



# Simplex Castings Ltd.

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Website : www.simplexcastings.com

CIN : L27320MH1980PLC067459



Ref: SCL/FY2022-23/ BSE/25

Date: 07.09.2022

To,  
The Secretary  
Department of Corporate Services  
Bombay Stock Exchange Limited  
Floor 25, Phiroze Jeejeebhoy Tower,  
Dalal Street, Mumbai-400 001

Ref No: Scrip Code-513472

Sub: Annual Report for the Financial Year 2021-22 and Notice of the 42<sup>nd</sup> Annual General Meeting of Simplex Castings Limited ("the Company").

Dear Sir/Madam,

With reference to the captioned subject and pursuant to Regulation 30 and 34 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 we hereby submit the 42<sup>nd</sup> Annual Report of Simplex Castings Limited for the Financial year 2021-22 and Notice convening the 42<sup>nd</sup> Annual General Meeting scheduled to be held on Friday, September 30, 2022, at 3.00 P.M. through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM").

The Annual Report containing the Notice of Annual General Meeting is also uploaded on the Company's website at [www.simplexcastings.com](http://www.simplexcastings.com).

For, Simplex Castings Limited

Akanksha Kotwani  
Company Secretary

OFFICE	ADDRESS	PHONE	FAX	E-MAIL
Regd. Office	: 601/602 A, FAIRLINK CENTER, OFF ANDHERI LINK ROAD, ANDHERI (W), MUMBAI -53	022-40034768		sclmumbai@simplexcastings.com
Kolkata	: 119, PARK STREET, WHITE HOUSE 4 <sup>th</sup> FLOOR KOLKATA - 700016 (W.B.) INDIA	08961045611	033-22493251	kol@simplexcastings.com
Bhilai (Plant)	: 5, INDUSTRIAL ESTATE, BHILAI - 490026 (C.G.) INDIA	0788-4015273	0788-4034188	sclbhilai@simplexcastings.com
Rajnandgaon (Plant)	: 223/2,224 INDUSTRIAL ESTATE, TEDESARA, RAJNANDGAON - 491441(C.G.) INDIA	9203901697	0788-2285664	scltedesara@simplexcastings.com



**SIMPLEX CASTINGS LTD.**

**THE ENGINEERING  
OF APPLIED INTELLIGENCE**

**ANNUAL  
REPORT**

**2021**

## MESSAGE FROM THE CHAIRMAN AND MANAGING DIRECTOR

Dear Shareholders,

It gives us pleasure to present to you your Company's Annual Report for the FY 2021-22.



It gives me great pleasure to address you all as we collectively continue to navigate through the challenges posed by the pandemic. We express our gratitude to all those with whose support India managed to quickly return to the growth path.

As we celebrate “Azadi Ka Amrit Mahotsav” this year, we continue to be proud of our nation’s past achievements and remain confident of advancing further on the path of progress.

The Indian economy sharply bounced back in FY 2021-22, with robust GDP growth of 8.7% after 6.6% contraction reported in the previous year due to restrictions and lockdowns imposed by the Government to control the spread of COVID-19 pandemic.

Government expenditure and domestic spending has supported the economy, complemented by a long-term focused growth-oriented budget. The initiatives undertaken by the Government in the recent past, such as the commodity-intensive National Infrastructure Pipeline (NIP) and Production Linked Incentive (PLI) scheme to boost local manufacturing, will play a big role in making India a manufacturing hub for global majors. This is encouraging, and such bold and scalable programmes are instrumental in realising the vision of a self-reliant India.

### FINANCIAL AND OPERATIONAL PERFORMANCE

Our Company revenue from operations rose by 14% at Rs 9183.85 Lacs compared to Rs 8055.76 Lacs in FY 2021-22. The Profit Before Tax (PBT) and Profit After Tax (PAT) for the year 2021-22 were Rs 202.95 Lacs and Rs 152.15 Lacs respectively, as against Rs 146.67 Lacs and Rs 101.03 respectively during the previous year ended 31 March, 2021. With the improvement of economic conditions in these markets, we anticipate further increase in sales volume and profitability in the near future.

### OPERATIONAL REVIEW

We are happy to inform you that recently the Company has bagged an order worth of Rs 11.58 Cr from Rourkela Steel Plant and Rs 26.00 Cr from Zarman Poland for supply of Coke Oven Doors.

As on 31<sup>st</sup> March, 2022, the Company has pending order worth of Rs 96.15 Cr.

### THE ROAD AHEAD

Looking ahead, we will continue the next phase of our growth journey by strengthening the quality of customer engagement, sharpening existing strong procurement and logistics practices, enhancing safety and sustainability efforts and nurturing a progressive work culture.

Recent unfortunate geopolitical developments in Europe are directly and indirectly impacting the global economy which withstood the COVID-19 challenges to a greater extent. We are optimistic, yet cautious in managing associated risks, which are too early to predict.

Your directors and we thank our shareholders and other stakeholders – employees, customers, partners, bankers and Government Agencies – for their continued trust and support. We remain committed in acting as trustee to create long-term value for all our stakeholders.

With Best Wishes

Ketan Shah  
Chairman

Sangeeta Ketan Shah  
Managing Director



## CORPORATE INFORMATION

### COMMITTEES OF THE BOARD

#### AUDIT COMMITTEE

Mr Champak Kalyanji Dedhia	Chairman
Mrs Ushma Nitin Khabaria	Member
Mrs S M Swathi	Member

#### NOMINATION & REMUNERATION COMMITTEE

Mr Champak Kalyanji Dedhia	Chairman
Mrs Ushma Nitin Khabaria	Member
Mrs S M Swathi	Member

#### STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr Champak Kalyanji Dedhia	Chairman
Mrs Ushma Nitin Khabaria	Member
Mrs S M Swathi	Member

#### CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr Champak Kalyanji Dedhia	Chairman
Mr Ketan Moolchand Shah	Member
Mrs Sangeeta Ketan Shah	Member

#### BOARD OF DIRECTORS

Mr. Ketan Moolchand Shah	Chairman and Executive Director
Mrs Sangeeta Ketan Shah	Managing Director
Mr. Om Prakash Patel	Executive Director
Mr. Champak K Dedhia	Independent Director
Mrs Ushma Nitin Khabaria	Independent Director
Mrs. S M Swathi	Independent Director

#### COMPANY SECRETARY

Mrs Akanksha Kotwani

#### CHIEF FINANCIAL OFFICER

Mr Avinash Hariharo

#### STATUTORY AUDITORS

M/s APAS & Co LLP

#### INTERNAL AUDITORS

M/s Harshit Malviya & Associates

#### COST AUDITOR

M/s Arindam Goswami & Co

#### SECRETARIAL AUDITOR

Meena Naidu & Associates

#### BANKERS

State Bank of India  
Bank of Baroda  
Union Bank of India

#### REGISTRAR AND TRANSFER AGENT

Link Intime India Pvt. Ltd.  
C 101, 247 Park, L.B.S. Marg,  
Vikhroli (West), Mumbai - 400083

#### REGISTERED OFFICE

601/602 A, Fairlink Center, Off Andheri Link Road,  
Andheri (West), Mumbai -400053 (M.H.)

#### CORPORATE OFFICE

Plot 32, Shivnath Complex,  
G.E. Road, Supela, Bhilai – 490023 (C.G.)

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**SUMMERISED FINANCIAL DATA**

Rs.In Lacs(Except Other Financial Data)

<b>PARTICULARS</b>	<b>2021-22</b>	<b>2020-21</b>	<b>2019-20</b>	<b>2018-19</b>	<b>2017-18</b>
<b>PROFIT &amp; LOSS ACCOUNT</b>					
Revenue from operations	9183.85	8055.76	5442.51	18297.82	22442.04
Other income	82.96	225.82	220.98	375.91	145.11
<b>TOTAL INCOME</b>	<b>9266.81</b>	<b>8281.58</b>	<b>5663.49</b>	<b>18673.73</b>	<b>22587.15</b>
(-) Cost of raw material and Component consumed	5698.99	3644.54	3323.68	9384.13	7767.5
(-) Employee benefit expenses	1357.82	1356.02	1520.51	1793.23	1727.35
(-) Purchase of Traded Goods	169.12	0.00	0.00	2384.73	7429.86
(-) Finance Costs	877.75	1011.32	964.40	1371.93	1163.14
(-) Depreciation & Amortisation Expense	560.76	601.31	714.15	1518.34	1244.58
(-) Other expenses	399.43	1781.71	4657.24	4715.53	2926.74
<b>PROFIT BEFORE TAX BEFORE EXCEPTIONAL ITEMS</b>	<b>202.95</b>	<b>(113.33)</b>	<b>(5516.49)</b>	<b>(2494.16)</b>	<b>327.97</b>
Exceptional Items	0.00	(260.00)	159.89	-	-
<b>PROFIT BEFORE TAX AFTER EXCEPTIONAL ITEMS</b>	<b>202.95</b>	<b>146.67</b>	<b>(5676.38)</b>	-	-
(-) Current Tax	0	2.21	0.00	(22.19)	28.05
(-) Deferred Tax	50.8	43.43	(1140.83)	(889.78)	(35.55)
<b>PROFIT AFTER TAX FROM CONTINUING OPERATIONS</b>	<b>152.15</b>	<b>101.03</b>	<b>(4535.55)</b>		
<b>PROFIT AFTER TAX FROM DISCONTINUING OPERATIONS</b>	<b>0</b>	<b>0</b>	<b>1680.17</b>		
<b>PROFIT FOR THE YEAR</b>	<b>152.15</b>	<b>101.03</b>	<b>(2855.38)</b>	<b>(1582.18)</b>	<b>335.47</b>
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>212.03</b>	<b>149.35</b>	<b>(3093.91)</b>	<b>(1526.25)</b>	<b>232.40</b>
<b>EARNING PER SHARE (Rs)</b>					
<b>Basic EPS</b>	<b>2.48</b>	<b>1.65</b>	<b>(46.57)</b>	<b>(25.81)</b>	<b>5.61</b>
<b>Diluted EPS</b>	<b>2.48</b>	<b>1.65</b>	<b>(46.57)</b>	<b>(19.83)</b>	<b>5.59</b>
<b>EXTRACTS FROM BALANCE SHEET</b>					
Share Capital	613.12	613.12	613.12	613.12	598.42
Equity Share Warrants	0.00	0.00	0.00	738.68	797.48
Reserve & Surplus/Other Equity	4148.74	3936.71	3787.36	6142.59	7484.36
Fixed Assets	4331.36	4820.66	5368.39	10288.72	11450.32
Inventories	7132.37	5614.68	4754.87	7636.35	8643.43
Trade Receivables	2685.58	2185.38	2079.06	8768.85	6059.93
<b>OTHER FINANCIAL DATA</b>					
<b>TURNOVER ( Rs.in Cr)</b>	<b>91.83</b>	<b>80.55</b>	<b>54.42</b>	<b>182.98</b>	<b>224.42</b>
<b>BOOK VALUE PER SHARE (Rs)</b>	<b>77.67</b>	<b>74.20</b>	<b>71.78</b>	<b>122.00</b>	<b>148.00</b>
<b>NET WORTH (Rs.in Cr)</b>	<b>47.61</b>	<b>45.49</b>	<b>44.00</b>	<b>74.94</b>	<b>88.80</b>
<b>DIVIDEND PER SHARE (Rs.)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.50</b>

## NOTICE

Notice is hereby given that the 42<sup>nd</sup> Annual General Meeting (AGM) of the members of Simplex Castings Limited will be held on Friday, 30<sup>th</sup> September, 2022 at 3:00 pm, through Video Conferencing (VC)/ Other Audio Visual Means (OAVM), to transact the following business:

### **ORDINARY BUSINESS:**

1. To consider and adopt the audited financial statements for the financial year ended 31<sup>st</sup> March, 2022 and, in this regard, pass the following resolutions as an Ordinary Resolutions.

**“RESOLVED THAT** the audited financial statement of the Company for the financial year ended 31<sup>st</sup> March, 2022 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered, adopted and approved.”

2. To appoint a Director in place of Mr Om Prakash Patel (DIN: 08301041) who retires by rotation and being eligible offer himself for re-appointment.

### **SPECIAL BUSINESS:**

#### **3. Ratification of Remuneration to Cost Auditor**

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 148 and all other applicable provisions of the Companies Act, 2013 and rules thereof (including any statutory modification(s) or re-enactments thereof for time being in force) the remuneration of Rs. 70,000/- (Rupees Seventy Thousand Only) plus reimbursement of out of pocket expenses at actual basis to be paid to M/s Arindam & Associates, Cost Accountants, Raipur having Firm Registration no.000559 as Cost Auditors to conduct the audit of Cost Records of the Company for the financial year 2022-23 as recommended by the Board of the Directors, be and is hereby ratified.”

4. **Approve the Remuneration to be paid to Mr Ketan M Shah, Whole Time Director and Mrs Sangeeta Ketan Shah, Managing Director**

To consider and if thought fit, to pass with or without modification(s), the following resolution as **SPECIAL RESOLUTION:**

**“RESOLVED THAT** pursuant to the provisions of Section 196,197,198, Schedule V and other applicable provisions of the Companies Act, 2013, and subject to such approval(s), consent(s) or permission(s), as may be required, the consent of the members of the Company be and is hereby accorded to pay the remuneration as set out in the statement annexed hereto, to Mr Ketan M Shah (DIN:00312343), Whole Time Director and Mrs Sangeeta Ketan Shah (DIN: 05322039 ), Managing Director of the Company, for the financial year 2022-23 and for further two consecutive years in case of absence or inadequate profits.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

5. **To take loan from Directors and Promoter Companies with an option to convert into Equity Shares.**

To consider and if thought fit, to pass with or without modification(s), the following resolution as **SPECIAL RESOLUTION:**

**“RESOLVED THAT** pursuant to the provisions of Section 62(3) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications thereof) and any applicable rules and regulations made thereunder, the consent of the members of the Company be and is hereby accorded by way of special resolution, to the Board of Directors of the Company ("Board") for borrowing from time to time, as per the requirement of the Company, any sum or sums of money from Directors of the Company and Promoter Companies on such terms and conditions as the Board may deem fit by way of loans convertible into equity shares at the option of Lender.

**RESOLVED FURTHER THAT** specific Loan Agreements with the terms of conversion of Loans into equity shares shall be executed between the lenders (Directors or



Promoter Companies) and the Company governing the terms of conversion.

**RESOLVED FURTHER THAT** the Board (including any Committee duly constituted by the Board of Directors or any authority as approved by the Board of Directors) be and is hereby authorized to do all such acts, deeds and things and to sign and execute all such deeds, documents and instruments as may be necessary, expedient and incidental thereto to give effect to this resolution.”

By Order of the Board  
Simplex Castings Limited

Akanksha Kotwani  
Company Secretary

Date : 13.08.2022

Place : Bhilai

Reg Off: 601/602A, Fairlink Center, Off Andheri Road, Andheri (W), Mumbai-400 053

**Notes:**

1. In compliance with the provisions of the Companies Act, 2013 ('Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and MCA circulars, the AGM of the Company is being held through VC / OAVM. The Board of Directors of the Company considered that the special business under Item Nos. 3 to 5 be transacted at the ensuing AGM of the Company.
2. In view of the continuing Covid-19 pandemic and social distancing norm, the Ministry of Corporate Affairs ("MCA") has vide it's circular dated April 8, 2020 and April 13, 2020, May 5, 2020 and January 13, 2021 and December 8, 2021 and December 14, 2021 and May 5, 2022 (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India vide its Circular No. SEBI/HO/CFD/CMD1/ CIR/P/2020/79 dated May 12, 2020 and SEBI/HO/CFD/ CMD2/CIR/P/2021/11, Dated January 15, 2021 (referred to as "SEBI Circular") permitted the holding of the "AGM" through Video Conferencing (VC) / Other Audio-Visual Means (OAVM), without the physical presence of the Members at a common venue. Accordingly, in compliance with the provisions of the MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC / OAVM. Hence, Members can attend and participate in the AGM through VC/OAVM only.
3. Although, 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/ herself, but since this meeting is being held through VC/OAVM under the framework of MCA circulars on account of threat posed by COVID-19, where physical presence of members has been dispensed with, the facility of appointment of proxy will not be available and hence the proxy form and attendance slip are not annexed hereto.
4. Since the AGM will be held through VC / OAVM, the Route Map is not annexed to this Notice.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
6. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
7. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
8. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM along with Annual Report for the



Financial year ended 31<sup>st</sup> March, 2022 is available on the website of the Company at [www.simplexcastings.com](http://www.simplexcastings.com), on the website of the Stock Exchange i.e BSE Limited at [www.bseindia.com](http://www.bseindia.com) and on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).

9. Members of the Company under the category of Institutional Investors are requested to attend and vote at the AGM through VC. Corporate Members/ Institutional Investors intending to appoint their authorized representatives pursuant to Section 113 of the Act, to attend the AGM through VC or OAVM or to vote through remote e-voting are requested to send a certified copy of the Board Resolution to the Scrutinizer by e-mail at [cscmameena@gmail.com](mailto:cscmameena@gmail.com).
10. The Register of Members and Share Transfer Books of the Company will be closed from 24<sup>th</sup> September, 2022 to 30<sup>th</sup> September, 2022 (both days inclusive) for the purpose of the Annual General Meeting for the year ended 31<sup>st</sup> March, 2022.
11. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020, MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020, MCA Circular No. 2/2021 dated January 13, 2021 and MCA Circular No. 03/2022 dated May 05, 2022. The Notice of AGM is being sent only in electronic mode to those members whose, e-mail addresses are registered with the Company/ RTA or the Depository Participant(s) as on 26<sup>th</sup> August, 2022. A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the AGM and shareholders as on Cut-off date i.e. 23<sup>rd</sup> September, 2022, shall be entitled to exercise his/her vote electronically i.e. remote e-voting or e-voting system on the date of the AGM by following the procedure mentioned in **Annexure-B**.
12. CS Meena Naidu, Practicing Company Secretary (CP No. 23853 & Membership No. A28193) Meena Naidu & Associates has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
13. The Scrutinizer shall within a stipulated period 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.
14. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizers Report shall be placed on the Company's website [www.simplexcastings.com](http://www.simplexcastings.com) and on the website of CDSL within two working days from the conclusion of AGM of the Company and communicated to the Stock Exchange ( BSE).
15. The Explanatory Statement pursuant to section 102 of the Companies Act, 2013 is annexed hereto.
16. In accordance with the above mentioned MCA General Circulars and SEBI Circulars, in view of the prevailing situation and owing to the difficulties involved in dispatching physical copies of the Financial Statements (including Board's Report, Auditor's Report or other documents required to be attached therewith) for the Financial Year ended 31<sup>st</sup> March, 2022 pursuant to section 136 of the Act and Notice calling the AGM pursuant to section 101 of the Act read with the Rules framed thereunder, such statements including the Notice of AGM are being sent only in electronic mode to those Members whose e-mail addresses are registered with the Company/ RTA or the Depository Participant(s). The Company will not be dispatching physical copies of such statements and Notice of AGM to any Member. Members are requested to register/update their email addresses, in respect of electronic holdings with the Depository through the concerned Depository Participants and in respect of physical holdings with RTA by following due procedure. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, a copy of the Notice of this AGM along with Annual Report for the Financial Year 2021-2022 is available on the website of the Company at [www.simplexcastings.com](http://www.simplexcastings.com) website of the Stock Exchanges where the shares of the Company is listed i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and the AGM Notice is also available on the website of CDSL (agency for providing the e-voting facility) i.e. [www.evotingindia.com](http://www.evotingindia.com).
17. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the Securities Market. Members holding shares in electronic form are therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding the shares in physical form can submit their PAN details to the Company/RTA.





18. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from, 1st April, 2019. Further w.e.f. 24th January 2022, transmission or transposition of securities held in physical or dematerialised form shall be effected only in dematerialised form. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialised form.

19. Transfer of Unclaimed Dividend Amounts to the Investor Education and Protection Fund (IEPF):

The following are the details of dividends paid by the Company and respective due dates for transfer of unclaimed dividend to such Investor Education and Protection Fund (IEPF) of the Central Government:

Year of Dividend	Date of Declaration	Due Date for Transfer of IEPF A/c
2014-15	NA	NA
2015-16	12/03/2016	11/03/2023
2016-17	14/09/2017	13/09/2024
2017-18	21/09/2018	20/09/2025
2018-19	NA	NA
2019-20	NA	NA
2020-21	NA	NA

Further, the Company shall not be in a position to entertain the claims of the shareholders for the unclaimed dividends which have been transferred to the credit of the IEPF of the Central Government under the provisions of Section 125 of the Companies Act 2013. The shareholders are requested to claim their dividend/shares after filing of relevant form available at the website of IEPF at <http://www.iepf.gov.in/>

20. To prevent fraudulent transactions, members are advised to exercise due diligence and notify any change in information to Registrar and Share Transfer Agent or Company as soon as possible. Members are also advised not to leave their Demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.

21. Members who hold shares under more than one folio in name(s) in the same order, are requested to send the relative Share Certificate(s) to the Company's Registrar and Transfer Agent for consolidating the holdings into one account. The Share Certificate(s) will be returned after consolidation.

22. Pursuant to Section 72 of the Companies Act, 2013, Members who hold shares in the physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest, to avail of the nomination facility by filling form SH-13. Members holding shares in the dematerialized form may contact their Depository Participant for recording the nomination in respect of their holdings.

**23. PROCEDURE FOR INSPECTION OF DOCUMENTS:**

a. All the documents referred to in the accompanying notice and the statement pursuant to Section 102 (1) of the Companies Act, 2013 shall be available for inspection through electronic mode. Members are requested to write to the Company on [cs@simplexcastings.com](mailto:cs@simplexcastings.com) for inspection of said documents; and

b. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the Members during the AGM. All documents referred to in the Notice will also be available for electronic inspection by the Members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to [cs@simplexcastings.com](mailto:cs@simplexcastings.com)

24. Details under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, "Listing Regulations" in respect of the Director seeking re-appointment at the Annual General Meeting, has also been annexed as Annexure -I. The Directors have furnished the requisite declarations for their re-appointment.

25. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.



26. Members holding shares in physical form are requested to advise any change in their registered address, E-mail address, Contact Numbers and Bank particulars etc., to the Company's Registrar and Share Transfer Agent (RTA), Link Intime India Private Limited (LIPL), Mumbai quoting their folio number at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in). Members holding shares in electronic form must send the advice about change in their registered address, E-mail address, Contact Number and bank particulars to their respective Depository Participant and not to the Company.
27. In all correspondence with the Company or with its Share Transfer Agent, members are requested to quote their folio number and in case the shares are held in the dematerialized form, they must quote their Client ID Number and their DPID Number.
28. Members are encouraged to express their views /send their queries in advance mentioning their name demat account number / folio number, email id, mobile number at [cs@simplexcastings.com](mailto:cs@simplexcastings.com). Questions / queries received by the Company till 5.00 p.m. on Wednesday, 28th September, 2022 shall only be considered and responded during the AGM.

### Explanatory Statement

#### [Pursuant to Section 102 of the Companies Act, 2013 ("Act")]

The following Statement sets out all material facts relating to Item Nos. 3 to 5 mentioned in the accompanying Notice.

#### ITEM NO. 3

The Board of Directors of the Company on the recommendation of Audit Committee, has approved the appointment and remuneration of M/s Arindam & Associates, Cost Accountants, to conduct the audit of the cost records of the Company for the financial year 2022-23.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rules thereunder, the remuneration payable to the Cost Auditors is required to be ratified by the members of the Company. Accordingly, the members are requested to ratify the remuneration payable to the Cost Auditors for audit of cost records of the Company for the financial year 2022-23 as set out in the resolution for the aforesaid services to be rendered by them.

None of the Directors and Key Managerial Personnel of the Company (including relatives of Directors and Key Managerial Personnel) are in any way, whether financially or otherwise, concerned or interested, in the said resolution.

The Board of Directors recommend the Ordinary Resolution as set out at item No. 3 of the Notice for approval by the members.

#### ITEM NO.4

##### Mr Ketan Moolchand Shah:

The Members of the Company at the Annual General Meeting held on 30<sup>th</sup> September 2020 had approved the reappointment of Mr Ketan Moolchand Shah as Whole Time Director of the Company for further period of five years and remuneration payable to Mr Ketan Moolchand Shah, Whole Time Director of the Company and the Board of Directors were authorized to revise the same within the overall limits prescribed in this regard.

Due to inadequate profit, Mr Ketan Moolchand Shah shall pay minimum remuneration of Rs 3,75,000/- per month plus perquisites accordance with Section II (A) of Part II of Schedule V of the Companies Act, 2013.

He has contributed a lot towards the growth of Company. He has been; drawing minimum remuneration since 2010 due to inadequate profit.

Further, Mr Ketan Moolchand Shah is Promoter as envisaged in clause 2(1)(za) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2009 as amended from time to time.

##### Mrs Sangeeta Ketan Shah:

The Members of the Company at the Annual General Meeting held on 26<sup>th</sup> September 2019 had approved the reappointment of Mrs Sangeeta Ketan Shah as Managing Director of the Company for period of five years and remuneration payable to Mrs Sangeeta Ketan Shah, Managing Director of the Company and the Board of Directors were authorized to revise the same within the overall limits prescribed in this regard.

Due to inadequate profit, Mrs Sangeeta Ketan Shah shall paid minimum remuneration of Rs 3,00,000/- per month plus perquisites accordance with Section II (A) of Part II of Schedule V of the Companies Act, 2013.



Mrs Sangeeta Ketan Shah has contributed a lot towards the growth of Company. She has been drawing minimum remuneration from the date of her appointment due to inadequate profit.

Further, Mrs Sangeeta Ketan Shah is part of Promoter Group as envisaged in clause 2(1)(zb) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2009 as amended from time to time.

**The information as required under Section II of Part II of Schedule V of the Companies Act, 2013:**

**I. General Information: -**

1. Nature of Industry: Castings Industry
2. Date or expected date of commencement of commercial production:  
Simplex Castings Limited was incorporated as a private company on 30th January, 1980. Subsequently, the Company got converted to Public Company in 1993.
3. In case of new companies expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: NA
4. Financial Performance based on given indicators-

Particulars	2021-22	2020-21
Turnover	9183.85	8055.76
Total Revenue	9266.81	8281.59
Profit before tax	202.95	146.67
Profit after tax	152.15	101.03

5. Foreign investments or collaborations, if any: Nil

**II. Information about the Appointee:**

1. Background Details:

Mr Ketan Moolchand Shah:

Mr Ketan Moolchand Shah holds a Bachelor degree in Mechanical Engineering from the Madhav Institute of Technology and Science, Gwalior (M.P) and a postgraduate degree in Business Management from the University of Florida. Over the period of his thirty-five years of experience and being an innovative technocrat, company succeeded in positioning its

global presence as one of the reliable name for customers.

Mrs Sangeeta Ketan Shah:

Mrs Sangeeta Ketan Shah holds Master degree in Business Administration. She is an experienced and dynamic women entrepreneur. She is an active member of Industrial Association, Confederation of Indian Industry, Institute of Indian Foundry, Chhattisgarh Skills Development, and also holds membership in various committees and associations.

2. Past Remuneration:  
Mr Ketan Moolchand Shah: Rs 3,75,000 P.M Plus perquisites

Mrs Sangeeta Ketan Shah: Rs 3,00,000 P.M Plus perquisites

3. Recognition or awards: NA
4. Job Profile and his suitability:

Mr Ketan Moolchand Shah has played an important role as a Leader in developing our Company business. He has a vast and varied experience in Marketing and Production function.

Mrs Sangeeta Ketan Shah has played an important role in handling the administration functions. She is also a perfect personality to handle all major commercial and financial aspects of the Company.

5. Remuneration Proposed:  
Mr Ketan Moolchand Shah- Rs 3,75,000 P.M Plus perquisites  
Mrs Sangeeta Ketan Shah- Rs 3,00,000 P.M Plus perquisites

6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:  
Taking into consideration the size of the Company, the profile, knowledge, skills and responsibilities shouldered by Mr Ketan Moolchand Shah and Mrs Sangeeta Ketan Shah, the remuneration proposed to be paid is commensurate with the remuneration packages paid to their similar counterparts in other Companies.

7. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel:



Beside their proposed remuneration and except the transactions as mentioned under the heading 'Related Party Transaction' in the Notes to the Accounts, the appointees do not have any pecuniary relation with the managerial persons.

### III. Other information:

1. Reasons of loss or inadequate Profits: Due to lack of demand of steel products in the infrastructure, railway and power sector the major sectors where company sells its products. Because of lack of development and liquidity crunch in these sectors there has been a low demand of company's products.
2. Steps taken or proposed to be taken for improvement and Expected increase in Productivity and Profits in measurable terms: As long as these sectors continue to underperform, the prospects of the Company to achieve a higher level of production and growth will remain unattained. However, the company is forecasting a good demand in its products in the second quarter of current financial year in the market which will eventually help increasing the production level of the company thereby increasing profits.

### IV. Disclosures:

The information and disclosures of the remuneration package of the managerial personnel have been mentioned in the Annual Report in the Corporate Governance Report under the heading "Details of remuneration paid to the Directors of the Company" for the year ended March 31, 2022.

The Resolution at Item No. 4 is recommended by the Board for approval by the Members by passing Special Resolution.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives except Mr Ketan Moolchand Shah, Mrs Sangeeta Ketan Shah and their relatives is concerned or interested in the Resolution mentioned at Item No. 4 of the Notice.

### ITEM NO 5

The Company requires financial assistance time to time in form of unsecured loan from directors and promoter companies upon such terms and conditions as may be stipulated in the financing documents and approved by the Board.

The Loan Agreements will be executed with the lenders having one of the conditions that during the period till the Loan is outstanding and/or extended period as defined in the Loan Agreement, the lender shall have right (but not obligation) to convert whole or part of the loan facility into fully paid-up Equity Shares of the Company which shall rank pari-passu in all respects with the then Equity Shares of the Company, by issuing advance written notice of 30 days to the Company. On notice of Conversion, whole or part of the Loan Facility amount shall be converted into equity shares of the Company subject to the Applicable Laws in relation thereto.

Provided further, if at the time of conversion, the authorised share capital of the Company is not sufficient to accommodate the allotment of equity shares to the Lender, then the Company and the Promoters shall take all the necessary steps to increase the authorised share capital of the Company, thereby ensuring the effective conversion of the relevant Loan Facility amount in accordance with the terms of the Loan Agreement.

Pursuant to provisions of Section 62(3) of the Companies Act, 2013, this resolution requires approval of the members by way of passing of a Special Resolution. Hence, the Board recommends the said enabling resolution for the approval of the members as a Special Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives, except those directors who are providing loan to the company, are in any way, concerned or interested, financially or otherwise, in the Resolution set out.

By Order of the Board  
Simplex Castings Limited

Akanksha Kotwani  
Company Secretary

Date: 13.08.2022  
Place : Bhilai

Reg Off: 601/602A, Fairlink Center, Off Andheri Road, Andheri (W), Mumbai-400 053

## Annexure-I

**Brief Profile of Appointee:**

Name of Director:	Om Prakash Patel
Age	17/06/1955
Date of First Appointment on Board:	14/12/2018
Qualifications	Engineering degree in Mechanical
Experience/Expertise in specific functional area/ Brief resume of the Director:	Mr Om Prakash Patel has 42 years' Experience in Marketing and Production field. He has joined Simplex Castings Limited in year 1983 and got promoted in several positions time to time. Mr Om Prakash Patel has made significant contribution in areas of Production, Design, Maintenance and Marketing.
Terms and conditions for appointment / reappointment	As per Company Policy on appointment of Board members
Details of Remuneration sought to be paid and Remuneration last drawn:	As mentioned in the Corporate Governance Report (forming part of Annual Report 2021-22)
Number of Board Meetings attended during FY 2021-22:	2/5
Other Directorship held:	Nil
No. of Shares Held (as on 31 <sup>st</sup> March, 2022)	0 (0.00%)
Name of committees in which he/she holds membership/ chairmanship	Nil
Relationship with other Directors and KMPs of the Company	None

## **Annexure - II**

### **I THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:**

**Step 1** : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

**Step 2** : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins on 27<sup>th</sup> September, 2022 ( 9 A.M IST) and ends on 29<sup>th</sup> September, 2022 (5 P.M IST). 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 23<sup>rd</sup> September, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

**Step 1** : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:



Type of shareholders	Login Method
<p>Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b></p>	<ol style="list-style-type: none"> <li>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
<p>Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b></p>	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open.</li> </ol>



	You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

**Step 2 :** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (v) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.
  - 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - 2) Click on “Shareholders” module.
  - 3) Now enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
  - 4) Next enter the Image Verification as displayed and Click on Login.
  - 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.



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

	<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>
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"> <li>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant Simplex Castings Limited on which you choose to vote.
- (x) 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.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
  - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively, Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [cscmameena@gmail.com](mailto:cscmameena@gmail.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

## **II INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.



8. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**III PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

IV If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33.

V All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 22 55 33.



## DIRECTOR'S REPORT

Dear Members,

Your Directors have pleasure in presenting the 42<sup>nd</sup> Annual Report on the business & operations of the Company with the Audited Financial Statement for the year ended 31st March 2022.

### FINANCIAL HIGHLIGHTS

Financial results are presented in the table below:

Particulars	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
Revenue from Operations	9183.85	8055.76
Other Income	82.96	225.82
Less: Finance Costs	877.75	1011.32
Less: Depreciation and amortization expenses	560.76	601.31
Profit Before Tax and Exceptional Item	202.95	(113.33)
Less: Exceptional Item	-	(260.00)
Less: Tax Expense	50.80	45.64
Profit After Tax	152.15	101.03
Other Comprehensive Income	59.88	48.32
Total Comprehensive Income	212.03	149.35

### PERFORMANCE OF THE COMPANY

Our Company revenue from operations increased by 14.00% at Rs 9183.85 Lacs compared to Rs 8055.76 Lacs in FY 2020-21. The Profit Before Tax (PBT) and Profit After Tax (PAT) for the year 2021-22 were Rs 202.95 Lacs and Rs 152.14 Lacs respectively, as against Rs 146.67 Lacs and Rs 101.03 Lacs respectively during the previous year ended 31 March, 2021.

With the improvement of economic conditions in these markets, we anticipate further increase in sales volume and profitability in the near future.

### DIVIDEND

Your Company intends to conserve available resources to invest in the growth of the business and pursue strategic growth opportunities. Accordingly, your Directors do not recommend any dividend for the year.

### TRANSFER TO RESERVES

Your Company has not transferred any amount to the General Reserves Account during the Financial Year 2021-22.

### SUBSIDIARY, JOINT VENTURE (JV) AND ASSOCIATE COMPANIES

The Company has filed the strike off application before Accounting and Corporate Regulatory Authority, Singapore for closing of Simplex Castings International Pte Ltd and the same has been approved by the Authority. The Company does not have any associate or joint venture company.

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A detailed report on the Management Discussion and Analysis in terms of the provisions of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided as a separate chapter in the annual report.



### **MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE COMPANY**

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this report except an unfortunate fire accident occurred at around 2.00 am on 1<sup>st</sup> June, 2022 at one of our factory office building in our plant situated on Unit-1 ,5, Industrial Estate, Bhilai (C.G) — 490026. Company. The fire has been brought under control and there is no loss or injury to Human Life. The estimated losses are adequately covered by Insurance. However, the operations at the plant are not affected.

### **DEPOSITS**

During the year under review, your Company has not accepted any deposits within the meaning of Sections 73 and 74 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 (including any statutory Modification(s) or re-enactment(s) for the time being in force).

### **CORPORATE GOVERNANCE**

The Company has taken the requisite steps to comply with the recommendations concerning Corporate Governance.

A separate statement on Corporate Governance together with a certificate from the practicing Company Secretary regarding compliance of conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of the Annual Report.

### **CHANGE IN THE NATURE OF BUSINESS, IF ANY**

There was no change in the nature of business of the Company during the Financial Year ended 31st March, 2022.

### **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

#### **Retirement of director by rotation**

In accordance with the provisions of Section 152 of the Act and the Company's Articles of Association, Mr Om Prakash Patel (DIN: 08301041), Director retires by rotation at the forthcoming Annual General Meeting and, being eligible offers himself for re-appointment.

The Board recommends his re-appointment for the consideration of the Members of the Company at the forthcoming Annual General Meeting. Brief profile of Mr. Om Prakash Patel has been given in the Notice convening the Annual General Meeting.

### **KEY MANAGERIAL PERSONNEL**

The following are the Key Managerial Personnel of the Company as on 31<sup>st</sup> March, 2022:

1. Mrs Sangeeta K Shah: Managing Director
2. Mr. Avinash Hariharo: Chief Financial Officer
3. Mrs Akanksha Kotwani: Company Secretary

During the year, following no changes took place in the Key Managerial Personnel

### **PERFORMANCE EVALUATION**

Meeting the requirements of the statute and considering Board Performance Evaluation as an important step for a Board to transit to a higher level of performance, the Nomination and Remuneration Committee has laid down a comprehensive framework for carrying out the evaluations prescribed in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The framework was developed to give all Board members an opportunity to evaluate and discuss the Board's performance openly from multiple perspectives and enhance governance practices within the Board. The framework describes the evaluation coverage and the process thereof.

A structured questionnaire each for evaluation was prepared and a separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board.

The performance evaluation of the Independent Directors was also carried by the entire Board. The performance evaluation of the Chairman, Managing Director & Executive Directors was carried out by the independent Directors at its separate meeting held on 12<sup>th</sup> February, 2022. The Directors expressed their satisfaction with the evaluation process.

### **STATEMENT ON DECLARATION BY INDEPENDENT DIRECTOR:**

All Independent Directors of the Company have given declarations as required under the provisions of Section 149 (7) of the Companies Act, 2013 stating



that they meet the eligibility criteria of independence as laid down under section 149(6) of the Companies Act, 2013 and Regulation 25 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### **FAMILIARISATION PROGRAMME OF INDEPENDENT DIRECTORS**

The Company conducts Familiarization Programme for the Independent Directors to provide them an opportunity to familiarize with the Company, its Management and its operations so as to gain a clear understanding of their roles, rights and responsibilities and contribute significantly towards the growth of the Company. The initiatives undertaken by the Company in this respect has been disclosed on the website of the Company at [www.simplexcastings.com](http://www.simplexcastings.com) and weblink <http://www.simplexcastings.com/public/asset/docs/investor/notice-announcements/notices/2021-22.pdf>

#### **NOMINATION AND REMUNERATION POLICY**

The remuneration paid to the Directors is in accordance with the Nomination and Remuneration Policy formulated in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations (including any statutory modification(s) or re-enactment(s) for the time being in force). The silent aspects covered in the Nomination and Remuneration Policy has been outlined in the Corporate Governance Report which forms part of this report.

#### **CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES AND INDEPENDENCE OF A DIRECTOR**

In terms of the provisions of Section 178(3) of the Act and Regulation 19 of the Listing Regulations, the NRC has formulated the criteria for determining qualifications, positive attributes and independence of Directors, the key features of which are as follows:

- Qualifications – The Board nomination process encourages diversity of thought, experience, knowledge, age, and gender. It also ensures that the Board has an appropriate blend of functional and industry expertise.
- Positive Attributes - Apart from the duties of Directors as prescribed in the Act, the Directors are expected to demonstrate high standards of ethical behaviour, communication skills, and

independent judgment. The Directors are also expected to abide by the respective Code of Conduct as applicable to them.

- Independence - A Director will be considered independent if he/she meets the criteria laid down in Section 149(6) of the Act, the Rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations, as amended from time to time.

#### **PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

The information required under Section 197 of the Companies Act, 2013 and Rule 5 (1) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force is set out in the **Annexure-I** to this report.

The Company does not have any employee, whose particulars are required to be given pursuant to the provisions of section 197 of the Companies Act, 2013 read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The statement containing the names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the aforementioned Rules will be made available on request sent to the Company on [cs@simplexcastings.com](mailto:cs@simplexcastings.com).

#### **DIRECTOR'S RESPONSIBILITY STATEMENT**

Pursuant to Section 134(3)(c) and Section 134(5) of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof for the time being in force), the Directors of the Company confirm that:

- a. In the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2022, the applicable Accounting Standards and Schedule III of the Companies Act, 2013 have been followed and there are no material departures from the same;
- b. the Directors have selected such accounting policies and applied them consistently, and made



judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2022 and of the profit and loss of the Company for the financial year ended 31<sup>st</sup> March, 2022;

- c. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the Annual Accounts have been prepared on a going concern basis;
- e. proper internal financial controls laid down by the Directors were followed by the Company and that such internal financial controls are adequate and operating effectively; and
- f. Proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems are adequate and operating effectively.

**MEETING OF BOARD AND COMMITTEES**

The details of the meetings of the Board of Directors and its Committees, convened during the financial Year 2021-22 are given in the Corporate Governance Report which forms a part of Annual Report.

**SEPARATE MEETING OF THE INDEPENDENT DIRECTORS**

During the year under review, the Independent Directors met on 12<sup>th</sup> February, 2022, without the attendance of Non-Independent Directors and members of the management, *inter alia*, to discuss on the following:

- To review the performance of the Non Independent Directors and the Board as whole;
- Review the performance of the Chairperson of your Company, taking into account views of Executive/Non-Executive Directors; and
- Assess the quality, quantity and timeliness of flow of information between your Company's management and the Board that was necessary for the Board to effectively and reasonably

perform their duties.

All the Independent Directors of the Company attended the separate Meeting of Independent Directors. Mr Champak K Dedhia chaired the Meeting.

**STATUTORY AUDITORS AND THEIR REPORT**

At the 41<sup>st</sup> AGM of the Company held on 30<sup>th</sup> September, 2021, the shareholders had approved the reappointment of M/s APAS & Co, Chartered Accountants (Firm Registration No. No.000340C), as Statutory Auditors of the Company, to hold office till the conclusion of the 44<sup>th</sup> AGM.

The Auditors have issued an un modified opinion on the Financial Statements, for the financial year ended 31<sup>st</sup> March, 2022.

The Emphasis of matter in Audited Financial Statement and management reply thereto was as under: -

SL No	Auditors' emphasis on matters	Management's Reply
1.	In view of the ongoing war in Ukraine, company has written down semi-finished goods amounting to Rs. 318.04 lakhs (amount over ECGC cover of 5 crores) pertaining to inventory related to order from Ukraine company as there is no certainty of payments and dispatch for the said orders till the Geo political tension in the country is eased out.	Looking into the uncertainty of dispatches related to such items due to continuing war situation between Ukraine and Russia, management has decided to written down the underlying semi-finished stock in the Godown by cutting the same and using as raw material.

**COST AUDITOR AND THEIR REPORT**

Pursuant to Section 148(2) of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, your Company is required to get its cost accounting records audited by a Cost Auditor.



Accordingly, the Board, at its meeting held on 28<sup>th</sup> May ,2022, has on the recommendation of the Audit Committee, re-appointed M/s Arindam & Associates, Cost Accountants to conduct the audit of the cost accounting records of the Company for F.Y. 2022-23 on a remuneration of Rs 0.70 lacs plus taxes as applicable and out-of-pocket expenses. The remuneration is subject to the ratification of the Members in terms of Section 148 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014.

#### **INTERNAL AUDITOR**

Pursuant to the provisions of section 138 and rules made there under, the Board on recommendation of Audit Committee, in the Board Meeting held on 28<sup>th</sup> May, 2022 has reappointed M/s Harshit Malviya & Associates, Chartered Accountants for the FY 2022-23.

#### **SECRETARIAL AUDITOR AND THEIR REPORT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Divanshu Mittal & Associates, Company Secretaries, (FCS 8703, CP No. 13800) to undertake the Secretarial Audit of the Company for the Financial Year 2021-22.

The Secretarial Audit Report for the financial year ended 31st March, 2022 is annexed herewith as **Annexure II** to this report.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

#### **DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT**

The Statutory Auditors, Cost Auditor or Secretarial Auditor of the Company have not reported any frauds to the Audit Committee or to the Board of Directors under Section 143(12) of the Companies Act, 2013, including rules made thereunder.

#### **EXTRACT OF ANNUAL RETURN**

The Extract of the Annual Return of the Company has been placed on the website of the Company at [www.simplexcastings.com](http://www.simplexcastings.com).

#### **RELATED PARTY TRANSACTIONS**

All Related Party Transactions (RPTs) entered into by the Company during the year under review were on an arms' length basis and in the ordinary course of business. These were no material RPTs under Regulation 23 of the Listing Regulations. Given that the Company does not have anything to report pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form No. AOC- 2, therefore the same is not provided. All related party transactions are approved by the Audit Committee and are periodically reported to the Audit Committee. Prior approval of the Audit Committee was obtained on a periodic basis for the transactions which were planned and / or repetitive in nature and omnibus approvals were also taken as per the policy laid down for unforeseen transactions.

The Policy on Related Party Transactions as approved by the Board of Directors is available on the Company's website.

The details of the transactions with related parties during FY 2021-22 are provided in the accompanying financial statements. The transactions with person or entity belonging to the promoter/ promoter group which hold(s) 10% or more shareholding in the Company has been disclosed in the accompanying financial statements.

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

Details of loans, guarantees and investments under the provisions of Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, as on 31st March, 2022, are set out in Notes to the Financial Statements of the Company.

#### **SHARE CAPITAL**

The paid-up Equity Share Capital as on 31<sup>st</sup> March, 2022 is Rs 613.12 Lacs.

Your Company has not issued equity shares with differential rights as to dividend, voting or otherwise; and does not have any ESOP Scheme for its employees/Directors. As on March 31, 2022, none of the Directors of the Company hold instruments convertible into Equity Shares of the Company.

#### **LISTING OF SHARES**

The Company Securities are listed on Bombay Stock Exchange and Calcutta Stock Exchange.





### RISK MANAGEMENT

The Company has in place comprehensive risk assessment and minimization procedures, which are reviewed by the Board periodically. The Company has been addressing various risks impacting the Company.

### DISCLOSURE ON AUDIT COMMITTEE

The Audit Committee as on 31<sup>st</sup> March, 2022 comprises of the following Independent Directors: Mr Champak K Dedhia (Chairman), Ms Ushma Nitin Khabaria and Mrs S. M Swathi as Members.

The Board has accepted all recommendations made by the Audit Committee during the year.

### VIGIL MECHANISM

A Vigil Mechanism Policy for Directors and employees of the Company is constituted, to provide a mechanism which ensures adequate safeguards to employees and Directors from any victimization on rising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any, financial statements and reports, etc.

All employees of the Company have access to the Chairman of the Audit Committee in case they want to report any concern. The Policy on Vigil Mechanism is available on your Company website.

During the year under review, the Company has not received any complaints under the Mechanism.

### CORPORATE SOCIAL RESPONSIBILITY:

The CSR Committee has formulated a CSR policy of the Company for undertaking the activities as specified in Schedule VII to the Companies Act, 2013. A copy of the CSR Policy has been posted on the website of the company at [www.simplexcastings.com](http://www.simplexcastings.com) and also on the following weblink [http://www.simplexcastings.com/investors/code-of-conduct/docs/policies/Corporate\\_Social\\_Responsibility\\_Policy.pdf](http://www.simplexcastings.com/investors/code-of-conduct/docs/policies/Corporate_Social_Responsibility_Policy.pdf).

### The Composition of the CSR Committee:

Mr Champak K Dedhia (Chairman)  
Mrs Sangeeta Ketan Shah (Member)  
Mr Ketan M Shah (Member)

The Annual Report on Corporate Social Responsibility activities during the year are set out in **Annexure III** of this Report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules 2014.

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

Information on conservation of energy, technology absorption, foreign exchange earnings and outgo required to be given pursuant to Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed herewith as **Annexure – IV** to this report.

### INTERNAL FINANCIAL CONTROL

Internal Financial Controls are an integrated part of the risk management process, addressing financial and financial reporting risks. The internal financial controls have been documented, digitized and embedded in the business processes.

Assurance on the effectiveness of internal financial controls is obtained through management reviews, control self-assessment, continuous monitoring by functional experts as well as testing of the internal financial control systems by the internal auditors during the course of their audits. We believe that these systems provide reasonable assurance that our internal financial controls are designed effectively and are operating as intended.

### SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its operation in future.

### INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the provisions of Section 125 of the Companies Act, 2013, the outstanding amount of dividend which remained unpaid or unclaimed for a period of seven years and shares whose dividend was unpaid/unclaimed for seven consecutive years have been transferred by the Company, from time to time on due dates, to the Investor Education and Protection Fund.

During the year under review, the Company has credited Rs 0.80 Lacs to the Investor Education and



Protection Fund (IEPF) pursuant to Section 125 of the Companies Act, 2013/ Section 205C of the Companies Act, 1956 read with the Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001 relating to the Dividend paid by the Company for FY 2013-14.

During the year under review, the Company has also transferred 9216 Equity Shares to the Investor Education and Protection Fund (IEPF) relating to 79 shareholders of the Company, whose dividend were unclaimed/unpaid for seven consecutive years, pursuant to Section 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company, as on 30<sup>th</sup> September 2021 (date of last Annual General Meeting) on the Company's website at [www.simplexcastings.com](http://www.simplexcastings.com) and on the website of the Ministry of Corporate Affairs. Any person, whose unclaimed or unpaid amount has been transferred by the Company to IEPF may claim their refunds to the IEPF authority. For claiming such amount, claimant needs to file form IEPF-5 along with requisite documents.

The detailed procedure for claiming shares and Dividend Amount has been uploaded on the Website of the Company at [www.simplexcastings.com](http://www.simplexcastings.com) and also available on the website of IEPF ([www.iepf.gov.in](http://www.iepf.gov.in)).

The Nodal Officer for the purpose of IEPF is Company Secretary and the website address is [www.simplexcastings.com](http://www.simplexcastings.com).

#### **HUMAN RESOURCE AND INDUSTRIAL RELATIONS**

Your Company believes that its employees are one of the most valuable assets of the Company. During the year under review, the Company organised various training programs at all level to enhance skill of the employees. The employees are deeply committed to the growth of the Company.

#### **DETAILS OF DIFFERENCES BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASON THEREOF:**

Your Company has not made any one-time settlement with any of its lenders.

#### **DETAILS OF APPLICATIONS MADE OR ANY PROCEEDINGS PENDING UNDER THE INSOLVANCY AND BANKRUPTCY 2016:**

Cimmco Ltd. has filed an application before NCLT, Mumbai for demanding Rs.831.01 lacs for non-supply of Bogie which is on account of loss of profit, goodwill, harassment, LD, Interest etc. from the company whereas the company is having receivable of Rs.91.01 lacs against supply of Bogie to Cimmco Ltd. The company has also filed an application before NCLT, Kolkata for demanding Rs.91.01 lacs but due COVID-19, the hearing was adjourned. The Company has not provided for the liability towards the amount of claims raised by Cimmco against the Company, in view of strong defence of the Company, the management believes ultimate outcome of the proceedings is expected to be in Company's favour.

#### **COMPLIANCE OF SECRETARIAL STANDARD:**

Your Company have complied with all Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) and approved by Central Government from time to time.

#### **DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013**

The Company has adopted zero tolerance for sexual harassment at the workplace and has formulated a policy on prevention, prohibition, and redressal of sexual harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules thereunder for prevention and redressal of complaints of sexual harassment at workplace. Awareness programs were conducted at various locations of the Company. The Company has complied with provisions relating to the constitution of the Internal Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. There were no complaints relating to sexual harassment, pending at the beginning of financial year, received during the year



and pending as on the end of the Financial Year 2021-22.

For and on behalf of the Board of Directors

**ACKNOWLEDGEMENT**

The Board of Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. The Board of Directors also wish to place on record its deep sense of appreciation for the committed services by the Company's executives, staff and workers.

Ketan M Shah  
Chairman  
DIN:00312343

Sangeeta K Shah  
Managing Director  
DIN:05322039

Place :Bhilai  
Date: 13.08.202

**ANNEXURE - I**

**DETAILS UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

a) The ratio of the remuneration of each Executive Director to the median employee's remuneration for the financial year 2021-22:

SI No	Name of Executive Directors	Ratio
1	Mr Ketan M Shah, Chairman and Whole Time Director	19.34:1
2	Mrs Sangeeta Ketan Shah , Managing Director	19.34:1
3	Mr Om Prakash Patel, Executive Director	5.08:1

Note:

1. The Independent Directors are paid only sitting fees for attending the meetings of the Board and its Committees. The ratio of remuneration and percentage increase in remuneration of these Directors is therefore not considered for the above.

- b) The percentage increase in Remuneration of Managing Director, Executive Director, Chief Financial Officer & Company Secretary in the FY 2021-22 is Nil.
- c) During FY 2021-22, the percentage increase in the median remuneration of employees as compared to previous year is 9.09%.
- d) The Company has 326 permanent employees on the rolls of Company as on March 31, 2022.
- e) Average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year viz. FY 2021-22 is Nil.
- f) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

## **ANNEXURE - II**

### **FORM NO MR-3**

### **SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31st March 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
Simplex Castings Limited,  
601/602A, Fairlink Center,  
Off Andheri Link Road,  
Andheri (W), Mumbai (M. H.) - 53

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Simplex Castings Limited (CIN: L27320MH1980PLC067459) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on 31st March 2022 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board -processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2022 according to the provisions of:

- (i) The Companies Act, 2013, as amended from time to time and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') as may be appropriately applicable for the year under Review:
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, as amended from time to time;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, as amended from time to time;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the Company during audit period);**
  - d) The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and Dealing with Client; **(Not applicable to the Company during audit period);**
  - e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during audit period);**
  - f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not applicable to the Company during audit period);**

- g) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 **(Not applicable to the Company during audit period)**; and
- h) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **(Not applicable to the Company during audit period)**.

We have examined compliance with the applicable clauses of the following:

- 1) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- 2) Secretarial Standards issued by the Institute of Company Secretaries of India.

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

**We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meeting of the Board of Directors or Committee of the Board, as the case may be.

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

**We further report that** during the audit period, there were no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

We hereby affirm that this report is being issued an online search and verification of all documents and records of the Company.

FOR DIVANSHU MITTAL & ASSOCIATES

DATE :13.08.2022  
PLACE :JAIPUR

DIVANSHU MITTAL  
COMPANY SECRETARIES  
M. NO. FCS 8703  
CP NO.: 13800  
PEER REVIEW NO : 935/2020  
UDIN: F008703D000805279

Note : This report is to be read with our letter of even date which is annexed as 'ANNEXURE-A' and forms as integral part of this report.

Annexure-A

To,  
The Members,  
Simplex Castings Limited,  
601/602A, Fairlink Center,  
Off Andheri Link Road,  
Andheri (W), Mumbai (M. H.) - 53

Our Secretarial Audit Report of even date is to be read along with this letter.

**Management's Responsibility**

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

**Auditor's Responsibility**

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

4. We have relied on the documents and evidences provided by electronic mode, in view of prevailing pandemic situation of Covid-19.

5. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, etc.

**Disclaimer**

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

7. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

FOR DIVANSHU MITTAL &amp; ASSOCIATES

DATE :13.08.2022  
PLACE: JAIPUR

DIVANSHU MITTAL  
COMPANY SECRETARIES  
M. NO. FCS 8703  
CP NO.: 13800  
PEER REVIEW NO : 935/2020  
UDIN: F008703D000805279

## ANNEXURE – III

### ANNUAL REPORT ON COPORATE SOCIAL RESPONSIBILITY ACTIVITIES

(Pursuant to Section 135 of the Companies Act, 2013)

1.	A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.	The CSR Committee has formulated a CSR policy of the Company for undertaking the activities as specified in Schedule VII to the Companies Act, 2013. A copy of the CSR Policy has been posted on the website of the company at <a href="http://www.simplexcastings.com">www.simplexcastings.com</a> and the weblink <a href="http://www.simplexcastings.com/investors/code-of-conduct/docs/policies/Corporate_Social_Responsibility_Policy.pdf">http://www.simplexcastings.com/investors/code-of-conduct/docs/policies/Corporate_Social_Responsibility_Policy.pdf</a>
2.	The Composition of the CSR Committee	Mr Champak K Dedhia (Chairman) Mr Ketan Moolchand Shah (Member) Mrs Sangeeta Ketan Shah (Member)
3.	Average net profit of the Company for last three financial years	Rs (2114.39)Lacs
4.	Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)	Nil
5.	Amount unspent carried forward of the Financial Year 2020-21	Nil
6.	Total CSR Budget for Financial year 2021-22	Nil
7.	Details of CSR spent during the financial year. 1. Total amount spent for the Financial Year 2.Amount unspent, if any 3.Manner in which the amount spent during the financial year	Nil Nil The manner in which the amount is spent is detailed in the annexure.

CSR Project or activities	Sector in which the project is covered.	Location where project is undertaken State(Local Area and District)	Amount outlay(budget) project or programs wise	Amount Spent on the Projects or Programs	Cumulative Expenditure upto the reporting period	Amount spent: Direct or through implementing agency
Nil						

**8. In case the Company has failed to spend the two per cent, of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report.**

Not Applicable

9. The CSR Committee confirms that the implementation and monitoring of the CSR policy is in compliance with CSR objectives and Policy of the Company.

Sangeeta Ketan Shah Managing Director	Champak K Dedhia Chairman-CSR Committee
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## ANNEXURE – IV

### STATEMENT PURSUANT TO SECTION 134(3) OF THE COMPANIES ACT, 2013, READ WITH RULE 8(3) OF COMPANIES (ACCOUNTS) RULES, 2014

#### Conservation of Energy

The Company is continuously putting its efforts to improve Energy Management by way of monitoring energy related parameters on regular basis. It is putting best endeavour to reduce energy consumption in all its operations and activities.

To achieve above objectives the following steps are being undertaken by the Company: -

- i. Continuously monitoring the energy parameters such as maximum demand, power factor, load factor, TOD tariff utilization on regular basis.
- ii. Continuously replacing the inefficient equipment's with latest energy efficient technology & up gradation of equipment's continually.
- iii. Increasing the awareness of energy saving within the organization to avoid the wastage of energy.
- iv. Replacement of CFL lamp to LED lamp for shop floor.
- v. Monitoring and Eliminating Compressed Air Leakages.
- vi. Recycling of drain water.
- vii. Process improvements through batch cycle time reduction.
- viii. Capacitor Replacements for maintaining the power factor close to unity.

During the Year, the Company has invested Rs 0.75 Lacs for this purpose.

#### Technology Absorption

- i. the efforts made towards technology absorption; None
- ii. the benefits derived like product improvement, cost reduction, product development or import substitution; **None**
- iii. in case of imported technology (imported during the last three years reckoned from the beginning of the Financial Year)- **None**
- iv. the expenditure incurred on Research and Development- **None**

#### Foreign Exchange Earnings and Outgo:

Particulars are given in the notes forming part of Accounts. Kindly refer the same.



## REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance for the year ended 31st March, 2022, in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (The "Listing Regulations").

### COMPANY'S PHILOSOPHY

Your Company believes that Corporate Governance is a prerequisite for attaining sustainable growth in this competitive world. Simplex Castings philosophy on Corporate Governance is based on trusteeship, transparency and accountability. Your Company is committed to the highest standards of corporate governance, and setting industry-leading benchmarks. Our goal is to promote and protect the long-term interest of all stakeholders, and to that end, our philosophy of Corporate Governance is built on a foundation of ethical and transparent business operations and is designed to inspire trust among all stakeholders, strengthen the Board and management accountability.

### GOVERNANCE STRUCTURE

The Corporate Governance structure at Simplex Castings Limited is as follows:

#### Board of Directors

The Board is entrusted with an ultimate responsibility of the Management, directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosures.

#### Committees of the Board

The Board has constituted the following Committees viz, Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Stakeholders Relationship Committee. Each of the said Committee has been mandated to operate within a given framework.

### BOARD OF DIRECTORS

#### Composition of the Board

The Board is broad-based and consists of eminent individuals from Industrial, Managerial, Technical, Financial and Marketing background. The Company is managed by the Board of Directors in co-ordination with the senior Management team. The composition and strength of the Board is reviewed from time to time for ensuring that it remains aligned with statutory as well as business requirements.

The Company has a judicious Combination of Executive and Non- Executive Directors. As on 31<sup>st</sup> March, 2022, the Board comprised of 6 Directors out of which three are Executive Directors (including one Managing Director) and three are Independent Directors. The Chairman of the Board is an Executive Director. The Board Composition is in conformity with SEBI (LODR) Regulations, 2015 and the provisions of the Companies Act, 2013.

#### Directors' Attendance Record and their other Directorships/ Committee Memberships

In accordance with Regulation 26 of the Listing Regulations, none of the Directors are members in more than 10 committees excluding private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013 or act as Chairperson of more than 5 committees across all listed entities in which he/she is a Director. The Audit Committee and Stakeholders' Relationship Committee are only considered in computation of limits. Further all Directors have informed about their Directorships, Committee, Memberships /Chairmanships including any changes in their positions. Relevant details of the Board of Directors as on March 31, 2022 are given below:



## Directorship / Committee Membership as on March 31, 2022

Sl. No	Name of the Director	Category	Attendance at meeting during 2021-22		Directorships in other Indian Public Limited Companies (excluding Simplex)	No. of Board Committees in which Chairman / Member (excluding Simplex)
			Board Meeting	AGM		
1.	Mr. Ketan Moolchand Shah (DIN:00312343)	Chairman and Whole Time Director (Promoter)	5/5	Yes	Hem Holdings and Trading Limited (Non-Executive Director)	2
2.	Mrs. Sangeeta Ketan Shah (DIN: 05322039)	Managing Director (Belongs to Promoter Group)	5/5	Yes	Hem Holdings and Trading Limited (Managing Director)	2
3.	Mr. Champak Kalyanji Dedhia (DIN: 00044969)	Independent Director	4/5	Yes	Nil	Nil
4.	Ms. Ushma Nitin Khabaria (DIN: 06791342)	Independent Director	4/5	Yes	Nil	Nil
5.	Mr.Om Prakash Patel (DIN: 08301041)	Executive Director	2/5	Yes	Nil	Nil
6.	Mrs S M Swathi (DIN: 06952954)	Independent Director	4/5	Yes	-PC Jeweller Limited (Independent Director) -Bhartiya International Limited (Independent Director) -Gold Plus Glass Industry Limited (Independent Director)	1

## Notes:

- Directorships exclude Private Limited Companies, Foreign Companies and Section 8 Companies.
- Mr Ketan Moolchand Shah and Mrs Sangeeta Ketan Shah are related to each other.
- Chairman/Membership of Committee only includes Audit Committee and Stakeholders Relationship Committee in Indian Public Limited Companies other than Simplex Castings Limited.
- Details of Directors retiring or being reappointed are given in notice to Annual General Meeting.

**Skills / Expertise / Competencies of the Board of Directors:**

Detailed below are the core skills / expertise / competencies required for the effective functioning of our Company along with specific expertise of the Board of the Directors of the Company:

SL No	Name of Director	Qualification and Experience	Core Skills and Expertise
1.	Mr. Ketan Moolchand Shah	B.E (Mech) and M.B.A Over 37 years of experience	Engineering, Strategic Planning, Production and Operations.
2.	Mrs. Sangeeta Ketan Shah	M.B.A Over two decades of experience	HR, Administration & Government Relations, Supply Chain, Finance and Strategy & Business Leadership.
3.	Mr. Champak Kalyanji Dedhia	B. COM & F.C.A with 27 years of experience	Financial Analyst, Legal, Budgeting, Accounts & Auditing and Taxation
4.	Ms. Ushma Nitin Khabaria	B.B.M and M.B.A with 10 years of experience	Business Development
5.	Mr Om Prakash Patel	B.E (Mech) Over 40 years of experience	Operation, Design, Sales and Marketing Experience
6.	Mrs S M Swathi	MSC, MBA(Finance) and CAHB Over 40 years of experience	Banking, Finance and Management

**Independent Directors**

The Independent Directors have been appointed for a fixed tenure of five years from their respective dates of appointment, in compliance with the Act and the Listing Regulations. All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Listing Regulations. In the opinion of the Board, the Independent Directors, fulfil the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Listing Regulations. A formal letter of appointment to Independent Directors as provided in Companies Act, 2013 has been issued and disclosed on website of the Company viz. [www.simplexcastings.com](http://www.simplexcastings.com). As per Regulation 17A of the Listing Regulations, Independent Directors of the Company do not serve as Independent Director in more than seven listed companies. Further, the Managing Director of the Company does not serve as an Independent Director in any listed entity.

During the period under review, Mr. Champak Kalyanji Dedhia has been reappointed for a term of Five years with effect from 1<sup>st</sup> August 2021 and no Independent Directors of the Company have resigned, before the expiry of their term of appointment.

**Board Meetings**

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company. In case of business exigencies, the Board's approval is taken through circular resolutions. The circular resolutions are noted at the subsequent Board Meeting.

The notice and detailed agenda along with the relevant notes and other material information are sent in advance separately to each Director and in exceptional cases tabled at the Meeting with the approval of the Board. This ensures timely and informed decisions by the Board.

Total five meetings of the Board of Directors were held in the financial year 2021-22. All the Board meetings were held within the period of 120 days.

**No of Board Meeting:**

SI No	Date of Meetings	No of Directors Presents
1	28.05.2021	3
2	19.06.2021	6
3	14.08.2021	5
4	13.11.2021	5
5	12.02.2022	5

**Information placed before the Board**

The Company provides the information as set out in Regulation 17 read with Part A of Schedule II of the Listing Regulations to the Board and the Board Committees to the extent it is applicable and relevant. Such information is submitted either as part of the agenda papers in advance of the respective Meetings or by way of presentations and discussions during the Meetings. Video conferencing facility is provided to facilitate Directors to participate in the meetings.

**Post Meeting Mechanism**

The important decisions taken at the Board/Board Committee Meetings are communicated to the concerned department/division.

**Board Support**

The Company Secretary attends the Board Meetings and advises the Board on Compliances with applicable laws and governance.

**Separate Meeting of the Independent Directors**

During the year under review, the Independent Directors met on 12<sup>th</sup> February, 2022, without the attendance of Non-Independent Directors and members of the management, *inter alia*, to discuss on the following:

- To review the performance of the Non-Independent Directors and the Board as whole;
- Review the performance of the Chairperson of your Company, taking into account views of Executive/Non-Executive Directors; and
- Assess the quality, quantity and timeliness of flow of information between your Company's management and the Board that was necessary for the Board to effectively and reasonably perform their duties.

All the Independent Directors of the Company attended the separate Meeting of Independent Directors. Mr Champak K Dedhia chaired the Meeting.

**Shareholding of Non- Executive Directors**

None of the Non-Executive Directors holds any shares and any Convertible Warrants in the Company.

**Familiarisation Program for Independent Directors**

The programme aims to provide insights into the Company to enable the Independent Directors to understand its business in depth, to acclimatize them with the processes, businesses and functionalities of the Company and to assist them in performing their role as Independent Directors of the Company. The details of the familiarisation programme for Directors are

available on the Company's website, viz. [www.simplexcastings.com](http://www.simplexcastings.com)

**COMMITTEES OF THE BOARD**

The Board of Directors have constituted Board Committees to deal with specific areas and activities which concern the Company and requires a closer review. The Board Committees are formed with approval of the Board and function under their respective Charters. These Committees play an important role in the overall management of day to-day affairs and governance of the Company. The Board Committees meet at regular intervals and take necessary steps to perform its duties entrusted by the Board. The Minutes of the Committee Meetings are placed before the Board for noting.

The composition of various Committees of the Board of Directors is available on the website of the Company at [www.simplexcastings.com](http://www.simplexcastings.com) and weblink for the same is <http://www.simplexcastings.com/investors/board-committees/>.

The Board currently has the following Committees:

- A. Audit Committee,
- B. Nomination and Remuneration Committee,
- C. Stakeholders' Relationship Committee, and
- D. Corporate Social Responsibility Committee,

**AUDIT COMMITTEE****Composition**

Audit Committee of the Board of Directors is entrusted with the responsibility to supervise the Company's internal controls and financial reporting Process.

The composition, quorum, powers, role and scope of the Audit Committee are in alignment with provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. All members of the Audit Committee are financially literate and majority of them having accounting or related financial management experience. The Executive Chairman, Managing Director and Statutory Auditor are permanent invitees to attend the meeting. Mrs. Akanksha Kotwani, Company Secretary acts as Secretary to the Committee.

Mr Champak K Dedhia, Independent Director is the Chairman of the Audit Committee. The other members of the Audit Committee include Mrs Ushma Khabaria, Independent Director and Mrs S M Swathi , Independent Director.

**Meetings and Attendance**

During the Financial Year 2021-22, the Audit Committee met five times on 28/05/2021, 19/06/2021, 14/08/2021, 13/11/2021 and 12/02/2022.

The Composition of the Audit Committee of the Board of Directors of the Company along with the details of the meetings held and attended during the financial year ended 31<sup>st</sup> March, 2022 is detailed below:

Name of the Member(s)	Category	No of Meeting attended
Mr. Champak Kalyanji Dedhia (Chairman)	Independent Director	5/5
Ms. Ushma Nitin Khabaria	Independent Director	5/5
Mrs S M Swathi	Independent Director	5/5

The Chairman of the Audit Committee was present at the Last Annual General Meeting held on 30<sup>th</sup> September, 2021.

**Terms of reference and Role of the Audit Committee:**

The Audit Committee is empowered, pursuant to its term of reference and its role, inter alia, includes the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement are correct, sufficient and credible;
2. Review of the quarterly/half-yearly/annual financial statements with reference to changes, if any in accounting policies and reasons for the same;
3. Compliance with listing and legal requirements relating to financial statements, qualifications, if any in the draft audit report;
4. Review of internal audit function and discussion on internal audit reports;
5. Recommending the appointment, remuneration and terms of appointment of statutory auditors, Cost auditors, Secretarial Auditor and Internal Auditor of the Company;
6. Approving payment to Statutory Auditors and Cost Auditor, for any other services rendered by them;
7. Reviewing the adequacy of internal audit function;
8. To approve transaction of the Company with related parties and subsequent modifications, if any;

9. Review of the Vigil Mechanism/ Whistle Blower of the Company as per Vigil Mechanism/Whistle Blower Policy. Overseeing the functioning of the same;
10. Reviewing and Scrutinizing of inter-corporate loans and investments;
11. Appointment of Chief Financial Officer and
12. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

**NOMINATION AND REMUNERATION COMMITTEE Composition**

The Nomination and Remuneration Committee comprises of three Directors. Mr Champak K Dedhia , Independent Director, is the Chairman of the Committee. The other members of the Nomination and Remuneration Committee include Mrs Ushma Khabaria, Independent Directors and Mrs S M Swathi , Independent Directors.

The role of the Nomination and Remuneration Committee is governed by its Charter and its composition is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

**Meetings and Attendance**

The Committee met once during the year on 19<sup>th</sup> June, 2021. The composition of the Nomination and Remuneration Committee of the Board of Directors of the Company along with the details of the meetings held and attended by the members of the Committee during the financial year 2021-22 is detailed below:

Name of the Member(s)	Category	No of meeting Attended
Mr. Champak K Dedhia (Chairman)	Independent Director	1/1
Ms.Ushma Nitin Khabaria	Independent Director	1/1
Mrs S M Swathi	Independent Director	1/1

Mrs. Akanksha Kotwani, Company Secretary acts as Secretary to the Committee.

The Chairman of the Nomination and Remuneration Committee was present at the last Annual General Meeting held on 30<sup>th</sup> September, 2021.

**Terms of reference**

The Nomination and Remuneration Committee is empowered with the following terms of reference and responsibilities in accordance with the provisions of law and the Nomination and Remuneration policy:

1. Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment/ removal;
2. Carry out evaluation of every director's performance and formulate criteria for evaluation of Independent Directors, Board/Committees of Board and review the term of appointment of Independent Directors on the basis of the report of performance evaluation of Independent Directors;
3. Formulate criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for the directors, key managerial personnel and other employees; and
4. Devising a policy on Board Diversity.
5. Undertake any other matters as the Board may decide from time to time.

**NOMINATION AND REMUNERATION POLICY**
**Policy on Director's appointment and remuneration**

The Nomination and Remuneration Policy provides for appropriate composition of Executive and Non Executive Independent Directors on the Board of Directors of your company along with criteria for appointment and remuneration including determination of qualifications, positive attributes, independence of Directors and other matters as provided under sub-section (3) of Section 178 of the Companies Act, 2013. The remuneration paid to the Directors is as per the terms laid out in the Nomination and Remuneration Policy of your Company.

**Remuneration to Executive Directors**

The Remuneration to be paid to Managing Director and Whole Time Directors shall be governed as per provisions of the Act and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.

Presently, the Company does not have a stock options scheme for its Directors.

**Remuneration to Independent Director**

The Independent Director may receive remuneration by way of sitting fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Act per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time. An Independent Director shall not be entitled to any stock option of the Company. There were no other pecuniary relationships or transactions of Non-Executive Directors /Independent director vis-à-vis the Company. Mr Champak K Dedhia, Independent Director of the Company, is the Partner of CGCA & ASSOCIATES LLP & C K Dedhia & Associates which renders professional services to the Company. The quantum of fees is an insignificant portion of their total revenue, thus, M/s CGCA & Associates LLP & C K Dedhia & Associates, are not to be construed to have any material association with the Company.

**Details of Remuneration paid to Directors for the year ended 31<sup>st</sup> March, 2022**
**(a) Independent Directors**

The Non-Executive Directors are paid sitting fees within the limit prescribed under the Companies Act, 2013 for attending the Board meetings, Audit Committee meetings and other committee meetings. The Company has paid Rs 10,000/- per meeting for attending Board meeting, Rs 10,000/- per meeting for attending the Audit Committee meetings and Rs 5,000/- per meeting for attending other committee meetings, as sitting fees.

Details of sitting fees paid to Independent Directors for the Financial Year ended 31<sup>st</sup> March, 2022:

(Rs in Lacs)

<b>Name of Director</b>	<b>Sitting Fees</b>
Mr. Champak Kalyanji Dedhia	Rs 1.00
Mrs S M Swathi	Rs 0.95
Mrs. Ushma Nitin Khabaria	Rs 0.95
<b>Total</b>	<b>Rs 2.90</b>

**(b) Executive Directors**

Details of remuneration paid to the Executive Directors of the Company for the financial year 2021-22 are as follows:



(Rs in Lacs)

Name of Director	Total
Mr. Ketan Moolchand Shah	Rs 35.19
Mrs. Sangeeta Ketan Shah	Rs 35.19
Mr Om Prakash Patel	Rs 9.24

**Notes-**

(a) The agreement with Whole –time Director/Managing Director is for 5 Years. Further, either party to the agreement is entitled to terminate the Agreement by giving not less than six months' notice in writing to the other party.

(b) Mr Ketan M Shah and Mrs Sangeeta K Shah shall be entitled to minimum remuneration comprising of Salary, Perquisites and benefits as per applicable provisions of the Companies Act, 2013 in the event of inadequate profit/absence of profits.

(c) The remuneration paid to Mr Om Prakash Patel who was functioning in the professional capacity, is in line with Clause B of Section II of Part II of Schedule V of Companies Act, 2013.

**Performance Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the Listing Regulations, the Board has carried out the annual evaluation of its own performance, its Committees and Directors individually. A structured questionnaire was prepared covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

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

**SUCCESSION PLAN**

The Board of Directors has satisfied itself that plans are in place for orderly succession for appointment to the Board of Directors and Senior Management.

**STAKEHOLDERS RELATIONSHIP COMMITTEE**

The composition of the Stakeholders' Relationship Committee is in compliance with the provisions of

Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations.

The Stakeholders Relationship Committee comprises of three directors. Mr Champak K Dedhia, Independent Director is the Chairman of this Committee. The other members of the Stakeholders Relationship Committee include Mrs Ushma Khabaria and Mrs S M Swathi, Independent Directors.

**Meetings and Attendance**

The Committee met once during the year on 12<sup>th</sup> February, 2022. The composition of the Stakeholders Relationship Committee of the Board of Directors of the Company along with the details of the meetings held and attended by the members of the Committee during the financial year 2021-22 is detailed below:

Name of the Member(s)	Category	No of meeting Attended
Mr. Champak K Dedhia (Chairman)	Independent Director	1/1
Ms. Ushma Nitin Khabaria	Independent Director	1/1
Mrs S M Swathi	Independent Director	1/1

Mrs Akanksha Kotwani is the Company Secretary and Compliance Officer for complying with the requirements of Securities Law and acts as Secretary to the Committee.

The committee focuses primarily on monitoring expeditious redressal of investors/stakeholders grievances and also function in an efficient manner that all issues/concerns stakeholders are addressed/resolved promptly.

The Company Secretary and the Registrar and Share Transfer Agent, Link Intime India Private Limited attend to all grievances of the shareholders received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies, etc.

Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors. Shareholders are requested to furnish their updated telephone numbers and e-mail addresses to facilitate prompt action.

**Investor Grievance redressal**

Details of complaints received and resolved by the Company during the financial year 2021-22 are given below:

No of Complaints received	2
Resolved	2
Pending	0

**CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE**
**Composition**

The CSR Committee comprises of three Directors, Mr Champak K Dedhia, Independent Director is the Chairman of the Committee. The other members of the CSR Committee include Mr Ketan M Shah, Whole Time Director and Mrs Sangeeta K Shah, Managing Director. The composition of the CSR Committee is in alignment with provisions of Section 135 of the Companies Act, 2013.

**Meeting and Attendance**

The CSR Committee met once during the year on 12<sup>th</sup> February, 2022. The Table below provides the attendance of the CSR Committee members:

Name of the Member(s)	Category	No of Meeting Attended
Mr. Champak K Dedhia (Chairman)	Independent Director	1/1
Mrs. Sangeeta Ketan Shah	Managing Director	1/1
Mr. Ketan Moolchand Shah	Executive Director	1/1

Mrs Akanksha Kotwani acts as Secretary to the Committee.

**Terms of reference**

The CSR Committee is empowered, pursuant to its terms of reference, *inter alia*, to:

- Formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company in compliance with the Companies Act, 2013 and rules thereunder;
- Recommend the amount of expenditure to be incurred on the activities as above;
- Monitor the CSR Policy of the Company from time to time; and

- Such other activities as the Board of Directors may determine from time to time.

The CSR policy has been placed on the website of your Company and can be accessed through the following link: [http://www.simplexcastings.com/investors/code-ofconduct/docs/policies/Corporate\\_Social\\_Responsibility\\_Policy.pdf](http://www.simplexcastings.com/investors/code-ofconduct/docs/policies/Corporate_Social_Responsibility_Policy.pdf)

**GENERAL BODY MEETINGS**

The date and time of Annual General Meetings held during last three years are as follows:

FY	Day, Date & Time	Location of the Meeting	No of special resolution passed
2020-21	30.09.2021 at 3.00 P.M	VC/OAVM	1
2019-20	30.09.2020 at 3.00 P.M	VC/OAVM	1
2018-19	26.09.2019 at 3.00 P.M	Babasaheb Dhaanukar Hall, Maharashtra Chamber of Commerce, Industry & Agriculture, Oricon house, 6 <sup>th</sup> Floor, 12 K Dubhash Marg, Near Kala Ghoda, Fort Mumbai-400 001	5

The following Special Resolutions were taken up in the last three AGMs and were passed with requisite majority.

**30<sup>th</sup> September, 2021**

(a) Re-Appointment of Mr Champak K Dedhia (DIN-00044969) as an Independent Director of the Company to hold office for second term from 1<sup>st</sup> August, 2021 to 31<sup>st</sup> July, 2026.

**30<sup>th</sup> September, 2020**

(a) Re-Appointment of Mr Ketan Moolchand Shah (DIN-00312343) as an Whole Time Director Designated as Chairman and Chief Executive Officer of the Company



**26<sup>th</sup> September, 2019**

(a) Reappointment of Mrs Ushma Khabaria (DIN:06791342) as an Independent Director

(b) Re-appointment of Mrs Sangeeta Ketan Shah (DIN : 05322039) as Managing Director

©Approve the Remuneration to be paid to Mr Ketan M Shah, Whole Time Director and Mrs Sangeeta Ketan Shah, Managing Director

(d)Approve the Remuneration to be paid to Promoter Executive Directors

(e) Approve the reclassification of Mr Piyush P Shah and Mr G Gopalswamy from Promoter & Promoter Group to Public

**Extraordinary General Meeting (EGM)**

No Extraordinary General Meeting of the Members was held during the year.

**Postal Ballot**

During the year under review, no resolution was passed through postal ballot.

**MEANS OF COMMUNICATION**

Timely disclosure of the information on Corporate Financial performance and the corporate developments is a sign of good governance practice which Company follows:

**a. Publication of Quarterly results:**

Quarterly, half yearly and annual financial results of the Company were published in leading English and vernacular Language newspaper viz, Free Press Journal and Navshakti.

**b. Website and News Releases:**

In compliance with Regulation 46 of the Listing Regulations, a separate dedicated section under 'Investors' on the Company's website at [www.simplexcastings.com](http://www.simplexcastings.com) gives information on various announcements made by the Company, status of unclaimed dividend, Annual Report, Quarterly/Half Yearly/ Nine-months and Annual financial results along with the applicable policies of the Company. Your Company official news release is also available on the Company website at [www.simplexcastings.com](http://www.simplexcastings.com).

**c. Exclusive email ID for investors:**

The Company has designated the e-mail id [investors@simplexcastings.com](mailto:investors@simplexcastings.com) exclusively for investor servicing and the same is prominently

displayed on the Company's website [www.simplexcastings.com](http://www.simplexcastings.com).

**d. SCORES (SEBI complaints redressal system):**

SEBI processes investor complaints in a centralized web-based complaints redressal system i.e. SCORES. Through this system a shareholder can lodge complaint against a Company for his grievance. The Company uploads the action taken on the complaint which can be viewed by the shareholder. The Company and shareholder can seek and provide clarifications online through SEBI.

**AFFIRMATIONS AND DISCLOSURES**

**Related Party Transactions**

The Company has formulated a Policy on materiality of Related Party Transactions and on dealing with Related Party Transactions, in accordance with relevant provisions of Companies Act, 2013 and Listing Regulations. The Policy on Related Party Transaction has been displayed on the Company website at [www.simplexcastings.com](http://www.simplexcastings.com) at weblink <http://www.simplexcastings.com/public/asset/docs/investor/code-of-conduct/policies/RPT%20Policy.pdf>

The Audit Committee has, after obtaining approval of the Board of Directors, laid down the criteria for granting omnibus approval which also forms part of the Policy. Related Party Transactions of repetitive nature are approved by the Audit Committee on omnibus basis for one financial year at a time. The Audit Committee satisfies itself regarding the need for omnibus approval and that such approval is in the interest of the Company and ensures compliance with the requirements of Listing Regulations and the Companies Act, 2013. All omnibus approvals are reviewed by the Audit Committee on a quarterly basis. During the year, there were no materially significant related party transactions that may have potential conflict with the interests of Company at large.

**Details of non-compliance by the Company**

The unaudited financial results for the Quarter ended December,2019 couldn't approved by the Board of Directors in their meeting held on 14th February,2020 as some clarification and document required by the Director. Further the Board of Directors has approved the financials in their meeting held on 27th Feb,2020 and the same submitted to BSE. The Company has paid fine of Rs 64900/- for delay filing of results respect to non-compliance of Regulation 33 of SEBI (Listing obligations and Disclosure Requirements) Regulation,2015.

The company has not approached the exchange for listing of its 1,47,000 equity shares respect to Conversion of Convertible Warrants into Equity within twenty days from the date of allotment i.e. 28/01/2019. The Company has filed the application on 18/02/2019 and delayed by one day. The BSE has imposed a fine of Rs 20,000 plus applicable taxes according to SEBI circular No CIR/ CFD/DIL/57 /2017 dated 15/06/2017 for the delay. The Company has paid fine of Rs 21,600/- on 22.02.2019.

Except as mentioned above, no other penalty/ stricture was imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets during the last three years.

#### **Disclosure of Accounting Treatment**

In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

#### **Risk Management**

Business risk evaluation and management is an ongoing process within the Company. The assessment is periodically examined by the Board.

#### **Vigil Mechanism**

The Company has adopted a Vigil Mechanism system to provide a formal mechanism to its Directors and Employees to voice concerns in a responsible and effective manner regarding suspected unethical matters involving serious malpractice, abuse or wrongdoing within the organization and also safeguards against victimization of Directors and Employees who avail of the mechanism.

It is affirmed that no person has been denied access to the audit committee in this respect. The Directors and senior management are to maintain confidentiality of such reporting and ensure that the vigil mechanism is not subjected to any discriminatory practice.

The above mechanism has been displayed on the Company website at [www.simplexcastings.com](http://www.simplexcastings.com) at weblink [http://www.simplexcastings.com/public/asset/docs/investor/code-of-nduct/policies/Vigil\\_Mechanism\\_Whistle\\_Blower\\_Policy.pdf](http://www.simplexcastings.com/public/asset/docs/investor/code-of-nduct/policies/Vigil_Mechanism_Whistle_Blower_Policy.pdf)

#### **Subsidiary Companies**

The Board of Directors of the Company has approved a Policy for determining Material Subsidiaries which is in line with the Listing Regulations as amended. The

said policy has been uploaded on the website of the Company viz. [www.simplexcastings.com](http://www.simplexcastings.com). The weblink for the same is <http://www.simplexcastings.com/public/asset/docs/investor/code-of-conduct/policies/Policy-for-Determining-Material-Subsidiaries.pdf>.

The Company has filed the strike off application before Accounting and Corporate Regulatory Authority, Singapore for closing of Simplex Castings International Pte Ltd and the same has been approved by the Authority.

#### **Code of Conduct on prohibition of Insider Trading**

In line with the requirements of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a Code of Conduct for prohibition of insider trading. The objective of the policy is to ensure the prohibition of insider trading practices in the Company. Mrs Akanksha Kotwani, Company Secretary, is the Compliance Officer for the purpose of this policy.

The above code has been displayed on the Company website at [www.simplexcastings.com](http://www.simplexcastings.com) at weblink [http://www.simplexcastings.com/public/asset/docs/investor/code-of-conduct/policies/Code\\_of\\_PIT.pdf](http://www.simplexcastings.com/public/asset/docs/investor/code-of-conduct/policies/Code_of_PIT.pdf)

#### **Compliance with Mandatory and Non-Mandatory Requirements**

The company has not adopted/ complied with any non-mandatory requirements. However, the Company has complied with all the mandatory requirements, contained in SEBI (LODR) Regulations, 2015.

#### **Non-mandatory**

##### **i) Maintenance of Chairman Office:**

The requirement relating to maintenance of office and reimbursement of expenses of Non-Executive Chairman is not applicable to the Company since the Chairman of the Company is an Executive Director.

##### **ii) Shareholder rights:**

The Company has not adopted the practice of sending out half-yearly declaration of financial performance to shareholders. Quarterly results as approved by the Board are disseminated to Stock Exchanges and updated on the website of the Company.

##### **iii) Modified opinion (s) in Audit Report:**

The auditors have expressed an unmodified opinion on the financial statements of the Company.

**iv) Separate post of Chairman and CEO:**

Mr Ketan M Shah is Chairman & CEO of the Company.

**v) Reporting of Internal Auditor:**

The Internal Audit report has sent to Members of Audit Committee as part of the Agenda of the Meeting on Quarterly Basis.

**Disclosure of Commodity Price risks and Commodity hedging activities**

The principal raw materials of the Company are procured from the domestic suppliers and not from overseas markets. The Company does not indulge in any commodity hedging activities. Therefore, there is no disclosure to offer in terms of SEBI circular no. SEBI/HO/CFD/CMD1/ CIR/P/2018/0000000141 dated November 15, 2018.

**Certificate from Practicing Company Secretary**

A certificate from a Company Secretary in practice has been received stating that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI/Ministry of Corporate Affairs or any such statutory authority. The same is placed at the end of this report.

**Disclosure in relation to recommendation made by Committees of the Board**

During the year under review, all recommendations of the Board Committees have been accepted by the Board.

**Total fees for all services paid by the listed entity, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part:**

The total fee paid to statutory auditor is given in note no. 29 of Financial Statements.

**Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).**

No funds were raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).

**Code of Conduct for Board Members and Senior Management**

Your Company has adopted a code of conduct for all the Board Members and members of senior management in accordance with the requirement under Regulation 17 of the Listing Regulations. The Code of Conduct has been posted on the website of your

Company. All the Board members and senior Management Personnel have affirmed their compliance with the said code of conduct for the financial year 2021-22. The declaration to this effect signed by Mrs Sangeeta K Shah, Managing Director of the Company forms part of the Report.

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

There was no complaints at the beginning of the year i.e. as on 1st April, 2021 and during the year the Company has not received any complaints and no complaints were pending as on 31st March, 2022.

**Disclosure on compliance with Corporate Governance Requirements specified in Listing Regulations**

Your Company has complied with all the requirements of Regulations 17 to 27 and clause (b) to (i) of sub-regulation 46 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015. and necessary disclosures thereof have been made in this Corporate Governance Report.

**CEO/ CFO Certification**

In terms of Regulation 17(8) of the Listing Regulations, the CEO and CFO have certified to the Board of Directors of the Company in their meeting held on 13<sup>th</sup> August, 2022, with regard to the financial statements and other matters specified in the said regulation, for the financial year 2021-22.

**Certificate on Corporate Governance:**

The Company has obtained a certificate from a practicing Company Secretary regarding compliance of the conditions of Corporate Governance as stipulated in the Listing regulation. This is annexed to this Report. The certificate will be sent to the Stock Exchanges along with the Annual Report to be filed by the Company.

**Reconciliation of Share Capital Audit**

Meena Naidu & Associates, practicing Company Secretary, carries out the Reconciliation of Share Capital Audit as mandated by SEBI, and reports on the reconciliation of total issued and listed Capital with that of total share capital admitted / held in dematerialized form with NSDL and CDSL and those held in physical form. This audit is carried out on quarterly basis and the report thereof is submitted to the Stock Exchanges, where the Company shares are listed.

**GENERAL SHAREHOLDER'S INFORMATION**

<b>42<sup>nd</sup> Annual General Meeting</b>	
Date	30 <sup>th</sup> September, 2022 (Friday)
Time	3.00 P.M
Venue	The Annual General Meeting (AGM) is being held through Video Conferencing/Other Audio Visual Means (VC/OAVM).

<b>Financial Calendar</b>	
Financial year	1 <sup>st</sup> April 2022 to 31 <sup>st</sup> March 2023
<b>Tentative Schedule for declaration of results during the Financial Year 2022-23</b>	
Unaudited First Quarter Results	On or before 14 <sup>th</sup> August, 2022
Unaudited second Quarter Results	On or before 14 <sup>th</sup> November, 2022
Unaudited Third Quarter Results	On or before 14 <sup>th</sup> February, 2023
Unaudited Fourth Quarterly Results	On or before 30 <sup>th</sup> May, 2023
<b>Date of Book Closure</b>	24 <sup>th</sup> September, 2022 to 30 <sup>th</sup> September, 2022 (both days inclusive)
<b>Dividend Payment Date</b>	The Board of Directors of the Company has not recommended payment of any dividend for the year under review. Hence, the dividend payment date is not applicable.
<b>Listing</b>	Bombay Stock Exchange
<b>Stock code</b>	513472
<b>Trading Symbol</b>	SIMPLEXCAS
<b>ISIN Number</b>	INE 658 D01011
<b>CIN</b>	L27320MH1980PLC067459

**Dividend History for the last 10 financial years**

The Table below highlights the history of Dividend declared by the Company in the last 10 financial years:

Sl No	Year	Amount declared per share
1.	2011-12	2.50
2.	2012-13	1.00
3.	2013-14	0.50
4.	2014-15	-
5.	2015-16	0.50
6.	2016-17	0.50
7.	2017-18	0.50
8.	2018-19	0.00
9.	2019-20	0.00
10.	2020-21	0.00

**Unclaimed Dividend**

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, if the dividend transferred to the Unpaid Dividend Account of the Company remains unpaid or unclaimed for a period of seven years from the date of such transfer then such unclaimed or unpaid dividend shall be transferred by the Company along with interest accrued, if any to the Investor Education

and Protection Fund ('the IEPF'), a fund established under sub-section (1) of section 125.

Details of dividends remaining unpaid/unclaimed have been duly uploaded on the website of the Company at [www.simplexcastings.com](http://www.simplexcastings.com) and at the website of IEPF authority at [www.iepf.gov.in](http://www.iepf.gov.in).

Financial Year	Date of Declaration of Dividend	Unclaimed Amount (Rs in lakhs )	Due Date for Transfer of IEPF A/c
2014-15	NA	NA	NA
2015-16	12/03/2016	1.45	11/03/2023
2016-17	14/09/2017	1.24	13/09/2024
2017-18	21/09/2018	0.94	20/09/2025
2018-19	NA	NA	NA
2019-20	NA	NA	NA
2020-21	NA	NA	NA

### Share Transfer System

The Securities and Exchange Board of India has mandated transfer of securities only in dematerialized form with effect from 1st April, 2019, barring certain instances.

Applications for transfer of shares held in physical form are received at the office of the Registrar & Share Transfer Agents of the Company. All valid transfers are processed and registered within 15 days from the date of receipt.

Shares held in the dematerialised form are electronically traded through the Depositories. The Registrar & Share Transfer Agents of the Company periodically receive updated beneficiary holdings from the Depositories so as to enable them to update their records and send corporate communications, dividend warrants and other documents to beneficiaries.

Requests for dematerialization of physical shares are processed and completed within the statutory timelines, provided they are in order in every respect. Bad deliveries are immediately returned to Depository Participants under advice to the Members.

### Compliance with Secretarial Standards

The Institute of Company Secretaries of India, a statutory body, has issued Secretarial Standards (SS) on various aspects of corporate law and practices. The Company has complied with the Secretarial Standards.

### Payment of Listing Fees

Your Company has paid the Listing Fees to BSE & CSE and the Custodian charges to National Securities

Depository Limited (NSDL) and Central Depository Services (India) Limited for the Financial Year 2022-23

### Equity Evolution during the year

As at 31<sup>st</sup> March, 2022, the paid-up share capital of the Company was Rs. 6,13,12,000 consisting of 61,31,200 Equity Shares of Rs 10/- each.

### Outstanding GDRs/ADRs/WARRANTS

The Company has no Warrants Outstanding as on 31<sup>st</sup> March, 2022. The Company has not issued any GDRs/ADRs during the financial year ended 31<sup>st</sup> March, 2022.

### Consolidation of folios and avoidance of multiple mailing

In order to enable the Company to reduce costs and duplicity of efforts for providing services to investors, members who have more than one folio in the same order of names, are requested to consolidate their holdings under one folio. Members may write to the Registrars & Transfer Agents indicating the folio numbers to be consolidated along with the original shares certificates to be consolidated.

### Dematerialization of Shares

96.81% of our equity shares representing 59,35,594 equity shares have been dematerialized as on 31<sup>st</sup> March, 2022.

Particulars	No of Shares	% of Shares
Physical	1,95,606	3.19
Demat	59,35,594	96.81
Total	61,31,200	100.00

### Market price Data

The monthly high and low prices and volumes of your Company shares at BSE for the year ended 31<sup>st</sup> March, 2022 are as under:

Month(s)	Highest	Lowest	No of Shares	No of Trades
April 2021	17.10	13.50	80756	402
May 2021	21.87	13.55	556125	1324
June 2021	28.55	18.50	281881	625
July 2021	74.70	29.95	1544003	3659
August 2021	74.35	40.90	829505	3772
September 2021	45.00	37.05	168154	1261
October 2021	50.70	37.00	160688	1198
November 2021	45.95	33.15	166086	982
December 2021	46.90	41.50	173320	1288
January 2022	56.00	44.10	203784	1499
February 2022	54.75	35.00	253266	1029
March 2022	40.70	35.00	125516	618

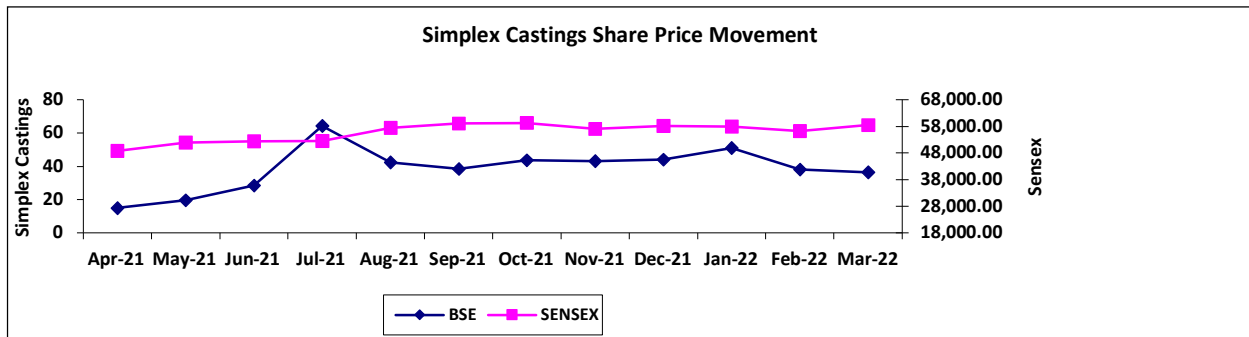


(Source: The information is compiled from the data available from the website of BSE)

Particulars	BSE
Closing share price as on March 31, 2022	Rs 36.45
Market Capitalization as on March 31, 2022	Rs. 2234.82 Lacs

**Performance in Comparison to broad - based Indices**

The Chart below shows the comparison of your Company share price movement on BSE vis-à-vis the movement of the BSE Sensex for the Year 2021-22 (based on month end closing)



**Distribution of Shareholding as on 31.03.2022**

Slab	Total No. of Shareholders	(%)	Number of shares	% of Total Share Capital
1 - 500	3338	86.16	443271	7.23
501 - 1000	242	6.25	202283	3.30
1001- 2000	119	3.07	181088	2.95
2001- 3000	55	1.42	138360	2.25
3001- 4000	26	0.67	91792	1.50
4001- 5000	17	0.44	79056	1.29
5001- 10000	32	0.83	242737	3.96
10001- above	45	1.16	4752613	77.52
<b>Total</b>	<b>3874</b>	<b>100.00</b>	<b>6131200</b>	<b>100.00</b>

**Shareholding Pattern as on 31.03.2022:**

Sr. No	Category	No of Shares	% Shareholding
1	<b>Promoter &amp; Promoter group:</b>		
(I)	Individual / HUF	31,73,273	51.76
(II)	Bodies Corporate	2,93,600	4.79
	<b>Total:</b>	<b>34,66,873</b>	<b>56.54</b>
2	<b>Public Shareholding:</b>		
	Institutions		
(I)	Mutual Fund/UTI	0	0.00
	Non-Institutions		
(I)	Bodies Corporate	3,91,473	6.38
(II)	HUF	1,08,502	1.77
(III)	Individuals		
(a)	Individual shareholders holding nominal share capital upto Rs 2 Lakh	14,27,141	23.28

(b)	Individual shareholders holding nominal share capital in excess of Rs 2 Lakh	409905	6.69
(IV)	Non-Resident Individuals	1,43,535	2.34
(V)	Clearing Members	12,137	0.20
(VI)	IEPF	95,861	1.56
(VII)	LLP	75,773	1.24
	<b>Total:</b>	<b>26,64,327</b>	<b>43.46</b>
	<b>Total</b>	<b>61,31,200</b>	<b>100.00</b>

**Address for Correspondence:**

<b>Registrar and Share Transfer Agents:</b> <b>Link Intime India Private Limited</b> C 101, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai, Maharashtra 400083 PH No:022 2594 6970 E-mail: rnt.helpdesk@linkintime.co.in	<b>Registered office :</b> <b>Simplex Castings Limited</b> 601/602A, Fair Link Centre, Off Andheri Link Road, Andheri (W), Mumbai – 400 053 Tel. No: +91-22-40034768 Fax. No: +91-22-40034768 Email Id: sclmumbai@simplexcastings.com	<b>Compliance Officer:</b> <b>Akanksha Kotwani,</b> Company Secretary Corporate Office Plot No. 32, Shivnath Complex, G.E. Road, Supela, Bhilai, Dist. - Durg (CG) 490023 India Tel. No: 0788-2290483, 2290484, 2290485 Fax. No: 0788-2285664 E-mail Id: cs@simplexcastings.com
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**DECLARATION BY THE MANAGING DIRECTOR UNDER REGULATION 34(3) READ WITH PARAGRAPH D OF SCHEDULE V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

To,  
 The Members of  
 Simplex Castings Limited

I, Sangeeta K Shah , Managing Director of Simplex Castings Limited declare that all the Members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended 31st March, 2022.

For Simplex Castings Limited  
 Sd/-

Place : Bhilai  
 Date : 13/08/2022

Sangeeta K Shah  
 Managing Director

**CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE REGARDING DISQUALIFICATION OF DIRECTORS**

[Pursuant to Regulation 34 (3) and Schedule V Para C Clause (10) (i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,  
The Members  
Simplex Castings Limited

We have examined the relevant registers, records, forms, returns and disclosures provided by the Directors of **Simplex Castings Limited** and having **CIN L27320MH1980PLC067459** and having registered office at **601/602A, Fairlink Center, Off Andheri Link Road, Andheri (W), Mumbai-400 053** (hereinafter referred to as '**the Company**') produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34 (3) read with Schedule V Para C clause 10 (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and based on the disclosures of the Directors, We hereby certify that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority for the period ended as on March 31, 2022.

**TABLE A**

Sr.. No	Name of the Directors	Director Identification Number	Original Date of appointment in Company
1.	Champak Kalyanji Dedhia	00044969	01/08/2016
2.	Ketan Moolchand Shah	00312343	12/03/1993
3.	Sangeeta Ketan Shah	05322039	01/10/2014
4.	Ushma Nitin Khabaria	06791342	01/10/2014
5.	Sannovanda Swathi Machaiah	06952954	09/02/2019
6.	Om Patel Prakash	08301041	14/12/2018

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Meena Naidu & Associates  
Company Secretaries  
FRN: S2022CG465700  
Peer Review Certificate No.: 1522/2021

MEENA NAIDU  
Mem No : A28193  
COP No : 23853

**Date: :13/08/2022**  
**UDIN:A028193D000781308**  
**Place:Bhilai**



**CERTIFICATE FROM PRACTICING COMPANY SECRETARY ON CORPORATE GOVERNANCE**

To  
The Members of  
**Simplex Castings Limited**

We have examined the compliance of conditions of Corporate Governance by Simplex Castings Limited for the year ended 31st March, 2022 as stipulated in SEBI (LODR) Regulations, 2015 of the said Company, with the stock exchange(s).

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

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, We certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI (LODR) Regulations, 2015.

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

For Meena Naidu & Associates  
Company Secretaries  
FRN: S2022CG465700  
Peer Review Certificate No.: 1522/2021

MEENA NAIDU  
Mem No : A28193  
COP No : 23853

**Date: :13/08/2022**  
**UDIN: A028193D000781385**  
**Place: Bhilai**



**COMPLIANCE CERTIFICATE BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER**

**[Pursuant to regulation 17(8)] of SEBI (LODR) Regulations, 2015]**

To,  
The Board of Directors  
Simplex Castings Limited

We the undersigned, in our respective capacities as CEO and Chief Financial Officer of Simplex Castings Limited (“the Company”) to the best of our knowledge and belief certify that:

a. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2022 and that to the best of our knowledge and belief, we state that:

- I. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- II. These statements together present a true and fair view of the Company’s affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b. We further state that to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company’s code of conduct.

c. We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d. We have indicated to the Auditors and the Audit Committee:

- I. Significant changes, if any, in internal control over financial reporting during the year;
- II. Significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- III. No significant fraud witnessed during the year.

Date: 13/08/2022  
Place: Bhilai

sd/-  
(Ketan M Shah)  
Chief Executive officer

sd/-  
(Avinash Hariharno)  
Chief Financial Officer

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Simplex Castings Limited (SCL) is premier manufacturing organization in India with global business presence. SCL possess well equipped manufacturing facilities such as Cast-Iron Foundry, and Heavy Engineering & Fabrication Plant. Each plant is associated with modern machining facilities and a central machine shop with several machine tools including large number of CNCs, EPC Division to take up Turn-Key Projects, Design wing with modern computer setup and aided tools. SCL is complete one stop shop for all engineering components manufacturing needs, castings, forging, fabrication, machining, assembly, equipment building, in-house testing, EPC division and Designing facility. SCL Units are situated in Bhilai, & Rajnandgaon, state of Chhattisgarh, the central part of India, most mineral rich & densely industrialized province in India. SCL is catering to various industrial sectors like Steel, Railways, Power, Mining, Cement, Sugar, Chemicals, Earthmovers, Machines Tools, Ship Building, Oil & Gas and Defense. Your Company believes in developing new products in line with changing technology and requirement of customer.

Simplex has been pioneer in its field for several landmark activities:

- Pioneer to Export steel plant equipment's to Russia.
- Pioneer to Enter into tech tie-up with Tyazhprom Export Russia for Turnkey Projects in India.
- Pioneer to bring advance Japanese Technology for Sinter Plant in India for SAIL - Bhilai Steel Plant for complete Sinter Plant -III, executed on Turnkey basis in consortium with Mitsui / Kawasaki & Hitachi Zosen of Japan.
- Pioneer to install on turnkey basis, Mini Blast Furnace of 350 Cubs. Mt for Southern Iron Steel Company at Salem (India) with Chinese Technology.
- Pioneer to Design, engineering and supply of equipment for hot rolling stackle mill, executed for Salem Steel Plant as per SMS / Germany's design.
- Pioneer in manufacturing undercarriage (bogies) for Railway Locomotives.
- Pioneer in manufacturing Sucker rod pumping units for Oil & Gas, for ONGC, India

### ECONOMY OVERVIEW

#### GLOBAL ECONOMY

The geopolitical crisis unfolded while the global economy was on a recovery path from the Covid-19 pandemic, with a significant divergence between the economic recoveries of advanced economies, emerging market and developing ones. Recent International Monetary Fund (IMF) Report projects global growth at 3.6% in 2022 and 2023, 0.8% and 0.2% lower than the January forecast, respectively. During the last two years of the pandemic, the global economy continues to be plagued by uncertainty, with resurgent waves of mutant variants, supply chain disruptions and a return of inflation in both advanced and emerging economies.

Region	Year-on-Year (%)			Difference from January 2022 WEO		
	Projections			2021	2022	2023
	2021	2022	2023			
World Output	6.1	3.6	3.6	0.2	-0.8	-0.2
Advanced Economies	5.2	3.3	2.4	0.2	-0.6	-0.2
United States	5.7	3.7	2.3	0.1	-0.3	-0.3
Euro Area	5.3	2.8	2.3	0.1	-1.1	-0.2
Japan	1.6	2.4	2.3	0	-0.9	0.5
United Kingdom	7.4	3.7	1.2	0.2	-1	-1.1
Emerging Market and Developing Economies	6.8	3.8	4.4	0.3	-1	-0.3
Emerging and Developing Asia	7.3	5.4	5.6	0.1	-0.5	-0.2
China	8.1	4.4	5.1	0	-0.4	-0.1
India	8.9	8.2	6.9	-0.1	-0.8	-0.2
ASEAN-5	3.4	5.3	5.9	0.3	-0.3	-0.1
Russia	4.7	-8.5	-2.3	0.2	-11.3	-4.4

<sup>1</sup> For India, data and forecasts are presented on a fiscal year basis and GDP from 2011 onward is based on GDP at market prices with fiscal year 2011/12 as a base year.

<sup>2</sup> Indonesia, Malaysia, Philippines, Thailand, Vietnam.

Source: World Economic Outlook- April 2022, International Monetary Fund

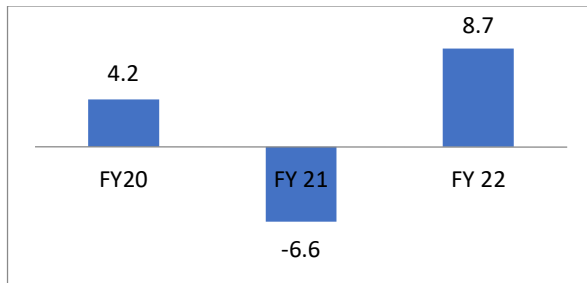


**INDIAN ECONOMY**

India shone as the shining star in the global economic landscape as it emerged as the fastest growing major economy in the world. From a GDP contraction of 6.6% in FY21, India rebounded sharply to register an 8.9% growth in its GDP in FY22. This was primarily owing to the government thrust on vaccination and ensuring adequate availability of vaccines, financial support by the government, waning of the fear from the pandemic, opening up of trades and services in most of the sectors. Economic resurgence was supported by all the sectors – the agriculture and allied sector grew by 3.9%, the industrial sector grew by 11.8% while the services sector upped by 8.2%.

Estimates suggested that exports will touch US\$670 billion in FY22, which will position the nation among the top-10 exporters globally in value terms. Despite this jump, India’s mercantile trade deficit increased by 55% owing to high crude oil prices and a spike in prices of metals and other inputs. In addition, the inventory build-up by India Inc. to pre-empt supply-chain disruptions on account of the Ukraine war added to the deficit. New investment and ordering activity witnessed a healthy rise in FY22. New investment announcements by the private sector saw a 145-150% rise in FY22 as compared to FY21. This was owing to megaproject announcements, especially in the steel sector.

**% change of Indian GDP over fiscal years**



Source: Ministry of Statistics and Programme Implementation (MOSPI)

**OUTLOOK**

**GLOBAL**

The IMF has moderated its CY 2022 global economy growth forecast by 80 bps to 3.6 % from the estimated

4.4% growth forecast published in January 22 , due to the Russia-Ukraine Conflict, Inflation and monetary policy tightening and supply bottlenecks.

The global economy continues to face headwinds due to rising inflationary pressures and geopolitical tensions. Moreover, conflict between Russia and Ukraine has led to many countries announcing trade sanctions , thereby resulting in a reconfiguration of trade relations across the globe. Even as the aforementioned has led to uncertainty across financial and Commodity markets, it also provides newer avenues for many emerging economics to build trade relations. Besides better healthcare measures and more widespread vaccinations should help stabilize activity across economics.

**INDIA**

The headwinds notwithstanding ,India is likely to remain the fastest growing major economy , with the expansion of economic output pegged at 7.2%. Withdrawal of Covid -19 restrictions and normalization of the economy has led to a broad-based recovery across sectors. Most sectors , excluding services , are not at pre-COVID levels.

Infrastructure and manufacturing initiatives by the government are supportive of growth, and healthy tax collections provide the government with enhanced flexibility. Realignment of global supply chains will continue to provide opportunities to grow exports. Outlook for auto sales, especially Passenger Vehicles, remains healthy with the easing of the chip shortage, and the production of Medium and Heavy Commercial Vehicles is expected to be healthy, driven by infrastructure spending and mining. The real estate market remains strong despite rising interest rates. Healthy power consumption growth is expected to aid the addition of renewable energy capacities.

The vaccination programme having covered majority of the population, massive infrastructure spending, benefits of supply-side reforms, easing of regulations, robust exports and the availability of fiscal space to ramp up spending across several key sectors, provides a platform for witnessing higher economic growth. However, a prolonged Russia-Ukraine conflict, higher energy costs, elevated commodity prices resulting in

higher inflation and rate hikes by the Reserve Bank of India (RBI), will be dampeners to growth.

### INDUSTRY STRUCTURE & DEVELOPMENT

Steel is a champion industry with growing domestic demand and an opportunity to leverage the space vacated by Russia and Ukraine in the global market through exports. India remained a net importer of steel for several years. However, starting 2017, fuelled by large-scale capex projects and the National Steel Policy, the country started contributing to the global steel markets more than ever, with nearly 18 MnT steel exported in FY 2021-22. India is now racing to build steel capacities that meet the domestic demand and at the same time can supply to the global markets. India is thus, on its path to becoming an integral part of the global supply chain. In response to PLI Scheme announced by Government of India for speciality steel products, the steel industry is geared up to create capacity in this space.

The Indian steel industry recorded crude steel production of 120.01 MnT in FY 2021-22, despite pandemic-induced disruptions in Q1 FY 2021-22. Led by a sharp recovery in demand in developed markets and production cuts in China, steel prices rose sharply in H1 FY 2021-22 in domestic as well as global markets. Prices moderated in Q3 FY 2021-22 and have remained volatile following the start of the Russia-Ukraine crisis. Steel production showed a solid recovery and domestic finished steel consumption continued to grow. Finished steel consumption surpassed pre-pandemic levels and was supported by the government's improved infrastructure investments. Demand from the auto sector was temporarily weak, due to the semi-conductor shortage. However, the industry closed the year on a positive note and recorded 11% growth in finished steel consumption. Domestic finished steel production rose 18.1% y-o-y to touch 113.6 MnT. Finished steel consumption stood at 105.8 MnT, up 11.4% y-o-y, driven by the government's infrastructure spending and the resumption of projects stalled due to the pandemic.

### INDIA STEEL EXPORTS AND IMPORTS

#### Exports

A swift recovery in demand from developed countries and fall in exports from traditional steel exporting countries contributed to growth in India's finished steel exports, which were up 25% y-o-y in FY 2021-22. Steel firms increased their share of exports leveraging the opportunity in export market while ensuring the availability of steel in the local market. Semis exports declined by 26% due to base effect as steel manufacturers exported slabs following the onset of the pandemic in India. Even though the export duty introduced in India is primarily to curb inflation, the steel mills in India would need to continue their exports of at least value-added steel, to retain their customers and also additional capacity is created over the year to meet export demand and this surplus cannot be absorbed in the domestic market in the short term.

#### Imports

Finished steel imports stood at 4.67 MnT in FY 2021-22 versus 4.75 MnT in FY 2020-21. The fall in imports is due to greater import substitution and development of comparable indigenous production lines in response to the government's call for building a self-reliant India. Imports are projected to decline even further as steel mills take advantage of the PLI scheme for specialty steel.

**The details of top 10 steel producing nations are as follows:**

(mn tonnes)			
Country	2022	2021	% Change
China	1033	1065	-3.00
India	118	100	17.7
Japan	96	83	15.7
Russia	76	72	6.1
United States	86	73	18.3
South Korea	71	67	5.2
Turkey	40	36	12.8
Germany	40	36	12.3
Brazil	36	31	16.1
Iran	29	29	-1.7



### GOVERNMENT INITIATIVES FOR STEEL INDUSTRY

In addition to the capital outlays announced in Budget 2022-23, several large-scale infrastructure initiatives have also been unveiled, which carry the prospects of multi-year, multi-crore investments in creating national infrastructure. The PM Gati Shakti National Masterplan was launched in October 2021 with the aim of faster and synchronised execution of key projects covering roads, railways, airports, ports, mass transport, waterways and logistics infrastructure. The PLI scheme for solar module manufacturing will Fasttrack India's capabilities for manufacturing the necessary infrastructure indigenously, to meet the goal of 280 GW of installed solar capacity by 2030. The solar module manufacturing scheme carries an outlay of ₹19,500 crore.

### OPPORTUNITIES & THREATS

The thrust on infrastructure development, road construction, coal production, power generation, housing policies is driving the demand for castings from the foundry industry. Besides, the Government's focus on manufacturing in India and other policies will also drive demand for castings. The Company is in a position to grab the opportunity in the years to come and confident to improvise the growth of turnover and profitability. The Company has necessary and well-equipped production facilities to reap the benefits of the growth opportunities.

The Economic demand slow down presents a real challenge to growing volumes. The inflation figures, and recent emerging developments across the world, like Corona virus has potential to de stabilize existing business model of the industry.

#### Automotive

The automotive industry is forecasted to grow in size by US\$ 74 billion in 2015 to US\$ 260-300 billion by 2026. With increasing capacity addition in the automotive industry, demand for steel from the sector is expected to be robust.

#### Capital Goods

The capital goods sector accounts for 11 per cent of steel consumption and expected to increase 14/15 per cent by 2025-26 and has the potential to increase in

tonnage and market share. Corporate India's capex is expected to grow and generate greater demand for steel.

#### Infrastructure

The infrastructure sector accounts for 9 per cent of steel consumption and expected to increase 11 per cent by 2025-26. Due to such a huge investment in infrastructure the demand for long steel products would increase in the years ahead.

#### Airport

More and more modern and private airports are expected to be set up. Development of Tier-II city airports would sustain consumption growth and estimated steel consumption in airport building is likely to grow more than 20 per cent over next few years.

#### Railways

The Dedicated Rail Freight Corridor (DRFC) network expansion would be enhanced in future. Gauge conversion, setting up of new lines and electrification would drive steel demand.

#### Oil and Gas

India's primary energy consumption of oil and gas is expected to increase to 10 mbpd and 14 bcfd, respectively, by 2040. This would lead to an increase in demand of steel tubes and pipes, providing a lucrative opportunity to the steel industry.

### OPERATIONAL AND FINANCIAL PERFORMANCE

Our Company revenue from operations on Standalone basis rose by 14.00% at Rs 9183.85 Lacs compared to Rs 8055.76 Lacs in FY 2020-21. The Profit Before Tax (PBT) and Profit After Tax (PAT) for the year 2021-22 were Rs 202.95 Lacs and Rs 152.14 Lacs respectively, as against Rs 146.67 Lacs and Rs 101.03 Lacs respectively during the previous year ended 31 March, 2021.

With the improvement of economic conditions in these markets, we anticipate further increase in sales volume and profitability in the near future.



**KEY FINANCIAL RATIOS:**

The Company has identified following ratios as key financial ratios for Operations:

Particulars	2021-22	2020-21	Change in %
Debtors turnover ratio	3.77	3.78	0%
Payables Turnover Ratio	1.96	1.46	34%
Inventory Turnover Ratio	1.44	1.55	(7)%
Debt Service coverage ratio	1.56	1.67	(7)%
Current Ratio	1.23	1.20	3%
Debt Equity Ratio	1.41	1.64	(14)%
Turnover Ratio	4.67	5.58	(16)%
Net Profit Ratio	0.02	0.01	32%
Return on Net Worth	0.03	0.02	45%

**LONG-TERM AND MEDIUM-TERM STRATEGY**

The Company has strategies for business development to cop up with the dynamic situation evolving everyday globally. Your Company is subject to all the positive & negative effects of the change in the global scenario. Your Company works on long term and medium-term strategies to deal with the challenges:

**a. Long-term Strategy:**

- a) Widening of customer base
- b) Entry into new industry segments
- c) Development of new casting products for existing
- d) customers

**b. Medium-term Strategy:**

- a) Improvement in product quality
- b) Control & minimising rejections
- c) Cost reduction

**RISK CONCERN**

Business risks exist for any enterprise having national and international exposure. Your Company also faces some such risks, the key ones being - a longer than

anticipated delay in economic revival, unfavorable exchange rate fluctuations, emergence of inflationary conditions, Competition in Indian and Global market and any unexpected changes in regulatory framework.

The Company is well aware of these risks and challenges and has put in place mechanisms to ensure that they are managed and mitigated with adequate timely actions.

**INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

The Company has adequate internal audit and control systems. Internal auditors comprising of professional firms of Chartered Accountants have been entrusted the job to conduct regular internal audits at all units/ locations and report to the management the lapses, if any. Both internal auditors and statutory auditors independently evaluate the adequacy of internal control system. Based on the audit observations and suggestions, follow up, remedial measures are being taken including review and increase in the scope of coverage, if necessary. The Audit Committee of Directors, in its periodical meetings, review the adequacy of internal control systems and procedures and suggest areas of improvements.

The internal control system ensures compliance with all applicable laws and regulations, facilitates in optimum utilization of resources and protect the Company's assets and investors' interests. The Company has a clearly defined organizational structure, decision rights, manuals and operating procedures for its business units to ensure orderly and efficient conduct of its business.

The Company has a whistle blower policy so that Directors and Senior personal can report their genuine concern. The Audit Committee of the Board on Quarterly basis reviews significant audit findings covering operational, financial and other areas and provides guidance on further strengthening the internal controls framework.

**HUMAN RESOURCES DEVELOPMENT AND INDUSTRIAL RELATIONS**

Human resource is considered as key to the future growth strategy of the Company and looks upon to



focus its efforts to further align human resource policies, processes and initiatives to meet its business needs. In order to focus on keeping employees abreast of technological and technical developments, the Company provides opportunity for training and learning. Industrial relations at all the units and locations are cordial. As on March 2022, the company had 326 employees on its rolls.

#### **Cautionary Statement**

Statements in the Management Discussion and Analysis describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities, laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that would influence the Company's operations include cost of raw materials, tax laws, interest and power cost and economic developments and such other factors within the country and the international economic and financial developments.



## **INDEPENDENT AUDITOR'S REPORT**

TO THE MEMBERS OF **SIMPLEX CASTINGS LIMITED**

### **Report on the Audit of Standalone Financial Statements**

#### **Opinion**

We have audited the accompanying standalone financial statements of **M/s SIMPLEX CASTINGS LIMITED (CIN: L27320MH1980PLC067459)** ("the Company") which comprises the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity & Statement of Cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act 2013 ('Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and the Profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### **Basis for Opinion**

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

#### **Emphasis of Matter**

1. Attention is drawn to Note No. 43 which refers to the write down in value of semi-finished goods manufactured for export to customer of Ukraine.

#### **Key audit matters**

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

We have determined the matters described below to be the key audit matters to be communicated in our report.



Sr. No.	Key Audit Matters	How our audit addressed the Key Audit Matter
1	<p><b>VALUATION OF INVENTORIES:</b></p> <p>The net carrying value of inventory as on 31st March 2022 is 39.63% of total assets of the company.</p> <p>Inventories were considered as a key audit matter due to the size of the Balance sheet and because inventory valuation involves management judgement. According to financial statements accounting principles inventories are measured at the lower of cost or net realizable value. The company has segment and region-specific procedures for identifying risk for obsolescence and measuring inventories at the lower of cost or net realizable value.</p> <p><b>RELATED DISCLOSURES:</b></p> <p>Please refer to Note-2.3 (i) for details of the accounting policies of inventories and Note-11 of notes to financial statements for relevant disclosures of inventories.</p>	<p>Our Audit Procedure:</p> <p>To address the risk of material error on inventories, our audit procedures included amongst other:</p> <ul style="list-style-type: none"> <li>• Assessing the compliance of company’s accounting policies over inventory with applicable IND AS.</li> <li>• Assessing the effectiveness of key controls at the inventory storage location.</li> <li>• Relying on the report of stock audit conducted during the year by external agencies appointed by lender banking institutions.</li> <li>• Relying on the Physical verification conducted by management at the end of the year.</li> </ul>

**Information other than the Financial Statements and Auditor’s Report thereon**

The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditor’s report thereon. The Annual Report is expected to be made available to us after the date of this auditor’s report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

### **Management's Responsibilities for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibility for the Audit of the Standalone Financial Statements**

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

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

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

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 are given in the Annexure A on the matters Specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. A. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.



- c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid financial statements comply with the IND AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B' ; and
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Section 197 (16) of the Act, as amended:
- a. In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in with accordance with the provisions of Section 197 of the Act; and
  - b. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - c. the Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 31 to the standalone financial statements;
    - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
    - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company
  - d.
    - i. The management has represented that, to the best of its knowledge and belief, as disclosed in Note 35 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
      - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
      - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
    - ii. The management has represented, that, to the best of its knowledge and belief, as disclosed in Note 35 to the standalone financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
      - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
      - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.



iii. Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material misstatement.

e. Company has not declared or paid any dividend during the year.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

Bhilai, dated: 28 May 2022

For **APAS & Co. LLP**  
Chartered Accountants  
(FRN- 000340C/C400308)

RAJDEEP SINGH  
Partner  
(Membership No. 415549)  
UDIN-22415549AJUTWH2959



## ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

1.
  - A. i) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.  
ii) The Company has maintained proper records showing full particulars of intangible assets.
  - B. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
  - C. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company
  - D. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
  - E. According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
2. A. As explained to us, the physical verification of inventories have been conducted at reasonable intervals by the management during the year. In our opinion, the frequency of the verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of account.  
B. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.
3. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. The Company has not made any investments in firms, limited liability partnership or any other parties. Accordingly, clause 3(iii)(a) and clause 3(iii)(c) to clause 3(iii)(f) of the Order are not applicable to the Company.
4. According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under



section 185 and 186 of the Companies Act, 2013. In respect of the investments made by the Company, the provisions of section 186 of the Companies Act, 2013 have been complied with.

5. The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
6. We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013 in respect of its manufactured goods and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.
7.
  - a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Income-Tax, Duty of Customs, Cess and other statutory dues have been regularly deposited by the Company with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of Goods and Services Tax ('GST'), Provident fund, Income-Tax, Duty of Customs, Cess and other statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable. As explained to us, the provisions of employee state insurance are not applicable to the Company.
  - b. According to the records of the company, the dues outstanding of income tax, sales tax, wealth-tax, Service-tax, Customs duty, excise duty and cess on account of any dispute, are as follows:

<b>Name of Statute</b>	<b>Nature of dues</b>	<b>Amount(Rs. In Lacs)</b>	<b>Period to which Amount relates</b>	<b>Forum where dispute pending</b>
Income Tax Act, 1961	Income Tax demand	977.34	AY 2010-11	At High Court, Mumbai

8. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
9.
  - a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
  - b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.
  - c. To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.





- d. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.
- e. According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary as defined under Companies Act, 2013. The Company does not hold any investment in any associate companies or joint ventures as defined under Companies Act, 2013.
- f. According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiary as defined under Companies Act, 2013. The Company does not hold any investment in any associate companies or joint ventures as defined under Companies Act, 2013.
10. (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
11. (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
12. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
13. In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
15. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.



16. (a) & (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) and clause 3(xvi)(b) of the Order is not applicable.  
(c) & (d) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) and clause 3(xvi)(d) of the Order is not applicable.
17. The Company has not incurred cash losses in the current and in the immediately preceding financial year.
18. There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
19. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
20. In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For APAS & Co. LLP  
Chartered Accountants  
(FRN- 000340C/C400308)

RAJDEEP SINGH  
Partner  
(Membership No. 415549)  
UDIN-22415549AJUTWH2959

Bhilai, dated: 28 May 2022

## **ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF SIMPLEX CASTINGS LIMITED**

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

We were engaged to audit the internal financial controls over financial reporting of Simplex Castings Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

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

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

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

#### **Meaning of Internal Financial Controls Over Financial Reporting**

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

company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2022, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on "Audit of Internal Financial Controls Over Financial Reporting" issued by the Institute of Chartered Accountants of India.

For APAS & Co. LLP  
Chartered Accountants  
(FRN- 000340C/C400308)

RAJDEEP SINGH  
Partner  
(Membership No. 415549)  
UDIN-22415549AJUTWH2959

Bhilai, dated: 28 May 2022

**Balance sheet as at 31.03.2022**

Particulars	Note No	Amount in Rs. Lacs	
		As at 31.03.2022	As at 31.03.2021
<b>ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment	4	4,089.60	4,351.32
(b) Capital work-in-progress		-	206.57
© Investment properties	5	200.01	208.25
(d) Other intangible assets	6	41.75	54.51
© Financial assets			
(i) Investments	7	0.06	19.03
(ii) Other financial assets	8	242.32	218.20
(f) Deferred tax assets (net)	9	1,213.83	1,284.46
(g) Other non-current assets	10	398.13	497.84
<b>(2) Current-assets</b>			
(a) Inventories	11	7,132.37	5,614.68
(b) Financial assets			
(i) Trade Receivables	12	2,685.58	2,185.38
(ii) Bank, Cash and cash equivalents	13	23.75	78.67
(iii) Bank balances other than (ii) above	13	521.65	426.65
© Other current assets	10	1,450.54	2,114.58
<b>Total Assets</b>		<b>17,999.58</b>	<b>17,260.14</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	14	613.12	613.12
(b) Other equity		4,148.74	3,936.71
<b>Liabilities</b>			
<b>(1) Non-current liabilities</b>			
(a) Financial liabilities			
- Borrowings	15	2,715.32	3,056.80
(b) Provisions	16	911.42	935.11
© Other non-current liabilities	17	7.64	20.97
<b>(2) Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	18	3,982.35	4,406.50
(ii) Trade payables	19		
-total outstanding dues of micro enterprises and small enterprises		153.57	196.67
-total outstanding dues of Creditors other than micro enterprises and small enterprises		3,148.25	2,622.52
(iii) Other financial liabilities	20	606.23	514.16
(b) Other current liabilities	21	1,688.10	923.75
(c) Provisions	16	24.84	33.86
<b>Total Equity and Liabilities</b>		<b>17,999.58</b>	<b>17,260.15</b>

**Summary of significant accounting policies****2 & 3**

The accompanying notes are integral part of the financial statements.

As per our report of even date

**For APAS & CO LLP**

(ICAI Firm Reg. No.000340C/C400308)

Chartered Accountants

**Rajdeep Singh**

Partner

Membership No.415549

UDIN-22415549AJUTWH2959

Place : Bhilai

Date : 28.05.2022

**For and on behalf of the Board of Directors of  
Simplex Castings Limited**

**Ketan M Shah**

Chairman & Whole time Director

(DIN: 00312343)

**Akansha Kotwani**

Company Secretary

**Sangeeta K Shah**

Managing Director

(DIN: 05322039)

**Avinash Hariharo**

CFO



## Statement of Profit &amp; Loss for the year ended 31st March, 2022

	Notes	For the period ended on 31.03.2022	Amount in Rs. Lacs For the period ended on 31.03.2021
<b>INCOME</b>			
Revenue from operations	22	9,183.85	8,055.76
Other Income	23	82.96	225.82
<b>TOTAL REVENUE (I)</b>		<b>9,266.81</b>	<b>8,281.59</b>
<b>EXPENDITURE</b>			
Cost of raw material and component consumed	24	5,698.99	3,644.54
Purchase of traded goods		169.12	-
Changes in inventories of work-in-progress, stock-in-trade and finished goods	25	(1,227.50)	320.31
Employees benefit expense	26	1,357.82	1,356.02
Finance costs	27	877.75	1,011.32
Depreciation and amortization expense	28	560.76	601.31
Other expenses	29	1,626.93	1,461.40
<b>TOTAL EXPENDITURE (II)</b>		<b>9,063.86</b>	<b>8,394.92</b>
<b>Profit/(Loss) before exceptional items and tax from continuing operations</b>		<b>202.95</b>	<b>(113.33)</b>
Exceptional items		-	(260.00)
<b>Profit/(Loss) before tax from continuing operations</b>		<b>202.95</b>	<b>146.67</b>
<b>Tax expenses</b>			
Current tax		-	2.21
Deferred Tax		50.80	43.43
<b>Total tax expenses</b>		<b>50.80</b>	<b>45.64</b>
<b>Profit/(loss) for the year</b>		<b>152.15</b>	<b>101.03</b>
<b>Other Comprehensive Income</b>			
<b>A (i) Items that will not be reclassified to profit or loss</b>			
Actuarial gain or loss on defined benefit plans		75.49	55.62
Income tax relating to items that will not be reclassified to profit or loss		(19.83)	(15.47)
<b>A (i) Items that will be reclassified to profit or loss</b>			
Fair valuation of investments, net of taxes		4.22	8.17
Income tax relating to items that will be reclassified to profit or loss		-	-
<b>Total Comprehensive Income for the period Comprising Profit/(Loss) and Other Comprehensive Income for the period)</b>		<b>212.03</b>	<b>149.35</b>
<b>Earnings per equity share [nominal value of share @ Rs 10/- (31st March,2022 Rs 10)</b>	30		
<b>Basic</b>		<b>2.48</b>	<b>1.65</b>
<b>Diluted</b>		<b>2.48</b>	<b>1.65</b>
<b>Summary of significant accounting policies</b>	<b>2 &amp; 3</b>		

The accompanying notes are integral part of the financial statements.

As per our report of even date

**For APAS & CO LLP**

(ICAI Firm Reg. No.000340C/C400308)

Chartered Accountants

**For and on behalf of the Board of Directors of Simplex Castings Limited**

**Rajdeep Singh**

Partner

Membership No.415549

UDIN-22415549AJUTWH2959

**Ketan M Shah**

Chairman & Whole time Director

(DIN: 00312343)

**Sangeeta K Shah**

Managing Director

(DIN: 05322039)

Place : Bhilai

Date : 28.05.2022

**Akansha Kotwani**

Company Secretary

**Avinash Hariharo**

CFO

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022**

	Amount in Rs. Lacs	
	For the year ended on	
	31-03-2022	31-03-2021
<b>Cash Flow from operating activities</b>		
Profit/(loss) before tax from continuing operations	202.95	146.67
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation/amortization	560.76	601.31
Profit from sale of investment properties	(16.98)	(107.48)
Provision/Allowances for credit loss on debtors and receivables	(80.27)	191.31
Provision for warranty & guarantee	(6.56)	(11.47)
Finance Cost	877.75	1,011.32
Interest Income	(31.94)	(78.80)
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>1,505.71</b>	<b>1,752.86</b>
Movements in working capital :		
Increase/(decrease) in trade payables	482.63	(646.93)
Increase/(decrease) in other financial liabilities	403.01	(177.99)
Increase/(decrease) in other current liabilities	764.35	164.45
Increase/(decrease) in Other non-current liabilities	(13.33)	(0.38)
Decrease/(increase) in trade receivables	(419.93)	(297.63)
Decrease/(increase) in inventories	(1517.69)	(859.81)
Decrease/(increase) in other non current assets	75.60	(8.40)
Decrease/(increase) in provisions	53.59	359.45
Decrease/(increase) in other current assets	569.04	(321.05)
<b>Cash generated from/(used in ) operations</b>	<b>1902.97</b>	<b>(35.42)</b>
Direct taxes paid (net of refunds)	-	-
<b>Net Cash flow from/(used in) operating activities continuing operation</b>	<b>1902.97</b>	<b>(35.42)</b>
<b>Net Cash flow from/(used in) operating activities discontinuing operation</b>	-	-
<b>Net Cash flow from/(used in) operating activities</b>	<b>A</b>	<b>(35.42)</b>
<b>Cash flows from investing activities</b>		
Purchase of PPE, including intangible assets, CWIP & net of capital creditors	(71.52)	(53.58)
Proceeds from sale of investment properties	16.98	180.14
Investments/advances in/to subsidiary company	-	-
Changes in investments	19.03	(4.88)
Investment in bank deposits (having original maturity of more than three months)	-	102.33
Interest received	31.94	78.80
<b>Net cash flow from/(used in) investing activities continuing operations</b>	<b>(3.57)</b>	<b>302.80</b>
<b>Net cash flow from/(used in) investing activities discontinuing operations</b>	-	-
<b>Net cash flow from/(used in) investing activities</b>	<b>B</b>	<b>302.80</b>
<b>Cash flows from financing activities</b>		
Proceeds from Share capital issued	-	-
Proceeds/(Repayment) of long-term borrowings (net)	(341.47)	732.84
Proceeds from short-term borrowings	(735.08)	(24.05)
Interest paid	(877.75)	(1,011.32)
Dividends paid on equity shares	-	-
Tax on equity dividend paid	-	-
<b>Net cash flow from/(used in) financing activities continuing operations</b>	<b>(1954.30)</b>	<b>(302.53)</b>
<b>Net cash flow from/(used in) financing activities discontinuing operations</b>	-	-
<b>Net cash flow from/(used in) financing activities</b>	<b>C</b>	<b>(302.53)</b>
<b>NET INCREASE/(DECREASE) IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>	<b>(54.90)</b>	<b>(35.15)</b>
Cash and Cash Equivalents at the beginning of the year	78.67	113.83



Cash and Cash Equivalents at the end of the year	23.76	78.67
<b>Components of cash and cash equivalents</b>		
Cash in hand	0.25	0.35
With banks- on current account	-	1.94
With banks- on deposit account	23.50	76.38
	<b>23.76</b>	<b>78.67</b>

The Statement of Cash Flow has been prepared using Indirect method as per Ind AS 7.

As per our report of even date

**For APAS & CO LLP**

(ICAI Firm Reg. No.000340C/C400308)

Chartered Accountants

**Rajdeep Singh**

Partner

Membership No.415549

UDIN-22415549AJUTWH2959

Place : Bhilai

Date : 28.05.2022

**For and on behalf of the Board of Directors of  
Simplex Castings Limited**

**Ketan M Shah**

Chairman & Whole time Director

(DIN: 00312343)

**Akansha Kotwani**

Company Secretary

**Sangeeta K Shah**

Managing Director

(DIN: 05322039)

**Avinash Hariharho**

CFO





## Statement of Changes in Equity for the year ended 31.03.2021

(Amount in Rs. Lacs)

## Equity Share Capital

Balance as at 01.04.2020	Changes in the equity share capital during the year	Balance as at 31.03.2021
613.12	-	613.12

## Other Equity

	Reserves and Surplus				Equity Instruments through Other Comprehensive Income (Net of Tax)	Other itmes of Other Comprehensive Income (Gain/loss on employee benefit) (Net of Tax)	Total
	Capital Reserve	Securities Premium*	General Reserve**	Retained Earnings			
<b>Restated balance at the beginning of the reporting period 01.04.2020</b>	738.68	731.62	5,700.00	(3,140.37)	0.15	(242.72)	<b>3,787.36</b>
Addition During the year	-	-	-	-	-	-	-
Acturial Gain/loss on employee benefit) (Net of Tax)	-	-	-	-	-	40.15	40.15
Equity Instruments through Other Comprehensive Income (Net of Tax)	-	-	-	-	8.17	-	8.17
Profit/(loss) for the year	-	-	-	101.03	-	-	101.03
Proposed Dividend & Tax	-	-	-	-	-	-	-
<b>Balance at the end of the reporting period 31.03.2021</b>	<b>738.68</b>	<b>731.62</b>	<b>5,700.00</b>	<b>(3,039.34)</b>	<b>8.32</b>	<b>(202.57)</b>	<b>3,936.71</b>

\* Securities premium is used to record the premium received on issue of shares. It is to be utilised in accordance with the provisions of Companies Act, 2013.

\*\* General Reserve is available for payment of dividend to the shareholders as per the provisions of Companies Act, 2013.

As per our report of even date

For APAS &amp; CO LLP

(ICAI Firm Reg. No.000340C/C400308)

Chartered Accountants

For and on behalf of the Board of Directors of

Simplex Castings Limited

Rajdeep Singh

Partner

Membership No.415549

UDIN-22415549AJUTWH2959

Ketan M Shah

Chairman &amp; Whole time Director

(DIN: 00312343)

Sangeeta K Shah

Managing Director

(DIN: 05322039)

Place : Raipur

Date : 28.05.2022

Akansha Kotwani

Company Secretary

Avinash Hariharo

CFO



## Statement of Changes in Equity for the year ended 31.03.2022

(Amount in Rs. Lacs)

## Equity Share Capital

Balance as at 01.04.2021	Changes in the equity share capital during the year	Balance as at 31.03.2022
613.12	-	613.12

## Other Equity

	Reserves and Surplus				Equity Instruments through Other Comprehensive Income (Net of Tax)	Other itmes of Other Comprehensive Income (Gain/loss on employee benefit) (Net of Tax)	Total
	Capital Reserve	Securities Premium*	General Reserve**	Retained Earnings			
Balance at the beginning of the reporting period 01.04.2021	738.68	731.62	5,700.00	(3,039.34)	8.32	(202.57)	3,936.71
Addition During the year (refer note 45)	-	-					-
Acturial Gain/loss on employee benefit) (Net of Tax)						55.66	55.66
Equity Instruments through Other Comprehensive Income (Net of Tax)					4.22		4.22
Profit/(loss) for the year				152.15			152.15
Balance at the end of the reporting period 31.03.2022	738.68	731.62	5,700.00	(2,887.19)	12.54	(146.91)	4,148.74

\* Securities premium is used to record the premium received on issue of shares. It is to be utilised in accordance with the provisions of Companies Act, 2013.

\*\* General Reserve is available for payment of dividend to the shareholders as per the provisions of Companies Act, 2013.

As per our report of even date

## For APAS &amp; CO LLP

(ICAI Firm Reg. No.000340C/C400308)

Chartered Accountants

For and on behalf of the Board of Directors of  
Simplex Castings LimitedRajdeep Singh  
Partner  
Membership No.415549  
UDIN-22415549AJUTWH2959Ketan M Shah  
Chairman & Whole time Director  
(DIN: 00312343)Sangeeta K Shah  
Managing Director  
(DIN: 05322039)Place : Raipur  
Date : 28.05.2022Akansha Kotwani  
Company SecretaryAvinash Hariharno  
CFO

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022****1. CORPORATE INFORMATION**

Simplex Castings Limited (the company) is a public company domiciled in India and incorporated under the provisions of the Companies Act. Its shares are listed on one stock exchanges in India. The company is mainly engaged in Manufacturing of SG Iron, Steel, Special Alloy Castings, C.I. Castings and Equipments.

The addresses of its registered office and principal place of business are disclosed in the introduction to the annual report.

**2. SIGNIFICANT ACCOUNTING POLICIES****2.1 BASIS OF PREPARATION AND PRESENTATION**

- i) The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2016 and guidelines issued by the Securities and Exchange Board of India (SEBI).
- ii) The standalone financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:
  - Certain financial assets and liabilities and
  - Defined benefit plans - plan assets
- iii) Company's financial statements are presented in Indian Rupees (INR), which is also its functional currency.

**2.2 Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19)**

The company has assessed possible impact COVID-19 on its financial statements based on internal and external information available up to the date of approval of the financial results and concluded that no adjustment is required in these results. The company continues to monitor future economic conditions

**2.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****a) Current versus non-current classification**

The company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current when it is:

- expected to be realised or intended to be sold or consumed in normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realised within twelve months after the reporting period; or
- cash or a cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other assets are classified as non-current.

A liability is current when it is:

- expected to be settled in normal operating cycle;
- held primarily for the purpose of trading;
- due to be settled within twelve months after the reporting period; or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The company has identified twelve months as its operating cycle.

**b) Fair Value Measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Normally at initial recognition, the transaction price is the best evidence of fair value.

However, when the Company determines that transaction price does not represent the fair value, it uses inter-alia valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.



All financial assets and financial liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy. This categorisation is based on the lowest level input that is significant to the fair value measurement as a whole:

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

Financial assets and financial liabilities that are recognised at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re- assessing categorisation at the end of each reporting period.

**c) Property, Plant and Equipment (PPE)**

- i) On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.
- ii) An item of PPE is recognized as an asset if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.
- iii) The cost of an item of property, plant and equipment is measured at :
  - its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
  - any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
  - the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation which is to be incurred either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.
- iv) Expenditure incurred on renovation and modernization of PPE on completion of the originally estimated useful life resulting in increased life and/or efficiency of an existing asset, is added to the cost of the related asset. In the carrying amount of an item of PPE, the cost of replacing the part of such an item is recognized when that cost is incurred if the recognition criteria are met. The carrying amount of those parts that are replaced is derecognized in accordance with the derecognition principles.
- v) After initial recognition, PPE is carried at cost less accumulated depreciation/amortization and accumulated impairment losses, if any.
- vi) Spare parts procured along with the Plant & Machinery or subsequently which meet the recognition criteria are capitalized and added in the carrying amount of such item. The carrying amount of those spare parts that are replaced is derecognized when no future economic benefits are expected from their use or upon disposal. Other machinery spares are treated as “stores & spares” forming part of the inventory.
- vii) If the cost of the replaced part or earlier inspection is not available, the estimated cost of similar new parts/ inspection is used as an indication of what the cost of the existing part/ inspection component was when the item was acquired or inspection carried out.
- viii) An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognized.

**d) Capital Work in Progress**

- i) Expenditure incurred on assets under construction (including a project) is carried at cost under Capital Work in Progress. Such costs comprises purchase price of asset including import duties and non-refundable taxes after deducting trade discounts and rebates and costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- ii) Cost directly attributable to projects under construction include costs of employee benefits, expenditure in relation to survey and investigation activities of the projects, cost of site preparation, initial delivery and handling charges, installation and assembly costs, professional fees, expenditure on maintenance and up-gradation etc. of common public facilities, depreciation on assets used in construction of project, interest during construction and other costs if attributable to construction of projects. Such costs are accumulated under “Capital works in progress” and subsequently



allocated on systematic basis over major assets, other than land and infrastructure facilities, on commissioning of projects.

- iii) Capital Expenditure incurred for creation of facilities, over which the Company does not have control but the creation of which is essential principally for construction of the project is capitalized and carried under "Capital work in progress" and subsequently allocated on systematic basis over major assets, other than land and infrastructure facilities, on commissioning of projects, keeping in view the "attributability" and the "Unit of Measure" concepts in Ind AS 16- "Property, Plant & Equipment". Expenditure of such nature incurred after completion of the project, is charged to Statement of Profit and Loss.

**e) Intangible Assets**

- i) Intangible assets acquired separately are measured on initial recognition at cost. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.
- ii) Software (not being an integral part of the related hardware) acquired for internal use, is stated at cost of acquisition less accumulated amortisation and impairment losses, if any.
- iii) An item of Intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

**f) Leases**

The company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

The company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

**g) Revenue recognition**

Revenue is recognised upon transfer of control of promised goods to customers in an amount that reflects the consideration which the company expects to receive in exchange for those products.

Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

- i) Revenue from sales of goods is recognised on output basis measured by units delivered, number of transactions etc.
- ii) Revenue from sales of goods is recognised at the point in time when control is transferred to the customer which coincides with the performance obligation under the contract with the customer.

**Interest income**

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

**Dividends**

Revenue is recognised when the company's right to receive payment is established, which is generally when shareholders approve the dividend.

**Rendering of services**

Income from services rendered is recognised based on agreements/arrangements with the customers as the service is performed and there are no unfulfilled obligations.

**h) Depreciation on Property, Plant & Equipment and Amortization of Intangible Assets**

- i) Depreciation on Property, Plant & Equipment is provided on Straight Line Method based on plant & machinery and factory shed & building. In case of other assets, it is provided on written down value method as per the estimated useful life of the assets which is same as envisaged in schedule II of the Companies Act, 2013 with the exception of the following:



- spares classified as plant and equipment are depreciated over 2 to 15 years based on the technical evaluation of useful life done by the management.
- assets costing Rs. 5,000 or less are fully depreciated in the year of purchase.
- ii) Depreciation on additions to/deductions from Property, Plant & Equipment during the year is charged on pro-rata basis from / up to the date on which the asset is available for use / disposal.
- iii) The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.
- iv) Where the life and / or efficiency of an asset is increased due to renovation and modernization, the expenditure thereon along with its unamortized depreciable amount is charged prospectively over the revised / remaining useful life determined by technical assessment.
- v) Spares parts procured alongwith Plant & Machinery or subsequently, which are capitalized and added in the carrying amount of such items, are depreciated over the residual useful life of the related plant and machinery or their useful life whichever is lower.
- vi) Leasehold land is amortised annually on the basis of tenure of lease period. Freehold land is not depreciated.
- vii) Other Intangible assets are amortized over technically useful life of the assets.
- i) Inventories :**
  - i) Inventories are valued at lower of cost and net realizable value, after providing for obsolescences, if any.
  - ii) Cost of Raw Materials, Stores & Spares, Work in Progress, Finished Goods and Stock-in-Trade are computed on Moving Average basis.
  - iii) Cost of Work in Progress and Finished Goods includes direct materials, labour, conversion and proportion of manufacturing overheads incurred in bringing the inventories to their present location and condition.
  - iv) The cost is determined using moving average cost formula and net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale.
- j) Borrowing Cost**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the company incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.
- k) Income Taxes**

Income tax expense represents the sum of current and deferred tax. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income. In such cases tax are also recognised directly in equity or in other comprehensive income.

  - i) **Current tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.
  - ii) **Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.
- l) Foreign Currency Transactions**



- i) Transactions in foreign currency are initially recorded at exchange rate prevailing on the date of transaction. At each Balance Sheet date, monetary items denominated in foreign currency are translated at the exchange rates prevailing on that date.
- ii) Exchange differences arising on translation or settlement of monetary items are recognised as income or expenses in the period in which they arise in the Statement of Profit and loss.

**m) Employee Benefits Expense**

**Short Term Employee Benefits**

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

**Post-Employment Benefits**

**Defined Contribution Plans**

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund and Contributory Pension Fund. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

**Defined Benefits Plans**

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The company has recognized the gratuity payable to the employees as per the Payment of Gratuity Act, 1972 and Leave Encashment Benefits as defined benefit plans. The liability in respect of these benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

**n) Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Such provisions are determined based on management estimate of the amount required to settle the obligation at the balance sheet date. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a standalone asset only when the reimbursement is virtually certain.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed on the basis of judgment of management. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent assets are not recognized but are disclosed in the financial statements when inflow of economic benefits is probable.

**o) Impairment of non-financial assets - property, plant and equipment and intangible assets**

The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called cash generating units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.



An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

**p) Share capital and share premium**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Par value of the equity share is recorded as share capital and the amount received in excess of the par value is classified as share premium.

**q) Financial Instruments**

**i) Financial Assets**

**A. Initial recognition and measurement**

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

**B. Subsequent measurement**

Financial assets carried at amortised cost

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

A financial asset which is not classified in any of the above categories are measured at FVTPL.

**C. Equity Investments**

All equity investments are measured at fair value through Other Comprehensive Income with value changes recognised therein.

**D. Impairment of financial assets**

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through OCI.

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

**ii) Financial Liabilities**

**A. Initial recognition and measurement**

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.



**B. Subsequent measurement**

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**iii) Derivative financial instruments**

The Company uses derivative financial instruments such as interest rate swaps and forward contracts to mitigate the risk of changes in interest rates and exchange rates. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss, except for the effective portion of cash flow hedges which is recognised in Other Comprehensive Income and later to Statement of Profit and Loss when the hedged item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial assets or non-financial liability.

Hedges that meet the criteria for hedge accounting are accounted for as follows:

**A. Cash flow hedge**

The Company designates derivative contracts or non-derivative financial assets / liabilities as hedging instruments to mitigate the risk of movement in interest rates and foreign exchange rates for foreign exchange exposure on highly probable future cash flows attributable to a recognised asset or liability or forecast cash transactions. When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in the cash flow hedging reserve being part of other comprehensive income. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the underlying transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the underlying transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified in the Statement of Profit and Loss.

**B. Fair Value Hedge**

The Company designates derivative contracts or non-derivative financial assets / liabilities as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in interest rates and foreign exchange rates.

Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to Statement of Profit and Loss over the period of maturity.

**iv) Derecognition of financial instruments**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

**r) Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a right issue to existing shareholders.

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

**s) Dividend Distribution**



Dividend distribution to the Company's shareholders is recognised as a liability in the company's financial statements in the period in which the dividends are approved by the Company's shareholders.

**t) Statement of Cash Flows**

i) Cash and Cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. However, for Balance Sheet presentation, Bank overdrafts are classified within borrowings in current liabilities.

ii) Statement of Cash Flows is prepared in accordance with the Indirect Method prescribed in the relevant Accounting Standard.

**u) Warranty provisions**

Provisions for warranty-related costs are recognised when the product is sold or service provided to the customer. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually.

**3 KEY ACCOUNTING ESTIMATES AND JUDGEMENTS**

The preparation of the Company's financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

**a) Depreciation / amortisation and useful lives of property plant and equipment / intangible assets**

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. The estimated useful lives and residual values of the assets are reviewed annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes and other related matters. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

**b) Recoverability of trade receivable**

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the period of overdues, the amount and timing of anticipated future payments and the probability of default.

**c) Provisions**

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of resources resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

**d) Impairment of non-financial assets**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an assets or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

**e) Measurement of defined benefit obligations**



The measurement of defined benefit and other post-employment benefits obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

### 3.1 NEW AND AMENDED STANDARDS

During the year the company has not early adopted any standards, amendments that have been issued but are not yet effective/notified.

### 3.2 RECENT ACCOUNTING DEVELOPMENTS

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.

4. Property, Plant and Equipment							Amount in Rs.
	Freehold Land	Leasehold Land	Factory Shed & Building	Plant & Machinery	Furniture & Fixtures	Vehicles	Lacs Total
<b>Gross Block Carrying Value</b>							
<b>At 1 April 2020</b>	408.71	76.74	1,383.66	5,370.43	19.74	90.60	7,349.88
Additions	-	-	-	20.36	-	10.33	30.69
Disposals	-	-	-	-	-	20.22	20.22
<b>At 31 March, 2021</b>	408.71	76.74	1,383.66	5,390.79	19.74	80.71	7,360.34
Additions	-	-	6.10	271.40	-	9.26	286.76
Disposals	-	-	-	-	-	22.08	22.08
Reclassified as discontinued operations	-	-	-	-	-	-	-
<b>At 31st March, 2022</b>	<b>408.71</b>	<b>76.74</b>	<b>1,389.75</b>	<b>5,662.19</b>	<b>19.74</b>	<b>67.89</b>	<b>7,625.02</b>
<b>Depreciation</b>							
At 1 April 2020	-	4.72	327.14	2,020.67	12.80	70.29	2,435.62
Charge for the year on continuing operations	-	0.91	73.91	509.06	1.81	6.36	592.05
Transfers/adjustments	-	-	-	-	-	18.65	18.65
<b>At 31 March, 2021</b>	-	<b>5.63</b>	<b>401.04</b>	<b>2,529.74</b>	<b>14.60</b>	<b>58.01</b>	<b>3,009.02</b>
Charge for the year on continuing operations	-	0.91	49.43	484.58	1.48	10.98	547.38
Transfers/adjustments	-	-	-	-	-	20.98	20.98
<b>At 31st March, 2022</b>	-	<b>6.54</b>	<b>450.47</b>	<b>3,014.32</b>	<b>16.09</b>	<b>48.01</b>	<b>3,535.42</b>
<b>Net Block</b>							
<b>At 31 March, 2021</b>	<b>408.71</b>	<b>71.11</b>	<b>982.62</b>	<b>2,861.05</b>	<b>5.13</b>	<b>22.70</b>	<b>4,351.32</b>
<b>At 31st March, 2022</b>	<b>408.71</b>	<b>70.20</b>	<b>939.28</b>	<b>2,647.87</b>	<b>3.65</b>	<b>19.88</b>	<b>4,089.60</b>



			Amount in Rs.
			Lacs
			Total
5. Investment Properties	Freehold Land	Building	
<b>Gross Block</b>			
<b>Carrying Value</b>			
At 1 April 2020	254.50	28.98	283.48
Purchase/additions	-	-	-
Disposals	72.66	-	72.66
<b>At 31 March, 2021</b>	<b>181.85</b>	<b>28.98</b>	<b>210.83</b>
Purchase/additions	-	-	-
Disposals	7.73	-	7.73
<b>At 31st March, 2022</b>	<b>174.12</b>	<b>28.98</b>	<b>203.10</b>
<b>Depreciation/Amortization</b>			
At 1 April 2020	-	2.06	2.06
Charge for the year	-	0.52	0.52
<b>At 31 March, 2021</b>	<b>-</b>	<b>2.58</b>	<b>2.58</b>
Charge for the year	-	0.52	0.52
<b>At 31st March, 2022</b>	<b>-</b>	<b>3.09</b>	<b>3.09</b>
<b>Net Block</b>			
<b>At 31 March, 2021</b>	<b>181.85</b>	<b>26.41</b>	<b>208.25</b>
<b>At 31st March, 2022</b>	<b>174.12</b>	<b>25.89</b>	<b>200.01</b>

			Amount in Rs.
			Lacs
			Total
6. Other Intangible assets			
	Computer software		
<b>Gross Block</b>			
<b>Carrying Value</b>			
At 1 April 2020	129.20		129.20
Purchase/additions	4.70		4.70
Reclassified as discontinued operations	-		-
<b>At 31 March, 2021</b>	<b>133.90</b>		<b>133.90</b>
Purchase/additions	0.11		0.11
Reclassified as discontinued operations	-		-
<b>At 31 March, 2022</b>	<b>134.01</b>		<b>134.01</b>
<b>Amortization</b>			
At 1 April 2020	70.64		70.64
Charge for the year on continuing operations	8.75		8.75
Reclassified as discontinued operations	-		-
Transfers/adjustments	-		-
<b>At 31 March, 2021</b>	<b>79.39</b>		<b>79.39</b>
Charge for the year on continuing operations	12.86		12.86
Reclassified as discontinued operations	-		-
Transfers/adjustments	-		-
<b>At 31 March, 2022</b>	<b>92.25</b>		<b>92.25</b>
<b>Net Block</b>			
<b>At 31 March, 2021</b>	<b>54.51</b>		<b>54.51</b>
<b>At 31 March, 2022</b>	<b>41.75</b>		<b>41.75</b>



	No. of Shares/ Units as at 31.03.2022	Amount in Rs. Lacs	
		As at 31.03.2022	As at 31.03.2021
<b>7. Investments</b>			
<b>Trade investments</b>			
<b>Valued at cost</b>			
<b><u>Investment in subsidiaries</u></b>			
Investment in Ordinary Shares with no par value Simplex Castings International Pte Ltd. of \$ 0.074 each	NIL	-	3.29
Less: Provision for diminution in value of investment		-	(3.29)
<b>Non-Trade investments</b>		-	-
<b>Carried at Fair Value through OCI</b>		-	-
Investment in equity instruments, fully Paid up		-	-
Quoted		-	-
Equity Shares of Rs. 10/- each of Industrial Development Bank of India	NIL	-	2.78
		-	-
Investment in mutual fund, fully Paid up		-	-
<b>Carried at Fair Value through OCI</b>		-	-
SBI Magnum Comma Fund	NIL	-	10.91
SBI PSU Fund	NIL	-	5.28
		-	-
Investment in government securities		-	-
<b>Other Long-term investments</b>		-	-
National Saving Certificates		0.06	0.06
		<b>0.06</b>	<b>19.03</b>
Aggregate amount of quoted investments and market value thereof		-	18.97
Aggregate amount of Unquoted investments		0.06	0.06
Investment in government securities carried at cost		0.06	0.06
Investment in subsidiaries carried at cost		-	3.29
Investment carried at fair value through OCI		-	18.97

**8. Other financial assets**

	As at 31.03.2022	As at 31.03.2021
<b>Unsecured, considered good unless stated otherwise</b>		
Security deposit with govt. & others	242.32	218.20
	<b>242.32</b>	<b>218.20</b>

**9. Deferred Tax (Assets)/Liabilities**

	As at 31.03.2022	As at 31.03.2021
<b>Deferred Tax (Assets)/Liabilities</b>		
Temporary differences on account of PPE & Other intangible assets	354.02	406.78
Temporary differences on account of Employee Benefits	(171.17)	(154.91)
Temporary differences on index cost of inflation	(0.39)	(12.99)
MAT Credit Entitlement	(0.98)	(0.98)
Unabsorbed Depreciation and Business losses	(949.61)	(1,113.53)



Temporary differences on Provisions for receivables and warranties	(445.70)	(408.83)
<b>Net deferred tax (assets)/ liabilities</b>	<b>(1,213.83)</b>	<b>(1,284.46)</b>

**RECONCILIATION OF DEFERRED TAX (ASSETS)/LIABILITIES (NET)****Deferred Tax (Assets)/Liabilities**

Deferred tax liability / (assets) at the beginning of the year	(1,284.46)	(1,343.36)
Deferred tax liability / (assets) during the year on account of timing difference	70.63	58.90
<b>DEFERRED TAX LIABILITIES / (ASSETS) AT THE END OF THE YEAR</b>	<b>(1,213.83)</b>	<b>(1,284.46)</b>

**9A Tax Expenses**

	As at 31.03.2022	As at 31.03.2021
Current Tax:		
Current Tax for profit of current year	-	-
<b>Total Current Tax Expenses</b>	<b>-</b>	<b>-</b>
Deferred Tax:		
Decrease in Deferred Tax Asset (net)	70.63	58.9
<b>Total Deferred Tax(Credit)/ Charge</b>	<b>70.63</b>	<b>58.9</b>
<b>Total Tax Expense</b>	<b>70.63</b>	<b>58.9</b>
Effective Tax Rate	34.80%	40.16%

Reconciliation of Tax Expense and accounting Profit multiplied by Statutory Tax rate

Profit Before Tax	<b>202.95</b>	<b>146.67</b>
Rate of Tax	<b>27.82%</b>	<b>27.82%</b>
Tax Expense at applicable Tax rate	56.46	40.8
Effect of expenses not deductible in determining taxable profit (Net)	14.17	18.09
<b>Total Tax Expenses / (Credit)</b>	<b>70.63</b>	<b>58.9</b>

	Non-Current		Current	
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
<b>10. Other assets (unsecured, considered good)</b>				
<b>Advances other than capital advances</b>				
Advance to Subsidiary Company	-	-	-	1.96
Advance to Vendors	-	-	1,081.37	1,325.72
Prepaid expenses	-	-	40.36	41.43
Balance with statutory/govt. authorities	-	-	108.65	390.07
Others	398.13	497.84	220.16	355.39
<b>Total</b>	<b>398.13</b>	<b>497.84</b>	<b>1,450.54</b>	<b>2,114.58</b>

**11. Inventories (valued at lower of cost and net realizable value)**

	As at 31.03.2022	As at 31.03.2021
Raw Materials, components and Stores & spares	4,392.75	4,102.55
Finished goods	804.16	515.83
Semi-finished goods	1,935.46	996.29
<b>Total</b>	<b>7,132.37</b>	<b>5,614.68</b>

**12. Trade receivables**

	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>
Trade receivables considered good - Unsecured	2,685.58	2,185.38
Trade Receivables which have significant increase in Credit Risk	962.11	1,042.38
	3,647.69	3,227.76
Less: Provision for doubtful receivables	962.11	1,042.38
	<b>2,685.58</b>	<b>2,185.38</b>

**Trade receivable ageing schedule as at 31st March 2022:**

Particulars	Not Due	Less than 6 months	6 months to 1 Year	1 year to 2 years	2 years to 3 years	More than 3 years
<b>Undisputed:</b>						
(i) Considered Good	NIL	2152.25	160.54	370.65	205.47	615.33
(ii) Credit Impaired	NIL	30.75	10.15	65.92	96.51	615.33
<b>Disputed:</b>						
(i) Considered Good	NIL	NIL	NIL	NIL	NIL	143.45
(ii) Credit Impaired	NIL	NIL	NIL	NIL	NIL	143.45

**Trade receivable ageing schedule as at 31st March 2021:**

Particulars	Not Due months	Less than 6 months	6 months to 1 Year	1 year to 2 year	2 years to 3 years	More than 3 years
<b>Undisputed :</b>						
(i) Considered Good	17.21	1642.65	60.95	417	265.45	681.05
(ii) Credit Impaired	0.18	17.14	4.66	85.12	110.78	681.05
<b>Disputed:</b>						
(i) Considered Good	NIL	NIL	NIL	NIL	89.25	54.20
(ii) Credit Impaired	NIL	NIL	NIL	NIL	89.25	54.20

**13. Bank, Cash and cash equivalents**

	Non-Current		Current	
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
<b>Cash and cash equivalents</b>				
<b>Balances with banks:</b>				
On current accounts			-	1.94
Deposits with original maturity of less than three months			23.50	76.38
Cash on hand			0.25	0.35
			<b>23.75</b>	<b>78.67</b>
<b>Other bank balances</b>				
Unpaid dividend account			3.63	4.43
Deposits with original maturity for more than 12 months	-	153.00	-	-



Deposits with original maturity for more than 3 months but less than 12 months		518.03	422.23
	-	<b>153.00</b>	<b>521.65</b>
Amount disclosed under other financial assets (note 8)	-	153.00	
	-	<b>545.40</b>	<b>505.33</b>

Deposits are pledged with various banks for availing LC, Bank Guarantee and margin money.

<b>14. Equity Share capital</b>	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>
Authorised 10000000 (31st March, 2022: 10000000) equity shares of Rs.10/- each	1,000.00	1,000.00
	<b>1,000.00</b>	<b>1,000.00</b>
Issued, Subscribed and fully paid-up 6131200 (31st March, 2022: 6131200) equity shares of Rs.10/- each fully paid-up	613.12	613.12

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

	<b>As at 31.03.2022</b>		<b>As at 31.03.2021</b>	
	<b>No.</b>	<b>Rs. In lacs</b>	<b>No.</b>	<b>Rs. In lacs</b>
At the beginning of the period	61,31,200	613.12	61,31,200	613.12
Issued during the period	-	-	-	-
Outstanding at the end of the period	<b>61,31,200</b>	<b>613.12</b>	<b>61,31,200</b>	<b>613.12</b>

**b. Terms/rights attached to equity shares**

The company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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. The distribution will be in proportion to the number of equity shares held by the shareholders.

- c.** There is no holding/ultimate holding company of the Company.
- d.** In the period of five years immediately preceding 31st March, 2022, the company has neither issued bonus shares, bought back any equity shares nor has allotted any equity shares as fully paid up without payment being received in cash.
- e.** Details of shareholders holding more than 5% shares in the company:





	As at 31.03.2022		As at 31.03.2021	
	No.	% of holding in the class	No.	% of holding in the class
Equity shares of Rs.10/- each fully paid				
Shri Ketan M Shah	2354415	38.40	2354415	38.40
Smt. Sangeeta Ketan Shah	773697	12.62	773697	12.62
	<b>3128112</b>	<b>51.02</b>	<b>3128112</b>	<b>51.02</b>

f. Promoter shareholding details:

Name of Promoter group Shareholder

	As at 31.03.2022		
	No.	% of holding	% Change during the year
Ketan Shah	23,54,415	38.40%	NIL
Sangeeta Ketan Shah	7,73,797	12.62%	NIL
Jayshree Sanjiv Haria	38,300	0.62%	NIL
Kisan Ratilal Choksey	3,500	0.06%	NIL
Piyush Shah	3,240	0.05%	NIL
Usha Piyush Shah	21	0.00%	NIL
Sim Prabha Estates & Trading Co.(P) Ltd	2,37,500	3.87%	NIL
Hem Holdings And Trading Limited	48,700	0.79%	NIL
Prabha Plantations ( P ) Ltd	7,400	0.12%	NIL

15. Borrowings

Particulars	Effective interest rate	Maturity	Amount in Rs. Lacs			
			Long-Term		Current maturities	
			As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
<b>Secured</b>						
Term loan from financial institutions	12.00%	March, 2023	17.55	60.91	48.96	39.12
Term loan from financial institutions	13.00%	Sept', 2027	23.54	32.19	4.39	3.80
Term loan from financial institutions (SBI)	7.40%	Aug, 2024	189.00	398.49	132.00	-
Term loan from financial institutions (BOB)	8.00%	Oct, 2024	204.79	402.55	150.41	-
Term loan from financial institutions (UBI)	7.50%	Sep, 2024	28.05	50.00	15.93	-
<b>Other loans and advances</b>						
Other loans from financial institutions (secured)	13.00%	Jan, 2022	-	-	-	1.27
Other loans from financial institutions (Mahindra & Mahindra Bolero(secured))	11.90%	July, 2025	3.56	5.33	1.71	1.52
Other loans from financial institutions (Mahindra & Mahindra Bolero(secured))	12.18%	Aug, 2024	2.71	-	3.25	-
<b>Unsecured</b>						
Loans & advances from Directors	0.00%	--	955.08	813.17	-	-



Loans & advances from body corporates	0% to 12%	--	1,291.03	1,294.16	-	-
			<b>2,715.32</b>	<b>3,056.80</b>	<b>356.65</b>	<b>45.71</b>
<b>The above amount includes</b>						
Secured borrowings			469.21	949.47	356.65	45.71
Unsecured borrowings			2,246.11	2,107.33	-	-
Amount disclosed under the head "Short term borrowings" (refer note 18)					(356.65)	(45.71)
<b>Net amount</b>			<b>2,715.32</b>	<b>3,056.80</b>	<b>-</b>	<b>-</b>

**Security and terms & conditions for above loans:**

- Term Loan from financial institutions are secured by way of equitable mortgage on the freehold land.
- Other loans and advances from Banks and financial institutions are secured by Hypothecation of respective vehicles purchased under the loan.
- Other loans from directors and body corporates are repayable after more than one year.
- Unsecured loan from financial institutions are secured by personal guarantee of two directors of the company.

**16. Provisions**

	Long Term		Short Term	
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
Provision for Employee Benefits	513.58	537.27	19.31	19.56
Provision for warranty and guarantees	-	-	5.53	12.09
Provision for Income Tax	-	-	-	2.21
Other Provisions	397.84	397.84	-	-
	<b>911.42</b>	<b>935.11</b>	<b>24.84</b>	<b>33.86</b>

**17. Other non-current liabilities**

	As at 31.03.2022	As at 31.03.2021
Retention money/Security Deposit payable	7.64	20.97
	<b>7.64</b>	<b>20.97</b>

**18. Borrowings**

	As at 31.03.2022	As at 31.03.2021
Cash Credit facility from banks (secured)	3,530.85	4,360.79
Bill Discounting from Financial Institutions	94.86	-
Current Maturities of Long Term Borrowings (Refer Note 15)	356.65	45.71
<b>The above amount includes</b>	<b>3,982.35</b>	<b>4,406.50</b>
Secured borrowings	<b>3,982.35</b>	<b>4,406.50</b>

Terms & Conditions of Secured Loans

- The cash credit facilities from Banks are secured by first pari passu charge over entire current assets i.e. stocks of raw materials, finished goods, stock in process, stores & consumables, trade receivables of the Company and second charge over the other movable assets and immovable assets of the Company.
- The above credit facilities are also secured by personal guarantee of promoter directors of the Company

<b>19. Trade Payable</b>	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>
Trade payables - dues for micro and small enterprises	153.57	196.67
Trade payables other than micro and small enterprises	3,148.25	2,622.52
	<b>3,301.81</b>	<b>2,819.18</b>

**Trade payable ageing schedule as at 31st March 2022:**

Particulars	Unbilled & not due	Less than 1 year	1 year to 2 year	2 year to 3 year	More than 3 years
<b>Undisputed :</b>					
(i) MSME	-	28.78	19.41	36.48	68.89
(ii) Others	-	2,354.29	539.97	39.13	214.86

**Trade payable ageing schedule as at 31st March 2021:**

Particulars	Unbilled & not due	Less than 1 year	1 year to 2 year	2 year to 3 year	More than 3 years
<b>Undisputed :</b>					
(i) MSME	-	65.47	58.86	45.44	26.90
(ii) Others	-	2,103.96	96.79	231.41	190.36

<b>20. Other Financial Liabilities</b>	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>
Interest accrued but not due on borrowings	1.23	-
Interest accrued and due on borrowings	113.28	78.99
Investor Education and Protection Fund will be credited by following amounts (as and when due)	-	-
Unpaid dividend	3.63	4.43
Liabilities for expenses	488.09	430.74
	<b>606.23</b>	<b>514.16</b>

<b>21. Other Current Liabilities</b>	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>
Other Payable		
Duties & Taxes Payable	86.95	316.91
TDS payable	11.50	14.48
Capital creditors	61.50	59.86
Advances from Customer	1,528.16	532.51
	<b>1,688.10</b>	<b>923.75</b>

**22. Revenue from operations**

Amount in Rs.Lacs

	2021-22	2020-21
<b>Revenue from operations</b>		
Sale of products	9,183.35	7,158.92
Sale of Services		896.01
<b>Other operating revenue</b>		
Sale of Scrap	0.50	0.83
<b>Revenue from operations</b>	<b>9,183.85</b>	<b>8,055.76</b>

**23. Other Income**

	2021-22	2020-21
<b>Interest Income on</b>		
Bank Deposits & others	31.94	78.80
Exchange fluctuation gain	10.87	1.79
Profit on sale of investment properties	16.98	107.48
Other non-operating income (net of expenses directly attributable to such income)	23.17	37.75
	<b>82.96</b>	<b>225.82</b>

**24. Cost of material and components consumed**

	2021-22	2020-21
Inventory at the beginning of the year	4,102.55	2,910.93
Add: purchases	5,989.18	4,576.16
	10,091.73	7,487.10
Less: Inventory at the end of the year	4,392.75	3,842.55
<b>Cost of raw material and components consumed</b>	<b>5,698.99</b>	<b>3,644.54</b>

**25. Changes in inventories of work-in-progress, stock-in-trade and finished goods**

	2021-22	2020-21	(Increase)/Decrease
			<b>2021-22</b>
<b>Inventories at the end of the year</b>			
Finished goods	804.16	515.83	(288.33)
Semi-Finished goods	1,935.46	996.29	(939.17)
	<b>2,739.62</b>	<b>1,512.13</b>	<b>(1,227.50)</b>
<b>Inventories at the beginning of the year</b>			<b>2020-21</b>
Finished goods	515.83	356.45	(159.38)
Semi-Finished goods	996.29	1,475.99	479.70
	<b>1,512.13</b>	<b>1,832.44</b>	<b>320.31</b>
<b>Net (increase)/decrease in inventories</b>	<b>(1,227.50)</b>	<b>320.31</b>	

**26. Employees benefit expense**

	2021-22	2020-21
Salaries, wages and other benefits	1,149.26	1,157.55
Directors' remuneration	73.28	3.07
Contribution to provident and other funds	64.31	63.06
Gratuity expense	58.44	50.98
Workmen and staff welfare expense	12.52	11.36
	<b>1,357.82</b>	<b>1,356.02</b>

**27. Finance Costs**

	2021-22	2020-21
Interest		
- on working capital	696.41	664.50
- on others	49.10	260.58
Bank charges	132.23	86.24
	<b>877.75</b>	<b>1,011.32</b>



	2021-22	2020-21
<b>28. Depreciation and amortization expense</b>		
Depreciation on property, plant & equipment	547.38	592.05
Depreciation on investment properties	0.52	0.52
Amortization of intangible assets	12.86	8.75
	<b>560.76</b>	<b>601.31</b>
<b>29. Other Expenses</b>		
Testing/Laboratory charges	-	1.34
Offloading/Job contract charges	2.58	20.99
Power & Fuel	483.09	368.95
Frieght and forwarding charges	208.13	73.88
Rent	12.00	12.00
Rates and taxes		
- Sales tax & work contract tax	-	-
- Others	12.13	9.28
Insurance	24.12	20.38
Repairs and maintenance		
- Plant and machinery	11.83	18.88
- Buildings	4.00	3.48
- Others	31.00	27.90
Liquidated damages	79.53	412.96
Commission		
- Other than Sole selling agents	0.16	24.18
Provision for doubtful debtors	(80.27)	191.31
Provision for Warranty & Guarantee	(6.56)	(11.47)
Travelling and conveyance	33.94	29.63
Communication expenses	4.07	0.40
Printing and stationery	7.35	4.32
Legal and professional fees	111.75	54.48
Directors' sitting fees	2.90	3.05
Payment to Auditor (Refer details below)	7.50	7.50
Advertisement/Sales Promotion expense	6.47	8.44
Donation	0.32	1.20
Corporate Social Responsibility	4.33	0.45
Balances written off	-	-
Bad Debts written off	388.68	61.24
Miscellaneous expenses	277.88	116.65
	<b>1,626.93</b>	<b>1,461.40</b>
<b>Payment to Auditor</b>		
	2021-22	2020-21
<b>As auditor:</b>		
Audit fee	7.00	7.00
Tax Audit fee	0.50	0.50
	<b>7.50</b>	<b>7.50</b>
<b>30. Earnings per share (EPS)</b>		
	2021-22	2020-21
Profit/ (Loss) after tax for the year	152.15	101.03
Nominal Value of Equity Shares	10	10
Weighted average number of equity shares in calculating Basic EPS	61,31,200	61,31,200
Weighted average number of equity shares in calculating Diluted EPS	61,31,200	61,31,200
Basic & Diluted EPS		
- Basic earnings per share	2.48	1.65
- Diluted earnings per share	2.48	1.65

**31. Contingent Liabilities and Capital Commitments are not provided for in respect of:-**

- i) Counter Guarantees given to banks against Bank guarantees issued by the Company Banker aggregate to Rs.506.57 lacs (Previous Year Rs.506.57 lacs.)
  - ii) Disputed liability of Rs.977.34 lacs (Previous Year Rs.977.34 lacs) on account of Income Tax for the A.Y. 2010-11 where the department has filed an appeal with Hon'ble High Court, Mumbai as against the order of Appellate Tribunal in favour of the company.
  - iii) During the year Employee Provident Fund Organisation has raised demand of Rs. 6.50 Lacs (PY- NIL) for the period from Jan'2018 to Jan'2020. Company has filed an appeal at Central Govt Industrial Tribunal cum Labour court against the said demand.
  - iv) Cimmco Ltd. has filed an application before NCLT, Mumbai for demanding Rs.831.01 lacs for non-supply of Bogie which is on account of loss of profit, goodwill, harassment, LD, Interest etc. from the company whereas the company is having receivable of Rs.91.01 lacs against supply of Bogie to Cimmco Ltd. The company has also filed an application before NCLT, Kolkata for demanding Rs.91.01 lacs but due COVID-19, the hearing was adjourned. The Company has not provided for the liability towards the amount of claims raised by Cimmco against the Company, in view of strong defence of the Company, the management believes ultimate outcome of the proceedings is expected to be in Company's favour.
  - v) Demand has been raised by GST department for wrong availment of ITC for Rs. 84.01 lakhs against which company is in process of filing appeal. Amount of GST paid under protest is Rs. 84.01 Lakhs
  - vi) Claim against the company not acknowledged as debt Rs.18.56 Lacs (Previous year: Rs. 18.56 Lacs)
- 32.** Case filed by party under NCLT for their dues amounting to Rs.NIL (PY- Rs. 13.52 lacs) and the company is in the process of settlement the case with the party. Further, the company has also received notices from MSME in respect of their dues to the tune of Rs. Nil (PY- Rs.156.45 lacs) for which necessary replies has been submitted.
- 33.** The transaction of Slump sale of Urla unit executed on 26-04-2019 with M/s Texmaco Rail & Engineering Limited was initially contemplated for Rs. 8750 Lacs. The said transaction is still not completed and the M/s Texmaco Rail & Engineering Limited has violated several contractual obligations. As such, company litigation for recovery of differential amount along with damages and compensation is in process.

**35. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES**

The Company's principal financial liabilities comprise of loans and borrowings, trade payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments, other financial assets, trade and other receivables, and cash and short-term deposits that derive directly from its operations.

The Company is exposed to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Interest rate risk
- Currency risk
- Price risk

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note presents information about the risks associated with its financial instruments, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

**Credit Risk**

The Company is exposed to credit risk as a result of the risk of counterparties non-performance or default on their obligations. The Company's exposure to credit risk primarily relates to investments, accounts receivable and cash and cash equivalents. The Company monitors and limits its exposure to credit risk on a continuous basis. The Company's credit risk associated with accounts receivable is primarily related to party not able to settle their obligation as agreed. To manage this the Company periodically reviews the financial reliability of its customers, taking into account the financial condition, current economic trends and analysis of historical bad debts and ageing of accounts receivables.

**Trade receivables**

Trade receivables represent the most significant exposure to credit risk and are stated after an allowance for impairment and expected credit loss.

**Bank, Cash and cash equivalents**

Bank, Cash and cash equivalents comprise cash in hand and deposits which are readily convertible to cash. These are subject to insignificant risk of change in value or credit risk.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	<i>Amount in INR Lacs</i>	
	<b>31-Mar-22</b>	<b>31-Mar-21</b>
Trade receivables	2,685.58	2,185.38
Bank, Cash and cash equivalents	545.40	505.33

**Impairment losses**

	<b>31-Mar-22</b>	<b>31-Mar-21</b>
Trade receivables (measured under life time excepted credit loss model)		
Opening balance	1,042.37	1,252.19
Provided during the year	(80.27)	-
		209.82
Reversal of provision	-	-
Closing balance	<b>962.10</b>	<b>1,042.37</b>

**Ageing analysis**

	<b>31-Mar-22</b>	<b>31-Mar-21</b>
Upto 3 months	1,909.97	1,514.56
3-6 months	360.69	47.82
More than 6 months	414.92	623.00
	<b>2,685.58</b>	<b>2,185.38</b>

No significant changes in estimation techniques or assumptions were made during the reporting period

### Liquidity risk

The Company is exposed to liquidity risk related to its ability to fund its obligations as they become due. The Company monitors and manages its liquidity risk to ensure access to sufficient funds to meet operational and financial requirements. The Company has access to credit facilities and debt capital markets and monitors cash balances daily. In relation to the Company's liquidity risk, the Company's policy is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions as they fall due while minimizing finance costs, without incurring unacceptable losses or risking damage to the Company's reputation.

### Maturities of financial liabilities

The contractual undiscounted cash flows of financial liabilities are as follows:

As at 31 March 2022	Less than 1 year	1-5 years	More than 5 years	Total
Borrowings	4,339.00	2,691.78	23.54	<b>7,054.32</b>
Trade payables	3,301.81	-	-	<b>3,301.81</b>
Other financial liabilities	606.23	-	-	<b>606.23</b>
	<b>8,247.04</b>	<b>2,691.78</b>	<b>23.54</b>	<b>10,962.36</b>
As at 31 March 2021	Less than 1 year	1-5 years	More than 5 years	Total
Borrowings	4,406.50	3,040.48	16.32	<b>7,463.29</b>
Trade payables	2,819.19	-	-	<b>2,819.19</b>
Other financial liabilities	514.16	-	-	<b>514.16</b>
	<b>7,739.84</b>	<b>3,040.48</b>	<b>16.32</b>	<b>10,796.64</b>

### Interest rate risk

Interest rate risk is the risk that an upward movement in the interest rate would adversely effect the borrowing cost of the company. The Company is exposed to long term and short-term borrowings. The Company manages interest rate risk by monitoring its mix of fixed and floating rate instruments, and taking action as necessary to maintain an appropriate balance.

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows:

#### a) Interest rate risk exposure

	31-Mar-22	31-Mar-21
Variable rate borrowings	3,530.85	4,360.79
Fixed rate borrowings	3,523.47	3,102.51

#### b) Sensitivity analysis

Profit or loss estimate to higher/lower interest rate expense from borrowings as a result of changes in interest rates.

	Impact on profit after tax	
	31-Mar-22	31-Mar-21
Interest rates - increase by 70 basis points	(24.72)	(30.69)
Interest rates - decrease by 70 basis points	24.72	30.69



**FOREX EXPOSURE RISK**

The Company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (INR). The risk is measured through a forecast of highly foreign currency cash flows.

The company does not have any long-term borrowings in foreign currency. However, short term borrowings have been hedged by the company including interest.

The Company evaluates exchange rate exposure arising from foreign currency transactions and the Company follows established risk management policies, including the hedge most of its currency exposure.

PARTICULARS	Currency	Currency in Lacs	
		2021-22	2020-21
Borrowings	USD	-	-
Trade Receivables	USD	-	-
Trade Receivables	EURO	2.53	0.48

Profit or loss estimate to higher/lower as a result of changes in foreign exchange rates-

	Amount in INR Lacs	
	Impact on profit after tax	
	2021-22	2020-21
Foreign exchange rates - increase by 1%	1.95	1.57
Foreign exchange rates - decrease by 1%	(1.95)	(1.57)

**PRICE RISK:**

The entity is exposed to equity price risk, which arised out from FVTOCI quoted equity shares and mutual funds. The management monitors the proportion of equity securities in its investment portfolio based on market indices. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the management. The primary goal of the entity's investment strategy is to maximize investments returns.

**Sensitivity Analysis for Price Risk:**

Equity Investments carried at FVTOCI are listed on the stock exchange and in case of mutual funds NAV is available. For equity investments and mutual funds classified as at FVTOCI, the impact of a 2 % in the index at the reporting date on profit & loss would have been an increase of Rs.NIL lacs (2019-20: Rs.0.38 lacs); an equal change in the opposite direction would have decreased profit and loss.

**CAPITAL MANAGEMENT**

The Company's main objectives when managing capital are to:

- Ensure sufficient liquidity is available (either through cash and cash equivalents, investments or committed credit facilities) to meet the needs of the business;
- Ensure compliance with covenants related to its credit facilities; and

- Minimize finance costs while taking into consideration current and future industry, market and economic risks and conditions.
- Safeguard its ability to continue as a going concern
- To maintain an efficient mix of debt and equity funding thus achieving an optimal capital structure and cost of capital.

The Board of Directors has the primary responsibility to maintain a strong capital base and reduce the cost of capital through prudent management of deployed funds and leveraging opportunities in domestic and international financial markets so as to maintain investor, creditor and market confidence and to sustain future development of the business.

For the purpose of Company's capital management, capital includes issued capital and all other equity reserves. The Company manages its capital structure in light of changes in the economic and regulatory environment and the requirements of the financial covenants.

The Company manages its capital on the basis of net debt to equity ratio which is net debt (total borrowings net of bank, cash and cash equivalents) divided by total equity

	<i>Amount in INR Lacs</i>	
	<b>31-Mar-22</b>	<b>31-Mar-21</b>
Total liabilities (long term debt)	3,071.97	3,102.51
Less : Bank, Cash and cash equivalent	545.40	505.33
<b>Net debt</b>	<b>2,526.57</b>	<b>2,597.18</b>
Total equity	4,761.86	4,549.83
<b>Net debt to equity ratio</b>	<b>0.53</b>	<b>0.57</b>

### **37 FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS**

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short-term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to the short-term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counter party. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1 : quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2 : other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3 : techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data



	Carrying amount As at 31.03.2022	Amount in INR Lacs		
		Level 1	Level 2	Level 3
<b>Financial assets at amortised cost:</b>				
Investments	0.00			
Trade receivables	2685.58	-	-	-
Other financial assets	242.32			
Bank, Cash and bank balances	545.40	-	-	-
	<b>3473.30</b>	-	-	-

**Financial assets at fair value through other comprehensive income:**

Investments	0.00	0.00	-	-
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	-	-

**Financial liabilities at amortised cost:**

Long term borrowings	2715.32	-	-	-
Short term borrowings	3982.35	-	-	-
Trade payables	3301.81	-	-	-
Other financial liabilities	606.23	-	-	-
<b>Total</b>	<b>10605.72</b>	-	-	-

	Carrying amount As at 31.03.2021	Amount in INR Lacs		
		Level 1	Level 2	Level 3
<b>Financial assets at amortised cost:</b>				
Investments	3.29			
Trade receivables	2185.38	-	-	-
Other financial assets	218.20			
Bank, Cash and bank balances	505.33	-	-	-
	<b>2912.20</b>	-	-	-

**Financial assets at fair value through other comprehensive income:**

Investments	18.97	18.97	-	-
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<b>Total</b>	<b>18.97</b>	<b>18.97</b>	<b>-</b>	<b>-</b>
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**Financial liabilities at amortised cost:**

Long term borrowings	3056.80	-	-	-
Short term borrowings	4406.50	-	-	-
Trade payables	2819.18	-	-	-
Other financial liabilities	514.16	-	-	-
<b>Total</b>	<b>10796.63</b>	<b>-</b>	<b>-</b>	<b>-</b>

During the reporting period ending 31st March, 2022 and 31st March, 2021, there were no transfers between Level 1, Level2 and Level 3 fair value measurements.

**38. Information on Related Party Disclosures are given below :****i) Related Parties****a) Subsidiaries**

- Simplex Castings International Pte Ltd. (upto 31-12-2021)

**b) Other Related Parties where significant influence exist**

-Prabha Plantations Pvt. Ltd.  
-Sim Prabha Estates & Trading Co. Pvt. Ltd.  
-SEFW Projects Pvt. Ltd.  
-Ssquare Iromax Pvt. Ltd.  
-Hem Holdings & Trading Limited

**c) Key Management Personnel**

- Shri Ketan M. Shah Chairman and Whole time Director	- Shri Champak K. Dedhia, Independent Director
- Smt. Sangeeta K. Shah Managing Director	- Smt. Ushma N Khabaria, Independent Director
- Shri O P Patel Executive Director	- Smt. S M Swathi ,Independent Director
- Ms. Akansha Kotwani Company Secratery	
- Shri Avinash Hariharo CFO	

**d) Relatives of Key Management Personnel**

Devansh Ketan Shah (Son of KMP)

**ii) Transaction with Related Parties in the ordinary course of business (Rs.in lacs)**



		2021-22	2020-21
a) <b>Subsidiaries</b>	Capital Contribution	-	-
	Advances Given	-	-
	Balances written off	1.96	-
	<b>Outstanding</b>		
	Receivables	-	1.96
b) <b>Other Related Parties where significant influence exist</b>	Commission paid	0.00	6.60
	Interest Paid	4.32	12.96
	Unsecured Loan received	88.50	120.38
	Unsecured Loan repaid	95.51	171.32
	Job work receipts	287.28	155.50
	Job work rendered	51.67	60.82
	Rent received	6.10	1.20
	<b>Outstandings</b>		
	Payables	1,291.03	1,294.16
	Receivables	266.79	-
c) <b>Key Management Personnel</b>	Remuneration/salary Paid	79.62	73.07
	Rent Paid	12.00	12.00
	Consultancy Charges Paid	0.54	0.00
	Sitting Fees	2.90	3.05
	Unsecured Loan receive	262.86	-
	Unsecured Loan repaid	120.95	30.00
	<b>Outstandings</b>		
	Payables	955.08	813.17
d) <b>Relatives of Key Management Personnel</b>	Salary paid	0.00	0.00
	Loan Received	0.00	20.00
	Loan paid back	0.00	20.00
	<b>Outstandings</b>	0.00	0.00
	Payables	0.00	0.00

iii) **Disclosure in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year**

a) <b>Commission paid:</b>	<b>2021-22</b>	<b>2020-21</b>
SEFW Projects Pvt. Ltd.	-	6.60
b) <b>Job work receipts</b>	<b>2021-22</b>	<b>2020-21</b>
Ssquare Iromax Pvt. Ltd.	287.28	155.50
c) <b>Interest Paid:</b>	<b>2021-22</b>	<b>2020-21</b>
Hem Holdings & Trading Ltd.	4.32	8.90



d)	<b>Rent Paid:</b>	<b>2021-22</b>	<b>2020-21</b>
	Shri Ketan M Shah	12.00	12.00
e)	<b>Rent Received:</b>	<b>2021-22</b>	<b>2020-21</b>
	Ssquare Iromax Pvt. Ltd.	6.10	1.20
f)	<b>Remuneration/Salary Paid</b>	<b>2021-22</b>	<b>2020-21</b>
	Shri Ketan M Shah	35.19	37.80
	Smt. Sangeeta K Shah	35.19	35.19
	Shri OP Patel	9.24	9.90
i)	<b>Sitting Fees Paid</b>	<b>2021-22</b>	<b>2020-21</b>
	Mrs. S M Swathi	0.95	1.00
	Shri Champak K. Dedhia	1.00	1.05
	Mrs. Usma N Khabaria	.95	1.00
j)	<b>Unsecured Loans Received:</b>	<b>2021-22</b>	<b>2020-21</b>
	Prabha Plantation Pvt. Ltd.	8.5	8.23
	Shri Ketan M Shah	207.86	-
	Hem Holdings & Trading Limited	80.00	55.25
	Sangeeta K. Shah	55.00	-
	Ssquare Iromax Pvt. Ltd.	0	56.89
k)	<b>Repayment of Unsecured Loans:</b>	<b>2021-22</b>	<b>2020-21</b>
	Prabha Plantation Pvt. Ltd.	0	61.5
	Shri Ketan M Shah	90.95	30.00
	Hem Holdings & Trading Limited	85.12	50.12
	Sangeeta K. Shah	30.00	-
	SEFW Projects Pvt. Ltd.	10.4	-
	Ssquare Corporate Consultants Pvt. Ltd.	0	59.70
l)	<b>Payables:</b>	<b>2021-22</b>	<b>2020-21</b>
	SEFW Projects Pvt. Ltd.	249.52	259.92
	Prabha Plantation Pvt. Ltd.	894.05	885.55
	Shri Ketan M Shah	930.08	813.17
	SIM Prabha Estate & Trading Co. Pvt. Ltd	95.18	95.18

39. The Company gives warranty and guarantee on certain products in the nature of repairs / replacement, which fail to perform satisfactorily during the warranties period. Provision made represents the amount of the expected cost of meeting such obligation on account of rectification/replacement. The timing of outflow is expected to be within two years. The movement of provision for warranties are as follows:



	(Rs. in lacs)	
	2021-22	2020-21
<b>Movement in provision for warranty and guarantee:</b>		
Opening Balance	12.08	23.55
Add: Provision during the year	-	-
Less: Amount reversed during the year	6.56	11.47
Closing Balance	<b>5.52</b>	<b>12.08</b>

40. During the year the company has incurred Rs.4.33 lac on account of Corporate Social Responsibility Activities. According to provisions of section 135 of the Companies Act,2013 the company is not required to spent any amount, due to losses incurred in the previous year. The break-up of amount spent during the year are as follows:

Particulars	In Cash	Yet to be paid in cash	Total
Constructions/acquisition of any assets	0.00	0.00	0.00
On purpose other than above	4.33	0.00	4.33

41. The Company has identified the amount due to Micro, Small and Medium Enterprises under The Micro, Small and Medium Enterprises Development Act,2006 (MSMED Act) as at 31st March,2022:

	(Rs. in lacs)	
	2021-22	2020-21
i) The principal amount and the interest due thereon remaining unpaid to any supplier as at 31st March,2022		
Principal Amount	<b>153.57</b>	<b>184.99</b>
Interest	<b>105.41</b>	<b>75.45</b>
ii) The amount of interest paid by the Company along with the amounts of the payment made to the supplier beyond the appointed day for the year ending 31st March,2022	<b>0.00</b>	<b>0.00</b>
iii) The amount of interest due and payable for the period of delay in making payment (beyond the appointed day during the year)	<b>0.00</b>	<b>0.00</b>
iv) The amount of interest accrued and remaining unpaid for the year ending 31st March,2022	<b>29.96</b>	<b>34.55</b>
v) The amount of further interest remaining due and payable for the earlier years.	<b>75.45</b>	<b>40.90</b>

Note : The information has been given in respect of such suppliers to the extent they could be identified as "Micro, Small and Medium" enterprises on the basis of information available with the Company.

42. During the year company had not entered in any any transactions with Struck off companies (as defined in Companies Act, 2013) and there are no outstanding balances with any struck off company.
43. In view of the ongoing war in Ukraine, company has written down semi-finished goods amounting to Rs. 318.04 lakhs (amount over ECGC cover of 5 crores) pertaining to inventory related to order from Ukraine company as there is no certainty of payments and dispatch for the said orders till the Geo political tension in the country is eased out.

**44. Ratio Analysis:**

Particulars	Parameters of Calculation	Year ended on 31-03-2022	Year ended on 31-03-2021	% of variance
Current ratio	Current Assets/Current Liabilities	1.23	1.20	3%
Debt- Equity Ratio	Total Debt/ Shareholder's Equity	1.41	1.64	-14%
Debt Service Coverage ratio	(Net profit after taxes + Non-cash operating expenses)/(Interest & Lease Payments + Principal Repayments)	1.56	1.67	-7%
Return on Equity ratio	PAT/ Average Shareholder's Fund	0.03	0.02	45%
Inventory Turnover ratio	Total Income/ Average Inventory	1.44	1.55	-7%
Trade Receivable Turnover Ratio	Total Income/ Average Receivables	3.77	3.78	0%
Trade Payable Turnover Ratio (Services Procured)	Net Purchases/ Avg. Trade payable	1.96	1.46	34%
Net Capital Turnover Ratio	Total Income/ Average Turnover	4.67	5.58	-16%
Net Profit ratio	PAT/ Total Income	0.02	0.01	32%
Return on Capital Employed	EBIT/Average Capital Employed	0.11	0.11	%
Return on Investment	Income generated from invested funds/ avg. invested funds	NA	NA	

- 45.** Transaction with Struck off companies: - The company has not entered into any transactions with companies which are Struck-off under section 248 of the Companies Act, 2013.
- 46.** Immovable property with title deed not in the name of Company: - There is no Immovable property whose title deed is not held in the name of the company.
- 47.** Dealing in Virtual Digital assets: - The company has not traded or invested in cryptocurrency or virtual currency during the reporting period.
- 48.** Proceedings under Benami Transactions (Prohibition) Act: - There are no proceedings initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.





49. No classification as Wilful Defaulter by Bank: - The company has not been declared as a wilful defaulter by any bank or Financial Institutions or consortium thereof in accordance with the guidelines on wilful defaulters issued by RBI.
50. Previous year figures have been regrouped or rearranged wherever necessary.

**For APAS & CO LLP  
(ICAI Firm Reg. No.000340C/C400308)  
Chartered Accountants**

**For and on behalf of the Board of Directors of  
Simplex Castings Limited**

**Rajdeep Singh**  
Partner  
**Membership No.415549**  
**UDIN-22415549AJUTWH2959**

**Ketan M Shah**  
Chairman and Whole time Director  
(DIN: 00312343)

**Sangeeta K Shah**  
Managing Director  
(DIN: 05322039)

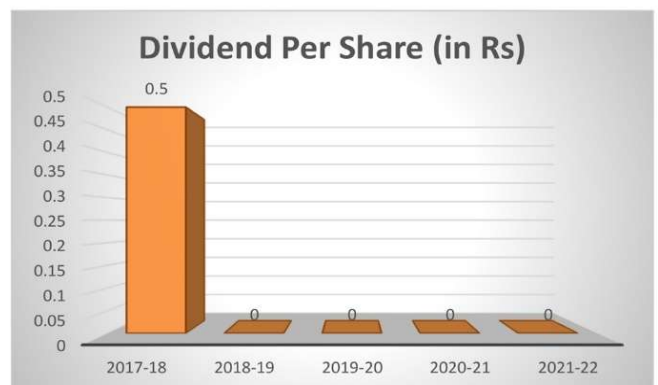
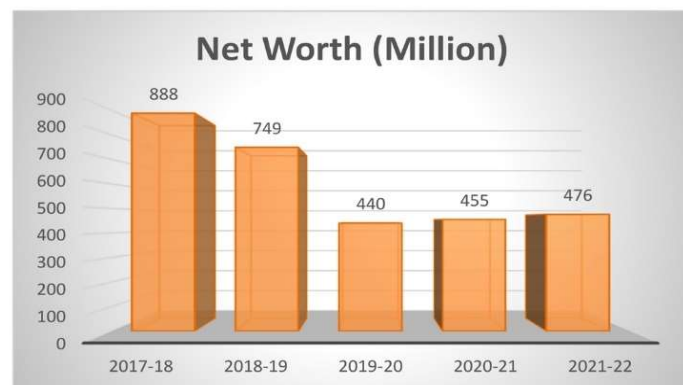
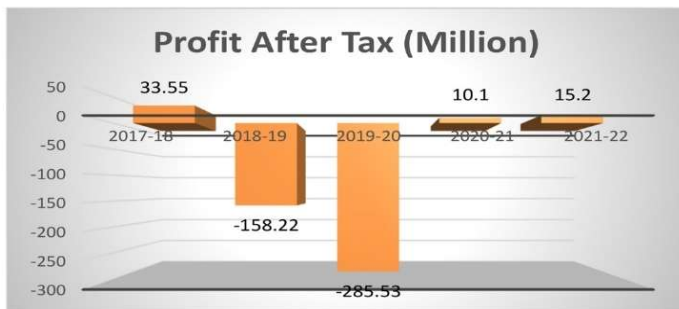
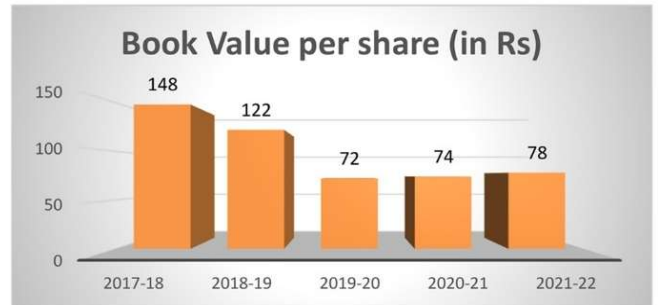
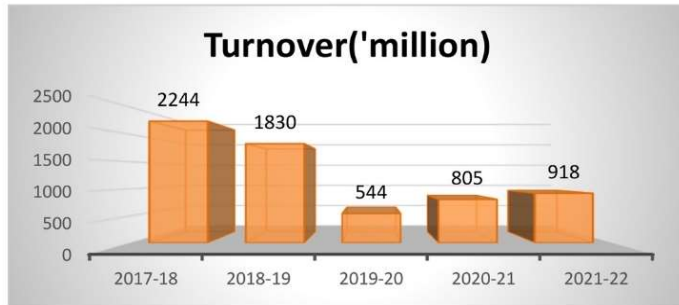
**Place : Bhilai**  
**Date :28.05.2022**

**Akansha Kotwani**  
Company Secretary

**Avinash Hariharno**  
CFO



FINANCIAL HIGHLIGHTS





## **SIMPLEX CASTINGS LIMITED**

**REGISTERED OFFICE**

601/602 A, Fairlink Center, off Andheri Link Road, Andheri (West), Mumbai 400053, India.

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