Members of **SIMPLEX PAPERS LIMITED** will be held on Wednesday, the 7th August, 2019 at 1.00 p.m. or soon after the conclusion of the Annual General Meeting of Simplex Mills Company Limited convened on the same day, whichever is later at Babubhai Chinai Committee Room, 2nd Floor, Indian Merchants Chamber, IMC Marg, Churchgate, Mumbai – 400020 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, 2019 and the Reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Smt. Sita Sunil (DIN 00041722), who retires by rotation and, being eligible, offers herself for re-appointment.

### Special Business:

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and all other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and as recommended by the

Nomination and Remuneration Committee and the Board of Directors, Shri Dinesh Chandra Shrimali (DIN 01501213), was appointed as an Independent Director and who holds office of Independent Director upto 31st March, 2019 and being eligible, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a Member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years with effect from 1st April, 2019 upto 31st March, 2024;

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion deemed necessary, proper or desirable and to settle any questions, difficulties and/or doubts that may arise in this regard."

By Order of the Board of Directors

**Kinjal P Shah**  
Company Secretary

Mumbai, 8th May, 2019

CIN L21010MH1994PLC078137

### Registered Office:

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

### NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The proxies, in order to be valid, should be duly completed, stamped and signed and must be lodged at the registered office of the Company not less than 48 hours before the commencement of the meeting. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.

2. The Explanatory Statement pursuant to the provision of Section 102 of the Companies Act, 2013 (the Act), in respect of the Special Business under **Item Number 3** of the Notice dated 8th May, 2019 is appended hereto.
3. The details under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) in respect of the Directors seeking appointment/re-appointment at the Twenty-Fifth Annual General Meeting (AGM), forms integral part of the Notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.

4. The Members/Proxy holders are requested to bring their duly filled Attendance Slip along with their copy of the Annual Report to the meeting.
  5. The Register of Members and Transfer Books of the Company will be closed from Friday, the 2nd August, 2019 to Wednesday, the 7th August, 2019 (both days inclusive) for the purpose of the AGM or any adjournment thereof.
  6. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, will be available for inspection by the Members at the AGM of the Company.
  7. The Members who hold shares in physical form are requested to notify any change in their address to the Company's Share Transfer Agent, Freedom Registry Limited, having its office at Plot No. 101/102, 19th Street, MIDC, Satpur, Nashik-422007. The Members who hold shares in dematerialized form are requested to notify any change in their address to their respective Depository Participants.
  8. Corporate Members intending to send their Authorized Representatives to attend and vote at the Meeting are requested to ensure that the Authorized Representative carries a duly certified true copy of their Board Resolution.
  9. The format of the Register of Members prescribed by the Ministry of Corporate Affairs under the Act, requires the Company/Share Transfer Agent to record additional details of Members, including their PAN details, email address, bank details for payment of dividend, etc. A form for capturing the additional details is appended at the end of this Annual Report. Members holding shares in physical form are requested to submit the filled in form to the Company or its Share Transfer Agent. Members holding shares in electronic form are requested to submit the details to their respective Depository Participants.
  10. As per the provisions of Section 72 of the Act, facility for making nomination is available for the Members in respect of the shares held by them. Members holding shares in single name and who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to cancel the earlier nomination and record fresh nomination, he may submit the same in Form No. SH-14. Both Forms are appended at the end of the Annual Report. Members holding shares in physical form are requested to submit the forms to the Company's Share Transfer Agent. Members holding shares in electronic form may obtain Nomination forms from their respective Depository Participant.
  11. Electronic copy of the Annual Report for 2018-19 is being sent to all Members whose email addresses are registered with the Company/Depository Participants for communication purposes, unless any Member has requested for a hard copy of the same. For Members who have not registered their email addresses, physical copies of the Annual Report for 2018-19 are being sent in the permitted mode.
  12. To support the "Green Initiative", Members who have not registered their email addresses are requested to register the same with the Company's Share Transfer Agent / their Depository Participants, in respect of shares held in physical / electronic mode respectively.
  - 13. Voting through Electronic means**
    - I In compliance with provisions of Section 108 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time the Company is pleased to provide Members facility of 'remote e-voting' (e-voting from a place other than venue of the AGM) to exercise their right to vote at the AGM. The business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).

The facility for voting, either through electronic voting system or through ballot/polling paper shall also be made available at the venue of the AGM. The Members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The Members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.
- The instructions for Members voting electronically are as under:
- (i) The voting period begins on Sunday, 4th August, 2019 (10.00 a.m.) and ends on Tuesday, 6th August, 2019 (5.00 p.m.). During this period Members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-

off date (record date) of the Wednesday, the 31st July, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (ii) The Members should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Members.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 Digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

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

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Note for Non- Individual Members & Custodians

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details they should create compliance user using the admin login and password. The Compliance user would be able to link the depository account(s) / folio numbers on which they wish to vote.
- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xix) In case you have any queries regarding e-voting, you may refer the Frequently Asked Questions at [www.evotingindia.com](http://www.evotingindia.com) under help section.

II The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on

the cut-off date (record date) of the Wednesday, the 31st July, 2019.

- III Shri Pankaj Khandelwal, Practising Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- IV The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make not later than three days of conclusion of the meeting a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.
- V The Results shall be declared on or after the AGM of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website [www.simplex-group.com](http://www.simplex-group.com) and on the website of CDSL within two days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.
- VI All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (11.00 a.m. to 1.00 p.m.) on all working days, upto and including the date of the AGM of the Company.

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

The following statement sets out material facts relating to Special Business as mentioned under Item Number 3 in the accompanying Notice dated 8th May, 2019.

### Item Number 3

The Members of the Company at the 20th Annual General Meeting held on 6th August, 2014 approved the appointment of Shri Dinesh Chandra Shrimali as an Independent Director of the Company for a period of 5 (five) consecutive years with effect from 1st April, 2014 upto 31st March, 2019, as the first term of a 5 (five) consecutive years.

The Board of Directors at the meeting held on 7th February, 2019 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 Dinesh Chandra Shrimali as an Independent Director of the Company, for a second term of 5 (five) consecutive years with effect from 1st April, 2019 upto 31st March, 2024, shall not be liable to retire by rotation.

Shri Dinesh Chandra Shrimali is a commerce graduate and having experience in the field of Paper Industries. He currently serves as member of the Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee of Simplex Papers Limited.

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 Dinesh Chandra Shrimali is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as Director. The Company has received notice in writing from a Member under Section 160(1) of the Act proposing the candidature of Shri Dinesh Chandra Shrimali for the office of Independent Director of the Company.

The Company has also received declarations from Shri Dinesh Chandra Shrimali 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.

In the opinion of the Board, Shri Dinesh Chandra Shrimali 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 Dinesh Chandra Shrimali is independent of the management.

The Explanatory Statement together with the accompanying Notice may also 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.

A copy of the draft letter for re-appointment of Shri Dinesh Chandra Shrimali setting out the terms and conditions of re-appointment is available for inspection at the Registered 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 Dinesh Chandra Shrimali as an Independent Director of the Company.

Except Shri Dinesh Chandra Shrimali, 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 number 3 except to the extent of their shareholding, if any, in the Company.

The Board recommends the Resolution at Item Number 3 of the Notice for your approval.



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## DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AS REQUIRED UNDER REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

### Re-appointment of Smt. Sita Sunil (Item No. 2)

Smt. Sita Sunil joined the Board of the Company on 8th June 2009. She is also a Director on the Board of Simplex Mills Company Limited.

Smt. Sita Sunil is a commerce graduate and having more than ten years of experience in the field of Marketing and she does not hold by herself or for any other person on a beneficial basis, any shares in the Company.

The Board considers that her continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Smt. Sita Sunil as a Director.

Except Smt. Sita Sunil, 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 number 2 except to the extent of their shareholding, if any, in the Company.

The Board recommends the Resolution at Item Number 2 of the Notice for your approval.

### Re- Appointment of Shri Dinesh Chandra Shrimali as an Independent Director (Item Number 3)

For the details of re- appointment of Shri Dinesh Chandra Shrimali as an Independent Director of the Company, for the second term of 5 (five) consecutive years with effect from 1st April, 2019 upto 31st March, 2024, please refer to the above Explanatory Statement in respect to Special Business set out at Item Number 3 of the Notice of the AGM.

By Order of the Board of Directors

**Kinjal P Shah**  
Company Secretary

Mumbai, 8th May, 2019

CIN L21010MH1994PLC078137

### Registered Office:

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



## DIRECTORS' REPORT

To  
The Members,

Your Directors present the Annual Report, together with the Audited Accounts for the year ended 31st March, 2019.

### FINANCIAL RESULTS

		(in ₹)
	<b>2018-19</b>	2017-18
Loss before Depreciation, Finance Costs and Taxation	<b>(8,98,949)</b>	(12,07,056)
Less: Depreciation	<b>2,032</b>	425
Less: Finance costs	-	44
Loss before tax	<b>(9,00,981)</b>	(12,07,525)
Less: Earlier year taxes	-	5,161
Loss after tax for the year	<b>(9,00,981)</b>	(12,12,686)

### SHARE CAPITAL AND PREFERENCE SHARES

During the year under review, the Company has re-classified the Authorised Share Capital of ₹ 15,00,00,000/- into 50,00,000 Equity Shares of ₹ 10/- each and 1,00,00,000 Redeemable Preference Shares of ₹ 10 each/-.

### DIVIDEND

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

### OPERATIONS

Your Company has reported total income of ₹ 4,83,740/- and net loss after tax of ₹ 9,00,981/- during the year ended 31st March, 2019.

### 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

Smt. Sita Sunil, Director of the Company who retires by rotation at the Twenty-Fifth Annual General Meeting (AGM) and, being eligible, offer herself for re-appointment.

Shri Dinesh Chandra Shrimali was appointed as an Independent Director of the Company with effect from 1st April, 2014 upto 31st March, 2019. Pursuant to the recommendation of Nomination and Remuneration Committee, the Board at its Meeting held on 7th February, 2019 has approved the re-appointment of Shri Dinesh Chandra Shrimali as an Independent Director for a further term of 5 years from 1st April, 2019 to 31st March, 2024, subject to the approval of the Members, since the Board was of the opinion that his association would be of immense benefit to the Company and it was desirable to avail services of Shri Dinesh Chandra Shrimali as an Independent Director.

During the year, Mrs. Kinjal P Shah, has been appointed as a Company Secretary, Key Managerial Personal and Compliance Officer of the Company with effect from 20th February, 2019.

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

### BOARD EVALUATION

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

The performance evaluation of the Independent Directors was completed. The performance evaluation of the Chairman and the Non Independent Directors

# SIMPLEX PAPERS LIMITED

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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, five Board meetings were held. The details of the meetings are given in Corporate Governance Report which forms part of this Report.

## REMUNERATION AND NOMINATION POLICY

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

## FAMILIARIZATION PROGRAMME OF INDEPENDENT DIRECTORS

The Company has practice of conducting familiarization programme for Independent Directors of the Company.

The details of the programme are given in the Corporate Governance Report which forms part of this Report.

## PARTICULARS OF EMPLOYEES

During the year, there 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 III and forms a part of this Report.

## AUDITORS

Messrs K. M. Shah & Co. Chartered Accountants, Mumbai (ICAI Firm Registration No. 109637W), Auditors of the Company have submitted their Independent Auditors Report on the Financial Statements of the Company for the year ended 31st March, 2019 and they have given an unmodified opinion(s) report on the Financial Statements for the year under review. The Auditors have confirmed that they comply with all the requirements and criteria are otherwise qualified to continue to act as Auditors of the Company. 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 2018-2019, no cost audit required to be carried out.

## SECRETARIAL AUDIT

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

With regard to observations contained in Secretarial Audit Report, Directors state that the following:

Reply to observations - a, b, f and g

The Company has been suffering losses continuously as it does not have major business operations and revenue. Hence, the Company has not been able to appoint Chief Executive Officer / Managing Director and Chief Financial Officer. However, as the Company endeavours to ensure compliance, had appointed Mrs. Kinjal P Shah, as a Company Secretary and Compliance Officer of the Company with effect from 20th February, 2019.

Reply to observation - c

During the year under review, your Company had amended its Memorandum and Articles of Association by altering the Capital Clause for re-classification of Authorised Share Capital of the Company. The Shareholders at its 24th Annual General Meeting held on 1st August, 2018, approved the alteration of the Articles of Association, by way of an ordinary resolution (instead of a special resolution). The same was due to inadvertence. Though the resolution was passed as an ordinary resolution, it may please be noted that the Shareholders had approved with 99.998 percent votes casted in favour of the resolution. The Shareholders may please note that had the Company proposed the said resolution as special resolution, the same would have also been passed with requisite majority as 99.998 percent of the votes were casted in favour of the said resolution.

Reply to observation - d

In due compliance with the relevant provisions of the Act and the Listing Regulations, Shri Dinesh Chandra Shrimali was appointed as an Independent Director of the Company for a term of 5 years from 1st April, 2014 to 31st March, 2019. Due to expiry of the his first term of the Independent Director on 31st March, 2019, there had arisen casual vacancy in the office of the Independent Director, which the Board is authorised to fill in due compliance with the provisions of the Act and the Rules made thereunder. Accordingly, on the recommendation of Nomination and Remuneration Committee, the Board at its Meeting held on 7th February, 2019 had approved the re-appointment of

Shri Dinesh Chandra Shrimali as an Independent Director of the Company for a second term of 5 years, effective from 1st April, 2019, subject to the approval of the Shareholders of the Company at the ensuing AGM.

#### Reply to observation - e

The Company has been ensuring compliance with the relevant provisions of the Act and the Rules made thereunder and seeking approval of the Audit Committee, the Board and Shareholders as may be required and applicable from time to time. Accordingly, the Shareholders at its 22nd Annual General Meeting held on 9th August, 2016, approved the investments of surplus funds of Company upto an aggregate amount of ₹ 3 crore. Further, the investments of surplus fund of the Company had been duly approved by the Audit Committee, from time to time. Similarly as a part of the approval of the Unaudited / Audited Financial Results / Financial Statements, the Board has also ratified & approved the said investments, which ensure compliance with the relevant provisions of the Act.

#### Reply to observation - h

The delays were due to surge in unexpected volume of workload on Share Transfer Agent (STA). As a result, there have been delay in processing of transfer/demat request by STA. Accordingly, the Company vide its letter dated 24th April, 2019 informed the reasons of delay to the Stock Exchange.

### 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 judgments and estimates that have been made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2019 and the loss 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 a Vigil Mechanism / Whistle Blower Policy to deal with instance of fraud and mismanagement, if any. The details of the Policy are explained in the Corporate Governance Report and are also available on the Company's website.

### EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as Annexure II and the web-link for the same is [http://simplex-group.com/upload\\_pdf/15328DR-Annexure%20II-MGT-9%20SPL.pdf](http://simplex-group.com/upload_pdf/15328DR-Annexure%20II-MGT-9%20SPL.pdf)

### STOCK EXCHANGE

The Company's equity shares are listed at BSE Limited and the Annual Listing Fees for the year 2019-20 has been paid.

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

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

## **DISCLOSURE UNDER THE PREVENTION OF SEXUAL HARASSMENT ACT**

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

**Dinesh Chandra Shrimali**

**Shekhar R Singh**  
Directors

Mumbai, 8th May, 2019

**SECRETARIAL AUDIT REPORT**

For the financial year ended on 31st March, 2019  
[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 Papers Limited**  
Mumbai

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Simplex Papers Limited** (CIN: L21010MH1994PLC078137) and having its registered office at 30, Keshavrao Khadye Marg, Sant Gadge Maharaj Chowk, Jacob Circle, Mumbai-400011 (hereinafter called 'the Company'). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the Secretarial Audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of:

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

- (v) The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (effective up to 9th November 2018) and The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (effective from 10th November 2018) **(Not applicable to the Company during the audit period);**
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(Not applicable to the Company during the audit period);**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the audit period);**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the audit period);**
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the audit period);** and
  - (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.

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

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

- a) the Company does not have a Managing Director or Whole-time Director or Manager or Chief Executive Officer, Chief Financial Officer;
- b) the Company did not have a Company Secretary during the period 01.04.2018 till 19.02.2019;
- c) the alteration to the Articles of Association of the Company have been made by passing an ordinary resolution;
- d) the second term of one of the independent director of the company, which commenced from 1st April 2019 is yet to receive the approval of members by special resolution in terms of the provisions of Sec 149(10) of the Act;
- e) authorisation of Board of Directors under Section 186 read with Section 179 was not taken for giving inter-corporate loan;
- f) the Company has not complied with regulation 6 of LODR (which requires appointment of qualified Company Secretary as a compliance officer of the Company) during the period 01.04.2018 to 19.02.2019 as the position of Company Secretary was vacant;
- g) the CEO-CFO certificate to be taken under regulation 33 of LODR is not complied as the company does not have CEO and CFO; and
- h) in few instances there were delays in dispatch of Share Certificates as required under Regulation 40(9) of LODR.

## **We further report that**

The Board of Directors of the Company is duly constituted with Non-Executive Directors and Independent Directors subject to our observations at '(a)' and '(d)' above. There were no changes in the composition of the Board of Directors during the period under review were carried out in compliance with the provisions of the Act.

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

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

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

**We further report that** during the audit period the company has reclassified its Authorised Share Capital of ₹ 15,00,00,000/- (comprising of 1,50,00,000/- equity shares of ₹10/- each ) into 50,00,000 equity shares of ₹10/- each and 1,00,00,000/- redeemable preference shares of ₹ 10 each and made consequent alterations to Memorandum and Articles of Association vide ordinary resolution passed in the General Meeting held on 1st August, 2018.

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

For **Manish Ghia & Associates**  
Company Secretaries

**A.N. Sarma**  
Partner

FCS No.: 4557 CP No.: 7812

Mumbai, 8th May, 2019



**Annexure A**

To,  
The Members,  
Simplex Papers Limited  
Mumbai

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

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

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

For **Manish Ghia & Associates**  
Company Secretaries

**A.N. Sarma**  
Partner

FCS No.: 4557 CP No.: 7812

Mumbai, 8th May, 2019



# SIMPLEX PAPERS LIMITED

FORM No. MGT - 9

Annexure II

## EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March, 2019  
[Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12 (1) of the  
Companies (Management and Administration) Rules, 2014]

### I. REGISTRATION AND OTHER DETAILS

1	CIN	L21010MH1994PLC078137
2	Registration Date	3rd May, 1994
3	Name of the Company	Simplex Papers Limited
4	Category / Sub-Category of the Company	Company having Share Capital
5	Address of the Registered office  Contact details	30, Keshavrao Khadye Marg, Sant Gadge Maharaj Chowk, Mumbai - 400011 Tel No. 022 - 23082951 E-mail : papers@simplex-group.com
6	Whether listed company	Yes
7	Name, Address and Contact details of Share Transfer Agent, if any	Freedom Registry Limited Plot No. 101/102, 19th Street, MIDC, Satpur, Nashik - 422007 Tel No. 0253 - 2354032 E-mail : support@freedomregistry.in

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product / Service	% to total turnover of the Company
1	Wholesale of Paper in bulk	46696	-

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

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

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

##### i. Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01.04.2018]				No. of Shares held at the end of the year [As on 31.03.2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	89170	-	89170	2.97	89170	-	89170	2.97	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	2073314	-	2073314	69.08	2073314	-	2073314	69.08	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>Sub-Total A(1)</b>	<b>2162484</b>	<b>-</b>	<b>2162484</b>	<b>72.05</b>	<b>2162484</b>	<b>-</b>	<b>2162484</b>	<b>72.05</b>	<b>-</b>
<b>(2) Foreign</b>									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Bank/ FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub- Total (A)(2):</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Shareholding of Promoters (A)= (A)(1) + (A)(2)</b>	<b>2162484</b>	<b>-</b>	<b>2162484</b>	<b>72.05</b>	<b>2162484</b>	<b>-</b>	<b>2162484</b>	<b>72.05</b>	<b>-</b>
<b>B. Public Shareholding</b>									
<b>(1) Institution</b>									
a) Mutual Fund / UTI	102	-	102	0.00	102	-	102	0.00	-
b) Banks / FI	-	4843	4843	0.16	-	4843	4843	0.16	-
c) Central Govt.	-	-	-	-	353	-	353	0.01	0.01
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	464347	-	464347	15.47	464347	-	464347	15.47	-
g) FIs -	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-Total (B)(1):</b>	<b>464449</b>	<b>4843</b>	<b>469292</b>	<b>15.63</b>	<b>464802</b>	<b>4843</b>	<b>469645</b>	<b>15.64</b>	<b>0.01</b>

# SIMPLEX PAPERS LIMITED

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01.04.2018]				No. of Shares held at the end of the year [As on 31.03. 2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(2)Non – Institutions</b>									
<b>a) Bodies Corporate</b>									
i) Indian	5972	2533	8505	0.28	6268	2533	8801	0.29	0.01
ii) Overseas	-	-	-	-	-	-	-	-	-
<b>b) Individuals</b>									
i) Individual Shareholders holding nominal share capital upto ₹ 1 lakh	208864	138837	347701	11.59	215066	132846	347912	11.60	0.01
ii) Individual Shareholders holding nominal share capital in excess of ₹ 1 lakh	-	-	-	-	-	-	-	-	-
<b>c) Others</b> (HUF, Clearing Members, Foreign Nationals, NRI, Trust)	12435	1058	13493	0.45	11575	1058	12633	0.42	-0.03
<b>Sub – Total (B)(2)</b>	<b>227271</b>	<b>142428</b>	<b>369699</b>	<b>12.32</b>	<b>232909</b>	<b>136437</b>	<b>369346</b>	<b>12.31</b>	<b>-0.01</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>691720</b>	<b>147271</b>	<b>838991</b>	<b>27.95</b>	<b>697711</b>	<b>141280</b>	<b>838991</b>	<b>27.95</b>	<b>0.00</b>
<b>C. Share held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>2854204</b>	<b>147271</b>	<b>3001475</b>	<b>100</b>	<b>2860195</b>	<b>141280</b>	<b>3001475</b>	<b>100</b>	<b>0.00</b>

## ii. Shareholding of Promoters

Shareholder's Name	Shareholding at the beginning of the year [As on 01.04.2018]			Shareholding at the end of the year [As on 31.03.2019]			% change in shareholding during the year
	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total Shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total Shares	
<b>A. Individual</b>							
a. Nandan Damani	42547	1.42	-	42547	1.42	-	-
b. Nandan Damani-HUF	153	0.01	-	153	0.01	-	-
c. Kamladevi Devratan Bagri	243	0.01	-	243	0.01	-	-
d. Nalini Somany	311	0.01	-	311	0.01	-	-
e. Sandip Somany	2302	0.08	-	2302	0.08	-	-
f. Sanjay N Damani	12253	0.41	-	12253	0.41	-	-
g. Shashi A Patodia	4765	0.16	-	4765	0.16	-	-
h. Shreelekha N Damani	26571	0.88	-	26571	0.88	-	-
i. Sumita Somany	25	0.00	-	25	0.00	-	-
<b>B. Bodies Corporate</b>							
a. Lucky Vyapaar and Holdings Pvt. Limited	98256	3.27	-	98256	3.27	-	-
b. Simplex Realty Limited	1471000	49.01	-	1471000	49.01	-	-
c. New Textiles LLP	251505	8.38	-	251505	8.38	-	-
d. Shreelekha Global Finance Ltd	252553	8.41	-	252553	8.41	-	-
<b>Total (A+B)</b>	<b>2162484</b>	<b>72.05</b>	<b>-</b>	<b>2162484</b>	<b>72.05</b>	<b>-</b>	<b>-</b>

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

	Shareholding at the beginning of the year [As on 01.04.2018]		Cumulative Shareholding during the year [From 01.04.2018 to 31.03.2019]	
	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
At the beginning of the year	2162484	72.05	-	-
Date wise Increase/(Decrease) in Promoters Shareholding during the year specifying the reason for increase/decrease (eg. Allotment/ transfer/ bonus/ sweat equity etc.)	No change during the year			
At the end of the year	-	-	2162484	72.05

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

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year [As on 01.04.2018]		Cumulative Shareholding during the year [From 01.04.2018 to 31.03.2019]	
	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
<b>1 Life Insurance Corporation Of India</b>				
a. At the Beginning of the year	387439	12.91	-	-
b. Changes during the year	No change during the year			
c. At the end of the year	-	-	387439	12.91
<b>2 The Oriental Insurance Company Limited</b>				
a. At the Beginning of the year	50940	1.7	-	-
b. Changes during the year	No change during the year			
c. At the end of the year	-	-	50940	1.7
<b>3 National Insurance Company Limited</b>				
a. At the Beginning of the year	25847	0.86	-	-
b. Changes during the year	No change during the year			
c. At the end of the year			25847	0.86
<b>4 Laxmi Devi Damani</b>				
a. At the Beginning of the year	6965	0.23	-	-
b. Changes during the year	No change during the year			
c. At the end of the year			6965	0.23
<b>5 Pamidimarri Chandra Sekhar</b>				
a. At the Beginning of the year	4748	0.16	-	-
b. Changes during the year	No change during the year			
c. At the end of the year	-	-	4748	0.16
<b>6 Satinder Kumar</b>				
a. At the Beginning of the year	4679	0.16	-	-
b. Changes during the year	No change during the year			
c. At the end of the year	-	-	4679	0.16

# SIMPLEX PAPERS LIMITED

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

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year [As on 01.04.2018]		Cumulative Shareholding during the year [From 01.04.2018 to 31.03.2019]	
	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
<b>7 Mahendra Girdharilal</b>				
a. At the Beginning of the year	3382	0.11	-	-
b. Changes during the year	No change during the year			
c. At the end of the year	-	-	3382	0.11
<b>8 Sanjay Agarwal</b>				
a. At the Beginning of the year	3208	0.11	-	-
b. Changes during the year	No change during the year			
c. At the end of the year	-	-	3208	0.11
<b>9 Ricky Ishwardas Kirpalani</b>				
a. At the Beginning of the year	3196	0.11	-	-
b. Changes during the year	No change during the year			
c. At the end of the year	-	-	3196	0.11
<b>10 Shashi Kasat</b>				
a. At the Beginning of the year	2609	0.09	-	-
b. Changes during the year	No change during the year			
c. At the end of the year			2609	0.09

## v. Shareholding of Directors and Key Managerial Personnel

For Each of the Director	Name of Director			
	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
At the beginning of the year	-	-	-	-
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/decrease (eg. Allotment/ transfer/ bonus/ sweat equity etc.)	-	-	-	-
At the end of the year	-	-	-	-

For Each of KMP	Name of the Key Managerial Personnel			
	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
<b>Chief Financial Officer</b>				
At the beginning of the year	-	-	-	-
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/decrease (eg. Allotment/ transfer/ bonus/ sweat equity etc.)	-	-	-	-
At the end of the year	-	-	-	-
<b>Company Secretary and Compliance Officer</b>				
At the beginning of the year	-	-	-	-
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/decrease (eg. Allotment/ transfer/ bonus/ sweat equity etc.)	-	-	-	-
At the end of the year	-	-	-	-

Shri Shekhar Singh, Shri Dinesh Chandra Shirmali, Smt. Sita Sunil, Smt. Fatima Fernandes and Mrs. Kinjal P Shah did not hold any share during the year.

## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment. (In ₹)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	-	12,52,74,327	-	12,52,74,327
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	<b>12,52,74,327</b>	-	<b>12,52,74,327</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	-	45,00,000	-	45,00,000
Reduction	-	72,00,000	-	72,00,000
<b>Net Change</b>	-	<b>(27,00,000)</b>	-	<b>(27,00,000)</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	12,25,74,327	-	12,25,74,327
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	<b>12,25,74,327</b>	-	<b>12,25,74,327</b>

# SIMPLEX PAPERS LIMITED

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

( in ₹ )

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

### B. Remuneration to other Directors

#### 1. Independent Directors

( in ₹ )

Sr. No.	Particulars of Remuneration	Name of Director		Total Amount
		<b>Shri Manish Harshey</b>	<b>Shri D.C.Shrimali</b>	
	Fee for attending Board/Committee Meetings	2,500	2,500	<b>5,000</b>
	Commission	-	-	-
	Other, please specify	-	-	-
	<b>Total (B)(1)</b>	<b>2,500</b>	<b>2,500</b>	<b>5,000</b>

#### 2. Other Non - Executive Directors

( in ₹ )

Sr. No.	Particulars of Remuneration	Name of Director			Total Amount
		<b>Smt.Sita Sunil</b>	<b>Shri Shekhar R Singh</b>	<b>Smt.Fatima Fernandes</b>	
	Fee for attending Board/Committee Meetings	2,000	2,500	2,500	<b>7,000</b>
	Commission	-	-	-	-
	Other, please specify	-	-	-	-
	<b>Total (B)(2)</b>	<b>2,000</b>	<b>2,500</b>	<b>2,500</b>	<b>7,000</b>
	<b>Total (B)=(B)(1) + (B)(2)</b>				<b>12,000</b>



### C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel	( in ₹ ) Total Amount
		Mrs. Kinjal P Shah* Company Secretary	
1	Gross Salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	36,339	36,339
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	-	-
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-
2	Stock Options	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- others, specify	-	-
5	Others, please specify	-	-
	<b>Total (C)</b>	<b>36,339</b>	<b>36,339</b>

\*Appointed as a Company Secretary and Compliance Officer w.e.f. 20th February, 2019.

### VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

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

**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 :

<b>Sr. No</b>	<b>Requirements</b>	<b>Details</b>
ii	The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year	No remuneration was paid to Directors except sitting fees
ii	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	No increase in remuneration of Directors
iii	The percentage increase in the median remuneration of employees in the financial year	Nil
iv	The number of permanent employees on the rolls of Company	1* as on 31.03.2019
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

*\*Mrs. Kinjal P Shah has been appointed as a Company Secretary and Compliance Officer w.e.f. 20th February, 2019, on probationary period.*

For and on behalf of the Board of Directors

**Dinesh Chandra Shrimali**

**Shekhar R Singh**  
Directors

Mumbai, 8th May, 2019

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### INDUSTRY STRUCTURE AND DEVELOPMENTS

India embraces 15th rank among paper manufacturing nations in the world and it is the greatest growing paper market in the world with a growth rate of 6 percent yearly. The Indian paper industry is expanding at the rate of 6-7 percent which would drive the rate of century pulp and paper. The Indian paper industry accounts for a 4 percent share of the total global paper output with an estimated turnover of ₹ 60,000 crore. India emerged as the fastest growing market. Over the last few years, the per capita paper consumption in India has grown from 11 kilograms in FY2014-15 to 13 kilograms in FY2018-19, an appreciable increase catalysed by a growth in income, literacy and aspiration levels. The Indian paper industry provides employment to over 0.5 million and 1.5 million people directly and indirectly, respectively.

The paper industry in India looks extremely positive as the demand for upstream market of paper products like tissue paper, tea bags, filter paper, light weight online coated paper, medical grade coated paper, etc. is growing up.

### OPPORTUNITIES AND THREATS

The Indian paper industry is characterized by high voluminous growth on account of the increasing population in the country. The demand drivers for growth in paper industry are:

- a. Improving literacy: India seeks to improve its literacy rate from 70 percent to 90 percent, which should accelerate the demand for writing and printing paper.
- b. Downstream demand: Demand from FMCG, electronics, pharmaceuticals and ready-to-eat foods sector are driving the use of paper, paperboards and packaging materials. Despite steps towards going paperless being undertaken, paper serves as the most reliable backup option for banks, insurance companies and hospitals.
- c. Hygiene and sanitation: The hygiene products market has seen an explosive growth in recent years. People these days are concerned about how ethical and safe a product is, driving up sales of ecofriendly and natural products.

The present demand is estimated at 13.1 million tonnes with domestic production of 11.4 million tonnes, export of 0.5 million tonnes and import of 2.2 million tonnes. The demand is projected to boost to 23.5 million tonnes by 2024- 25. The increase of per capita paper utilization by one kg will raise the demand by about 1.25 million tonnes per annum

At the same time, cheap imports are increasingly meeting the new demand for paper and paperboard in the country, thus discouraging new investments from domestic manufacturers. Imports are growing at a very high rate as compared to the increase in domestic production rate.

### RISKS AND CONCERNS

The Company's risk management strategy encompasses the proper and in-depth identification, assessment and prioritization of risks, followed by speedy mobilization of resources to minimize, monitor and control the probability of unfortunate events.

India is a wood fibre deficient country as the Government does not permit industrial plantations in the country and inadequate raw material availability domestically is a major constraint for the paper industry. The industry is largely fragmented with lower capacity with outdated technology, non-availability of good quality of fibrous raw materials and highly skilled and job specific manpower. Waste paper collection in the country is poor it is only 31 percent against world average collection of 65 percent. Growth of paper industry in India has been constrained due to high cost of production caused by inadequate availability and high cost of raw materials, power cost and concentration of mills in one particular area and also environmental problems.

### INTERNAL CONTROL SYSTEMS AND THEIR 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 damage.

### PERFORMANCE

The Company is engaged in trading activity of different type of papers i.e. paper board, craft paper etc. During the year the total income of the Company is ₹ 4,83,740/- and net loss after tax of ₹ 9,00,981/-, there was no trading activity during the year.

### CAUTIONARY STATEMENT

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

## REPORT ON CORPORATE GOVERNANCE

### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

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

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

### 2. BOARD OF DIRECTORS

#### a) Composition

The Board of Directors provides strategic direction and thrust to the operations of the Company. As on 31st March, 2019, 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, 2019, 5 (five) Board Meetings were held. The dates on which the said meetings were held are as follows:

14th May, 2018, 1st August, 2018, 30th October, 2018, 7th February, 2019 and 25th February, 2019.

#### Attendance of Directors at Board Meetings during 2018-19 and Directorship(s) and Committee Chairmanship(s)/Membership(s) of other companies as on 31st March, 2019

Name	Category	No. of Board Meetings held - 5	No. of Directorships and Committee Chairmanship(s) / Membership(s)			Attendance at AGM held on 1st August, 2018
		Attended	Other Directorship*	Committee Chairmanship(s)**	Committee Membership(s)**	
Shri Dinesh Chandra Shrimali	Independent Non- Executive	5	-	-	-	Yes
Shri Manish Harshey	Independent Non- Executive	5	1	-	2	Yes
Smt. Sita Sunil	Non-Executive	4	1	-	-	No
Shri Shekhar R Singh	Non-Executive	5	1	-	1	Yes
Smt. Fatima Fernandes	Non-Executive	5	1	-	1	No

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/ Membership of only the Audit Committee and Stakeholders' Relationship Committee and Nomination and Remuneration Committee of all Public Limited Companies have been considered.

**c) Details of Directorship in other Listed Companies:**

Name	Name of Listed Company	Category
Shri Dinesh Chandra Shrimali	Nil	Nil
Shri Manish Harshey	Simplex Mills Company Limited	Independent Non-Executive
Smt. Sita Sunil	Simplex Mills Company Limited	Non-Executive - Non Independent Director
Shri Shekhar R Singh	Simplex Mills Company Limited	Non-Executive - Non Independent Director
Smt. Fatima Fernandes	Simplex Mills Company Limited	Non-Executive - Non Independent Director

**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:

<b>Industry</b>	<ul style="list-style-type: none"> <li>Experience in and knowledge of the industry in which the Company operates</li> <li>Experience in and knowledge of broader industry environment and business planning</li> </ul>
<b>Professional</b>	Expertise in professional areas such as Technical, Accounting, Finance, Legal, Management, Human Resources

<b>Governance</b>	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
<b>Behavioural</b>	Knowledge and skills to function well as team Members, effective decision making process, integrity effective communication, innovative thinking

**3. AUDIT COMMITTEE**

During the year ended 31st March, 2019, 4(four) Audit Committee Meetings were held. The dates on which the said meetings were held are as follows:

14th May, 2018, 1st August, 2018, 30th October, 2018 and 7th February, 2019.

The composition of the Audit Committee and the number of meetings attended by each Member during the year ended 31st March, 2019 is as follows:

Name of the Member	Designation	No. of Meetings held - 4
		Attended
Shri Dinesh Chandra Shrimali	Chairman	4
Shri Manish Harshey	Member	4
Shri Shekhar R Singh	Member	4

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

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

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

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommending the appointment/re-appointment/replacement, if required, of Statutory Auditors, fixation of audit fees and approval of payments for any other services;
- Reviewing with management, the annual financial statements before submission to the Board for approval with particular reference to:
  - Matters required to be included in the Directors' Responsibility Statement are included in the Directors' Report in terms of sub-section 3(c) of Section 134 of the Act.
  - Changes, if any, in accounting policies and practices and reasons for the same.
  - Major accounting entries involving estimates based on the exercise of judgment by the management.
  - Significant adjustments made in the financial statements arising out of audit findings.
  - Compliance with listing and other legal requirements relating to financial statements.
  - Disclosure of related party transactions.
  - Un-modified opinion(s) in draft audit report.
- Reviewing with management, quarterly financial statements before submission to the Board for approval;
- Review and monitor the Auditor's independence and performance and effectiveness of Audit process;
- Reviewing performance of Statutory Auditors;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;

- Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the shareholders (in case of non-payment of declared dividends) and creditors;
- To grant omnibus approval for related party transactions which are in the ordinary course of business and on an arm length pricing basis and to review and approve such transactions subject to the approval of the Board;
- To review the functioning of the Whistle Blower mechanism; and
- Carrying out such other function as may be specifically referred to the Committee by the Board of Directors and/or other Committees of Directors of the Company.

## 4. NOMINATION AND REMUNERATION COMMITTEE

During the year ended 31st March, 2019, 3 (three) Nomination and Remuneration Committee meetings were held. The dates on which the said meetings were held are as follows :

14th May, 2018, 7th February, 2019 and 25th February, 2019.

The composition of the Nomination and Remuneration Committee and the number of meetings attended by each Member during the year ended 31st March, 2019 is as follows:

Name of the Member	Designation	No. of Meetings held - 3
		Attended
Shri Dinesh Chandra Shrimali	Chairman	3
Shri Manish Harshey	Member	3
Shri Shekhar R Singh	Member	3

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

- Succession planning of the Board of Directors and other Senior Management Employees;

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

#### REMUNERATION TO DIRECTORS

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

The Nomination and Remuneration Policy, which was approved by the Board is available on the Company's website and the web-link for the same is [http://simplex-group.com/upload\\_pdf/14995Nomination%20and%20Remuneration%20Policy.pdf](http://simplex-group.com/upload_pdf/14995Nomination%20and%20Remuneration%20Policy.pdf)

#### Details of remuneration paid to Directors during the year ended 31st March, 2019:

(In ₹)

Name	Salary, Perquisites & Allowances	Sitting fees
Shri Dinesh Chandra Shrimali	Nil	2,500
Shri Manish Harshey	Nil	2,500
Smt. Sita Sunil	Nil	2,000
Shri Shekhar R Singh	Nil	2,500
Smt. Fatima Fernandes	Nil	2,500

#### 5. STAKEHOLDERS RELATIONSHIP COMMITTEE

During the year ended 31st March, 2019, 4 (four) Stakeholders Relationship Committee Meetings were held. The dates on which the said meetings were held are as follows:

14th May, 2018, 1st August, 2018, 30th October, 2018 and 7th February, 2019.

The composition of the Stakeholders Relationship Committee and the number of meetings attended

by each Member during the year ended 31st March, 2019 is as follows:

Name of the Member	Designation	No. of Committee Meetings held- 4
		Attended
Shri Dinesh Chandra Shrimali	Chairman	4
Shri Manish Harshey	Member	4
*Smt. Fatima Fernandes	Member	-

*\*Appointed as a Member w.e.f. 07.02.2019.*

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 along with 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. Kinjal P Shah is the Compliance Officer of the Company.

## Investor Relations

The total numbers of complaints received, resolved and pending during the year ended 31st March, 2019 were Nil.

## 6. INDEPENDENT DIRECTORS' MEETING

During the year under review, Independent Directors met on 7th February, 2019, 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
2015-2016	09.08.2016	1.00 p.m.	M.C.Ghia Hall, 4th floor, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Kala Ghoda, Mumbai-400 001	a) Adoption of New Set of the Articles of Association of the Company; b) Increase in limits of investments in other bodies corporate
2016-2017	08.08.2017	1.00 p.m.		NIL
2017-2018	01.08.2018	1.00 p.m.		Issue, offer and allot, upto 1,00,00,000 Non-Convertible Redeemable Preference Shares of ₹10/- each on a preferential basis to Simplex Realty Limited, the Promoter of the Company.

No Special Resolution was put through Postal Ballot at the last AGM nor is proposed at the forthcoming AGM.

## 8. DIRECTORS

Resume and other information regarding the Directors seeking appointment/re-appointment as required by Regulation 36(3) of the Listing Regulations has been given in the Notice of the Twenty Fifth Annual General Meeting 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 web-link for the same is [http://simplex-group.com/upload\\_pdf/15850Related-Party-Transaction.pdf](http://simplex-group.com/upload_pdf/15850Related-Party-Transaction.pdf)

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

### b) Compliance by the Company

The Company has complied with the requirements of the Stock Exchange, the SEBI and other statutory authorities on all matters relating to capital market during the last three years except the non-appointment of Compliance Officer for the quarter ended 31st December, 2018 in terms of Regulation 6(1) of the SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015, in respect of which the Company has paid a fine of ₹ 1,08,560/- and appointed Mrs. Kinjal P Shah, as a Company Secretary and Compliance Officer of the Company with effect from 20th February, 2019.

No other penalties or strictures have been imposed on the Company by the Stock Exchange, SEBI or other statutory authorities.

**c) Familiarization Programme for Independent Director**

At the time of appointment, a formal letter of appointment is given to Independent Directors which inter-alia explain the role, functions, duties and responsibilities expected from them as a Director of the Company. The Company conducts structure orientation programs 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/18060Familiarization-Programm-for-Independent-Directors-of-SPL.pdf](http://simplex-group.com/upload_pdf/18060Familiarization-Programm-for-Independent-Directors-of-SPL.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 of the Company. The code has been posted on the website of the Company. A declaration to the effect that the Directors have adhered to the same, signed by the Director of the Company, forms part of this report.

**f) Disclosure of Accounting Treatment**

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

**g) Disclosure of Risk Management**

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

**h) CEO/CFO Certification**

As per requirement of Regulation 33 of the Listing Regulations, the certificate from Smt. Fatima Fernandes and Shri Dinesh Chandra Shrimali, Directors of the Company, on Financial Statements for the year ended 31st March, 2019 was placed before the Board.

**i) Review of Directors' Responsibility Statement**

The Board in its report has confirmed that the annual accounts for the year ended 31st March, 2019 have been prepared as per applicable accounting standards and policies and that sufficient care has been taken for maintaining adequate accounting records.

**10. MEANS OF COMMUNICATION**

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

**11. CODE FOR PROHIBITION OF INSIDER TRADING**

The Company has adopted a Code for Prevention of Insider Trading in the shares of the Company which is in line with the Model Code as prescribed by the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended. The said code, inter-alia prohibits purchase/sale of shares of the Company by Directors and Employees while in possession of unpublished price sensitive information in relation to the Company and the web-link for the same is [http://simplex-group.com/upload\\_pdf/8548Final%20Revised%200\\_SRL%20Insider%20Trading%202015-as%20amended%202018.pdf](http://simplex-group.com/upload_pdf/8548Final%20Revised%200_SRL%20Insider%20Trading%202015-as%20amended%202018.pdf)

# SIMPLEX PAPERS LIMITED

## 12. GENERAL INFORMATION FOR SHAREHOLDERS

i.	<b>Date, Time and Venue of forthcoming AGM</b>	Date : Wednesday, 7th August, 2019 Time : 1.00 p.m. or soon after the conclusion of the Annual General Meeting of Simplex Mills Company Limited convened on the same day, whichever is later. Venue : Babubhai Chinai Committee Room, 2nd Floor, Indian Merchants Chamber, IMC Marg, Churchgate, Mumbai – 400020
ii.	<b>Financial Calendar (2019-2020)</b>	<ul style="list-style-type: none"> <li>First Quarterly Results - Upto 15th August, 2019</li> <li>Second Quarterly Results - Upto 15th November, 2019</li> <li>Third Quarterly Results - Upto 15th February, 2020</li> <li>Annual Results - Upto 30th May, 2020</li> </ul>
iii.	<b>Date of Book Closure</b>	From Friday, the 2nd August, 2019 to Wednesday, the 7th August, 2019 (both days inclusive)
iv.	<b>Dividend payment date</b>	N.A.
v.	<b>Listing on Stock Exchange</b>	BSE Limited (BSE) P. J. Towers, Dalal Street, Fort, Mumbai- 400 001
vi.	<b>Security Code ISIN</b>	533019 INE456H01011

### vii. Market Price Data

The monthly high and low quotations of shares traded on the BSE from April, 2018 to March, 2019 are as follows:

Month	Volume (No. of shares)	Price (₹)		BSE Sensex	
		High	Low	High	Low
April, 2018	186	3.03	2.82	35,213.30	32,972.56
May, 2018	108	3.00	2.92	35,993.53	34,302.89
June, 2018	1,079	2.85	2.65	35,877.41	34,784.68
July, 2018	381	2.52	2.05	37,644.59	35,106.57
August, 2018	463	2.33	2.00	38,989.65	37,128.99
September, 2018	147	2.62	2.34	38,934.35	35,985.63
October, 2018	415	2.75	2.49	36,616.64	33,291.58
November, 2018	2	2.37	2.37	36,389.22	34,303.38
December, 2018	215	2.37	2.26	36,554.99	34,426.29
January, 2019	171	2.38	2.14	36,701.03	35,375.51
February, 2019	1,183	2.15	2.04	37,172.18	35,287.16
March, 2019	214	2.15	1.86	38,748.54	35,926.94

### viii) Share Transfer Agent

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

### ix) Share Transfer System

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

**x) Shareholding Pattern as on 31st March, 2019**

Category	Number of Shares held	Percentage of Shareholding
<b>(A) Shareholding of Promoter and Promoter Group</b>	<b>21,62,484</b>	<b>72.05</b>
<b>(B) Public shareholding</b>		
<b>(1) Institutions</b>		
(a) Mutual Funds/ UTI	102	0.00
(b) Financial Institutions/ Banks	4,843	0.16
(c) Insurance Companies	4,64,347	15.47
(d) Central Government	353	0.01
<b>(2) Non-Institutions</b>		
(a) Bodies Corporate	8,801	0.29
(b) Individuals -		
i. holding nominal share capital up to ₹ 2 lakh	3,47,912	11.60
ii. holding nominal share capital in excess of ₹2 lakh	-	-
(c) Non Residents	7,676	0.26
(d) Directors and their Relatives	0	0.00
(e) Others	4,957	0.16
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>8,38,991</b>	<b>27.95</b>
<b>TOTAL (A)+(B)</b>	<b>30,01,475</b>	<b>100</b>

**Distribution of Shareholding as on 31st March, 2019**

Category	Number of Shareholders	Percentage of Total Number of Shareholders	Total Number of Shares	Percentage of Total Number of Shares
1 to 500	5,099	97.38	2,23,306	7.44
501 to 1,000	73	1.40	53,566	1.79
1,001 to 5,000	53	1.01	1,05,692	3.52
5,001 to 10,000	0	0.00	0	0.00
10,001 & above	11	0.21	26,18,911	87.25
<b>Total</b>	<b>5236</b>	<b>100</b>	<b>30,01,475</b>	<b>100</b>

**xi) Dematerialization of Shares and Liquidity**

About 95.29 percent shares have been dematerialized as on 31st March, 2019.

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

Not Applicable

**xiii) Address for Investor Correspondence**

- a) Simplex Papers Limited  
30, Keshavrao Khadye Marg,  
Sant Gadge Maharaj Chowk,  
Mumbai - 400 011  
Tel. : (022) 2308 2951  
Fax : (022) 2307 2773  
E-mail : papers@simplex-group.com  
Website : www.simplex-group.com

**b) Freedom Registry Limited**

**Registered Office**

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

**Liasioning Office**

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

# SIMPLEX PAPERS LIMITED

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## xiv) Certificate from Company Secretary in Practice

Mr. Binit Kumar, Practicing Company Secretary, has issued a certificate as required under the Listing Regulations, confirming that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of companies by the SEBI / Ministry of Corporate Affairs or any such statutory authority.

## xv) 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	20,000
In other capacity	7,500
<b>Total</b>	<b>27,500</b>

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## DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT

It is hereby declared that all the Board Members and Senior Managerial Personnel of the Company have affirmed adherence to and compliance with the Code of Conduct for the year ended 31st March, 2019.

For **Simplex Papers Limited**

**Fatima Fernandes**  
Director

Mumbai, 8th May, 2019

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## CERTIFICATE ON NON-DISQUALIFICATION OF DIRECTORS

To,  
The Members,  
Simplex Papers Limited

I, Mr. Binit Kumar (Practicing Company Secretary) verified the relevant data and information available on the Ministry of Corporate affairs, MCA 21 Portal and various documents provided individually by the Directors to the Company, furnished to me for my review.

On the basis of the above and according to the information and data as available in public domain, in my opinion, none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the SEBI / Ministry of Corporate Affairs or any such statutory authority.

**CS Binit Kumar**  
Company Secretary in Practice  
ACS No.: 39868  
C.P. No.: 21698

Kolkata, 8th May, 2019

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**CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members of  
**Simplex Papers Limited**

We have examined the compliance of the conditions of Corporate Governance by Simplex Papers Limited for the year ended 31st March, 2019 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 the explanations given to us and the representations made by the management and to the best of our knowledge and belief, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the 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 number: 109637W

**Kantilal M.Shah**  
Proprietor  
Membership number: 003857

Mumbai, 8th May, 2019

## INDEPENDENT AUDITOR'S REPORT

### To the Members of Simplex Papers Limited

#### Report on the audit of the Standalone Financial Statements

##### Opinion

We have audited the accompanying financial statements of **Simplex Papers Limited** ('the Company'), which comprise the Balance Sheet as at 31st March, 2019, 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 the affairs of the Company as at 31st March, 2019, the loss and the total comprehensive income / expense, the 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. During the year, the Company has accumulated losses and its net worth has been fully eroded. This indicates the existence of uncertainty that may cast doubt about the Company's ability to continue as a going concern. However as explained by the management in Note No. 21, the financial statements of the Company have been prepared on a going concern basis for the reason stated in the said note.

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

##### 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, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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 statements 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 is 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)(i) 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, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 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. 19 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, 8th May, 2019

**Annexure 'A' to the Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31st March, 2019 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, were not material and have been properly dealt with in the books of account.
- c. Based on the audit procedure performed and according to the records of the Company, title deeds of all the freehold immovable properties are held in the name of the Company.
- ii. The Company does not have any stock during the year. Accordingly, clause 3(ii) of the Order is not applicable.
- iii. a. During the year, the Company has not granted loans to any parties covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act'). Accordingly, paragraph 3(iii)(a,b&c) of the Order is not applicable to the Company in respect of receipt of the principal amount and interest.
- iv. In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of Section 185 and 186 of the Act.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Section 73 to 76 of the Act, and the rules framed there under.
- vi. As per information and explanation given to us, by the management, the provisions for maintenance of the cost records under Section 148(1) of the Act are not applicable to the Company as there is no manufacturing activity during the year under review.

- vii. a. According to the information and explanations given to us, the Company was regular during the year in depositing undisputed statutory dues including Provident Fund, Income tax, Sales tax, Customs duty, Goods and Service Tax and Excise duty with the appropriate authorities. According to the information and explanation given to us, as at the balance sheet date, the Company has no undisputed statutory dues of a material nature which remained unpaid for a period exceeding six months from the date on which they were payable.
- b. According to the information and explanation given to us, as at the balance sheet date, the Company has not deposited dues of Excise duty aggregating ₹33,36,41,217/- on account of the following disputes pending before authorities:

**Excise duty**

Period to which dues relate	Pending before	(₹)
1994-2000	CESTAT	<b>33,36,41,217</b>
	<b>Total</b>	<b>33,36,41,217</b>

- viii. According to the information and explanations given to us, the Company has not committed default in repayment of dues in respect of its bank borrowings except in respect of the unsecured Sales Tax loan from a state financial institution as at the balance sheet date, which is due for more than six months, the details of which is as follows:-

Name of the Lender	Amount of default as at the balance sheet date	Period of default	Remarks, if any.
SICOM Ltd. (Sales Tax Loan), now transferred to Directorate of Industries, Nagpur Region	₹ 2,49,87,778/-	1996 to 2001.	The said default is inclusive of interest amounting to ₹ 2,02,29,256/- w. e. f. 30th June, 1996 and the same is disclosed as contingent liability in the notes to the accounts.

- 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. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the 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, 8th May, 2019

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## **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, 2019, 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 Papers Limited** ('the Company') as of 31st March, 2019 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 judgment, 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, 2019, 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, 8th May, 2019

# SIMPLEX PAPERS LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2019

	Notes	As at 31st March, 2019 ₹	As at 31st March, 2018 ₹
<b>A ASSETS</b>			
<b>I Non-Current Assets</b>			
Property, Plant and Equipment	2	2,28,983	2,56,515
Financial Assets:			
Investments	3	12,000	12,000
Deferred Tax Assets (Net)	4	-	-
Other Non-Current Assets	5	7,18,854	7,18,854
<b>Total Non-Current Assets</b>		<b>9,59,837</b>	<b>9,87,369</b>
<b>II Current Assets</b>			
Financial Assets:			
Cash and Cash Equivalents	6	4,89,740	3,47,435
Loans	7	32,08,000	71,47,486
Other Financial Assets	8	1,26,375	1,53,005
Other Current Assets	9	1,33,26,544	1,32,12,422
<b>Total Current Assets</b>		<b>1,71,50,659</b>	<b>2,08,60,348</b>
<b>TOTAL ASSETS</b>		<b>1,81,10,496</b>	<b>2,18,47,717</b>
<b>B EQUITY AND LIABILITIES</b>			
<b>I Equity</b>			
Equity Share Capital	10	3,00,44,750	3,00,44,750
Other Equity	11	(14,06,39,090)	(13,97,38,109)
<b>Total Equity</b>		<b>(11,05,94,340)</b>	<b>(10,96,93,359)</b>
<b>II Liabilities</b>			
<b>Current Liabilities</b>			
Financial Liabilities :			
Borrowings	12	11,78,15,805	12,05,15,805
Other Financial Liabilities	13	1,08,79,049	1,10,18,731
Other Current Liabilities	14	9,982	6,540
<b>Total Current Liabilities</b>		<b>12,87,04,836</b>	<b>13,15,41,076</b>
<b>Total Liabilities</b>		<b>12,87,04,836</b>	<b>13,15,41,076</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,81,10,496</b>	<b>2,18,47,717</b>

### 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)

**Dinesh Chandra Shrimali**

Director

**Kantilal M.Shah**

Proprietor

Membership No. 003857

Mumbai, 8th May, 2019

**Kinjal P Shah**

Company Secretary

**Shekhar R Singh**

Director

Mumbai, 8th May, 2019

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

	Notes	2018-19 ₹	2017-18 ₹
I Revenue from Operations		-	-
II Other Income	15	4,83,740	5,24,304
III Total Income (I+II)		4,83,740	5,24,304
IV Expenses			
Employee Benefits Expense	16	36,339	-
Finance Costs	17	-	44
Depreciation	2	2,032	425
Other Expenses	18	13,46,350	17,31,360
Total Expenses (IV)		13,84,721	17,31,829
V Loss before Exceptional Item and Tax (III-IV)		(9,00,981)	(12,07,525)
VI Exceptional Item		-	-
VII Loss before Tax (V-VI)		(9,00,981)	(12,07,525)
VIII Tax Expense:			
Earlier year Taxes		-	5,161
IX Loss for the year (VII-VIII)		(9,00,981)	(12,12,686)
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)		(9,00,981)	(12,12,686)
Earnings per Equity Share (Face Value of ₹ 10/- each) Basic and Diluted Earnings Per Share (in ₹)		(0.30)	(0.40)

### 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.**

**Dinesh Chandra Shrimali**

Chartered Accountants

Director

(Firm's Registration No.109637W)

**Kantilal M.Shah**

**Kinjal P Shah**

**Shekhar R Singh**

Proprietor

Company Secretary

Director

Membership No. 003857

Mumbai, 8th May, 2019

Mumbai, 8th May, 2019



# SIMPLEX PAPERS LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2019

### 1. EQUITY SHARE CAPITAL

Particulars	As at 31st March, 2019	As at 31st March, 2018
	₹	₹
Balance at the beginning of the year	3,00,14,750	3,00,14,750
Changes in equity share capital during the year	-	-
Balance at the end of the reporting year	3,00,14,750	3,00,14,750

### 2. OTHER EQUITY

(In ₹)

Particulars	Other Equity		Total Other Equity
	Reserves and Surplus		
	General Reserve	Retained Earnings	
Balance as at 1st April, 2017	19,34,58,141	(33,19,83,564)	(13,85,25,423)
Loss for the period	-	(12,12,686)	(12,12,686)
Other comprehensive income / (expense)	-	-	-
Total comprehensive income / (expense)	-	(12,12,686)	(12,12,686)
Balance as at 31st March, 2018	19,34,58,141	(33,31,96,250)	(13,97,38,109)
Loss for the period	-	(9,00,981)	(9,00,981)
Other comprehensive income / (expense)	-	-	-
Total comprehensive income / (expense)	-	(9,00,981)	(9,00,981)
Balance as at 31st March, 2019	19,34,58,141	(33,40,97,231)	(14,06,39,090)

### Significant Accounting Policies - Note 1

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached

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

Chartered Accountants

(Firm's Registration No.109637W)

**Kantilal M.Shah**

Proprietor

Membership No. 003857

Mumbai, 8th May, 2019

**Kinjal P Shah**

Company Secretary

**Shekhar R Singh**

Director

Mumbai, 8th May, 2019

For and on behalf of the Board

**Dinesh Chandra Shrimali**

Director



## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

	2018-19 ₹	2017-18 ₹
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
NET LOSS BEFORE TAX	(9,00,981)	(12,07,525)
Adjustment for :		
Depreciation	2,032	425
Interest expense (gross)	-	44
Interest income	(4,79,150)	(5,24,304)
Interest written off	4,79,150	4,74,680
Sundry balances written off / (back) - (net)	1	59,809
Profit on sale of assets	(4,590)	-
	<u>(2,557)</u>	<u>10,654</u>
<b>OPERATING LOSS BEFORE WORKING CAPITAL CHANGES</b>	<b>(9,03,538)</b>	<b>(11,96,871)</b>
Adjustment for changes in working capital		
Adjustment for (increase) / decrease in operating assets:		
Trade receivables	-	8,58,180
Other current assets	(1,14,122)	(1,32,12,422)
Adjustment for increase / (decrease) in operating liabilities:		
Other financial liabilities	(1,36,241)	79,754
	<u>(2,50,363)</u>	<u>(1,22,74,488)</u>
<b>CASH (USED IN) OPERATIONS</b>	<b>(11,53,901)</b>	<b>(1,34,71,359)</b>
Direct taxes refund / (paid)	-	(5,773)
<b>NET CASH (USED IN) OPERATING ACTIVITIES (A)</b>	<b>(11,53,901)</b>	<b>(1,34,77,132)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of fixed assets	-	(6,440)
Sale of fixed assets	30,090	-
Interest received	26,630	3,82,994
Inter corporate deposits (given) / repaid- (net)	39,39,486	39,04,000
<b>NET CASH GENERATED FROM INVESTING ACTIVITIES (B)</b>	<b>39,96,206</b>	<b>42,80,554</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Net change in borrowings	(27,00,000)	72,00,000
Interest paid	-	(44)
<b>NET CASH (USED IN) / GENERATED FROM FINANCING ACTIVITIES (C)</b>	<b>(27,00,000)</b>	<b>71,99,956</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>1,42,305</b>	<b>(19,96,622)</b>
<b>CASH AND CASH EQUIVALENTS - AT THE START OF THE YEAR</b>	<b>3,47,435</b>	<b>23,44,057</b>
<b>CASH AND CASH EQUIVALENTS - AT THE END OF THE YEAR</b>	<b>4,89,740</b>	<b>3,47,435</b>
<b>Cash and cash equivalents comprise of :</b>	<b>As on 31-Mar-19</b>	<b>As on 31-Mar-18</b>
Balances with banks :		
- in Current accounts	4,87,593	3,44,634
Cash on hand	2,147	2,801
Cash and cash equivalents (Note No.6)	<u>4,89,740</u>	<u>3,47,435</u>

**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, 8th May, 2019

**Kinjal P Shah**

Company Secretary

**Shekhar R Singh**

Director

Mumbai, 8th May, 2019

For and on behalf of the Board

**Dinesh Chandra Shrimali**

Director

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

### CORPORATE INFORMATION

Simplex Papers Limited ("the Company") is a public limited company, incorporated and domiciled in India having its registered office at 30, Keshavrao Khadye Marg, Sant Gadge Maharaj Chowk, Mumbai – 400 011, Maharashtra, India. The equity shares of the Company are listed on BSE Limited. The Company is in trading of different types of papers i.e. paper board, craft paper etc.

### 1. SIGNIFICANT ACCOUNTING POLICIES

#### (i) Basis of Preparation:

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

#### (ii) Current and Non-Current Classification:

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

#### (iii) Fair Value Measurement:

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

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

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

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

#### (iv) Revenue Recognition:

Revenue is measured as the fair value of consideration received or receivable, excluding Goods and Service 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.

Interest income is recognized on accrual basis at effective interest rate.

#### (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

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

components) of property, plant and equipment. Property, plant and equipment are derecognized from financial statements, either on disposal or when no economic benefits are expected from its use or disposal. The gain or losses arising from disposal of property, plant and equipment are recognized in the Statement of Profit and Loss in the year of occurrence.

### Subsequent expenditures

Subsequent expenditures related to an item of property, plant and equipment are added to its carrying value only when it is probable that the future economic benefits from the asset will flow to the Company and cost can be reliably measured.

All other repair and maintenance costs are recognized in the Statement of Profit and Loss during the year in which they are incurred.

### Depreciation

Depreciation is provided on all property, plant and equipment (excluding furniture and office equipment) 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
Vehicles	8 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:

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

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

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

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

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

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

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

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

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

#### **Impairment of financial assets**

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

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

#### **De-recognition**

A financial asset is derecognized when:

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

#### **Financial Liabilities**

##### **Initial recognition and measurement**

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

##### **Subsequent measurement**

Financial liabilities are subsequently measured at amortised cost using the effective interest rate

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## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

method. For trade and other payables maturing within operating cycle, the carrying amounts approximate the fair value due to short maturity of these instruments.

- **Loans and borrowings**

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

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

- **Derecognition**

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

- **Offsetting financial instruments**

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

### (viii) Inventories:

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

### (ix) Taxes:

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

#### 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.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

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

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

**(x) Borrowing Costs:**

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

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

**(xi) Cash and Cash Equivalents:**

Cash and cash equivalent 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 net 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.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

### 2. PROPERTY, PLANT AND EQUIPMENT

(In ₹)

	GROSS CARRYING AMOUNT				DEPRECIATION				NET CARRYING AMOUNT	
	As at 1st April, 2018	Additions during the year	Deductions/ Adjustments during the year	As at 31st March, 2019	Upto 31st March, 2018	Provided during the year	On Deductions/ Adjustments	Upto 31st March, 2019	As at 31st March, 2019	As at 31st March, 2018
Land										
Freehold	2,25,000	-	-	2,25,000	-	-	-	-	2,25,000	2,25,000
Vehicle	25,500	-	25,500	-	-	-	-	-	-	25,500
Computer	6,440	-	-	6,440	425	2,032	-	2,457	3,983	6,015
<b>Total</b>	<b>2,56,940</b>	<b>-</b>	<b>25,500</b>	<b>2,31,440</b>	<b>425</b>	<b>2,032</b>	<b>-</b>	<b>2,457</b>	<b>2,28,983</b>	<b>2,56,515</b>

(In ₹)

	GROSS CARRYING AMOUNT				DEPRECIATION				NET CARRYING AMOUNT	
	As at 1st April, 2017	Additions during the year	Deductions/ Adjustments during the year	As at 31st March, 2018	Upto 31st March, 2017	Provided during the year	On Deductions/ Adjustments	Upto 31st March, 2018	As at 31st March, 2018	As at 31st March, 2017
Land										
Freehold	2,25,000	-	-	2,25,000	-	-	-	-	2,25,000	2,25,000
Vehicle	25,500	-	-	25,500	-	-	-	-	25,500	25,500
Computer	-	6,440	-	6,440	-	425	-	425	6,015	-
<b>Total</b>	<b>2,50,500</b>	<b>6,440</b>	<b>-</b>	<b>2,56,940</b>	<b>-</b>	<b>425</b>	<b>-</b>	<b>425</b>	<b>2,56,515</b>	<b>2,50,500</b>

### 3. INVESTMENTS - NON CURRENT

31.03.2019

31.03.2018

National Savings Certificates deposited with authorities

12,000

12,000

12,000

12,000

### 4. DEFERRED TAX ASSETS / (LIABILITY) (NET)

31.03.2019

31.03.2018

Deferred tax liability

(232)

-

Deferred tax assets

Property, plant and equipment

-

42,633

Expenses that are allowed on payment basis

4,75,809

4,71,233

Unused tax losses

8,61,078

9,53,308

**Net deferred tax asset\***
**13,36,655**
**14,67,174**

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

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

The Company has not recognised deferred tax asset, considering that the Company had a history of tax losses for recent years and these losses expire in various years through fiscal 2027.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

### Movement in deferred tax during the year ended 31st March, 2019

	Opening balance as at 01.04.2018	Recognised in profit or loss	Recognised in OCI	Others**	Closing balance as at 31.03.2019
Property, plant and equipment	42,633	-	-	(42,865)	(232)
Expenses that are allowed on payment basis	4,71,233	-	-	4,576	4,75,809
Unused tax losses	9,53,308	-	-	(92,230)	8,61,078
<b>Net deferred tax asset*</b>	<b>14,67,174</b>	<b>-</b>	<b>-</b>	<b>(1,30,519)</b>	<b>13,36,655</b>

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

\*\* There was reduction in deferred tax asset due to change in tax rate, lapse of tax losses during the year and deferred tax asset on current year's losses not recognized.

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

	Opening balance as at 01.04.2017	Recognised in profit or loss	Recognised in OCI	Others**	Closing balance as at 31.03.2018
Property, plant and equipment	49,712	-	-	(7,079)	42,633
Expenses that are allowed on payment basis	5,46,631	-	-	(75,398)	4,71,233
Unused tax losses	82,97,582	-	-	(73,44,274)	9,53,308
<b>Net deferred tax asset*</b>	<b>88,93,925</b>	<b>-</b>	<b>-</b>	<b>(74,26,751)</b>	<b>14,67,174</b>

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

\*\* There was reduction in deferred tax asset due to change in tax rate, lapse of tax losses during the year and deferred tax asset on current year's losses not recognized.

Income tax recognised in profit or loss	31.03.2019 ₹	31.03.2018 ₹
<b>Current tax</b>		
In respect of current year	-	-
in respect of earlier years	-	5,161
<b>Deferred tax</b>		
Relating to origination and reversal of temporary differences	-	-
Total income tax recognised for the year	-	5,161
<b>The income tax expense for the year can be reconciled to the accounting profit as follows:</b>	<b>31.03.2019 ₹</b>	<b>31.03.2018 ₹</b>
<b>Loss before tax</b>	<b>(9,00,981)</b>	<b>(12,07,525)</b>
Tax expense / (income) calculated at 26.00% (2017-18:25.75%)	<b>(2,34,255)</b>	<b>(3,10,938)</b>
Effect of expenses that are deductible in Income tax	<b>(536)</b>	<b>(331)</b>
Effect of expenses that are not deductible in Income tax	<b>24,448</b>	<b>3,645</b>
Others	<b>(1,193)</b>	<b>-</b>
Deferred tax asset not created on current year loss	<b>2,11,536</b>	<b>3,07,624</b>
	<b>-</b>	<b>-</b>

Adjustments recognised in the current year in relation to the current tax of earlier years

	-	5,161
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### Income tax expense recognised in profit or loss

The tax rate used for the above reconciliations is the corporate tax rate of 26.00% for the year 2018-19 and 25.75% for the year 2017-18 payable by corporate entities based on the turnover criteria on taxable profits under Indian Income Tax Laws.



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

<b>5. OTHER NON-CURRENT ASSETS</b>	<b>31.03.2019</b>	<b>31.03.2018</b>
	₹	₹
Advance tax (net of provisions)	<u>7,18,854</u>	<u>7,18,854</u>
	<u>7,18,854</u>	<u>7,18,854</u>
<b>6. CASH AND CASH EQUIVALENTS</b>	<b>31.03.2019</b>	<b>31.03.2018</b>
	₹	₹
<b>Cash and cash equivalents</b>		
Balances with banks:		
In current accounts	<u>4,87,593</u>	<u>3,44,634</u>
Cash on hand	<u>2,147</u>	<u>2,801</u>
	<u>4,89,740</u>	<u>3,47,435</u>
<b>7. LOANS - CURRENT</b>	<b>31.03.2019</b>	<b>31.03.2018</b>
(Unsecured, considered good)	₹	₹
Inter corporate deposit to related party	-	40,52,486
Inter corporate deposit to others	<u>32,08,000</u>	<u>30,95,000</u>
	<u>32,08,000</u>	<u>71,47,486</u>
<b>8. OTHER FINANCIAL ASSETS - CURRENT</b>	<b>31.03.2019</b>	<b>31.03.2018</b>
	₹	₹
Interest receivable	<u>1,26,375</u>	<u>1,53,005</u>
	<u>1,26,375</u>	<u>1,53,005</u>
<b>9. OTHER CURRENT ASSETS</b>	<b>31.03.2019</b>	<b>31.03.2018</b>
	₹	₹
Balances with government authorities	<u>1,75,838</u>	<u>61,716</u>
Deposit paid against disputed excise demand	<u>1,31,50,706</u>	<u>1,31,50,706</u>
	<u>1,33,26,544</u>	<u>1,32,12,422</u>

# SIMPLEX PAPERS LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

10. EQUITY SHARE CAPITAL	31.03.2019 ₹	31.03.2018 ₹
<b>AUTHORISED</b>		
50,00,000 (31st March, 2018 - 1,50,00,000) Equity shares of ₹ 10/- each	5,00,00,000	15,00,00,000
1,00,00,000 (31st March, 2018- Nil) Redeemable Preference Shares of ₹ 10/- each	10,00,00,000	-
	<b>15,00,00,000</b>	<b>15,00,00,000</b>
<b>ISSUED, SUBSCRIBED AND PAID UP</b>		
30,01,475 (31st March, 2018 - 30,01,475) Equity shares of ₹ 10/- each fully paid up.	3,00,14,750	3,00,14,750
Add: Forfeited shares account	30,000	30,000
Total Issued, subscribed and fully paid up share capital	<b>3,00,44,750</b>	<b>3,00,44,750</b>

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

Particular	31.03.2019		31.03.2018	
	Equity Shares		Equity Shares	
	Number	₹	Number	₹
Shares outstanding at the beginning of the year	30,01,475	3,00,14,750	30,01,475	3,00,14,750
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>30,01,475</b>	<b>3,00,14,750</b>	<b>30,01,475</b>	<b>3,00,14,750</b>

### 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. 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 31.03.2019		As at 31.03.2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Simplex Realty Limited	14,71,000	49.01	14,71,000	49.01
Life Insurance Corporation of India	3,87,439	12.91	3,87,439	12.91
Shreelekha Global Finance Limited	2,52,553	8.41	2,52,553	8.41
New Textiles LLP (formerly known as New Textiles Private Limited)	2,51,505	8.38	2,51,505	8.38

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

11. OTHER EQUITY	31.03.2019 ₹	31.03.2018 ₹
<b>GENERAL RESERVE</b>		
Opening balance	19,34,58,141	19,34,58,141
Addition/(utilisation) during the year	-	-
Closing balance	19,34,58,141	19,34,58,141
<b>RETAINED EARNINGS</b>		
Opening balance	(33,31,96,250)	(33,19,83,564)
Loss for the year	(9,00,981)	(12,12,686)
Other comprehensive income/(expense)	-	-
Closing balance	(33,40,97,231)	(33,31,96,250)
Total other equity	(14,06,39,090)	(13,97,38,109)

### 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.

12. BORROWINGS - CURRENT (Unsecured, repayable on demand)	31.03.2019 ₹	31.03.2018 ₹
Loan from related parties	11,78,15,805	12,05,15,805
	11,78,15,805	12,05,15,805

13. OTHER FINANCIAL LIABILITIES - CURRENT	31.03.2019 ₹	31.03.2018 ₹
Interest free sales tax loan	47,58,522	47,58,522
Liability for expenses	48,45,527	49,85,209
Security deposit	12,75,000	12,75,000
	1,08,79,049	1,10,18,731

14. OTHER CURRENT LIABILITIES	31.03.2019 ₹	31.03.2018 ₹
Statutory dues	9,982	6,540
	9,982	6,540

15. OTHER INCOME	2018-19 ₹	2017-18 ₹
Interest on inter corporate deposits	4,79,150	5,24,304
Profit on sale of fixed assets	4,590	-
	4,83,740	5,24,304

# SIMPLEX PAPERS LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

<b>16. EMPLOYEE BENEFITS EXPENSE</b>	<b>2018-19</b>	<b>2017-18</b>
	₹	₹
Salaries	<b>36,339</b>	-
	<b>36,339</b>	-

<b>17. FINANCE COSTS</b>	<b>2018-19</b>	<b>2017-18</b>
	₹	₹
Interest on others	-	44
	-	44

<b>18. OTHER EXPENSES</b>	<b>2018-19</b>	<b>2017-18</b>
	₹	₹
Rent	<b>60,000</b>	60,000
Rates and taxes	<b>4,391</b>	4,391
Travelling and conveyance expenses	<b>44,969</b>	78,544
Director's sitting fees	<b>12,000</b>	9,000
Advertisements	<b>28,644</b>	30,750
Postage, stationery and printing	<b>1,62,464</b>	79,482
Bank charges	<b>2,224</b>	2,288
Motor maintenance	<b>18,706</b>	11,924
Professional fees	<b>1,46,261</b>	5,58,011
Service tax paid	-	300
Interest receivable written off	<b>4,79,150</b>	4,74,680
Sundry expenses	<b>3,60,041</b>	3,93,590
<b>Payments to Auditor</b>		
Audit fees	<b>20,000</b>	20,000
In other capacity	<b>7,500</b>	7,500
For reimbursement of expenses and service tax	-	900
	<b>13,46,350</b>	17,31,360

## 19. CONTINGENT LIABILITIES

Claims against the Company not acknowledged as debt:

	<b>31.03.2019</b>	<b>31.03.2018</b>
	₹	₹
a) Appeals filed in respect of disputed demands		
i) Central Excise	<b>33,36,41,217</b>	33,36,41,217
b) Other Claims	<b>72,14,704</b>	72,14,704
c) Interest on Sales Tax Loan	<b>2,02,29,256</b>	1,91,58,589

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

20. 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.
21. The net worth of the Company has been eroded due to continuous losses. The Company is in trading activity of different type of paper products i.e. Paper board and Craft paper. The Management is in the process of evaluating other viable business options in similar line of activity and accordingly, the accounts have been prepared on going concern basis.
22. As there is only one employee in the Company and is on probationary period, accordingly, the provisions relating to Ind AS 19 Employee Benefits are not applicable.
23. **Earnings per share (EPS)** 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 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	2018-19	2017-18
(a)	Loss after tax - ₹	(9,00,981)	(12,12,686)
(b)	Weighted average number of shares	30,01,475	30,01,475
(c)	Face value of shares (₹ per share)	10/-	10/-
(d)	Basic EPS - ₹	(0.30)	(0.40)
(e)	Diluted EPS - ₹	(0.30)	(0.40)

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

### 25. RELATED PARTY DISCLOSURES

(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 Mills Company Limited |
| c) Non Executive / Independent Directors : | Shri Manish Harshey           |
|  | Shri Dinesh Chandra Shrimali  |
|  | Smt. Sita Sunil               |
|  | Shri Shekhar R Singh          |
|  | Smt. Fatima Fernandes         |

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

### 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 2018-19	Volume of transactions during 2017-18	As on 31.03.2019 Receivable/ (Payable)	As on 31.03.2018 Receivable/ (Payable)
Simplex Realty Limited	Controlling Company	Loan (repaid) / taken	(72,00,000)	72,00,000	(11,33,15,805)	(12,05,15,805)
Simplex Mills Company Limited	Common Directors	Loan repaid	40,52,486	-	-	40,52,486
		Loan taken	45,00,000	-	(45,00,000)	-
		Interest accrued	1,95,392	3,22,200		
		Interest written off	1,95,392	3,22,200		
Shri Manish Harshey	Non Executive / Independent Directors	Sitting fees	2,500	2,000		
Shri Dinesh Chandra Shrimali			2,500	2,000		
Smt.Sita Sunil			2,000	2,000		
Shri Shekhar R Singh			2,500	2,000		
Smt. Fatima Fernandes			2,500	1,000		

## 26. FINANCIAL INSTRUMENTS - FAIR VALUE AND RISK MANAGEMENT

### a) Accounting classification

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

(In ₹)

	31.03.2019			31.03.2018		
Particulars	At cost	FVTOCI	Amortised cost	At cost	FVTOCI	Amortised cost
<b>Financial Assets</b>						
Investments	-	-	12,000	-	-	12,000
Loans	-	-	32,08,000	-	-	71,47,486
Cash and cash equivalents	-	-	4,89,740	-	-	3,47,435
Other financial assets	-	-	1,26,375	-	-	1,53,005
	-	-	38,36,115	-	-	76,59,926
<b>Financial Liabilities</b>						
Borrowings	-	-	11,78,15,805	-	-	12,05,15,805
Other financial liabilities	-	-	1,08,79,049	-	-	1,10,18,731
	-	-	12,86,94,854	-	-	13,15,34,536

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## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

### b) Fair value hierarchy and method of valuation

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

### c) Risk management framework

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

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

#### i) Credit Risk

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

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 in the carrying value of trade receivables.

#### Other financial assets

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

#### ii) Liquidity Risk

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

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

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

### Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date.

(In ₹)

As at 31st March, 2019	Carrying amount	Contractual cash flows				
		Total	Within 1 year	1-2 years	2-5 years	More than 5 years
<b>Financial liabilities</b>						
Financial liabilities						
Borrowings	11,78,15,805	11,78,15,805	11,78,15,805	-	-	-
Other Financial Liabilities	1,08,79,049	1,08,79,049	1,08,79,049	-	-	-
	12,86,94,854	12,86,94,854	12,86,94,854	-	-	-

(In ₹)

As at 31st March, 2018	Carrying amount	Contractual cash flows				
		Total	Within 1 year	1-2 years	2-5 years	More than 5 years
<b>Financial liabilities</b>						
Borrowings	12,05,15,805	12,05,15,805	12,05,15,805	-	-	-
Other Financial Liabilities	1,10,18,731	1,10,18,731	1,10,18,731	-	-	-
	13,15,34,536	13,15,34,536	13,15,34,536	-	-	-

### 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

Currency risk is not material, 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 loans from related parties and interest is not provided on these loans, 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, supply and production cost. The Company does not buy any new material, if it can not be sold to the customers above the cost of procurement.



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

### 27. CAPITAL MANAGEMENT

The capital structure of the Company consists of net debts 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, 2019 ₹	As at 31st March, 2018 ₹
Borrowings	11,78,15,805	12,05,15,805
Less: Cash and cash equivalents	4,89,740	3,47,435
<b>Net Debt</b>	<b>11,73,26,065</b>	<b>12,01,68,370</b>
<b>Total equity</b>	<b>(11,05,94,340)</b>	<b>(10,96,93,359)</b>
<b>Debt/Equity ratio</b>	<b>(1.06)</b>	<b>(1.10)</b>

### 28. CORPORATE SOCIAL RESPONSIBILITY

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

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

(In ₹)

Amount spent during the year:	2018-19			2017-18		
	Amount spent in cash	Amount yet to be paid in cash	Total	Amount spent in cash	Amount yet to be paid in cash	Total
(i) Construction /acquisition of any asset	-	-	-	-	-	-
(ii) On the purpose other than (i) above	-	-	-	-	-	-

29. The Financial Statements of the Company for the year ended 31st March, 2019 were approved by the Board of Directors on 8th May, 2019.

30. 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, 8th May, 2019

For and on behalf of the Board

**Dinesh Chandra Shrimali**

Director

**Kinjal P Shah**

Company Secretary

**Shekhar R Singh**

Director

Mumbai, 8th May, 2019

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

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

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

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

2. PARTICULARS OF NOMINEE/S –

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

3. IN CASE NOMINEE IS A MINOR –

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

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

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

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

Signature(s)

Name(s) and Address of Witness

Signature

# SIMPLEX PAPERS 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 Papers Limited  
30, Keshavrao Khadye Marg,  
Sant Gadge Maharaj Chowk,  
Mumbai - 400 011

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

Or

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

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

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

2. (a) PARTICULARS OF NOMINEE/S –

- Name:
- Date of Birth:
- Father's / Mother's / Spouse's name:
- Occupation:
- 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 Papers 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





Corporate Identification Number (CIN) - L21010MH1994PLC078137  
Registered Office: 30, Keshavrao Khadye Marg, Sant Gadge Maharaj Chowk, Mumbai - 400 011

### ATTENDANCE SLIP

I hereby record my presence at the 25th Annual General Meeting held at Babubhai Chinai Committee Room, 2nd Floor, Indian Merchants Chamber, IMC Marg, Churchgate, Mumbai – 400020 on Wednesday, the 7th day of August, 2019 at 1.00 p.m. or soon after the conclusion of the Annual General Meeting of Simplex Mills Company Limited convened on the same day, whichever is later.

DP. ID. No. \_\_\_\_\_

Client I.D.No. \_\_\_\_\_

Folio No. \_\_\_\_\_

Full Name of Member \_\_\_\_\_

Signature \_\_\_\_\_

Full Name of Proxy (in Block Letters) \_\_\_\_\_

Signature \_\_\_\_\_

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



Corporate Identification Number (CIN) - L21010MH1994PLC078137  
Registered Office: 30, Keshavrao Khadye Marg, Sant Gadge Maharaj Chowk, Mumbai - 400 011

### PROXY FORM

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

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

I/We, being the member(s) holding .....shares of Simplex Papers Limited, hereby appoint:

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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 25th Annual General Meeting of the Company, to be held on Wednesday, the 7th day of August, 2019 at 1.00 P.M. or soon after the conclusion of the Annual General Meeting of Simplex Mills Company Limited convened on the same day, whichever is later at Babubhai Chinai Committee Room, 2nd Floor, Indian Merchants Chamber, IMC Marg, Churchgate, Mumbai – 400020 and at any adjournment thereof in respect of such resolutions as are indicated below:



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

Resolutions	For	Against
<b>Ordinary Business:</b>		
1. Adoption of the Audited Financial Statements, the Reports of the Directors' and Auditors		
2. Re-appointment of Smt. Sita Sunil, as a Director, who retires by rotation		
<b>Special Business:</b>		
3. Re-appointment of Shri Dinesh Chandra Shrimali as an Independent Director		

Signed this.....day of .....2019.

\_\_\_\_\_  
Signature of Member

\_\_\_\_\_  
Signature of Proxy holder(s)

Affix  
Revenue  
stamp  
(Signature)

**Notes:**

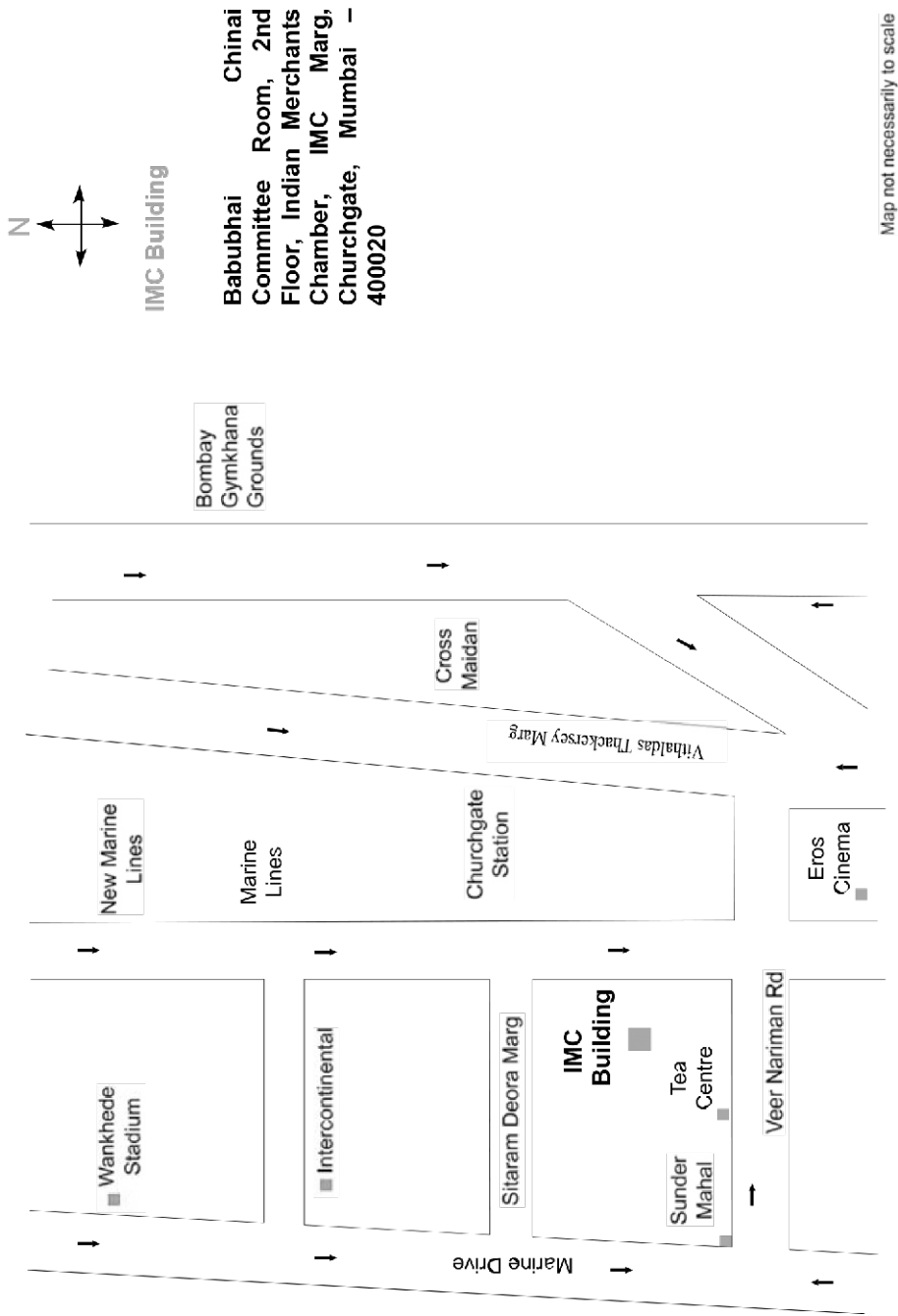
1. This form duly filled up, stamped and signed by the appointer or his attorney duly authorized in writing or if the appointer is a Body Corporate, under the seal or signed by an attorney duly authorized by it shall be deposited at the Registered Office of the Company along with the power of Attorney,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



[illegible]

NOTES

Route map of venue of the 25th AGM Hall



If undelivered, please return to:

**Simplex Papers Limited**  
30, Keshavrao Khadye Marg,  
Sant Gadge Maharaj Chowk,  
Mumbai - 400 011