



20th
ANNUAL REPORT
2013-2014

SIMPLEX PAPERS LIMITED

Board of Directors

Shri S.M.Soni
Shri O.D.Purohit
Shri D.C.Shrimali
Ms. Sita Laxman
Shri Shekhar R Singh

Auditors

M/s.Vijay Rungta & Co.
Chartered Accountants
Mumbai

Banker

State Bank of India

Corporate Identification Number (CIN)

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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Annual General Meeting of the Company will be held on Wednesday, the 6th August, 2014 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 M.C.Ghia Hall, 4th Floor, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Kala Ghoda, Mumbai-400001

NOTICE

NOTICE is hereby given that the Twentieth **ANNUAL GENERAL MEETING** of the Members of **SIMPLEX PAPERS LIMITED** will be held on Wednesday, the 6th August, 2014 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 M.C. Ghia Hall, 4th Floor, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Kala Ghoda, Mumbai 400001 to transact the following businesses:-

Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Ms.Sita Laxman (DIN 00041722), who retires by rotation and, being eligible, offers herself for re-appointment.
3. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s. Vijay Rungta & Co, Chartered Accountants, Mumbai (ICAI Registration Number 111427W) be and are hereby re-appointed as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the third consecutive Annual General Meeting of the Company (subject to ratification of the appointment by the members at every Annual General Meeting held after this Annual General Meeting) on a remuneration as may be fixed by the Board of Directors of the Company."

Special Business:

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

"RESOLVED THAT pursuant to the provisions of Sections 149,152 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Shri S.M.Soni (DIN 00073685), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 31st March, 2019, not liable to retire by rotation."

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Shri O.D.Purohit (DIN 00041597), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 31st March, 2019, not liable to retire by rotation."

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Shri D.C.Shrimali (DIN 01501213), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 31st March, 2019, not liable to retire by rotation.”

For and on behalf of the Board of Directors

Mumbai, 15th May, 2014

Sita Laxman
Director

Corporate Identification Number (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, in respect of **Item Nos. 4, 5 and 6** of the Notice dated 15th May, 2014 is appended hereto.
3. The information as required pursuant to Clause 49 of the Listing Agreement about Directors proposed to be appointed / re-appointed is given in Annexure to this Notice.
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 remain closed from Friday, the 1st August, 2014, to Wednesday, the 6th August, 2014 (both days inclusive) for the purpose of the Twentieth Annual General Meeting or any adjournment thereof.
6. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting 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-422 007. 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 authorised representative carries a duly certified true copy of their Board Resolution.
9. Voting through Electronic means
 - I In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members, the facility to exercise their right to vote at the Twentieth Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL):

The instructions for members for voting electronically are as under:-

In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"

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

For 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 shareholders as well as physical shareholders)</p> <ul style="list-style-type: none">Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field.In case the folio 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 folio number 100 then enter RA00000100 in the PAN field.
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.</p> <ul style="list-style-type: none">Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly 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, if 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.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The e-voting period commences on the Thursday, 31st July, 2014 (10:00 am) and ends on the Saturday, 2nd August, 2014 (6:00 pm). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of the Thursday, 10th July, 2014, may cast their vote electronically.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
- 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 Thursday, 10th July, 2014.
- III Shri Manish L. Ghia, Practising Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- IV The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer’s Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- V The Results shall be declared on or after the AGM of the Company. The Results declared alongwith the Scrutinizer’s Report shall be placed on the Company’s website www.simplex-group.com and on the website of CDSL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.
- VI All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (10.00 am to 6.00 pm) on all working days, up to and including the date of the AGM of the Company.

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EXPLANATORY STATEMENT

As required by Section 102 of the Companies Act, 2013 (the Act), the following Explanatory Statement sets out all material facts relating to the business mentioned under **Item Nos. 4, 5 and 6** of the accompanying Notice dated 15th May, 2014.

Item No. 4

Shri S.M.Soni is a Non-Executive Independent Director of the Company. He joined the Board of the Company in September, 2005.

Shri S.M.Soni is a Director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act 2013, Shri S.M.Soni being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term upto 31st March, 2019. A notice has been received from a member proposing Shri S.M.Soni as a candidate for the office of Director of the Company. Copy of the draft letter for appointment of Shri S.M.Soni as an Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day.

Your Directors therefore consider that Shri S.M.Soni has fulfilled the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Shri S.M.Soni as an Independent Director.

The requisite consent, pursuant to Section 152 of the Companies Act, 2013 has been filed by Shri S.M.Soni and he does not hold any equity shares in the Company.

Except Shri S.M.Soni, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4.

A brief profile of Shri S.M.Soni is given in the Annexure to the Notice.

The Board recommends the Resolution at item No. 4 of the Notice for your approval.

Item No. 5

Shri O.D.Purohit is a Non-Executive Independent Director of the Company. He joined the Board of the Company in September, 2005.

Shri O.D.Purohit is a Director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act 2013, Shri O.D.Purohit being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term upto 31st March, 2019. A notice has been received from a member proposing Shri O.D.Purohit as a candidate for the office of Director of the Company. Copy of the draft letter for appointment of Shri O.D.Purohit as an Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day.

Your Directors therefore consider that Shri O.D.Purohit has fulfilled the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Shri O.D.Purohit as an Independent Director.

The requisite consent, pursuant to Section 152 of the Companies Act, 2013 has been filed by Shri O.D.Purohit and he holds 24 equity shares in the Company.

Except Shri O.D.Purohit, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 5.

A brief profile of Shri O.D.Purohit is given in the Annexure to the Notice.

The Board recommends the Resolution at item No. 5 of the Notice for your approval.

Item No. 6

Shri D.C.Shrimali is a Non-Executive Independent Director of the Company. He joined the Board of the Company in January, 2007.

Shri D.C.Shrimali is a Director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act 2013, Shri D.C.Shrimali being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term upto 31st March, 2019. A notice has been received from a member proposing Shri D.C.Shrimali as a candidate for the office of Director of the Company. Copy of the draft letter for appointment of Shri D.C.Shrimali as an Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day.

Your Directors therefore consider that Shri D.C.Shrimali has fulfilled the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Shri D.C.Shrimali as an Independent Director.

The requisite consent, pursuant to Section 152 of the Companies Act, 2013 has been filed by Shri D.C.Shrimali and he does not hold any equity shares in the Company.

Except Shri D.C.Shrimali, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 6.

A brief profile of Shri D.C.Shrimali is given in the Annexure to the Notice.

The Board recommends the Resolution at item No. 6 of the Notice for your approval.

For and on behalf of the Board of Directors

Sita Laxman
Director

Mumbai, 15th May, 2014

Corporate Identification Number (CIN) - L21010MH1994PLC078137

Registered Office:

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

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Additional information pursuant to Clause 49 of the Listing Agreement, with regard to Directors seeking appointment/re-appointment in the forthcoming Annual General Meeting:

Brief Resume of the Directors

Name of Director	Ms.Sita Laxman	Shri S.M.Soni	Shri O.D.Purohit	Shri D.C.Shrimali
Date of Birth	14.10.1972	30.04.1933	15.06.1927	07.05.1952
Date of Appointment	08.06.2009	29.09.2005	29.09.2005	15.01.2007
Experience in specific functional areas	Experience in marketing field.	He has more than five decades of experience in the field of Textile Industry.	A Fellow Member of The Institute of Company Secretaries of India having more than five decades of experience in the field of Company Law, Taxation and Legal matters.	He has more than 30 year's experience in the field of Paper Industry.
Qualification	B.Com.	M. Com., LL.B. and LTI	FCS	B.Com
Directorships held in other Companies	1. Simplex Mills Company Limited 2. Shrinathji Flour Mills Private Limited	Simplex Mills Company Limited	1. The Nav Bharat Refrigeration and Industries Limited 2. Simplex Mills Company Limited 3. Shreelekha Global Finance Limited 4. The Gaekwar Mills Limited	None
Committee positions held in other Companies	Nil	Member of Audit Committee: Simplex Mills Company Limited Member of Shareholders'/ Investors' Grievance Committee: Simplex Mills Company Limited	Chairman of Audit Committee: Simplex Mills Company Limited Chairman of Shareholders'/ Investors' Grievance Committee: Simplex Mills Company Limited Chairman of Remuneration Committee: The Nav Bharat Refrigeration and Industries Limited	None
Equity Shares held in Simplex Papers Limited	Nil	Nil	24	Nil

TWENTIETH REPORT OF THE BOARD OF DIRECTORS

To
The Members,

Your Directors present the Annual Report, together with the Audited Accounts for the year ended 31st March, 2014.

FINANCIAL RESULTS

(in ₹)

	2013-14	2012-13
Profit / (Loss) before Depreciation, Finance Costs, Prior Period Expenses, Exceptional Items and Taxation	(5,66,339)	25,45,307
Less: Depreciation	49,33,439	49,37,693
Less: Finance costs	7,80,539	13,16,663
Less : Prior period expense	-	5,04,987
Loss before exceptional items and tax	(62,80,317)	(42,14,036)
Add: Exceptional items (net)	1,05,25,476	-
Profit / (Loss) before tax	42,45,159	(42,14,036)
Less: Current tax	-	-
Profit / (Loss) after tax for the year	42,45,159	(42,14,036)
Balance brought forward from previous year	(25,11,66,357)	(24,69,52,321)
Balance carried forward	(24,69,21,198)	(25,11,66,357)

DIVIDEND

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

OPERATIONS

The Paper plant at Gondia, Maharashtra is not in operation and there was no manufacturing activity during the year under review. The Company continued its trading activity of paper during the year. During the year, the total turnover of the Company is ₹ 1,30,20,133/- and has made a profit of ₹ 42,45,159/-. The profit is on account of refund of reliability charges paid under power and fuel cost in earlier years, which has been shown under Exceptional item during the year.

FIXED DEPOSITS

The Company has not accepted or renewed any fixed deposits during the year.

DIRECTORS

Ms. Sita Laxman, Director of the Company who retires by rotation at the forthcoming Annual General Meeting and, being eligible, offer herself for re-appointment.

Shri S.M.Soni, Shri O.D.Purohit and Shri D.C.Shrimali who were Independent Directors of the Company as on 31st March, 2014, continue to be Independent Directors of the Company for a period of five years from 1st April, 2014. All of them are the persons of integrity and possesses relevant expertise and experience. The Board has also opined that all of them fulfill the conditions specified in Section 149 of the Companies Act, 2013 and rules made thereunder and that they all are independent of management.

AUDITORS

M/s. Vijay Rungta & Co., Chartered Accountants are re-appointed as the Statutory Auditors of the Company to hold the office from the conclusion of this Annual General Meeting till the conclusion of the third consecutive Annual General Meeting held thereafter, subject to ratification of the appointment by the members at every Annual General Meeting of the Company after the ensuing Annual General Meeting.

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The Auditors have confirmed that, their appointment, if made, would be within the limits prescribed under Section 141(3) (g) of the Companies Act, 2013 and that they are not disqualified in terms of Section 139 of the Companies Act, 2013.

COST AUDIT

As there was no production during the year 2013-2014, no cost audit required to be carried out.

PARTICULARS OF EMPLOYEES

During the year, there was no employee in receipt of remuneration as prescribed under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Amendment Rules, 2011.

CORPORATE GOVERNANCE

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

CONSERVATION OF ENERGY, 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 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988.

SECRETARIAL COMPLIANCE CERTIFICATE

Secretarial Compliance Certificate received from M/s. Manish Ghia & Associates, Practicing Company Secretaries, Mumbai, as required under Section 383A of the Companies Act, 1956 for the financial year 2013-14 is annexed and forming part of this Annual Report.

STOCK EXCHANGE

The Company's equity shares are listed at BSE Limited and the Annual Listing Fees for the year 2014-15 has been paid.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956 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, 2014 and of the profit of the Company for the said period;
- (iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 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.

ACKNOWLEDGEMENT

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

For and on behalf of the Board of Directors

Sita Laxman

Shekhar R Singh
Directors

Mumbai, 15th May, 2014

FORM
[SEE RULE 3]

COMPLIANCE CERTIFICATE

Corporate Identity No. : **L21010MH1994PLC078137**
Authorised Share Capital : **₹ 150,000,000/-**

To,
The Members,
Simplex Papers Limited.
30, Keshavrao Khadye Marg,
Sant Gadge Maharaj Chowk,
Mumbai - 400 011

We have examined the registers, records, books and papers of Simplex Papers Limited ('the Company') as required to be maintained under the Companies Act, 1956, (the Act) read with the applicable provisions of the Companies Act, 2013 and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company, for the financial year ended on 31st March, 2014 (financial year). In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in **Annexure 'A'** to this certificate, as per the provisions of the Act and rules made there under and necessary entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in **Annexure 'B'** to this certificate, with the Registrar of Companies, Maharashtra, Mumbai within the time prescribed under the Act and the rules made there under. The Company has not filed any forms and returns with the office of Regional Director, Central Government, Company Law Board or any other authorities prescribed under the Act.
3. The Company, being a Public Limited Company, has the minimum prescribed paid-up capital. As on 31st March, 2014, the paid-up capital of the Company was ₹ 3,00,14,750/- (Rupees Three Crores Fourteen Thousand Seven Hundred and Fifty only) and the restrictive provisions of Section 3(1) (iii) of the Act are not applicable.
4. The Board of Directors duly met 4 (Four) times on 15th May, 2013, 7th August, 2013, 23rd October, 2013 and 12th February, 2014 and as per information and explanation given by the management, proper notices were given and the proceedings were properly recorded and signed in the minutes book maintained for the purpose. No resolution by circulation was passed by the Board during the financial year.
5. The Company has closed its Register of Members from 1st August, 2013 to 7th August, 2013 (both days inclusive) during the financial year and necessary compliance of Section 154 of the Act has been made.
6. The Annual General Meeting for the financial year ended 31st March, 2013 was held on 7th August, 2013, after giving due notice to the members of the Company and the resolutions passed there at were duly recorded in the minutes book maintained for the purpose.
7. No Extra-ordinary General Meeting of the Company was held during the financial year.
8. The Company has not advanced any loans to its Directors or persons or firms or Companies referred to under Section 295 of the Act read with Section 185 of the Companies Act, 2013 during the financial year.
9. The Company has not entered into any contracts falling within the purview of Section 297 of the Act during the financial year.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act.

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11. As there were no instances falling under the purview of Section 314 of the Act, the Company was not required to obtain any approval from the Board of Directors, Members or the Central Government.
12. The Company has not issued any duplicate share certificate during the financial year.
13. The Company:
 - i) has delivered all the share certificates on lodgment of transfer / transmission of securities in accordance with the provisions of the Act;
 - ii) was not required to deposit any amount in a separate bank account as no dividend was declared during the financial year;
 - iii) was not required to post warrants for dividend to the members of the Company as no dividend was declared during the financial year;
 - iv) does not have any amounts lying on account of unclaimed dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon; and
 - v) has duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted and the appointment of retiring director was duly made. Mr. Shekhar R Singh, who was appointed as an Additional Director w.e.f. 19th January, 2013, was appointed as Director in the Annual General Meeting held on 7th August, 2013. There was no appointment of additional director, alternate director or directors to fill casual vacancy during the financial year.
15. The Company has not appointed any Managing Director / Whole time Director p/ Manager during the financial year.
16. The Company has not appointed any sole-selling agent during the financial year.
17. The Company was not required to obtain any approval from the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as prescribed under the various provisions of the Act during the financial year.
18. The Directors have disclosed their interest in other firms/Companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The Company has not issued any shares/debentures/other securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. The Company has not issued any preference shares or debentures; hence the question of redemption of the same does not arise.
22. There were no transaction, which necessitates the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/accepted any deposits including any unsecured loans during the financial year falling within purview of Section 58A and Section 58AA of the Act read with the Companies (Acceptance of Deposit) Rules, 1975 / the applicable directions issued by the Reserve Bank of India/any other authorities.
24. The amount borrowed by the Company during the financial year was within the borrowing limits of the Company and that necessary resolution as per Section 293(1) (d) of the Act has been passed in a duly convened Annual General Meeting held on 14th September, 1995.
25. The Company has made loans to other bodies corporate during the financial year in compliance with the provisions of the Act and has not made any investments or given any guarantees or provided securities to other bodies corporate during the financial year.

26. The Company has not altered the provisions of its Memorandum of Association with respect to situation of its registered office from one State to another during the financial year.
27. The Company has not altered the provisions of its Memorandum of Association with respect to its objects during the financial year.
28. The Company has not altered the provisions of its Memorandum of Association with respect to its name during the financial year.
29. The Company has not altered the provisions of its Memorandum of Association with respect to its share capital during the financial year.
30. The Company has not altered its Articles of Association during the financial year.
31. There was no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the financial year for offences under the Act.
32. The Company has not received any amount as security from its employees during the financial year.
33. The Company was not required to deposit any amount with any authority under Section 418 of the Act during the financial year.

For **Manish Ghia & Associates**
Company Secretaries

Manish L.Ghia
Partner
M.No.FCS 6252
C.P.No.3531

Mumbai, 15th May, 2014

Annexure – “A”

Registers as maintained by the Company

1. Register of Members u/s. 150 of the Act.
2. Register of Index of Members u/s. 151 of the Act.
3. Register and Returns u/s. 163 of the Act.
4. Minutes Book of General Meeting and Board Meetings u/s. 193 of the Act.
5. Register of Contracts and Disclosure of Directors' Interest u/s. 301 of the Act.
6. Register of Directors u/s. 303 of the Act.
7. Register of Directors' Shareholding u/s. 307 of the Act.
8. Register of Shareholders' Attendance.
9. Register of Transfer / Transmission of Shares.

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Annexure – “B”

Forms and Returns as filed by the Company during the financial year ended on 31st March, 2014:

A) With the Registrar of Companies, Maharashtra, Mumbai:

Sr. No.	e-Form No.	Relevant Section	Description	Date of filing	Whether filed within prescribed time Yes/No	If delay in filing, whether requisite additional fee paid Yes / N.A.
1.	32	303 (2)	Particulars of appointment of Mr. Shekhar Singh as Director in the Annual General Meeting held on 7th August, 2013.	16.08.2013	Yes	N.A.
2.	66	383A	Compliance Certificate for the financial year ended 31st March, 2013.	21.08.2013	Yes	N.A.
4.	23AC & 23ACA XBRL	220(1)	Schedule – VI (Annual Accounts) for the financial year ended 31st March, 2013.	06.09.2013	Yes	N.A.
5.	20B	159 (1)	Schedule – V (Annual Return) as on the date of Annual General Meeting held on 7th August, 2013.	27.09.2013	Yes	N.A.

B) With the Office of the Regional Director, Mumbai: Nil

C) With the Office of the Ministry of Corporate Affairs (Central Government) at New Delhi: Nil

D) With any other Authorities as prescribed under the Act: Nil

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENTS

The Indian Paper Industry has made steady progress since independence and presently has installed capacity of 9.18 million tonnes from mere 0.1 million in 1950.

There are about 750 - 1000 paper mills (organised & unorganised sector) in the country out of which large integrated units are only 14-15 nos. with a production share of about 28% and balance comprises of medium (Agro-based) and Small (Waste paper based) paper mills with production share of 72 %. The Indian paper industry is an integral part of the Nation's economy and contributes to its growth and development.

The Indian Paper Industry accounts for about 1.6 % of the world's production of paper and paperboard. The estimated turnover of the industry is ₹ 35,000 crore (USD 6 billion) approximately and its contribution to the exchequer is around ₹ 3,000 crore (USD 0.5 billion). The industry provides employment to more than 0.37 million people directly and 1.3 million people indirectly. Most of the paper mills are in existence for a long time and hence present technologies fall in a wide spectrum ranging from oldest to the most modern. The mills use a variety of raw material viz. wood, bamboo, recycled fibre, bagasse, wheat straw, rice husk, etc., approximately 35% are based on chemical pulp, 44% on recycled fibre and 21% on agro-residues. The geographical spread of the industry as well as market is mainly responsible for regional balance of production and consumption. The operating capacity of the industry currently stands at 12.75 million tonnes. During this fiscal year, domestic production of paper and paperboard is estimated to be 10.11 million tonnes. As per industry estimates, over all paper consumption (including newsprint) has now touched 11.15 million tonnes and per capita consumption is pegged at 9.3 kg. Demand of paper has been hovering around 8% for some time. India is the fastest growing market for paper globally and it presents an exciting scenario; paper consumption is poised for a big leap forward in sync with the economic growth and is estimated to touch 13.95 million tonnes by 2015-16. The futuristic view is that growth in paper consumption would be in multiples of GDP and hence an increase in consumption by 1 kg. per capita would lead to an increase in demand of 1 million tonnes.

We have no doubt that given India's projected GDP growth, the renewed thrust on universal education through Sarva Shiksha Abhiyan and Right to Education and the consequent changes in lifestyle, paper demand per capita will gradually move to at least 20 kgs. per capita or 20 million tonnes by 2020 in our country, requiring more than double quantity of paper that India currently produce and consume.

OPPORTUNITIES AND THREATS

The Indian paper industry offer many opportunities for the innovative use of limited resources. Major changes are taking place in various segments like writing & printing paper, paperboard, newsprint, tissue etc. The paper industry in India is moving up with a strong demand push and is in expansion mode to meet the projected demand of 20 Million tonnes by 2020.

The low per capita consumption of paper/paperboard in the country is bound to increase with the growth in the GDP, rising income of middle class, increasing demand for computer stationery and spending by Government on education sector and ban on plastic packaging starting with tobacco manufacturing units.

The availability of raw material has always been a matter of concern for the industry and it has been requesting the Government to allot degraded revenue and forest lands so that not only the requirement of raw material is met but also employment for rural unskilled population is generated. However, the Government has not considered the request. Nevertheless, the industry in general has taken initiatives by taking up Farm/Social Forestry & Contract for Farming programme whereby plantation is taken in a big way on the unproductive private revenue land and thus generating not only income to the farmers but also providing employment to the rural unskilled population and ensuring fibre security.

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RISKS AND CONCERNS

The key challenges to Paper Industry includes high input costs and shortage of raw materials, technological factors such as threat from digital media, viz. internet and smart phones, and low rate of paper recycle in the country.

The industry in the last few decades faced with a number of challenges, particularly in the areas namely obsolescence of technology, non availability of good quality of fibrous raw materials and highly skilled and job specific manpower. 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. However, Government is taking the initiative to formulate the policy measures to remove the bottlenecks of availability of raw materials and infrastructure development.

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 Paper plant at Gondia, Maharashtra is not in operation and there was no manufacturing activity during the year under review. The Company continued its trading activity of paper during the year. During the year, the total turnover of the Company is ₹ 1,30,20,133/- and has made a profit of ₹ 42,45,159/-. The profit is on account of refund of reliability charges paid under power and fuel cost in earlier years.

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, customers, employees 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. Your Company has complied with requirements of the corporate governance code, disclosure requirements of which are 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, 2014, the Board comprises of five Non-Executive 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, 2014, 4 (four) Board Meetings were held. The dates on which the said meetings were held are as follows:

15th May, 2013, 7th August, 2013, 23rd October, 2013 and 12th February, 2014.

Details of composition and category of Directors, their attendance at each Board meeting held during the financial year 2013-2014 and at the last AGM, their Directorships in other companies and Chairmanship / Membership in committee are as follows:

Name	Category	No. of Board Meetings held - 4	No. of Directorships and Committee Chairmanship / Membership			Attendance at AGM held on 7th August, 2013
		Attended				
			Other Directorship*	Committee Chairmanship**	Committee Membership**	
Shri S.M.Soni	Independent Non-Executive	4	1	-	4	Yes
Shri O.D.Purohit	Independent Non-Executive	4	4	4	-	Yes
Shri D.C. Shrimali	Independent Non-Executive	2	-	-	-	Yes
Ms. Sita Laxman	Non-Executive	4	1	-	-	Yes
Shri Shekhar R Singh	Non-Executive	4	1	-	2	Yes

* The Directorships held by Directors as mentioned above, do not include Alternate Directorships and Directorships of Foreign Companies, Section 25 Companies and Private Limited Companies.

** Chairmanship/ Membership of only the Audit Committee and Shareholders'/Investors' Grievance Committee of all Public Limited Companies have been considered.

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3. AUDIT COMMITTEE

During the year ended 31st March, 2014, 4 (four) Audit Committee Meetings were held. The dates on which the said meetings were held are as follows:

15th May, 2013, 7th August, 2013, 23rd October, 2013 and 12th February, 2014.

The composition of the Audit Committee and the number of meetings attended by each member during the year ended 31st March, 2014 is as follows:

Name of the Member	Designation	No. of Meetings held - 4
		Attended
Shri O.D.Purohit	Chairman	4
Shri S.M.Soni	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 and Internal Auditors at the meetings of the Committee.

The terms of reference of this Committee includes those specified under Clause 49 of the Listing Agreement as well as Section 292A of the Companies Act, 1956 (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 (2AA) of Section 217 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.
 - Qualifications in draft audit report.
- Reviewing with management, quarterly financial statements before submission to the Board for approval.
- Reviewing performance of Statutory and Internal Auditors, adequacy of the internal control 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.
- Discussion with Internal Auditors of any significant findings and follow-up thereon and reviewing the reports furnished by them.
- Reviewing the Company's financial and risk management policies.

- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- To look into the reasons for substantial defaults in the payment to creditors.
- 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. REMUNERATION COMMITTEE

The Company does not have Remuneration Committee at present.

The Directors are not paid any remuneration except sitting fees for attending meetings of the Board of Directors of the Company.

Details of remuneration paid to Directors during the year ended 31st March, 2014: (Amount in ₹)

Name	Sitting fees
Shri S.M.Soni	2,000/-
Shri O.D.Purohit	2,000/-
Shri D.C.Shrimali	1,000/-
Ms. Sita Laxman	2,000/-
Shri Shekhar R Singh	2,000/-

Details of shares of the Company held by Independent Non-Executive Directors are as under:

Name	No. of Equity Shares held
Shri O.D.Purohit	24

5. SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE

During the year ended 31st March, 2014, 4 (four) Shareholders'/Investors' Grievance Committee Meetings were held. The dates on which the said meetings were held are as follows:

15th May, 2013, 7th August, 2013, 23rd October, 2013 and 12th February, 2014.

Name of the Member	Designation	No. of Committee Meetings held - 4
		attended
Shri O.D.Purohit	Chairman	4
Shri S.M.Soni	Member	4

The Committee meets as and when required, to deal with the matters relating to monitoring and redressal of complaints from Shareholders relating to transfer of shares, non receipt of Annual Reports, etc.

Shri Ramlal Kachhawa is Compliance Officer of the Company.

Investor Relations

The following table shows the nature of complaints received from the Shareholders during the year ended 31st March, 2014, all of which have been resolved during the year.

Nature of Complaints	No. of Complaints
Non-receipt of share certificates – (received directly)	2
Others- directly or Through SEBI and /or Stock Exchange	2

There are no Shareholders complaints pending as at 31st March, 2014.

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6. GENERAL BODY MEETINGS

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

Financial Year	Date of AGM	Time	Location of the Meeting
2010 – 2011	12.08.2011	01.00 P.M.	M.C.Ghia Hall, 4th floor, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Kala Ghoda, Mumbai-400 001
2011 – 2012	13.08.2012	01.00 P.M.	M.C.Ghia Hall, 4th floor, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Kala Ghoda, Mumbai-400 001
2012 – 2013	07.08.2013	01.00 P.M.	M.C.Ghia Hall, 4th floor, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Kala Ghoda, Mumbai-400 001

Special Resolutions

AGM	Date of AGM	Special resolution
17 th	12.08.2011	No Special Resolution was passed.
18 th	13.08.2012	No Special Resolution was passed.
19 th	07.08.2013	No Special Resolution was passed.

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

7. DIRECTORS

Resume and other information regarding the Directors seeking appointment/re-appointment as required by Clause 49(IV)(G)(i) of the Listing Agreement has been given in the Notice of the forthcoming AGM annexed to the Annual Report.

8. DISCLOSURES

a) Related party transactions

Related party transactions are defined as transactions of the Company of material nature with Promoters, Directors or with their relatives, its subsidiaries etc. that may have potential conflict with the interest of the Company at large.

Details on material significant related party transactions are given in the appended financial statements under notes to the financial statements.

b) Compliance by the Company

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

c) Whistle-blower policy

Though there is no formal Whistle-blower policy, the Company takes cognizance of complaints made and suggestions given by the employees and others. Even anonymous complaints are looked into and whenever necessary, suitable corrective steps are taken.

d) Code of Conduct

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

e) Disclosure of Accounting Treatment

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

f) 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.

g) CEO / CFO Certification

As per requirement of Clause 49 of the Listing Agreement, the certificate from Shri D.C.Shrimali, Director, on the financial statements of the Company for the year ended 31st March, 2014 was placed before the Board.

h) Review of Directors' Responsibility Statement

The Board in its report has confirmed that the annual accounts for the year ended 31st March, 2014 have been prepared as per applicable accounting standards and policies and that sufficient care has been taken for maintaining adequate accounting records.

9. MEANS OF COMMUNICATION

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

10. CODE FOR PREVENTION OF INSIDER TRADING

The Company has adopted a Code for Prevention of Insider Trading in the shares of the Company which is in line with the Model Code as prescribed by the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 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.

11. GENERAL INFORMATION FOR SHAREHOLDERS

i.	Date, Time and Venue of forthcoming AGM	Date : 6th August, 2014 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 : M.C.Ghia Hall, 4th floor, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Kala Ghoda, Mumbai-400 001
ii.	Financial Calendar (2014-2015)	i) First Quarterly Results - Upto 15th August, 2014 ii) Second Quarterly Results- Upto 15th November, 2014 iii) Third Quarterly Results - Upto 15th February, 2015 iv) Annual Results Upto 30th May 2015
iii.	Date of Book Closure	From Friday, 1st August, 2014 to Wednesday, 6th August, 2014 (both days inclusive)
iv.	Dividend payment date	N.A.
v.	Listing on Stock Exchanges	BSE Limited (BSE) P. J. Towers, Dalal Street, Fort, Mumbai-400 001
vi.	Stock Code ISIN	533019 INE456H01011

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vii) Market Price Data

The monthly high and low quotations of shares traded on the BSE from April, 2013 to March, 2014 are as follows:

Month	Volume (No. of shares)	Price (₹)		BSE Sensex	
		High	Low	High	Low
April, 2013	34	6.91	6.91	19,622.68	18,144.22
May, 2013	99	6.57	6.57	20,443.62	19,451.26
June, 2013	806	6.60	6.25	19,860.19	18,467.16
July, 2013	-	-	-	20,351.06	19,126.82
August, 2013	-	-	-	19,569.20	17,448.71
September, 2013	-	-	-	20,739.69	18,166.17
October, 2013	749	6.70	6.30	21,205.44	19,264.72
November, 2013	314	6.62	6.29	21,321.53	20,137.67
December, 2013	146	5.98	5.98	21,483.74	20,568.70
January, 2014	205	5.98	5.14	21,409.66	20,343.78
February, 2014	129	5.13	4.88	21,140.51	19,963.12
March, 2014	1,488	4.65	3.98	22,467.21	20,920.98

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 at 31st March, 2014.

Category	Number of shares held	Percentage of Shareholding
(A) Shareholding of Promoter and Promoter Group	21,62,944	72.06
(B) Public shareholding		
(1) Institutions		
(a) Mutual Funds/ UTI	357	0.01
(b) Financial Institutions/ Banks	4,843	0.16
(c) Insurance Companies	4,64,347	15.47
(2) Non-Institutions		
(a) Bodies Corporate	15,256	0.51
(b) Individuals -		
i. holding nominal share capital up to ₹ 1 lac.	3,46,310	11.54
ii. holding nominal share capital in excess of ₹ 1 lac.	-	-
(c) Non Residents	7,377	0.25
(d) Directors and their Relatives	41	0.00
Total Public Shareholding (B)= (B)(1)+(B)(2)	8,38,531	27.94
TOTAL (A)+(B)	30,01,475	100.00

Distribution of Shareholding as on 31st March, 2014

Category	Number of Shareholders	Percentage of Total Number of Shareholders	Total Number of Shares	Percentage of Total Number of Shares
1 to 500	5,413	97.62	2,40,196	8.00
501 to 1,000	75	1.35	54,353	1.81
1,001 to 5,000	46	0.83	88,673	2.96
5,001 to 10,000	-	0.00	-	0.00
10,001 & above	11	0.20	26,18,253	87.23
Total	5,545	100.00	30,01,475	100.00

xi) Dematerialization of Shares and Liquidity

About 94.71 percent shares have been dematerialized as on 31st March, 2014. The Equity shares of the Company are traded on BSE Limited.

The Company has paid the Listing fees for the year 2014 – 2015 to the BSE Limited on which its shares are listed.

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

There are no outstanding ADRs, GDRs, Warrants or any convertible instruments.

xiii) Plant

Village-Changera,
Post-Satona,
Balaghat Road,
Taluka & District- Gondia-441614
Maharashtra

xiv) Address for Investor Correspondence

For any assistance regarding dematerialization of shares, share transfers, transmissions, change of address, or any other query relating to shares, please write to:

OR

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

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

DECLARATION UNDER CLAUSE 49 (I) (D) (ii) OF THE LISTING AGREEMENT

It is hereby declared that all the Board Members and Senior Management Personnel of the Company have affirmed adherence to and compliance with the Code of Conduct for the year ended 31st March, 2014.

For **Simplex Papers Limited**

Sita Laxman
Director

Mumbai, 15th May, 2014

CERTIFICATE OF COMPLIANCE FROM THE AUDITORS

To the Members of **Simplex Papers Limited**

We have examined the records concerning Compliance of the conditions of Corporate Governance by Simplex Papers Limited for the year ended 31st March 2014 as stipulated in Clause 49 of the Listing Agreement of the said company 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 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 above mentioned Listing Agreement.

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 **Vijay Rungta & Co.**
Chartered Accountants
(Firm Registration No.111427W)

Ajay Rungta
Partner
Membership No.F-40333

Mumbai, 15th May, 2014

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SIMPLEX PAPERS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Simplex Papers Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinion

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

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
- (b) In the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of

SIMPLEX PAPERS LIMITED

India in terms of sub-section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by Section 227(3) of the Act, we report that:

- a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;
- e. On the basis of written representations received from the directors as on 31st March, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

For **Vijay Rungta & Co.**
Chartered Accountants
(Firm Registration No.111427W)

Ajay Rungta
Partner
Membership No. F-40333

Mumbai, 15th May, 2014

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

[Referred to in Paragraph 1 of our report of even date to the members of Simplex Papers Limited on the financial statements for the year ended 31st March, 2014]

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) According to information and explanation given to us, during the year, the management conducted physical verification of certain fixed assets in accordance with its policy of physical verification in a phased manner. In our opinion, such frequency is reasonable having regard to the size of the Company and the nature of its fixed assets. As explained to us, the discrepancies noticed on physical verification as compared to book records maintained, were not material and have been properly dealt with in the books of account.
- (c) In our opinion, a substantial part of fixed assets has not been disposed off by the Company during the year.
- (ii) (a) As explained to us, management conducted physical verification of stocks of raw materials, finished goods and stores and spares at reasonable intervals during the year, as also as at the balance sheet date.
- (b) In our opinion, and according to the information and explanations given to us, the procedures followed by the management for physical verification of inventory during the year, are reasonable and adequate in relation to the size of the Company and nature of its business.
- (c) On the basis of our examination of inventory records, we are of the opinion that the Company has maintained proper records of inventory. Discrepancies noticed on physical verification of inventory as compared to the book records were not material and have been properly dealt with in the books of account.
- (iii) The Company has not granted / taken any loans, secured or unsecured to/from companies, firms or parties covered in the register maintained under Section 301 of the Companies Act, 1956.
- (iv) In our opinion and according to information and explanation given to us, during the year under report, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets, and for the sale of goods. Further, on the basis of our examination of books and records of the Company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control procedures.
- (v) (a) To the best of our knowledge and belief and according to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under that Section.
- (b) In our opinion and according to the information and explanations given to us, transactions (other than those already dealt with in paragraph (iii) above) made pursuant to contracts or arrangements referred to in (v)(a) above and exceeding the value of ₹ five hundred thousand in respect of each party during the year, have been made at prices which are reasonable having regard to the market prices prevailing at that time, where available.
- (vi) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public, to which the directives issued by the Reserve Bank of India and the provisions of Section 58A, 58AA or any other provisions of the Companies Act, 1956 or the rules framed there under apply.

SIMPLEX PAPERS LIMITED

- (vii) The Company has no internal audit system during the period covered under audit.
- (viii) According to the information and explanations given to us, the provisions for maintenance of the cost records under Section 209(1)(d) of the Act are not applicable to the Company as there was no manufacturing activities during the year under review.
- (ix) (a) According to the information and explanations given to us, during the year the Company has generally been regular in depositing undisputed statutory dues including Provident Fund, Income tax, Customs duty and Excise duty with the appropriate authorities and that there are no amounts payable as at 31st March, 2014 which were in arrears of more than six months from the date they become payable. However, the Company has paid outstanding undisputed Sales Tax dues of ₹1,50,000/-.
- (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 ₹17,54,45,314/- and Income tax aggregating ₹1,59,280/-, on account of the following disputes pending before authorities:

Excise duty

Period to which dues relate	Pending before	(in ₹)
1994-99	Honbl'e High Court, Mumbai	16,36,72,492
1991-92	CESTAT	1,02,549
1999-00	Deputy Commissioner	1,16,70,273
	Total	17,54,45,314

Income Tax

Period to which dues relate	Pending before	(in ₹)
A.Y. 2005-06	CIT, Mumbai	1,59,280
	Total	1,59,280

- (x) The accumulated losses of the Company have exceeded fifty percent of its net worth as at the end of the year covered by our audit. The Company has not incurred cash losses during the year under report and in the immediately preceeding financial year.
- (xi) 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, aggregating ₹47,58,522/- as at the balance sheet date, which is due for more than six months.
- (xii) In our opinion, and according to the information and explanations given to us, during the year under report, the Company has not granted any loans or advances against security by way of pledge of shares and securities; accordingly, the provisions of clause (xii) of paragraph 4 of the said Order are not applicable.
- (xiii) The Company is not a chit fund / nidhi / mutual benefit fund / society and accordingly, the provisions of clause (xiii) of paragraph 4 of the said Order are not applicable.
- (xiv) According to the information and explanations given to us, the Company is not dealing or trading in shares, securities and other investments as its principal business, and accordingly the provisions of clause (xiv) of paragraph 4 of the said Order are not applicable to the Company.
- (xv) According to the information and explanations given to us, as at the balance sheet date, the Company has not given any guarantees for loans taken by others from banks or financial institutions.

- (xvi) In our opinion and according to the information and explanations given to us, the Company did not avail any term loans during the year under report. Accordingly, the provisions of clause (xvi) of paragraph 4 of the said Order are not applicable.
- (xvii) In our opinion, and according to the information and explanations given to us, and on an overall examination of the balance sheet of the Company, prima facie, funds raised on a short-term basis have not been used for long-term investments.
- (xviii) According to the information and explanations given to us, during the year under report, the Company did not make any preferential allotment of shares to parties listed in the register maintained under Section 301 of the Act.
- (xix) The Company has not issued any debentures during the year under report.
- (xx) During the year under report, the Company did not raise any money through a public issue; consequently, the provisions of clause (xx) of paragraph 4 of the Order are not applicable.
- (xxi) 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.

For **Vijay Rungta & Co.**
Chartered Accountants
(Firm Registration No. 111427W)

Ajay Rungta
Partner
Membership No: F- 40333

Mumbai, 15th May, 2014

SIMPLEX PAPERS LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2014

	Note	As at 31.03.2014 ₹	As at 31.03.2013 ₹
I EQUITY AND LIABILITIES			
1. Shareholders' Funds			
Share capital	2	3,00,44,750	3,00,44,750
Reserves and surplus	3	(5,34,63,057)	(5,77,08,216)
		<u>(2,34,18,307)</u>	<u>(2,76,63,466)</u>
2. Current Liabilities			
Short-term borrowings	4	14,33,33,581	15,32,52,754
Trade payables		3,62,259	3,45,241
Other current liabilities	5	1,14,31,207	1,24,66,053
		<u>15,51,27,047</u>	<u>16,60,64,048</u>
TOTAL		<u>13,17,08,740</u>	<u>13,84,00,582</u>
II ASSETS			
1. Non Current Assets			
Fixed assets			
Tangible assets	6	10,92,43,216	11,41,76,655
Non-current investments	7	12,000	12,000
Long-term loans and advances	8	16,76,055	42,26,055
		<u>11,09,31,271</u>	<u>11,84,14,710</u>
2. Current Assets			
Trade receivables	9	43,36,085	1,02,57,355
Inventories	10	61,80,986	65,45,986
Cash and cash equivalents	11	10,30,926	17,81,704
Short-term loans and advances	12	91,23,033	10,48,303
Other current assets	13	1,06,439	3,52,524
		<u>2,07,77,469</u>	<u>1,99,85,872</u>
TOTAL		<u>13,17,08,740</u>	<u>13,84,00,582</u>

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES 1
NOTES FORMING PART OF THE FINANCIAL STATEMENTS 1 to 28

As per our report of even date attached

For **Vijay Rungta & Co.**
Chartered Accountants
(Firm Registration No.111427W)

Ajay Rungta
Partner
Membership No. F- 40333
Mumbai, 15th May, 2014

For and on behalf of the Board

Sita Laxman
Shekhar R Singh
Directors

Mumbai, 15th May, 2014

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

	Note	2013-14 ₹	2012-13 ₹
I Revenue from operations	14	1,30,20,133	1,87,82,723
II Other income	15	12,52,140	44,12,770
III Total Revenue (I+II)		1,42,72,273	2,31,95,493
IV Expenses			
Purchase of stock-in-trade	16	1,23,98,047	1,78,53,447
Changes in inventories of finished goods and stock-in-trade	16	3,65,000	7,98,500
Finance costs	17	7,80,539	13,16,663
Depreciation	6	49,33,439	49,37,693
Other expenses	18	20,75,565	19,98,239
Prior period items		-	5,04,987
Total Expenses		2,05,52,590	2,74,09,529
V Profit/(Loss) before Exceptional items and tax		(62,80,317)	(42,14,036)
Exceptional items (net)	19	1,05,25,476	-
VI Profit/(Loss) before tax		42,45,159	(42,14,036)
Current tax		-	-
VII Profit/(Loss) for the period		42,45,159	(42,14,036)
Earnings per equity share [nominal value of share ₹ 10/- each]			
Basic		1.41	(1.40)
Diluted		1.41	(1.40)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES 1
NOTES FORMING PART OF THE FINANCIAL STATEMENTS 1 to 28

As per our report of even date attached

For **Vijay Rungta & Co.**
Chartered Accountants
(Firm Registration No.111427W)

Ajay Rungta
Partner
Membership No. F- 40333
Mumbai, 15th May, 2014

For and on behalf of the Board

Sita Laxman
Shekhar R Singh
Directors

Mumbai, 15th May, 2014

SIMPLEX PAPERS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

	2013-14 ₹	2012-13 ₹
A. CASH FLOW FROM OPERATING ACTIVITIES:		
NET LOSS BEFORE TAX AND EXCEPTIONAL ITEMS	(62,80,317)	(42,14,036)
Adjustment for :		
Depreciation	49,33,439	49,37,693
Interest expense (gross)	7,80,539	13,16,663
Interest income	(9,60,995)	(16,29,165)
Reversal of impairment loss	-	(1,892)
Profit on sale of assets	-	(5,21,210)
	47,52,983	41,02,089
OPERATING LOSS BEFORE WORKING CAPITAL CHANGES	(15,27,334)	(1,11,947)
(Increase)/Decrease in :		
Trade payables	17,018	(84,064)
Other current liabilities	(18,15,385)	(70,45,542)
Trade receivables	59,21,270	15,70,341
Inventories	3,65,000	8,79,620
Loans, advances and other current assets	(54,31,221)	(9,90,567)
	(9,43,318)	(56,70,212)
CASH (USED IN) OPERATIONS BEFORE EXCEPTIONAL ITEMS	(24,70,652)	(57,82,159)
Exceptional items (net)	1,05,25,476	-
Direct taxes paid	(93,509)	(1,61,010)
NET CASH GENERATED FROM/(USED IN) OPERATING ACTIVITIES AFTER EXCEPTIONAL ITEMS	(A) 79,61,315	(59,43,169)
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Sale of fixed asset	-	74,99,250
Interest received	12,07,080	18,21,057
NET CASH GENERATED FROM INVESTING ACTIVITIES	(B) 12,07,080	93,20,307
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Net change in borrowings	(99,19,173)	(52,69,912)
NET CASH (USED IN) FINANCING ACTIVITIES	(C) (99,19,173)	(52,69,912)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(A+B+C) (7,50,778)	(18,92,774)
CASH AND CASH EQUIVALENTS - AT START OF THE YEAR	17,81,704	36,74,478
CASH AND CASH EQUIVALENTS - AT END OF THE YEAR	10,30,926	17,81,704
Cash and cash equivalents comprise of :	As on	As on
	31-Mar-14	31-Mar-13
Cash on hand	15,984	29,906
Balances with Scheduled Banks :		
- in Current accounts	7,82,357	15,19,185
- in Deposit accounts as margin money	2,17,500	2,17,500
Earmarked balance with bank	15,085	15,113
	10,30,926	17,81,704

NOTES FORMING PART OF THE FINANCIAL STATEMENTS - 1 TO 28

As per our report of even date attached
For **Vijay Rungta & Co.**
Chartered Accountants
(Firm Registration No.111427W)

Ajay Rungta

Partner

Membership No. F- 40333
Mumbai, 15th May, 2014

For and on behalf of the Board

Sita Laxman
Shekhar R Singh

Directors

Mumbai, 15th May, 2014

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

CORPORATE INFORMATION

Simplex Papers Limited ("the Company") is in trading of different types of papers i.e. paper board, craft paper, etc. The Company is a Public Limited Company and is listed on BSE Limited.

1. SIGNIFICANT ACCOUNTING POLICIES

(i) Basis of preparation :

These financial statements are prepared in accordance with Generally Accepted Accounting Principles (GAAP) on the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed by the Companies (Accounting Standard) Rules, 2006, provisions of the Companies Act, 1956 and guidelines issued by Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied.

The Company adopts accrual basis in the preparation of the accounts except insurance claims and sales tax refunds.

(ii) Revenue recognition :

Sales of goods are recognized on dispatch of goods to customers, or when substantial risks and rewards of ownership are transferred by the Company. Sales are inclusive of excise duty and exclude sales tax/VAT.

(iii) Tangible fixed assets :

All fixed assets are carried at cost. The cost of fixed assets includes expenses incidental to acquisition. Interest on specific borrowings, obtained for the purposes of acquiring fixed assets is capitalised upto the date of commissioning of the assets.

(iv) Capital work-in-progress :

Capital-work-in-progress is carried at cost. Cost comprises direct costs, related incidental expenses and interest on borrowings.

(v) Investments :

Long term Investments are valued at cost less provision for permanent diminution in value of such investments.

(vi) Inventories :

Stores and spare parts are valued at cost. Process stock is valued at estimated cost. Raw materials and Traded goods are valued at cost or market rate, whichever is lower. Finished product is valued at cost or market rate whichever is lower. Plantations that have grown up and are in saleable conditions (i.e. ready to sale) as on the balance sheet date have been recognized as stock in trade and valued at market price.

(vii) Borrowing costs :

Borrowing costs attributable to the acquisition, construction or production of qualifying assets are capitalized 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 charged to statement of profit and loss.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

(viii) Depreciation :

Depreciation has been provided on all fixed assets (excluding furniture and fixtures) on straight-line method and on furniture and fixtures on the written down value basis at rates prescribed in Schedule XIV to the Companies Act, 1956.

(ix) Retirement benefits :

The liability on account of gratuity and leave encashment is based on actuarial valuation. The Company's contribution to provident fund, family pension fund and superannuation fund are charged to the Statement of profit and loss as incurred.

(x) Deferred taxation :

Deferred tax on timing differences between taxable income and accounting income is accounted for, using the tax rates and the tax laws enacted or substantively enacted as on the balance sheet date. Deferred tax assets are recognized only to the extent there is a reasonable certainty of realization, except for unabsorbed depreciation and business loss, in respect of which deferred tax is recognized only if the Company is virtually certain of having sufficient taxable income in future against which the loss/depreciation can be set off.

(xi) Impairment of assets :

Impairment loss, if any, is provided to the extent, the carrying amount of assets exceeds their recoverable amount. Recoverable amount is higher of an asset's net selling price 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.

(xii) Provisions and contingent liabilities :

Provisions are recognised in respect of probable obligations, the amount of which can be reliably estimated. Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

(xiii) Cash and Cash Equivalents :

Cash and cash equivalents include cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

(xiv) Use of estimates :

The preparation of financial statements in accordance with the generally accepted accounting principles requires the Management to make estimates and assumptions that affect the reported amount of assets and liabilities as of the date of financial statements and the reported amount of expenses of the year. Actual results could differ from these estimates. Any revision to such accounting estimates is recognized in the accounting period in which such revision takes place.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

	31.03.2014 ₹	31.03.2013 ₹
2. SHARE CAPITAL		
AUTHORISED		
1,50,00,000 Equity shares of ₹10/- each	15,00,00,000	15,00,00,000
ISSUED, SUBSCRIBED AND PAID UP		
30,01,475 (Previous year 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	3,00,44,750	3,00,44,750

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

Particulars	31.03.2014		31.03.2013	
	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	-	-	-	-
Shares outstanding at the end of the year	30,01,475	3,00,14,750	30,01,475	3,00,14,750

b. Terms/rights attached to the equity shares

The Company has one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote. 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 31.03.2014		As at 31.03.2013	
	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 Private Limited	2,51,505	8.38	2,50,847	8.36

SIMPLEX PAPERS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

	31.03.2014 ₹	31.03.2013 ₹
3. RESERVES AND SURPLUS		
GENERAL RESERVE	19,34,58,141	19,34,58,141
(SURPLUS) IN THE STATEMENT OF PROFIT AND LOSS		
Opening balance	(25,11,66,357)	(24,69,52,321)
Profit/(Loss) for the year	42,45,159	(42,14,036)
Closing balance	(24,69,21,198)	(25,11,66,357)
Total Reserves and Surplus	(5,34,63,057)	(5,77,08,216)
4. SHORT-TERM BORROWINGS	31.03.2014 ₹	31.03.2013 ₹
(Unsecured, repayable on demand)		
Interest free loan from related party	14,33,33,581	14,33,52,754
Inter corporate deposits from related parties	-	99,00,000
	14,33,33,581	15,32,52,754
5. OTHER CURRENT LIABILITIES	31.03.2014 ₹	31.03.2013 ₹
Other Liabilities		
Interest free sales tax loan from Government of Maharashtra (The above unsecured sales tax loan from a state financial institution is due for more than six months.)	47,58,522	47,58,522
Advance from customers	3,11,435	3,38,345
Unpaid fractional shares entitlement	15,085	15,113
Unpaid salaries/wages	22,13,126	22,13,126
Gratuity payable	18,40,343	18,40,343
Interest accrued on inter corporate deposit	-	8,54,618
Interest free deposits received from customers	15,56,422	16,56,422
Other payables		
Tax deducted at source	13,732	50,465
Water charges	4,34,339	2,70,200
Liabilities for expenses	2,77,862	2,92,610
Value added tax	10,341	1,76,289
	1,14,31,207	1,24,66,053

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

6. TANGIBLE ASSETS

(In ₹)

	GROSS BLOCK			DEPRECIATION				IMPAIRMENT LOSS			NET BLOCK	
	As at 1st April, 2013	Additions during the year	Deductions during the year	As at 31st March, 2014	Upto 31st March, 2013	Provided during the year	On Deductions during the year	Upto 31st March, 2014	upto 31st March, 2013	on Deductions	As at 31st March, 2014	As at 31st March, 2013
Land												
Freehold Leasehold	2,25,000	-	-	2,25,000	-	-	-	-	-	-	2,25,000	2,25,000
	88,00,000	-	-	88,00,000	-	-	-	-	-	-	88,00,000	88,00,000
Buildings	6,90,82,465	-	-	6,90,82,465	1,46,21,112	9,47,023	-	1,55,68,135	2,65,08,446	-	2,70,05,884	2,79,52,907
Plant, Machinery and Electrical Installations	18,43,96,180	-	-	18,43,96,180	5,89,47,776	39,09,672	-	6,28,57,448	4,85,33,706	-	7,30,05,026	7,69,14,698
Furniture and Fixtures	6,07,092	-	-	6,07,092	4,61,567	22,593	-	4,84,160	-	-	1,22,932	1,45,525
Vehicles	6,00,000	-	-	6,00,000	4,61,475	54,151	-	5,15,626	-	-	84,374	1,38,525
Total	26,37,10,737	-	-	26,37,10,737	7,44,91,930	49,33,439	-	7,94,25,369	7,50,42,152	-	10,92,43,216	11,41,76,655
Previous Year	27,16,46,371	-	79,35,634	26,37,10,737	7,05,11,832	49,37,693	9,57,595	7,44,91,930	7,50,44,044	1,892		

Note:

1. The Lease in respect of Leasehold Land at Gondia, Maharashtra has expired. As per the terms of agreement, the lease is renewable and the Company has made necessary application for renewal of lease with the Collector of Gondia.

SIMPLEX PAPERS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

	31.03.2014 ₹	31.03.2013 ₹
7. NON-CURRENT INVESTMENTS		
National Savings Certificates		
Deposited with authorities	12,000	12,000
	12,000	12,000
	31.03.2014 ₹	31.03.2013 ₹
8. LONG-TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
Security deposits	16,76,055	42,26,055
	16,76,055	42,26,055
	31.03.2014 ₹	31.03.2013 ₹
9. TRADE RECEIVABLES		
(Unsecured, considered good)		
Outstanding not more than six months	43,36,085	1,02,57,355
	43,36,085	1,02,57,355
	31.03.2014 ₹	31.03.2013 ₹
10. INVENTORIES		
(As valued and certified by the management)		
Plantation	-	3,65,000
Stores and spare parts	61,80,986	61,80,986
	61,80,986	65,45,986
	31.03.2014 ₹	31.03.2013 ₹
11. CASH AND CASH EQUIVALENTS		
Balances with banks:		
In current accounts	7,82,357	15,19,185
In fixed deposit as margin money	2,17,500	2,17,500
Cash on hand	15,984	29,906
Earmarked balance with bank	15,085	15,113
	10,30,926	17,81,704

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

	31.03.2014 ₹	31.03.2013 ₹
12. SHORT-TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
Advance income tax (net of provisions for taxation)	5,75,449	4,81,940
Inter corporate deposit to related party	80,86,000	-
Prepaid expenses	3,21,216	3,67,314
Other advances	1,628	1,124
Balances with government authorities	1,38,740	1,97,925
	91,23,033	10,48,303
	31.03.2014 ₹	31.03.2013 ₹
13. OTHER CURRENT ASSETS		
Interest receivable	1,06,439	3,52,524
	1,06,439	3,52,524
	2013-14 ₹	2012-13 ₹
14. REVENUE FROM OPERATIONS		
Revenue from operations		
Sale of products		
Traded goods	1,30,20,133	1,87,01,603
Stores	-	81,120
Revenue from operations (gross)	1,30,20,133	1,87,82,723
Less: Excise duty	-	-
Revenue from operations (net)	1,30,20,133	1,87,82,723
Details of products sold		
Paper Board and Craft Paper	1,30,20,133	1,87,01,603
	1,30,20,133	1,87,01,603

SIMPLEX PAPERS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

	2013-14 ₹	2012-13 ₹
15. OTHER INCOME		
Interest received		
On bank deposits	25,915	33,025
From others	9,35,080	15,96,140
Profit on sale of fixed assets	-	5,21,210
Reversal of impairment loss	-	1,892
Sundry sales (including Plantation, scraps, etc.)	2,91,145	22,60,503
	<u>12,52,140</u>	<u>44,12,770</u>
	2013-14 ₹	2012-13 ₹
16. INCREASE/(DECREASE) IN INVENTORIES		
Closing stock		
Finished goods	-	3,65,000
	-	3,65,000
Less: Opening stock		
Finished goods	3,65,000	11,63,500
	<u>3,65,000</u>	<u>11,63,500</u>
Decrease in stock	<u>(3,65,000)</u>	<u>(7,98,500)</u>
Details of purchase of traded goods		
Paper Board and Craft Paper	1,23,98,047	1,78,53,447
Details of Inventory		
Finished goods		
Plantation	-	3,65,000
	-	3,65,000
	2013-14 ₹	2012-13 ₹
17. FINANCE COSTS		
Interest on		
Inter corporate deposits	2,50,797	13,07,569
Delayed payment of taxes	5,29,742	9,094
	<u>7,80,539</u>	<u>13,16,663</u>

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

	2013-14 ₹	2012-13 ₹
18. OTHER EXPENSES		
Stores and spare parts consumed	4,266	1,50,710
Insurance	2,33,407	2,35,318
Rates and taxes	5,52,881	5,60,820
Travelling and conveyance expenses	63,704	24,964
Director's sitting fees	9,000	8,500
Advertisements	39,213	39,214
Postage, stationery and printing	73,513	69,711
Bank charges	2,870	789
Motor maintenance	1,15,314	79,410
Professional fees	6,60,734	5,99,018
Sundry expenses	2,75,719	1,84,841
Payments to Auditor:		
Audit fees	33,708	33,708
Tax audit fees	11,236	11,236
	20,75,565	19,98,239

	2013-14 ₹	2012-13 ₹
19. EXCEPTIONAL ITEMS		
Refund of Power Charges*	1,31,89,815	-
Water charges	(26,64,339)	-
	1,05,25,476	-

* Refund received from Maharashtra State Electricity Distribution Company Limited.

20. Contingent Liabilities :

Claims against the Company not acknowledged as debt:

	31.03.2014	31.03.2013
(a) Appeals filed in respect of disputed demands		
i) Central Excise	17,54,45,314	17,55,63,684
ii) Sales Tax	-	2,54,78,954
iii) Income Tax	1,59,280	-
(b) Other claims	36,46,561	75,66,830

21. During the year, the Company has trading activity in paper products i.e. Paper board and Craft paper.

22. 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.

23. The net worth of the Company has been eroded due to continuous loss and impairment loss of fixed assets.

24. As there are no employees in the company, the provisions relating to Accounting Standard (AS-15) (Revised) Employee Benefits, are not applicable.

SIMPLEX PAPERS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

25. Earnings per share (EPS) is calculated by dividing the profit/(loss) attributable to the equity share holders by weighted average number of equity shares outstanding during the year.

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

Particulars	2013-14	2012-13
(a) Profit/(Loss) after tax - ₹	42,45,159	(42,14,036)
(b) Weighted average number of shares	30,01,475	30,01,475
(c) Face value of shares (₹ per share)	10/-	10/-
(d) Basic EPS - ₹	1.41	(1.40)
(e) Diluted EPS - ₹	1.41	(1.40)

26. 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.

27. Related Party Disclosure (as identified by the management) :

(In ₹)

Name of Related Party	Type of Related Party	Description of the nature of the transactions	Volume of transactions during 2013-14	Volume of transactions during 2012-13	As on 31.03.14 Receivable/ (Payable)	As on 31.03.13 Receivable/ (Payable)
Simplex Realty Ltd.	Controlling Company	Loan (repaid)	(19,173)	(19,912)	(14,33,33,581)	(14,33,52,754)
Simplex Mills Company Ltd.	Common Director	Loan given Loan (repaid)	1,79,80,000 (1,12,00,000)	- -	67,80,000	-
Shreelekha Global Finance Ltd.	Common Director	Loan taken Loan (repaid) Interest paid	1,11,85,000 (1,88,35,000) 2,30,304	- (10,50,000) 8,43,481	-	(76,50,000)
The Nav Bharat Refrigeration and Industries Ltd.	Common Director	Loan taken Loan (repaid) Interest paid	- (22,50,000) 20,493	- (38,50,000) 4,58,526	-	(22,50,000)
Lucky Vyapaar and Holdings Pvt. Ltd.	Group Company	Loan taken Loan (repaid) Interest paid	- - -	- 3,50,000 5,562	-	-
Simplex Renewable Resources Pvt. Ltd.	Group Company	Loan given	13,06,000	-	13,06,000	-

28. The previous year's figures have been reclassified, wherever necessary to conform current year's presentation.

As per our report of even date attached

For **Vijay Rungta & Co.**
Chartered Accountants
(Firm Registration No.111427W)

Ajay Rungta
Partner
Membership No. F- 40333
Mumbai, 15th May, 2014

For and on behalf of the Board
Sita Laxman
Shekhar R Singh
Directors

Mumbai, 15th May, 2014



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 20th ANNUAL GENERAL MEETING held at M.C.Ghia Hall, 4th Floor, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Kala Ghoda, Mumbai-400001 on Wednesday, the 6th day of August, 2014 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

* Applicable for members holding shares in electronic form.

I/We, being the member(s) holdingshares 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 20th Annual General Meeting of the Company, to be held on Wednesday, the 6th day of August, 2014 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 M.C. Ghia Hall, 4th Floor, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Kala Ghoda, Mumbai - 400 001 or 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
1. Adoption of the Audited Financial Statements, the Reports of the Directors' and Auditors		
2. Re-appointment of Ms. Sita Laxman who retires by rotation		
3. Re-appointment of Auditors and fixing their remuneration		
4. Appointment of Shri S.M.Soni as an Independent Director		
5. Appointment of Shri O.D.Purohit as an Independent Director		
6. Appointment of Shri D.C.Shimali as an Independent Director		

Signed this.....day of2014.

Signature of Member

Signature of Proxy holder(s)

Affix a
15 paise
Revenue
stamp

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 joint holders should be stated.

If undelivered, please return to:

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