



Simplex Castings Ltd.

Corporate Office : 32,Shivnath Complex G.E. Road, Supela, Bhilai - 490023 (C.G) India

Phone : +91-788-2290483 /84 /85

Fax : +91-788-2285664

E-Mail : sclho@simplexcastings.com

Website : www.simplexcastings.com

CIN : L27320MH1980PLC067459



REF: SCL/OUTCOME/ AGM/ 2018/3

Date:28/09/2018

To,
BSE Ltd
The Department of Corporate Services
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai 400 001

Scrip Code:513472

Dear Sir,

Sub: Annual Report for the Financial Year ended on March 31, 2018

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Annual Report for the financial year ended on March 31, 2018, duly approved and adopted by members of the Company at the Annual General Meeting of the Company held on September 21, 2018.

Kindly take on your record.

Thanking You,

Yours Faithfully,

For, Simplex Castings Limited

D Meena
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 th 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
Raipur (Plant)	: 750, URLA INDUSTRIAL ESTATE, RING ROAD NO - 2, RAIPUR - 493221 (C.G.) INDIA	0771-6537383	0771-2323805	sclurla@simplexcastings.com
Rajnandgaon (Plant)	: 223/2,224 INDUSTRIAL ESTATE, TEDESARA, RAJNANDGAON - 491441(C.G.) INDIA	9203901697	0788-2285664	scltedesara@simplexcastings.com

**ANNUAL REPORT
2017-18**

**GLOBAL MANUFACTURER OF
CASTINGS & EQUIPMENTS**



SIMPLEX CASTINGS LIMITED



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Simplex Castings Limited

Premier Manufacturer of Casting & Engineering Company having Global Presence

“Our team believes in developing new products in line with changing technology and requirements of customers. Monitoring the International market in the present scenario of changing economic condition, is in our ethics.”



CORPORATE INFORMATION



BOARD OF DIRECTORS

Mr Ketan Moolchand Shah	Chairman and Executive Director
Mrs Sangeeta Ketan Shah	Managing Director
Mr Piyush Shah	Executive Director
Mr Goverdhana Gopalswamy	Executive Director
Mr Rajendra Amratlal Shah	Independent Director
Mrs Ushma Nitin Khabaria	Independent Director
Mr Kisan Ratilal Choksey	Independent Director
Mr Champak Kalyanji Dedhia	Independent Director

COMMITTEES OF THE BOARD

AUDIT COMMITTEE

Mr Kisan Ratilal Choksey	Chairman
Mrs Ushma Nitin Khabaria	Member
Mr Rajendra Amratlal Shah	Member
Mr Champak Kalyanji Dedhia	Member

NOMINATION & REMUNERATION COMMITTEE

Mr Kisan Ratilal Choksey	Chairman
Mr Rajendra Amratlal Shah	Member
Mrs Ushma Nitin Khabaria	Member

STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr Kisan Ratilal Choksey	Chairman
Mr Rajendra Amratlal Shah	Member
Mrs Sangeeta Ketan Shah	Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr Kisan Ratilal Choksey	Chairman
Mr Ketan Moolchand Shah	Member
Mrs Sangeeta Ketan Shah	Member



CORPORATE INFORMATION



COMPANY SECRETARY

Mrs D Meena

CHIEF FINANCIAL OFFICER

Mr Avinash Hariharo

STATUTORY AUDITORS

M/s O P Singhania & Co, Chartered Accountants

INTERNAL AUDITORS

M/s Agrawal Jain & Co

COST AUDITOR

M/s Arindam & 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

CIN-L27320MH1980PLC067459
601/602A, Fairlink Center, Off Andheri Link Road,
Andheri (w), Mumbai-400 053
Ph:022-40034768
Email: sclmumbai@simplexcastings.com
Web: www.simplexcastings.com

CORPORATE OFFICE

Plot No. 32, Shivnath Complex, G.E. Road, Supela,
Bhilai, Dist. - Durg (CG) 490023 India
Tel. No: +91-788-2290483, 2290484, 2290485
Fax. No: +91-788-2285664
Email: sclho@simplexcastings.com

WORKS

Unit I - 5, Industrial Estate, Bhilai, Dist. Durg, C.G. 490 026
Unit II - Urla, Industrial Estate, Raipur, Chattisgarh - 493221
Unit III - 223/2 & 224, Industrial Estate, Tedesara, C.G. 491443



CORPORATE SOCIAL RESPONSIBILITY (CSR)

Core belief at Simplex is that the society we operate in, is a key stakeholder in our success. As a result, CSR activities get as much management attention as the core business. With a well planned business plan like approach, CSR activities are chalked out in detail based on impact analysis. Our employees also participate voluntarily in these activities with full enthusiasm and interest. The emphasis of all our CSR initiatives is to bring about a meaningful change in the lives of people in our local communities. With this motive multiple initiatives have been undertaken focusing on Health , Employment enhancing vocational Training, Rural and Village Development, Promoting Health Care and Women Empowerment. As a result of these initiatives, people of the local community have been benefitted in large numbers.

FOCUSSING ON CREATING CHANGE IN THE FOLLOWING AREAS:



Inauguration of Kalyan Medical Center



Health and Safety Awareness Drive



Women Empowerment



Tree Plantation



Village Community Camp



Village Community Camp at School



SUMMERISED FINANCIAL DATA

(Rs. in Lacs)

PARTICULARS	2017-18	2016-17	2015-16	2014-15	2013-14
PROFIT & LOSS ACCOUNT					
Revenue from operations	22442.04	23676.33	20426.87	16986.71	15875.62
Other income	145.11	177.71	722.72	82.14	142.14
TOTAL INCOME	22587.15	23854.04	21149.59	17068.85	16017.76
(-) Cost of raw material and Component consumed	7767.50	11248.58	8972.8	8700.19	8746.72
(-) Employee benefit expenses	1727.35	1830.89	1613.85	1624.66	1592.13
(-) Purchase of Traded Goods	7429.86	0.00	0.00	0.00	0.00
(-) Finance Costs	1163.14	1128.61	1157.31	1499.08	1414.76
(-) Depreciation & Amortisation Expense	1244.58	782.37	684.99	779.96	598.21
(-) Other expenses	2926.74	8493.01	8187.53	4357.55	3385.48
PROFIT BEFORE TAX	327.97	370.57	533.11	107.41	280.46
(-) Current Tax	28.05	147.84	151.00	21.48	56.71
(-) Deferred Tax	(35.55)	(0.78)	26.33	(33.41)	70.43
PROFIT FOR THE YEAR	335.47	223.51	355.78	119.34	153.32
TOTAL COMPREHENSIVE INCOME	232.40	266.44			
EARNING PER SHARE (Rs)					
Basic EPS	5.61	3.73	5.95	1.99	2.56
Diluted EPS	5.59	3.73	5.95	1.99	2.56
EXTRACTS FROM BALANCE SHEET					
Share Capital	598.42	598.42	598.42	598.42	598.42
Money Received against Share Warrants	797.48	0.00	0.00	0.00	0.00
Reserve & Surplus/Other Equity	7484.36	7287.98	7482.48	7108.8	7291.55
Fixed Assets	11450.32	7681.73	7423.85	7941.63	8801.35
Inventories	8643.44	5544.23	5210.21	7246.78	7343.64
Trade Receivables	6059.93	6489.33	5137.95	3431.27	3442.93
OTHER FINANCIAL DATA					
TURNOVER (Rs.in Cr)	224.42	236.76	204.26	169.86	158.70
BOOK VALUE PER SHARE (Rs)	148.00	132.00	135.00	129.00	132.00
NET WORTH (Rs. in Cr)	88.80	78.86	80.81	77.07	78.90
DIVIDEND PER SHARE (Rs.)	0.50	0.50	0.50	0.00	0.50

Note: Previous year figure i.e FY 2016-17 have been regrouped where ever required according to IND AS.



NOTICE

Notice is hereby given that the Thirty Eighth Annual General Meeting of the members of Simplex Castings Limited will be held on Friday, 21st September, 2018 at 10.30 a.m at Babasaheb Dhaanukar Hall, Maharashtra Chamber of Commerce , Industry & Agriculture , Oricon House, 6th Floor, 12 K Dubhash Marg, Fort, Mumbai- 400 001 to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial year ended 31st March, 2018 including the Audited Balance Sheet as at 31st March ,2018 and the statement of Profit and Loss for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr Piyush Shah (DIN-00199205), who retires by rotation and being eligible, offers himself for re-appointment.
3. To declare a dividend of Rs 0.50/- per Equity Share of the Company for the Financial Year ended 31st March , 2018.
4. To consider and if thought fit, to pass the following resolution as an **ORDINARY RESOLUTION**:

“RESOLVED THAT pursuant to the provisions of Section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable rules, if any, (including any amendment(s), modification(s), variation(s) or re-enactment(s) thereof for the time being in force) and other regulatory/statutory authorities, from time to time, M/s O P Singhania & Co , Chartered Accountants (Firm Registration No 002172C), be and are hereby reappointed as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of the 38th Annual General Meeting (“AGM”) of the Company until the conclusion of the 43th AGM of the Company to be held in the year 2023 at a remuneration to be determined by the Board of Directors or any Committee thereof in addition to reimbursement of any out of pocket expenses that may be incurred by the auditors during the course of the Audit.”

SPECIAL BUSINESS:

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**:
“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and rules thereof (including any statutory modification(s) or re-enactment thereof for time being force) the remuneration of Rs. 2,00,000/- (Rupees Two Lacs Only) plus reimbursement of out of pocket expenses at actual basis to be paid to M/s Arindam & Associates, Raipur as Cost Auditors for the conduct of the cost audit of the Company for the

Financial Year 2018-19 as recommended by the Board of the Directors, be and is hereby ratified.”

**By order of the Board of Directors
For, Simplex Castings Limited**

**D.Meena
Company Secretary and Compliance Officer**

Registered office

601/602A, Fairlink Centre, Off Andheri Link Road, Andheri(W), Mumbai - 400 053.

Date: 11.08.2018

Place: Mumbai

NOTES:

- a) An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of special businesses set out in the Notice, wherever applicable, is annexed hereto.
- b) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company.
- c) Proxies in order to be effective should be duly completed, stamped and signed and must be deposited at the registered office of the company not later than 48 hours before the commencement of the annual general meeting. a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. a member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- d) Corporate Members intending to send their authorised representative(s) to attend the Annual General Meeting (AGM) are requested to send a certified copy of the Board Resolution, pursuant to section 113 of the Companies Act, 2013, authorising their representative to attend and vote on their behalf at the AGM.
- e) The Register of Members and Share Transfer Books of the Company will be closed from 15th September, 2018 to 21st September, 2018 (both days inclusive).
- f) Members desiring any information on the Accounts of the Company are requested to write to the Company at least 10 days in advance so as to enable the Company to keep the information ready.
- g) As a measure of economy, Copies of the Annual Report will not be distributed at the Annual General Meeting; Members are requested to bring their copy of the Annual Report to the Meeting.
- h) As per Listing Regulations, for securities market transactions and/or for off-market or private



- transactions involving transfer of shares in physical form, the transferee(s) as well as transferor(s) (including joint holders) shall furnish copy of PAN card to the Company for registration of such transfer of securities. Accordingly, all the shareholders/transferor(s) / transferee(s) of shares (including joint holders) in physical form are requested to furnish a certified copy of their PAN Card to the Company/ RTA while transacting in the securities market including transfer, transmission or any other corporate action.
- i) Electronic copy of the Annual Report for F.Y. 2017-18 along with Notice of the 38th Annual General Meeting of the Company, Attendance Slip and Proxy Form is being sent to all the members whose E-mail IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their e-mail address, physical copies of the Annual Report for F.Y. 2017-18 along with Notice of the 38th Annual General Meeting of the Company, Attendance Slip and Proxy Form is being sent in the permitted mode.
- j) Members may also note that Annual Report for F.Y. 2017-18 will also be available on the Company's website www.simplexcastings.com for download.
- k) 1. Members holding shares in physical form are requested to notify/send the following to the Registrar & Transfer Agent (RTA) of the Company, Link Intime India Pvt Ltd at C 101, 247 Park, LBS Road, Vikhroli West, Mumbai, Maharashtra 400083.
- i) their bank account details in order to receive payment of dividend through electronic mode,
 - ii) their email id, in case the same have not been sent earlier, for the purpose of receiving the communication electronically,
 - iii) any change in their address/e-mail id/ECS mandate/ bank details,
 - iv) share certificate(s), held in multiple accounts in identical names or joint accounts in the same order of names, for consolidation of such shareholding into one account.
2. Members holding shares in dematerialized form are requested to notify to their Depository Participant:
- i) their email id.
 - ii) all changes with respect to their address/ email id/ ECS mandate/ bank details.
3. Kindly note that as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (*hereinafter referred to as 'Listing Regulations'*) it is mandatory for the Company to print the bank account details of the investors in dividend payment instrument. Hence, you are requested to register/ update your correct bank account details with the Company/ RTA/Depository Participant, as the case may be.
- l) The shares of the Company are under compulsory Demat trading. Members holding shares in physical form are requested to convert their shares into dematerialized form in their own interest and convenience purpose.
- m) Shareholders/Proxies are requested to produce at the Registration Counter(s) the attendance slip sent along with the Annual Report 2017-18, duly completed and signed, for admission to the meeting hall. However, in case of non-receipt of attendance slip, members may download the same from Company's website www.simplexcastings.com or write to the Company at its Registered Office for issuing the duplicate attendance slip. A Route Map for easy location to reach the venue of Annual General Meeting is attached as **Annexure-I** with the notice of Annual General Meeting.
- n) The cut-off date for the purpose of remote e-voting and voting at the AGM shall be 14th September, 2018. Please note that members can opt for only one mode of voting i.e., either by voting at the meeting or e-voting. If Members opt for e-voting, then they should not vote at the Meeting and vice versa. However, once an e-vote on a resolution is cast by a Member, such Member is not permitted to change it subsequently or cast the vote again. Members who have cast their vote by remote e-voting prior to the date of the Meeting may also attend the Meeting and participate in the Meeting, but shall not be entitled to cast their vote again.
- o) The dividend on Equity Shares, if declared at the AGM, will be payable on or after 25th September, 2018 to those members:
- (i) whose names appear as Members in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the Company/ Registrar and Transfer Agent on or before 14th September 2018; and
 - (ii) whose names appear as Beneficial Owners in the list of Beneficial Owners as on 14th September, 2018 furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose.
- p) Pursuant to provisions of Section 124 and 125 of the Companies Act, 2013, dividends which remain unpaid or unclaimed for a period of 7 years, will be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government. Shareholders who have not encashed the dividend warrant(s) so far for the financial year ended 31st March 2011 or any subsequent financial years, are requested to make their claims to the Company at its Registered Office. It may be noted that once the unclaimed dividend is transferred, on the expiry of seven years, to the Investor Education and Protection Fund, as stated here-in, no claim with the Company shall lie in respect thereof.
- q) In terms of Section 124(6) of the Act, read with Rule 6 of the Investor Education and Protection Fund



Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) shares on which dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more are required to be credited to the Demat Account of Investor Education and Protection Fund Authority (IEPFA) within a period of thirty days of such shares becoming due to be so transferred. Accordingly, equity shares which were/ are due to be so transferred, have been/ shall be transferred by the Company to the Demat Account of IEPFA. Upon transfer of such shares, all benefits (like bonus, etc.), if any, accruing on such shares shall also be credited to the Demat Account of IEPFA and the voting rights on such shares shall remain frozen till the rightful owner claims the shares. Shares which are transferred to the Demat Account of IEPFA can be claimed back by the shareholder from IEPFA by following the procedure prescribed under the aforesaid rules. Details of shares transferred to the Demat Account of IEPFA have been uploaded by the Company on its website at www.simplexcastings.com. Shareholders may kindly check the same and claim back their shares. Therefore, it is in the interest of shareholders to regularly claim the dividends declared by the Company.

- r) In Case of joint holders attending the meeting, the joint holder who is higher in the order of names will be entitled to vote at the meeting.
- s) All the documents referred to in the accompanying notice are open for inspection at the Registered Office of the Company on all working days (except Saturdays, Sundays and Public holidays) between 11.00 am to 1.00 pm up to the date of AGM.
- t) Members holding shares in physical form and desirous of making a nomination or cancellation/ variation in nomination already made in respect of their shareholding in the Company, as permitted under Section 72 of the Act, are requested to submit to the RTA of the Company the prescribed Form SH.13 for nomination and Form SH.14 for cancellation/ variation, as the case may be. The Forms can be downloaded from Company's website www.simplexcastings.com. Members holding shares in demat mode may contact their respective Depository Participant for availing this facility.

u) Voting through electronic means

Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the Company is pleased to provide its members the facility of 'remote e-voting' (e-voting from a place other than venue of the AGM) to exercise their right to vote at the 38th Annual General Meeting. The business may be transacted through e-voting services rendered by Central Depository Services (India) Limited (CDSL).

The Company has appointed Mr Dhawal Gadda of Dhawal Gadda & Co, Practicing Company Secretary as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner.

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

- (i) The voting period begins on Tuesday, 18th September, 2018 at 9.00 a.m and ends on Thursday, 20th September, 2018 at 5.00 p.m. 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) i.e 14th September, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	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. <ul style="list-style-type: none"> • 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 as mentioned in instruction (iv).



- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Simplex Castings Limited> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) 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.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Apple and Windows phone. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details 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 should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- (xxi) The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- (xxii) The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.simplexcastings.com and on the website of CDSL www.evotingindia.com immediately after the declaration of results by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited.
- v) Details of Directors seeking reappointment at the forthcoming Annual General Meeting pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and clause 1.2.5 of the Secretarial Standard 2 as per **Annexure- II**.



EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

The statement pursuant to section 102(1) of the Companies Act , 2013 for Item no 5 of the accompanying notice is as under:

ITEM NO. 5:

The Board , on the recommendation of Audit Committee, has approved the re-appointment of M/s Arindam & Associates ,Cost Accountants as Cost Auditor at a remuneration of Rs 2,00,000/- (Rupees Two Lacs only) per annum plus out of pocket expenses at actual basis, to conduct the audit of the cost records of the company for the financial year ending 31st March, 2019.

In accordance with the provisions of the Section 148 of the Companies Act , 2013 read with the Companies (Audit and Auditors) Rules , 2014, the remuneration payable to the Cost Auditors has to be ratified by the members of the Company.

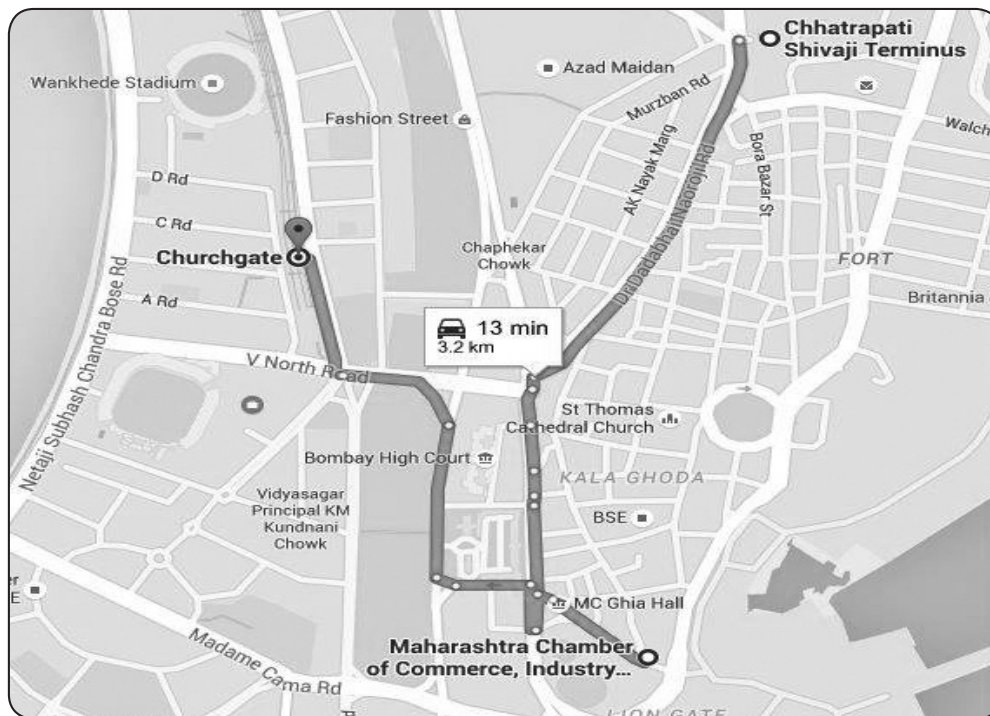
Accordingly consent of the members is sought for passing an Ordinary Resolution as set out at item no 5 of the Notice for ratification of the remuneration payable to the cost auditors for the financial year ending 31 March 2019.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested financially or otherwise in the resolution.

The Board of Directors recommends the resolution for your approval.

ANNEXURE-I

ROUTE MAP TO THE VENUE OF THE 38TH AGM OF SIMPLEX CASTINGS LIMITED TO BE HELD ON FRIDAY, 21ST SEPTEMBER, 2018



Babasaheb Dhaanukar Hall, Maharashtra Chamber of Commerce, Industry & Agriculture, Oricon House, 6th Floor, 12 K Dubhash Marg, Fort, Mumbai- 400 001



ANNEXURE-II

Details of Director seeking reappointment:

Name of the Director	Piyush Shah
Date of Birth	05.09.1959
Date of First appointment on the Board	28.05.2015
Qualifications	Graduate
Experience / Expertise in specific function areas / Brief resume of the Director.	Mr Piyush Shah has around Thirty Five years of work Experience in various projects. He has joined Simplex Group of Industries in year 1982 as Regional Manager (Mktg) in Eastern region.
Terms and Conditions of appointment / re-appointment	5 Years
Details of remuneration sought to be paid and remuneration last drawn	Nil
Disclosure of Relationship with other Directors Manager and Key Managerial Personnel of the Company	Nil
No. of Meeting of Board of Directors attended during the F.Y. 2017-18	2
Other Directorship held	SEFW Projects Pvt Ltd
Membership/Chairmanship of Committees of other Boards	Nil
Shareholding in the Company	4486



DIRECTORS' REPORT

Dear Members,

Your Directors take pleasure in presenting their 38th Annual Report of the Company, together with the audited accounts for the financial year ended 31st March, 2018.

FINANCIAL RESULTS

Financial results are presented in the table below:

(Rs in Lacs)

Particulars	Financial Year ended 31 st March, 2018	Financial Year ended 31 st March, 2017
Revenue from Operations (Gross)	22442.04	23676.33
Other Income	145.11	177.71
Earnings Before Interest , Taxes, Depreciation and Amortization	2735.70	2281.55
Less: Finance Costs	1163.14	1128.61
Less: Depreciation and amortization expenses	1244.58	782.37
Profit Before Tax	327.97	370.57
Less: Tax Expense	(7.50)	147.07
Profit After Tax	335.47	223.51
Other Comprehensive Income	(103.08)	42.93
Total Comprehensive Income	232.40	266.44

Your Company financial statements for the year ended March 31, 2018 are the financial statements prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, as applicable. The figures for all the comparative periods have been restated to give impact to the IND AS.

DIVIDEND

The Board of Directors of your Company are pleased to recommend dividend Rs 0.50 (5%) on Equity Shares of Rs 10/- each for the FY ended 31st March, 2018 subject to approval of the shareholding at the ensuing Annual General Meeting.

BUSINESS PERFORMANCE

The financial year 2017-18 was yet another challenging year for the economy. While the domestic economy was looking for improvement post demonetization led slow-down in growth, the same was delayed caused by the further disruptions followed by implementation of Goods and Service Tax (GST). While GST in long term is beneficial for domestic economy, the implementation of the same delayed due to initial teething troubles, the process of industrial recovery by couple of months.

The robust domestic demand, focused cost reduction drive and value added special product portfolio helped the Company deliver strong profitable performance and consequently the Company's profitability improved during F.Y. 2017-18.

Revenue from operations for the F.Y. 2017-18 stood at Rs 22442.04 Lacs against the Rs 23676.33 Lacs of previous year. However Net Profit after tax for the F.Y. 2017-18 was Rs 335.47 Lacs, an increase of 50.10% over the previous year of Rs 223.51 Lacs. EBIDTA for the F.Y. 2017-18 Rs 2735.70 Lacs as compared to previous year Rs 2281.55 Lacs, an increase of 19.91%.

SUBSIDIARY, JOINT VENTURE (JV) AND ASSOCIATE COMPANIES

The Company does not have any subsidiary, associate or joint venture company.

RESERVES

Your Company did not transfer any amount to the General Reserves Account during the Financial Year 2017-18.

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 are no material changes or commitments occurring after 31st March 2018, which may affect the financial position of the company or may require disclosure.



CREDIT RATINGS

The Company's financial discipline and Prudence is reflected in the strong credit ratings ascribed rating agencies as given below:

Instrument	Rating Agency	Rating	Outlook
Long Term	SMERA	BBB-	Stable
Short Term	SMERA	A3	Stable

PUBLIC 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 auditors of the Company 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, 2018.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Your Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of the Companies Act, 2013 read with the Schedules and Rules issued thereunder as well as Regulation 16(1)(b) of Listing Regulations (including any statutory modification(s) or re-enactment(s) for the time being in force).

In accordance with the provisions of the Companies Act, 2013, none of the Independent Directors are liable to retire by rotation.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and in terms of the Articles of Association of the Company, Mr Piyush Shah (DIN: 00199205), retires by rotation at the forthcoming Annual General Meeting and, being eligible, offers himself for re-appointment.

The Shareholders have approved the Change of Designation of Mrs Sangeeta K Shah (DIN:05322039) from Whole Time Director to Managing Director and Mr Ketan M Shah from Chairman & Managing Director (DIN:00312343) to Chairman & Whole Time Director of the Company through Postal Ballot Dated 24th March, 2018 during the year.

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 10th February, 2018. The Directors expressed their satisfaction with the evaluation process.

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 and can be accessed through the following link: <http://www.simplexcastings.com/investors/notice-announcements/docs/notices/2017-18/Familiarisation-Programme-for-Independent-Director-on-10-02-2018.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 have been outlined in the Corporate Governance Report which forms part of this report.

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 as required under Section 197(12) of the Act read with Rule 5(2) of the aforementioned Rules are open for inspection at the Registered Office of the Company on all working days (except Saturdays, Sundays and Public holidays) between 11.00 am to 1.00 pm up to the date of AGM.

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Companies Act, 2013 (including any statutory modification's 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 31st March, 2018, 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 31st March, 2018 and of the profit and loss of the Company for the financial year ended 31st March, 2018;
- 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.

BOARD AND COMMITTEES

The details of the meetings of the Board of Directors and its Committees, convened during the financial Year 2017-18 are given in the Corporate Governance Report which forms a part of Annual Report.

STATUTORY AUDITORS AND THEIR REPORT

M/s O P Singhanian & Co, Chartered Accountants (Firm Registration No. 002172C), Statutory Auditors of the Company were appointed until the conclusion of the 38th Annual General Meeting of the Company.

The Board of Directors in its meeting held on 11th August, 2018 have approved the reappointment of M/s O P Singhanian & Co, Chartered Accountants (Firm Registration No. 002172C), as the Statutory Auditors of the Company for a period of 5 years.

They have confirmed their eligibility to the effect that their appointment, if made, would be within the prescribed limit under the Act and that they are not disqualified for appointment.

A resolution proposing reappointment of M/s O P Singhanian & Co Chartered Accountants as Statutory Auditors of the Company pursuant to Section 139 of the Companies Act, 2013, forms part of the Notice for the ensuing AGM.

Explanations response to Point 2(e) of Independent Auditors Report:

Point 2(e) -On the basis of Written Representations received from the Directors as on 31st March 2018 taken on record by the Board of Directors, we report that one of the Director is disqualified as on 31st March ,2018 from being appointed as a Director in terms of section 164(2) of the Act.

Management Reply - Mr Goverdhana Gopalswamy (DIN:02101651), Director of the Company has filed the petition in Bombay High Court against his disqualification.

Observations other than above made by the Statutory Auditors in their report for the Financial year ended 31st March, 2018 read with the explanatory notes therein are self-explanatory and therefore, do not call for any further explanation or comments from the Board under section 134(3) of the Companies Act, 2013.

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 May 26, 2018, 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. 2018-19 on a remuneration of Rs 2.00 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 and is accordingly placed for your ratification. The due date for filing the Cost Audit Report of the Company for the Financial Year ended March 31, 2017 was September 30, 2017 and the Cost Audit Report was filed in XBRL mode on August 29, 2017.



SECRETARIAL AUDITOR AND THEIR REPORT

In terms of Section 204 of the Companies Act, 2013, the Board of Directors of the Company at their meeting held on 26th May, 2018 has reappointed Satish Batra & Associates, Practicing Company Secretary (Certificate of Practice No. 2875), as the Secretarial Auditor to conduct an audit of the secretarial records, for the financial year 2018-19.

Your Company has received consent from Satish Batra & Associates to act as the auditor for conducting audit of the Secretarial records for the financial year ending 31st March, 2019.

The Secretarial Audit Report for the financial year ended 31st March, 2018 is annexed herewith as **Annexure II** to this report.

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

INTERNAL AUDITORS

M/s. Agrawal Jain & Co, Chartered Accountants were reappointed as Internal Auditors for the FY 2018-19.

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 details forming part of the extract of the Annual Return as on 31st March, 2018 in Form MGT - 9 in accordance with Section 92(3) of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, is set out herewith as **Annexure III** to this report.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into by the Company during the year under review were on arms length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with promoters, directors, key managerial personnel or related parties which may have a potential conflict with the interest of the Company at large.

Members may refer to Note No 36 to the financial statement which sets out related party disclosures pursuant to Ind AS.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the Financial Year ended 31st March, 2018, no Loan under section 186 of the Companies Act, 2013 was made by the Company. Details of Loan, Guarantees and Investments are given in the notes to the financial statements.

SHARE CAPITAL

Your Company has increased its authorised share capital from Rs 7.50 Cr to Rs 10.00 Cr.

During the year the Company has received ₹ 7.97 Crores (25% of the issue price) from the issue and allotment of 19,93,700 warrants (11,37,900 Warrants Dated 28/03/2018, 7,01,500 Warrants Dated 31/03/2018 and 1,54,300 Warrants Dated 03/04/2018) of ₹ 10/- each at a premium of ₹ 150/- to non promoters on preferential basis , in pursuance of the approval of the shareholder accorded through Postal Ballot on 24th March, 2018 from the objects of the issue stated in the explanatory statement to the Notice of Postal Ballot dated 15th February, 2018. The proceeds of convertible warrants have been utilized for procurement of raw material and components along with routine expenses of working capital requirement of the company.

Presently the Company's shares is listed on Bombay Stock Exchange. The Delisting application is pending before delisting Committee at Delhi Stock Exchange. The Company is also listed on Calcutta Stock Exchange but trading is suspended.

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.

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 31st March, 2018 comprises of the following Independent Directors:

Mr Kisan Ratilal Choksey (Chairman), Ms Ushma Nitin Khabaria, Mr Rajendra Amratlal Shah and Mr Champak Kalyanji Dedhia as Members.

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

IMPLEMENTATION OF SAP

The Company has implemented SAP a leading ERP solution with effect from 1st April , 2018 by switching over from existing ERP. The implementation of SAP shall integrate all the business process across the organization. The new Regime of SAP shall Facilitate by transforming the work culture thereby increase transparency & structured information system. The SAP implementation is under stabilization process & shall soon get established across all the activities. After full stabilization of the same it will enhance the productivity & improve efficiency of the organization in the entire gamut of activities.

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.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The brief outline of the Corporate Social Responsibility (CSR) Policy of the company and the initiatives undertaken by the company on CSR activities during the year are set out in Annexure of this Report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules 2014. **(Annexure-IV)**.

The Policy is available on the website of the Company i.e www.simplexcastings.com.

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 - V** 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.

TRANSFER OF UNPAID OR UNCLAIMED DIVIDEND AMOUNT TO INVESTOR EDUCATION AND PROTECTION FUND :

During the year, dividend amounting to Rs 3.99 lacs that had not been claimed by the shareholders for the year ended 31st March, 2010, was transferred to the credit of Investor Education and Protection Fund as required under Act. As on 31st March, 2018, dividend amounting to Rs 14.46 lacs has not been claimed by shareholders of the Company. Shareholders are required to lodge their claims with the Registrar, Link Intime India Pvt Ltd., for unclaimed

dividend. 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 on 14th September, 2017 (date of the last Annual General Meeting) on the website of the Company, www.simplexcastings.com

The same is also available on the website of the Ministry of Corporate Affairs, www.mca.gov.in.

HUMAN RESOURCE AND INDUSTRIAL RELATIONS

The Company takes pride in the commitment, competence and dedication of its employees in all areas of the business. The Company has a structured induction process at all locations and management development programs to upgrade skills of managers. Objective appraisal systems based on key result areas (KRAs) are in place for senior management staff.

The Company is committed to nurturing, enhancing and retaining its top talent through superior learning and organizational development. This is a part of our Corporate HR function and is a critical pillar to support the organization's growth and its sustainability in the long run.

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

During the year under review, there were no complaint received pursuant to the Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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.

For and on behalf of the Board of Directors

Ketan M Shah
Chairman
DIN:00312343

Sangeeta K Shah
Managing Director
DIN:05322039

Place : Mumbai
Date:11.08.2018



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 2017-18:

Sl No	Name of Executive Directors	Ratio
1	Mr Ketan M Shah, Chairman and Executive Director	28.25:1
2	Mrs Sangeeta Ketan Shah , Managing Director	27.41:1
3	Mr G Gopalswamy, Executive Director	15.40:1
4	Mr Piyush P Shah, Executive Director	Nil

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.
 2. Mr Piyush P Shah hasn't drawn any remuneration during FY 2017-18.
 3. The Shareholders has approved the monthly remuneration of Mr Ketan M Shah as Rs 3,75,000 as basic salary and other Perquisites . Due to inadequate profit, Mr Ketan M Shah has withdrawn the monthly remuneration of Rs 3,00,000 basic salary plus other perquisites in the FY 2017-18 compare to previous year of monthly remuneration of Rs 1,00,000 as basic salary plus other perquisites.
- b) The percentage increase in Remuneration of Managing Director, Executive Director, Chief Financial Officer & Company Secretary in the FY 2017-18 is Nil.
- c) During FY 2017-18, the percentage increase in the median remuneration of employees as compared to previous year is (3.59).
- d) The Company has 515 permanent employees on the rolls of Company as on March 31, 2018.
- e) Average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year viz. FY18 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 2018

[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]

The Members,
Simplex Castings Limited,
601/602A, Fairlink Center,
Off Andheri Link Road,
Andheri (W), Mumbai
Maharashtra- 400 053

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Simplex Castings Limited (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 2018 ('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 2018 according to the provisions of:

- (i) The Companies Act, 2013 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) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 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, 2009;
 - 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;
 - 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, 1998 (Not applicable to the Company during audit period);
 - g. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not applicable to the Company during audit period); and
 - h. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during audit period).

We have relied on the representation made by the Company and its officers for systems and mechanism framed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The list of major head/groups of Acts, Laws and Regulations as applicable to the company is given in Annexure-I.

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

- 1) Securities and Exchange Board of India (Listing Obligation 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:

(a) The Company has taken approval from shareholders for the issue and allotment of 20,00,000 Convertible Equity Warrants on preferential basis to group of strategic investors, not forming part of the promoter group of the Company i.e non promoters with an option to convert the same into equal number of equity shares at a price of Rs 160/- per share at par on face value of Rs 10/- per share, within a period of 18 months from the date of Allotment of Warrants.

During the year, the company has received Rs 7.97 Cr (25% of the issue price) from the issue and allotment of 19,93,700 Warrants (11,37,900 Warrants Dated 28.03.2018, 7,01,500 Warrants Dated 31.03.2018 and 1,54,300 Warrants Dated 03.04.2018) in pursuance of the approval of the shareholders accorded through Postal Ballot on 24th March, 2018 .

(b) The Company has obtained the approval from members for the Change of Designation of Mrs Sangeeta K Shah (DIN:05322039) from Whole Time Director to Managing Director and Mr Ketan M Shah from Chairman & Managing Director (DIN:00312343) to Chairman & Whole Time Director of the Company through Postal Ballot Dated 24th March, 2018.

For, Satish Batra & Associates
Company Secretaries

(Satish Kumar Batra)

FCS No: 1316

C P No.: 2875

Place: Raipur

Date: 21/06/2018

Annexure-I

The List of major head/groups of Acts, Laws and Regulations as applicable to the Company is as under:

- (i) The Factories Act, 1948;
- (ii) Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payrolls or on Contractual basis as related to wages, gratuity, provident funds, ESIC, Compensation etc;
- (iii) Acts prescribed under prevention and Control of pollution;
- (iv) Acts prescribed under Environment protection;
- (v) Acts as prescribed under Direct Tax and Indirect Tax
- (vi) Land Revenue laws of respective states;
- (vii) Labour Welfare Act of respective states;
- (viii) Acts as prescribed under shop and Establishment Act of various local authorities.

For, Satish Batra & Associates
Company Secretaries

(Satish Kumar Batra)

FCS No: 1316

C P No.: 2875

Place: Raipur

Date: 21/06/2018



Annexure-III

FORM NO. MGT -9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2018

[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management & Administration) Rules, 2014]

I. REGISTRATION & OTHER DETAILS:

1	CIN	L27320MH1980PLC067459
2	Registration Date	30/01/1980
3	Name of the Company	Simplex Castings Limited
4	Category/Sub-category of the Company	Public Company/Limited by shares
5	Address of the Registered office & contact details	601/602A, Fairlink Center, Off Andheri Link Road, Andheri(West), Mumbai-400 053 (M.H) Tel No: 022-40034768 E-mail id : sclmumbai@simplexcastings.com
6	Whether listed company	Yes
7	Name, Address & contact details of Registrar & Transfer Agent, if any.	Link Intime India Private Limited C 101, 247 Park, L.B.S.Marg, Vikhroli (West), Mumbai - 400083 Tel No.: +91 022 - 4918 6000 E-mail Id: rnt.helpdesk@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	C.I Casting and Equipments	2431	59.38
2	Steel, SG Iron & Special Alloy Castings	2431	33.09

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

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

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

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April 2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	31,55,926	-	31,55,926	52.73	31,55,520	600	31,56,120	52.74	0.01
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	2,93,600	-	2,93,600	4.91	2,93,600	-	2,93,600	4.91	0.00
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A) (1)	34,49,526	-	34,49,526	57.64	34,49,120	600	34,49,720	57.65	0.01



Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April 2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Foreign									
a) NRI Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Bank/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A) (2)									
TOTAL (A)	34,49,526	-	34,49,526	57.64	34,49,120	600	34,49,720	57.65	0.01
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	1,600	1,600	0.03	-	1,600	1,600	0.03	0.00
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	1,600	1,600	0.03	-	1,600	1,600	0.03	0.00
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	5,11,600	20,100	5,31,700	8.89	6,15,160	20,100	6,35,260	10.62	1.73
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	10,45,984	2,03,106	12,49,090	20.87	10,15,579	1,98,306	12,13,885	20.28	(0.59)
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	4,19,058	-	4,19,058	7.00	2,60,930	-	2,60,930	4.36	(2.64)
c) Others (specify)	2,25,426	1,07,800	3,33,226	5.57	3,15,005	1,07,800	4,22,805	7.07	1.49
Non Resident Indians	95,728	1,07,800	2,03,528	3.40	1,51,312	1,07,800	2,59,112	4.33	0.93
Clearing Members	11,524	-	11,524	0.19	39,042	-	39,042	0.65	0.46
Hindu Undivided Family	1,18,174	-	1,18,174	1.97	1,24,651	-	1,24,651	2.08	0.10
Sub-total (B)(2):-	22,02,068	3,31,006	25,33,074	42.33	22,06,674	3,26,206	25,32,880	42.33	(0.01)
Total Public (B)	22,02,068	3,32,606	25,34,674	42.36	22,06,674	3,27,806	25,34,480	42.35	(0.01)
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	56,51,594	3,32,606	59,84,200	100.00	56,55,794	3,28,406	59,84,200	100.00	0.00



(ii) Shareholding of Promoter

SI No	Shareholder's Name	Shareholding at the beginning of the year (As on 1st April 2017)			Shareholding at the end of the year (As on 31st March 2018)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Mr Ketan Shah	31,04,315	51.88	0.00	31,04,415	51.88	0.00	0.01
2	M/s Sim Prabha Estates & Trading Co Pvt Ltd	2,37,500	3.97	0.00	2,37,500	3.97	0.00	0.00
3	M/s Hem Holdings & Trading Limited	48,700	0.81	0.00	48,700	0.81	0.00	0.00
4	Mrs Jayshree Sanjiv Haria	38,300	0.64	0.00	38,300	0.64	0.00	0.00
5	M/s Prabha Plantations(P) ltd	7,400	0.12	0.00	7,400	0.12	0.00	0.00
6	Mr Kisan R Choksey	3,500	0.06	0.00	3,500	0.06	0.00	0.00
7	Mrs Sangeeta Ketan Shah	2,525	0.04	0.00	3,825	0.06	0.00	0.02
8	Mr G Gopalswamy	200	0.00	0.00	200	0.00	0.00	0.00
9	Mr Piyush P Shah	4,486	0.07	0.00	4,486	0.07	0.00	0.00
10	Mrs Usha Piyush Shah	2,600	0.04	0.00	1,394	0.02	0.00	(0.02)
	Total	34,49,526	57.64	0.00	34,49,720	57.65	0.00	0.01

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

SI. No	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year(01-04-2017)/At the end of the year (31-03-2018)		Date	Reason	Increase/ Decrease in Shareholding	Cumulative Shareholding during the year(01-04-2017 to 31-03-2018)	
		No of shares	% of total shares				No of shares	% of total shares
1	Mr Ketan Shah							
	At the beginning of the year	31,04,315	51.88	01.04.2017			31,04,315	51.88
				03.05.2017	Inter Se Transfer	100	31,04,415	51.88
	At the end of the year	31,04,415	51.88	31.03.2018			31,04,415	51.88
2	M/s Sim Prabha Estates & Trading Co Pvt Ltd							
	At the beginning of the year/ At the end of the year	2,37,500	3.97		No Change			
3	M/s Hem Holdings & Trading Limited							
	At the beginning of the year/ At the end of the year	48,700	0.81		No Change			
4	Mrs Jayshree Sanjiv Haria							
	At the beginning of the year/ At the end of the year	38,300	0.64		No Change			
5	M/s Prabha Plantations(P) ltd							
	At the beginning of the year/ At the end of the year	7,400	0.12		No Change			
6	Mr Kisan Ratilal Choksey							
	At the beginning of the year/ At the end of the year	3,500	0.06		No Change			
7	Mrs Sangeeta Shah							
	At the beginning of the year	2,525	0.04	01.04.2017			2,525	0.04
				14.06.2017	Purchase	100	2,625	0.04
				30.06.2017	Purchase	100	2,725	0.05
				13.07.2017	Purchase	100	2,825	0.05
				21.07.2017	Purchase	200	3,025	0.05



Sl. No	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year(01-04-2017)/At the end of the year (31-03-2018)		Date	Reason	Increase/ Decrease in Shareholding	Cumulative Shareholding during the year(01-04-2017 to 31-03-2018)	
		No of shares	% of total shares				No of shares	% of total shares
				02.08.2017	Purchase	200	3,225	0.05
				10.11.2017	Purchase	300	3,525	0.06
				27.11.2017	Purchase	100	3,625	0.06
				15.01.2018	Purchase	100	3,725	0.06
				08.02.2018	Purchase	100	3,825	0.06
	At the end of the year	3,825	0.06	31.03.2018			3,825	0.06
8	Mr G Gopalswamy							
	At the beginning of the year/ At the end of the year	200	0.00	No Change				
9	Mr Piyush P Shah							
	At the beginning of the year/ At the end of the year	4,486	0.07	No Change				
10	Mrs Usha P Shah							
	At the beginning of the year	2,600	0.04	01.04.2017			2,600	0.04
				01.12.2017	Sale	1,100	1,500	0.03
				08.12.2017	Sale	106	1,394	0.02
	At the end of the year	1,394	0.02	31.03.2018			1,394	0.02

(iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No	Shareholder's Name	Shareholding at the beginning of the year (As on 1st April 2017)		Shareholding at the end of the year (As on 31st March 2018)	
		No. of shares	% of Total shares of the Company	No. of shares	% of Total shares of the Company
1	Mohur Investment and Consultancy Pvt Ltd	150000	2.51	1,80,000	3.01
2	Aequitas Investment Consultancy Private Ltd	84,441	1.41	1,15,024	1.92
3	Sharda Maheshwari	50,395	0.84	50,395	0.84
4	Kanchan Sunil Singhanian	50,332	0.84	50,332	0.84
5	Moneybee Securities Pvt Ltd	50000	0.84	50,000	0.84
6	Rajesh Maneklal Rughani	45,900	0.76	45,900	0.76
7	Sobhagyachand Vidharamji Shah	44,800	0.74	44,800	0.74
8	Vinod Ramnivas Garg	44,056	0.74	44,056	0.74
9	Chandan Estates Trading Co(P)Ltd	47,602	0.8	42,859	0.72
10	Ghanshyam Das Gupta	42,090	0.7	42,090	0.70
11	Dhiren Shevantilal Shah	1,00,000	1.67	25,000	0.41
12	Lincoln P Coelho*	50,000	0.84	-	0.00

* Not in the list of Top 10 shareholders as on 31 March 2018 but was one of the Top 10 shareholders as on 1 April 2017.



(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No	Shareholding of each Directors and each Key Managerial Personnel*	Shareholding at the beginning of the year(01-04-2017)/At the end of the year (31-03-2018)		Date	Reason	Increase/ Decrease in Shareholding	Cumulative Shareholding during the year(01-04-2017 to 31-03-2018)	
		No of shares	% of total shares				No of shares	% of total shares
1	Mr Ketan M Shah							
	At the beginning of the year	31,04,315	51.88	01.04.2017			31,04,315	51.88
	Inter Se Transfer			03.05.2017	Inter Se Transfer	100	31,04,415	51.88
	At the end of the year	3104415	51.88	31.03.2018			31,04,415	51.88
2	Mr Kisan Ratilal Choksey							
	At the beginning of the year/At the end of the year	3,500	0.06	No Change				
3	Mrs Sangeeta K Shah							
	At the beginning of the year	2,525	0.04	01.04.2017			2,525	0.04
				14.06.2017	Purchase	100	2,625	0.04
				30.06.2017	Purchase	100	2,725	0.05
				13.07.2017	Purchase	100	2,825	0.05
				21.07.2017	Purchase	200	3,025	0.05
				02.08.2017	Purchase	200	3,225	0.05
				10.11.2017	Purchase	300	3,525	0.06
				27.11.2017	Purchase	100	3,625	0.06
				15.01.2018	Purchase	100	3,725	0.06
				08.02.2018	Purchase	100	3,825	0.06
	At the end of the year	3,825	0.06	31.03.2018			3,825	0.06
4	Mr G Gopalswamy							
	At the beginning of the year/At the end of the year	200	0.00	No Change				
5	Mr Piyush P Shah							
	At the beginning of the year/At the end of the year	4,486	0.07	No Change				
6	Mrs D Meena (CS)							
	At the beginning of the year	1	0.00	01.04.2017			1	0.00
				18.08.2017	Purchase	100	101	0.00
				01.09.2017	Sale	100	1	0.00
	At the end of the year	1	0.00	31.03.2018			1	0.00

* The Following Directors/Key Managerial Personnel(KMP) did not hold any shares during fiscal year 2018:

- (a) Mr Rajendra A Shah
- (b) Ms Ushma Khabaria
- (c) Mr Champak K Dedhia
- (d) Mr Avinash Hariharno(CFO)



V. INDEBTEDNESS

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

(Amt. Rs./Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	6,525.88	1,965.78		8,491.66
ii) Interest due but not paid				-
iii) Interest accrued but not due	10.44	30.71		41.15
Total (i+ii+iii)	6,536.32	1,996.49		8,532.81
Change in Indebtedness during the financial year				
* Addition	426.43			426.43
* Reduction		(55.75)		(55.75)
Net Change				-
Indebtedness at the end of the financial year				
i) Principal Amount	6,962.75	1,940.74		8,903.49
ii) Interest due but not paid	-	-		-
iii) Interest accrued but not due	-	-		-
Total (i+ii+iii)	6,962.75	1,940.74		8,903.49

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount (Rs/Lac)
		Mr Ketan Moolchand Shah (Chairman and Whole Time Director)	Mrs Sangeeta Ketan Shah (Managing Director)	Mr Goverdhana Gopalswamy (Whole Time Director)	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	41.43	41.43	24.00	106.86
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	2.60	1.30	-	3.90
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total (A)	44.03	42.73	24.00	110.76



B. Remuneration to other Directors

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount (Rs/Lac)
		Mr Rajendra Amratlal Shah	Mr.Champak Kalyanji Dedhia	Mr. Kisan Ratilal Choksey	Ms Ushma Nitin Khabaria	
1	Independent Directors					
	Fee for attending board/ committee meetings	1.00	0.90	0.75	0.75	3.40
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	1.00	0.90	0.75	0.75	3.40
2	Other Non-Executive Directors					-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	1.00	0.90	0.75	0.75	3.40

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount (Rs/Lac)
		Mr Avinash Hariharno (CFO)	Ms D Meena (CS)	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	7.77	7.57	15.34
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others, please specify	-	-	-
	Total	7.77	7.57	15.34

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties,punishment or compounding of offences during the year ended 31st March, 2018.



Annexure-IV

Annual Report on Corporate 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 www.simplexcastings.com and the weblink http://www.simplexcastings.com/investors/code-of-conduct/docs/policies/Corporate_Social_Responsibility_Policy.pdf
2.	The Composition of the CSR Committee	Mr Kisan Ratilal Choksey (Chairman) Mr Ketan Moolchand Shah (Member) Mrs Sangeeta Ketan Shah (Member)
3.	Average net profit of the Company for last three financial years	Rs 314.00 Lacs
4.	Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)	Rs 6.28 Lacs
5.	Amount unspent carried forward of the Financial Year 2016-17	Rs 5.62 Lacs
6.	Total CSR Budget for Financial year 2017-18	Rs 11.90 Lacs
7.	Details of CSR spent during the financial year. <ol style="list-style-type: none"> 1. Total amount spent for the Financial Year 2. Amount unspent, if any 3. Manner in which the amount spent during the financial year 	Rs 10.18 Lacs Rs 1.72 Lacs 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
Providing Industrial or Vocation Training to unemployed youth	Employment enhancing Vocational Training	Chhattisgarh	0.71	0.71	0.71	Direct
Tree Plantation and Water Conservation	Ensuring Environment Sustainability	Chhattisgarh	2.05	2.05	2.05	Direct
Promoting healthcare in rural and tribal areas; providing medical assistance in eye care, dental care, family welfare and medical facility.	Rural and Village Development	All India	1.35	1.35	1.35	Through Auropath Society
Promoting Health Care	Promoting health care including preventive health care	Chhattisgarh	5.60	5.60	5.60	Direct and Through Kalyan Medical Centre
	Administrative Expenses		0.47	0.47	0.47	
Total			10.18	10.18	10.18	

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.

The Company was required to spend a sum of Rs 11.90 Lacs in the financial year 2017-18. However, the Company during the financial year 2017-18 has spent Rs 10.18 Lacs towards its CSR expenses.

The Company is in the process of identifying the right charitable institutes to be associated with which has vis-a-vis same purpose as that of company CSR Policy and therefore, in the current financial year there was a short spent of Rs 1.72 Lacs towards the CSR activities.

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.

Sd/- Sangeeta Ketan Shah Managing Director	Sd/- Kisan Ratilal Choksey Chairman-CSR Committee
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Annexure-V

Particulars of Conservation of Energy, Technology Absorption, Research & Development (R&D) and Foreign Exchange Earning and Outgo required under the Companies (Accounts) Rule, 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 endeavor to reduce energy consumption in all its operations and activities.

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

- (a) Installed Energy Save Roof Top Ventilator.
- (b) Continuously monitoring the energy parameters such as maximum demand, power factor, load factor, TOD tariff utilization on regular basis.
- (c) Installed 8 Nos. of Power Capacitor for maintaining Power Factor.
- (d) Continuously replacing the inefficient equipment's with latest energy efficient technology & up gradation of equipment's continually.
- (e) Increasing the awareness of energy saving within the organization to avoid the wastage of energy.
- (f) Replacement of CFL lamp to LED lamp for shop floor.
- (g) Monitoring and Eliminating Compressed Air Leakages.
- (h) Recycling of drain water.
- (i) Harmonic Study has been conducted in Units to identify the scope of reducing power consumption & tariff.

During the Year, the Company has invested Rs 1.30 Lacs for this purpose.

TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION

- (a) Installation of IMF Automated Moulding line Machine at Unit-II to cater to bulk smaller Castings.
- (b) Revamping of Induction Furnace 2T/3T at Unit-II to cater to requirement of Liquid Metal.
- (c) Construction of RCC PIT in the moulding bay to cater to Castings of Larger Weights.
- (d) Installation of Robotic Welding Machine for fabrication of Bogies for Indian Railways.

Your Company is in process of further implementing various project for absorption of technology:

- (a) Enhance its customer reach through improvement of product quality and increasing application oriented products;
- (b) Meets various sustainability objectives;
- (c) Enhance product efficiency and;
- (d) Optimize cost, increase revenue and profitability

The Company hasn't imported any technology during last three years.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

Total Foreign Exchange used and earned during the year:

(Rs in lacs)

Particulars	2017-18	2016-17
Foreign Exchange earned	1098.41	1789.20
Foreign Exchange used	50.31	206.55



REPORT ON CORPORATE GOVERNANCE

The Directors present the Company’s Report on Corporate Governance for the year ended 31st March, 2018, 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.

A report on compliance with the principles of Corporate Governance as prescribed by Securities and Exchange Board of India(SEBI) in Chapter IV read with Schedule V of the Listing Regulations is given below:

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 31stMarch , 2018, the Board comprised of 8 Directors out of which four are Executive Directors and four are Independent Directors. The Chairman of the Board is an Executive Director. The Board Composition is in conformity with the Regulation 17 of the Listing Regulations and Section 149 of the Companies Act,2013.

Directors’ Attendance Record and their other Directorships/ Committee Memberships

As mandated by Regulation 26(1)(b) of the Listing Regulations, none of the Directors is a member of more than ten Board level Committees (considering only Audit Committee and Stakeholders’ Relationship Committee) or Chairman of more than five Committees across all public limited companies (listed or unlisted) in which he/she is a Director. 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 31st March, 2018 are given below:

Sl. No	Name of the Director	Category	Attendance at meeting during 2017-18		No of other Directorship(s) as on 31-03-2018	No. of other Board Committees member/ Chairman
			Board Meeting	AGM		
1.	Mr. Ketan Moolchand Shah (DIN:00312343)	Promoter /Chairman and Whole Time Director	5/5	Yes	4	1
2.	Mr. Goverdhana Gopalswamy (DIN: 02101651)	Executive Director	1/5	No	0	0
3.	Mrs. Sangeeta Ketan Shah (DIN: 05322039)	Promoter/ Managing Director	5/5	Yes	4	2
4.	Mr. Kisan Ratilal Choksey (DIN: 00190931)	Independent Director	3/5	Yes	6	1



5.	Mr. Champak Kalyanji Dedhia (DIN: 00044969)	Independent Director	4/5	Yes	0	0
6.	Mr. Rajendra Amratlal Shah (DIN: 00266630)	Independent Director	4/5	Yes	0	0
7.	Ms. Ushma Nitin Khabaria (DIN: 06791342)	Independent Director	3/5	Yes	1	0
8.	Mr. Piyush Shah (DIN: 00199205)	Executive Director	2/5	No	1	0

Notes:

- The Directorships, held by directors as mentioned above, include directorship in private Company also.
- 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.
- Every Director currently on the Board of the Company has personally attended at least one Board / Committee of Directors' Meeting in the financial year 2017-18.

Independent Directors

The Independent Directors fulfil the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(b) of the Listing Regulations. In Compliance with the Listing Regulations, Directors of the Company do not serve as an Independent Director in more than seven listed companies. In Case he/she is serving as a Whole Time Director in any listed company, does not hold the position of Independent Director in more than three listed companies. Your Company has also issued formal appointment letters to all the Independent Directors in the manner provided under the Companies Act, 2013. A letter of appointment is available on the website of your Company and can be accessed through the following link:

http://www.simplexcastings.com/investors/notice-announcements/docs/notices/2014-15/Appointment_letter_to_Independent_Directors.pdf

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 2017-18. The company thus observed the provisions of listing agreement allowing not more than one hundred and twenty days gap between two such meetings.

No of Board Meeting:

SI No	Date of Meetings	No of Directors Presents
1	26.05.2017	5
2	09.08.2017	3
3	14.09.2017	6
4	13.12.2017	6
5	10.02.2018	7

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.

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 10th February, 2018, 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 Kisan Ratilal Choksey chaired the Meeting.

Shareholding of Non Executive/ Independent Directors

Mr. Kisan Ratilal Choksey holds 3,500 shares of the Company. No Independent Director holds any Convertible Warrants in the Company.



Familiarisation Programme for Directors

At the time of appointing a Director, a formal letter of appointment is given to him, which inter alia explains the role, function, duties and responsibilities expected from him as a Director of the Company. The Company Secretary is also explained in detail the Compliance required from him under Companies Act, 2013, the Listing Regulations and other various statutes and an affirmation is obtained. Managing Director also has a one to one discussion with the newly appointed Director to familiarise him with the Company's operations. Information are regularly given to the Independent Directors on various matters inter-alia covering the Company's businesses and operations, industry and regulatory updates, strategy, finance, role, rights, responsibilities of the Independent Directors under various statutes and other relevant matters. The details of the familiarisation programme for Directors are available on the Company's website, viz. 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 and weblink for the same is <http://www.simplexcastings.com/corporate/board-committees/>.

The Board currently has the following Committees:

AUDIT COMMITTEE

The Audit Committee is, *inter alia*, entrusted with the responsibility to supervise the Company's internal controls and financial reporting Process.

The composition of the Audit Committee is in alignment with provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. The 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. D Meena , Company Secretary acts as Secretary to the Committee.

During the Financial Year 2017-18, the Audit Committee met four times on 26/05/2017, 14/09/2017, 13/12/2017 and 10/02/2018.

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 31st March, 2018 is detailed below:

Name of the Member(s)	Category	No of Meeting attended
Mr. Kisan Ratilal Choksey (Chairman)	Independent Director	3/4
Mr. Champak Kalyanji Dedhia	Independent Director	4/4
Ms. Ushma Nitin Khabaria	Independent Director	3/4
Mr. Rajendra Amratlal Shah	Independent Director	4/4

The Chairman of the Audit Committee was present at the Last Annual General Meeting held on 14th September, 2017.

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 is 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. Disclosure of related party transactions 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

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.

The Committee met once during the year on 10th February, 2018 . 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 2017-18 is detailed below:

Name of the Member(s)	Category	No of meeting Attended
Mr. Kisan Ratilal Choksey (Chairman)	Independent Director	1/1
Mr. Rajendra Amratlal Shah	Independent Director	1/1
Ms Ushma Nitin Khabaria	Independent Director	1/1

Mrs Sangeeta K Shah ceased to be member of above committee on 10th February, 2018.

Mrs. D Meena, 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 14th September, 2017.

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:

- 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;
- 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;
- 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
- Undertake any other matters as the Board may decide from time to time.

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. During the year, the Company paid Rs 1.00 Lacs as professional fees to C K Dedhia & Associates, a Chartered Accountant firm in which the Company's Director, Mr Champak Kalyanji Dedhia, is a partner. There were no other pecuniary relationships or transactions of Non-Executive Directors /Independent director vis-à-vis the Company.

Details of Remuneration paid to Directors for the year ended 31st March, 2018

(a) Independent Directors

Details of sitting fees paid to Independent Directors for the Financial Year ended 31st March, 2018:

(Rs in Lacs)

Name of Director	Sitting Fees
Mr .Kisan Ratilal Choksey	Rs 0.75
Mr. Champak Kalyanji Dedhia	Rs 0.90
Mr. Rajendra Amratlal Shah	Rs 1.00
Ms. Ushma Nitin Khabaria	Rs 0.75
Total	Rs 3.40

(b) Executive Directors

Details of remuneration paid to the Executive Directors of the Company for the financial year 2017-18 are as follows:

(Rs in Lacs)

Name of Director	Basic Salary	Perquisites	Total
Mr. Ketan Moolchand Shah	41.43	2.60	44.03
Mrs. Sangeeta Ketan Shah	41.43	1.30	42.73
Mr. Goverdhana Gopalswamy	24.00	0.00	24.00

Notes-

- 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 G Gopalswamy, 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.
- (d) Mr Piyush Pravinchandra Shah hasn't drawn any remuneration during the FY 2017-18.

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.

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 Kisan R Choksey ,Independent Director is the Chairman of this Committee.

The Committee met once during the year on 26th May, 2017.

As on 31st March ,2018, the Stakeholders' Relationship Committee consists of the following members:

Name of the Member	Category	No of Meetings Attended
Mr. Kisan Ratilal Choksey (Chairman)	Independent Director	0/1
Mrs. Sangeeta Ketan Shah	Managing Director	1/1
Mr. Rajendra Amratlal Shah	Independent Director	1/1

Ms. D Meena 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

A total of 63 Correspondences were received from investors during FY 2017-18, of which 3 cases were reported as Complaints.

Status of Investors Complaints as on 31st March, 2018 and reported under Regulation 13(3) of the Listing Regulations, is as under:

No of Complaints received	3
Resolved	3
Pending	0

The above table includes Complaints received from SEBI SCORES by the Company.

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The composition of the CSR Committee is in alignment with provisions of Section 135 of the Companies Act, 2013.

No CSR Committee meeting held during the financial year 2017-18. The constitution of the CSR Committee of the Board of Directors of your Company is detailed below:

Name of the Member(s)	Category	Status
Mr. Kisan Ratilal Choksey	Independent Director	Chairman
Mrs. Sangeeta Ketan Shah	Managing Director	Member
Mr. Ketan Moolchand Shah	Executive Director	Member

Ms D Meena acts as Secretary to the Committee.

Terms of reference

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

- a. 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;
- b. Recommend the amount of expenditure to be incurred on the activities as above;
- c. Monitor the CSR Policy of the Company from time to time; and
- d. 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-of-conduct/docs/policies/Corporate_Social_Responsibility_Policy.pdf

AFFIRMATIONS AND DISCLOSURE

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 at weblink http://www.simplexcastings.com/investors/code-of-conduct/docs/policies/RPT_Policy.pdf.

All Related Party Transactions are approved by the Audit Committee prior to the transaction. 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 Financial Year 2017-18, there were no such Related Party Transactions, either as per Companies Act, 2013 or Listing Regulations which were required to be approved by the Board of Directors or the shareholders of the Company. Further, 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 company has complied with all the requirements of the Stock Exchange (s) and the SEBI on matters related to Capital markets. There were no penalties imposed or strictures passed against the Company by the statutory authorities in this regard.

Disclosure on compliance with Corporate Governance Requirements specified in Listing Regulations

The Company has complied with Corporate Governance requirements specified in Regulation 17 to 27, Clause (b) to (i) of Sub-Regulation (2) of Regulation 46 and Part C of sub-paras (2) to (10) of Schedule V of the Listing Regulations and necessary disclosures thereof have been made in this Corporate Governance Report.

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 are not subjected to any discriminatory practice.

The above mechanism has been displayed on the Company website at www.simplexcastings.com at weblink http://www.simplexcastings.com/investors/code-of-conduct/docs/policies/Vigil_Mechanism_Whistle_Blower_Policy.pdf

Code of Conduct on prohibition of Insider Trading

In accordance with the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted the Code of Conduct to Regulate, Monitor and Report Trading by Insiders. The Code has been made applicable to cover Directors, Senior Management Personnel, persons forming part of Promoter(s)/ Promoter group(s) and such other designated employees of the Company, who are expected to have access to unpublished price sensitive information relating to the Company ("Designated Persons").

The above code has been displayed on the Company website at www.simplexcastings.com at weblink http://www.simplexcastings.com/investors/code-of-conduct/docs/policies/Code_of_PIT.pdf

Compliance

In accordance with the provisions of Regulation 26(6) of the Listing Regulations, the Key Managerial Personnel, Director(s) and Promoter(s) of the Company have affirmed that they have not entered into any agreement for themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.

Compliance with Mandatory and Non-Mandatory Requirements

Mandatory

The Company has complied with all mandatory requirements of the Listing Regulations relating to Corporate Governance.

Non-mandatory

- i) Maintenance of Chairman office:
Mr Ketan M Shah, Whole Time Director is the Chairman of the Company.
- ii) Shareholder rights :
Quarterly financial results were published in one English newspaper and in one Marathi newspaper. These were not sent individually to the shareholders.
- 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 :
The Position of Chairman & Managing Director are separate.



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.

Material Subsidiary Policy

The Company has no subsidiary and hence there is no need to frame any policy for determining "material" subsidiary.

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.

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 2017-18. The declaration to this effect signed by Mrs Sangeeta K Shah, Managing Director of the Company forms part of the Report.

CEO/ CFO Certification

The CEO and CFO certification on the financial statements and the cash flow statement for the year provided to the Board is placed at the end of the report.

Legal Compliance Reporting

The Board of Directors reviews in detail, on a Quarterly basis, the report of compliance with respect to all laws and regulations applicable to company.

Certificate on Corporate Governance:

The Company has obtained a certificate from M/s O P Singhania & Co, Statutory Auditors of the Company 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.

GENERAL BODY MEETINGS

During the preceding three years , the Company Annual General Meetings were held at Babasaheb Dhaanukar Hall, Maharashtra Chamber of Commerce, Industry & Agriculture, Oricon house, 6th Floor, 12 K Dubhash Marg, Near Kala Ghoda, Fort Mumbai- 400 001.

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

AGM	Year	Date & Time	No of special resolution passed
37 th	2016-17	14.09.2017 at 3.00 p.m.	Yes-2
36 th	2015-16	29.09.2016 at 3.00 p.m	Yes-1
35 th	2014-15	23.09.2015 at 3.00 p.m	Yes-1

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

14th September,2017

- Payment of Minimum Remuneration to Mr Ketan M Shah(DIN:00312343) in case of inadequate profit according to Schedule V of the Companies Act,2013.
- Payment of Minimum Remuneration to Mrs Sangeeta K Shah(DIN:05322039) in case of inadequate profit according to Schedule V of the Companies Act,2013.

29th September,2016

- Reclassification of shareholding of Mrs Tarulata H Shah from Promoter and Promoter Group to Public Shareholding.

23rd September ,2015

- Reappointment of Mr G Gopalswamy (DIN:02101651), who will attain the age of Seventy years on 22.11.2016 as Whole Time Director (Maintenance & Operation) for a term of Five years with effect from 10th July , 2015.

Extraordinary General Meeting (EGM)

No Extraordinary General Meeting held during the year.

Details of Resolution passed through postal ballot, the persons who conducted the postal ballot exercise and details of the voting pattern:

During the financial year 2017-18, the Company has passed the following special resolutions by Postal Ballot:

SI No	Description	Votes in favour of the Resolution		Votes against the Resolution	
		No. of votes	% of total votes	No. of votes	% of total votes
1.	To increase the Authorised Share Capital of the Company and Alteration in Memorandum of Association of the Company.	3454001	99.96	1400	0.04
2.	Alteration/ Adoption of new set of Articles of Association of Company as per Companies Act, 2013.	3454001	99.96	1400	0.04
3.	To issue Convertible Equity Warrants on Preferential Basis.	3447901	99.78	7500	0.22
4.	To Re-Classification of the Promoters of the Company.	3449107	99.96	1400	0.04



SI No	Description	Votes in favour of the Resolution		Votes against the Resolution	
		No. of votes	% of total votes	No. of votes	% of total votes
5.	To Re-Designate Mrs Sangeeta Ketan Shah as Managing Director of the Company instead of Whole-Time Director of the Company.	339561	97.81	7600	2.19
6.	To Re-Designate Mr Ketan M Shah as Chairman cum Whole-Time Director of the Company instead of Chairman cum Managing Director of the Company.	342161	98.56	5000	1.44

- (i) In compliance with Regulation 44 of the Listing Regulations and in compliance with the applicable provisions of the Companies Act, 2013 and the Companies (Management and Administration) Rules 2014, Members were provided with the facility to cast their vote electronically through the e-voting services provided by NSDL, on all resolutions set forth in the Notice. Members were also given an option to vote by physical Ballot.
- (ii) The voting rights were reckoned as on the paid-up value of the shares registered in the names of the members as on February 16, 2018. The E-Voting portal was open for voting from 22nd February, 2018 to 23rd March, 2018.
- (iii) The Company had appointed Mr. S K Pandey, Practicing Company Secretary (Membership No. ACS 8546) as the Scrutinizer to conduct the postal ballot/ e-voting process in a fair and transparent manner.
- (iv) The Results of the Postal Ballot were declared on 24th March, 2018.
- (v) None of the Businesses proposed to be transacted in the ensuing Annual General Meeting require passing of a special resolution 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:

1. 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.

2. 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 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 releases is also available on the Company website at www.simplexcastings.com.

3. Reminder to Investors:

Reminders to shareholders for unclaimed dividend are dispatched during the Financial Year 2017-18.

4. Exclusive email ID for investors:

The Company has designated the e-mail id investors@simplexcastings.com exclusively for investor servicing and the same is prominently displayed on the Company's website www.simplexcastings.com.

5. 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.

GENERAL SHAREHOLDER'S INFORMATION

38 th Annual General Meeting	
Date	21 st September, 2018
Time	10.30 A.M
Venue	Babasaheb Dhaanukar Hall, Maharashtra Chamber of Commerce, Industry & Agriculture, Oricon house, 6 th Floor, 12 K Dubhash Marg, Fort Mumbai- 400 001



Financial Calender	
Financial year	1 st April 2017 to 31 st March 2018
Tentative Schedule for declaration of results during the Financial Year 2018-19	
Unaudited First Quarter Results	On or before 14 th August, 2018
Unaudited second Quarter Results	On or before 14 th November, 2018
Unaudited Third Quarter Results	On or before 14 th February, 2019
Unaudited Fourth Quarterly Results	On or before 30 th May, 2019
Date of Book Closure	15 th September, 2018 to 21 st September, 2018 (both days inclusive)
Dividend Payment Date	Within the Statutory time limit
Listing	Bombay Stock Exchange
Stock code	513472
Trading Symbol	SIMPLEXCAS
ISIN Number	INE 658 D01011
CIN	L27320MH1980PLC067459

Payment of Listing Fees

Your Company has paid the Listing Fees to BSE and the Custodian charges to National Securities Depository Limited(NSDL) and Central Depository Services(India) Limited(CDSL) for the Financial Year 2017-18.

Dividend History for the last 10 financial year

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.	2007-08	1.50
2.	2008-09	2.00
3.	2009-10	2.25
4.	2010-11	2.50
5.	2011-12	2.50
6.	2012-13	1.00
7.	2013-14	0.50
8.	2014-15	-
9.	2015-16	0.50
10.	2016-17	0.50

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 and at the website of IEPF authority at www.iepf.gov.in.

Financial Year	Date of Declaration of Dividend	Unclaimed Amount (Rs in lakhs)	Due Date for Transfer of IEPF A/c
2010-11	23/09/2011	4.73	29/10/2018
2011-12	27/09/2012	5.00	02/11/2019
2012-13	23/09/2013	1.24	29/10/2020
2013-14	29/09/2014	0.80	04/11/2021
2014-15*	-	-	-
2015-16	29/09/2016	1.45	04/11/2023
2016-17	14/09/2017	1.24	20/10/2024

*The Company hasn't declared dividend during the FY 2014-15.

Mandatory Transfer of Shares to Demat Account of Investors Education and Protection Fund Authority (IEPFA) in case of unpaid/ unclaimed dividend on shares for a consecutive period of seven years

In terms of Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) (IEPF Rules) shares on which dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more shall be credited to the Demat Account of Investor Education and Protection Fund Authority (IEPFA) within a period of thirty days of such shares becoming due to be so transferred. Upon transfer of such shares, all benefits, if any, accruing on such shares shall also be credited to such Demat Account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares.

Shares which are transferred to the Demat Account of IEPFA can be claimed back by the shareholders from IEPFA by following the procedure prescribed under the IEPF Rules.

In accordance with the said IEPF Rules and its amendments, the Company had sent notices to all the Shareholders whose shares were due to be transferred to the IEPF Authority and simultaneously published newspaper advertisement.

Share Transfer System

The Transfer of shares in physical form are registered and returned within the stipulated time, if documents are clear in all respects.

Delisting of Securities

The delisting application is pending before delisting committee at Delhi Stock Exchange. The Trading is suspended in Calcutta Stock Exchange.

Equity Evolution during the year

As at 31st March, 2018, the paid-up share capital of the Company was Rs 5,98,42,000 consisting of 59,84,200 Equity Shares of Rs 10/- each. There was no change in the paid up share capital of the Company during the year.



Outstanding GDRs/ADRs/WARRANTS

The Company has allotted 1839400 warrants (11,37,900 Warrants Dated 28/03/2018 and 7,01,500 Warrants Dated 31/03/2018) of Rs. 10/- each at a premium of RS.150/- to non promoters on preferential basis , in pursuance of the approval of the shareholder accorded through Postal Ballot on 24th March, 2018 and the Company has not issued any GDRs/ADRs during the financial year ended 31st March,2018.

Reconciliation of Share Capital Audit

Satish Batra & Associates, an independent firm of practicing Company Secretaries, 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.

Market price Data

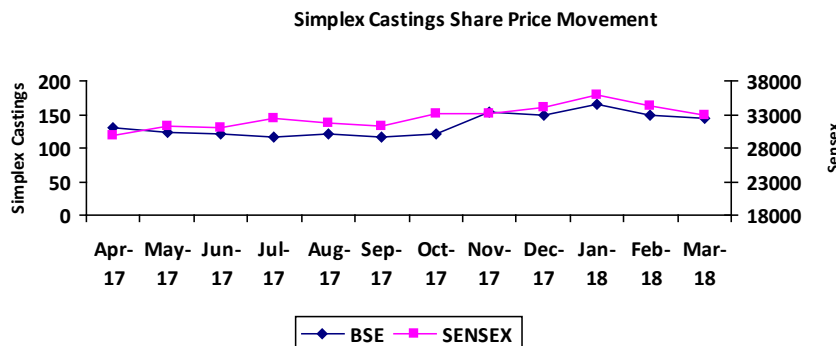
The monthly high and low prices and volumes of your Company shares at BSE for the year ended 31st March, 2018 are as under:

Month(s)	Highest	Lowest	No of Shares	No of Trades
April 2017	154.90	103.00	361033	2361
May 2017	137.50	112.20	64092	779
June 2017	135.00	116.00	49634	546
July 2017	133.80	115.00	52010	618
August 2017	123.00	99.90	64670	579
September 2017	144.00	109.10	125880	1012
October 2017	130.00	114.15	22678	243
November 2017	160.00	112.00	140673	902
December 2017	159.95	135.25	105975	355
January 2018	176.60	139.00	127158	589
February 2018	173.00	144.30	64909	350
March 2018	155.40	138.00	87894	406

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

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 2017-18 (based on month end closing):



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 SS -1 on Board Meetings and SS - 2 on General Meetings.

Dematerialization of Shares

94.51% of our equity shares representing 56,55,794 equity shares have been dematerialized as on 31st March,2018.

Particulars	No of Shares	% of Shares
Physical	3,28,406	5.49
Demat	56,55,794	94.51
Total	59,84,200	100.00

Shareholders who continue to hold shares in physical form are requested to dematerialize their shares at the earliest and avail of the various benefits of dealing in securities in electronic/dematerialized form. For any clarification, assistance or information, please contact M/s Link Intime India Pvt Ltd, Registrar and Transfer Agent.



Distribution of Shareholding as on 31.03.2018

Slab	Total No. of Shareholders	(%)	Number of shares	% of Total Share Capital
1 - 500	3248	88.09	411404	6.87
501 - 1000	171	4.64	141296	2.36
1001- 2000	89	2.41	136926	2.29
2001- 3000	60	1.63	155217	2.59
3001- 4000	16	0.43	56081	0.94
4001- 5000	20	0.54	94556	1.58
5001- 10000	34	0.92	245497	4.10
10001- above	49	1.33	4743223	79.26
Total	3687	100.00	5984200	100.00

Shareholding Pattern as on 31.03.2018:

Sr. No	Category	No of Shares	% Shareholding
1	Promoter & Promoter group:		
(I)	Individual / HUF	31,56,120	52.74
(II)	Bodies Corporate	2,93,600	4.91
	Total:	34,49,720	57.65
2	Public Shareholding:		
	Institutions		
(I)	Mutual Fund/UTI	1,600	0.03
	Non-Institutions		
(I)	Bodies Corporate	6,35,260	10.62
(II)	HUF	1,24,651	2.08
(III)	Individuals	14,74,815	24.64
(a)	Individual shareholders holding nominal share capital upto Rs 2 Lakh	12,13,885	20.28
(b)	Individual shareholders holding nominal share capital in excess of Rs 2 Lakh	2,60,930	4.36
(IV)	Non-Resident Individuals	2,59,112	4.33
(V)	Clearing Members	39,042	0.65
	Total:	25,34,480	42.35
	Total	59,84,200	100.00

Address for Correspondence

Registrar and Share Transfer Agents: Link Intime India Private Limited C 101, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai, Maharashtra 400083 PH No: 022 2594 6970 E-mail Id: rnt.helpdesk@linkintime.co.in	Registered office : Simplex Castings Limited, 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	Compliance Officer: D Meena 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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Plant Location:

Unit-I	Unit-II	Unit-III
5, Industrial Estate, Bhilai, (C.G.) 490 026 Tel No-0788 4015273 Fax No- 0788-4034188	750, Ring Road No 2, Urla Industrial Estate, Raipur, (C.G.)-493221 Tel No-0771-6537383 Fax No-0771-2323805	223/2 & 224, Industrial Estate, Tedesara, Rajnandgaon- 491443 (C. G.) Tel No-9203910587 Fax No-07744-220972



REPORT ON CORPORATE GOVERNANCE FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

Declaration of Compliance with the Code of Conduct

I hereby confirm that:

the Company has obtained from all the members of the Board and Senior Management Personnel, affirmation(s) that they have complied with the Code of Conduct for Board Members and Senior Management Personnel in respect of the financial year ended 31st March, 2018.

Date: 11.08.2018

Sangeeta K Shah

Place: Mumbai

Managing Director

CERTIFICATION BY CHIEF EXECUTIVE OFFICER (CEO) & CHIEF FINANCIAL OFFICER (CFO)

We the undersigned, in our respective capacities as Managing Director 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, 2018 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. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

(Sangeeta K Shah)
Managing Director

(Avinash Hariharo)
Chief Financial Officer

Date: 11.08.2018
Place: Mumbai

AUDITORS' CERTIFICATE 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 31 March 2018 as stipulated in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as SEBI Listing Regulations, 2015).

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have conducted our examination in accordance with the Guidance Note on Report or Certificates for Special Purposes (Revised) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that perform Audits and Review of Historical Financial Information, and other Assurance and Related Service Engagement.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as specified in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and paragraphs C, D and E of Schedule V of the Listing Regulations.

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

Restrictions on Use

This Certificate is issued solely for the purpose of complying with the aforesaid Regulations and may not suitable for any other purpose.

For **O P Singhania & Co.**
(ICAI Firm Regn. No.002172C)
Chartered Accountants

Sanjay Singhania
Partner
Membership No: 076961

Date: 11.08.2018
Place: Bhilai



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Simplex Castings Limited (SCL) is premier manufacturing organisation in India with global business presence. SCL possess well equipped manufacturing facilities such as Cast Iron Foundry , Steel & Alloy 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, Raipur & 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.

INFRASTRUCTURE

GREY IRON FOUNDRY

This Foundry is located in Bhilai, Industrial Estate specialises for producing various grades i.e heavy iron castings upto 60 ton single piece and ductile iron castings upto 10 ton single piece equipped with cupola and induction furnace. This foundry is capable of producing a wide spectrum of Cast Iron Castings like Heat Resistant, Acid Resistant, Hi-chrome, Wear Resistant and Compacted Graphite Iron Castings etc. It has Green Sand Molding Line - ARPA 1300 Jolt Squeeze Machine with fixed box size of 1000 mmx1000mm and height 200-400 mm. Besides, it also has Hand Molding facilities , a large sophisticated Design setup, Pattern Shop, Annealing furnace, Machine Shop including CNC Machines, Fabrication shop, Assembly Shops and Sand Blasting & Shot Blasting Plants. This Foundry has modern testing laboratories equipped with spectrometers, Ultrasonic Testing facilities, modern physical lab and Micro structure testing machine. This Unit is specialized in manufacturing of World Class Leakproof Coke Oven Door Assembly and Ingot Moulds for Steel Plant.

STEEL FOUNDRY

This Foundry is located in Urla ,Industrial Estate, Raipur equipped with 17 ton & 5 ton Electric ARC Furnace which can produce single piece Plain Carbon Steel Castings upto 45 ton , Alloy Steel Castings upto 23 ton single piece and Ductile Iron Casting upto 16 ton single piece. Additional Facilities are 20 ton Ladle Refining Furnace and 2T/3T Induction Furnace.

This foundry has sophisticated testing facilities Spectrometers, Hydrogen Analyzers, Cobalt & Iridium Radiography Machines and Ultrasonic Testing equipment etc. This foundry is also equipped with Modern Moulding facilities & Simulation Software's IMF Machine Moulding Line.

HEAVY FABRICATION

Simplex is a Quality Metal fabricator of Heavy Engineering Spares & Technological Equipment upto 70 MT as a Single Piece. This plant has all testing facilities, large stress Relieving furnace and Big CNC Boring Machines.

An ISO-9001:2015 approved Company with various Quality accreditations of AAR, ABS, API, ASME and RDSO Class A approval for Foundry etc.

ECONOMY OVERVIEW

GLOBAL ECONOMY

According to the International Monetary Fund (IMF), the global economy is on the road to recovery and grew by 3.8% in CY17, a 0.6 percentage point increase over CY16. This is the highest rate of global GDP growth after CY11. The growth happened owing to an increase in manufacturing activity, private consumption, investments and global trade.

The growth was broad based, with growth increasing in more than half of the world's economies aided by benign global financing conditions, revival in investment sentiment, accommodative monetary policies and higher commodity prices. The growth was higher as compared to the initial estimates with upside surprises in the second half of 2017 in advanced as well as emerging and developing countries. Two-thirds of countries accounting for about three-fourths of global output experienced faster growth in 2017 vis-à-vis previous year.

GLOBAL GROWTH TREND(%)

	2016	2017	2018(P)
World	3.2	3.8	3.9
AMEs	1.7	2.3	2.5
EMEs	4.4	4.8	4.9
United States	1.5	2.3	2.9
EU-28	2.0	2.7	2.5
China	6.7	6.9	6.6
Japan	0.9	1.7	1.2
Russia	-0.2	1.5	1.7
Korea	2.8	3.1	3.0
India	7.1	6.7	7.4

Source: International Monetary fund(IMF)

INDIAN ECONOMY

During FY 2017-18, India's economy was marked by various structural reform initiatives aimed at strengthening the country's macro-economic scenario for sustainable future developments. Despite a tepid performance in the first half of FY 2017-18, owing to disruptions like the implementation of Goods and Services Tax (GST), India maintained its stability to record a growth of 6.7%. India has also emerged as a major global investment economy, gaining the top 5th spot as an international investment destination. Moreover, Moody's Investors Service upgraded India's sovereign rating to Baa2 with stable economic conditions. According to the World Bank report, India has improved its ranking by



30 spots in terms of 'Ease of Doing Business' and is ranked at 100 out of the 190 countries.

India GDP Growth (%)

2014-15	2015-16	2016-17	2017-18
7.3	7.6	7.1	6.7

Source: Central Statistics Office (CSO)

OUTLOOK

GLOBAL

The global economic growth should remain strong in 2018, as both advanced and emerging economies enjoy a harmonized upturn. According to the IMF, global growth will inch up from 3.8% in 2017 to 3.9% in 2018 and 2019. Corporate capital expenditure should become a more prominent growth driver, inflation is unlikely to rise much, and central banks will reduce liquidity and raise interest rates in response to better growth. Faster growth in the US, Japan, and China would largely drive global growth during 2019. An encouraging trade and investment environment, along with easing financial conditions, would also impact the global economic conditions.

INDIA

The outlook for India remains largely positive, reinforced by robust private consumption and public investment, as well as the ongoing structural reforms. Global demand has been improving, which should encourage exports and fresh investments.

India's GDP is expected to reach US\$ 6 trillion by FY 2027 owing to consistent reforms, digitisation, globalisation and favourable demographic conditions. Over the next 10-15 years, India is expected to be among the top three economic powers, backed by its strong democracy and partnerships. Government initiatives for infrastructure development, emphasis on creation of smart cities and focus on affordable housing programme is likely to bolster India's industrial development. The GDP growth of the country is estimated to rise to 7.4% in FY 2018-19.

INDUSTRY STRUCTURE & DEVELOPMENT

India's steel production grew 4.5% to its highest ever level of 102 million tonnes in FY18. The Government of India has been proactive in addressing the issues faced by domestic steel makers. It has taken major steps to stop unfair trade and to safeguard the interests of domestic players.

India was the world's third-largest steel producer in 2017. The growth in the Indian steel sector has been driven by domestic availability of raw materials such as iron ore and cost-effective labour. Consequently, the steel sector has been a major contributor to India's manufacturing output.

India's finished steel consumption grew at a CAGR of 5.69 per cent during FY08-FY18 to reach 90.70 MT.

India's crude steel and finished steel production increased to 102.30 MT and 104.98 MT in 2017-18, respectively.

In 2017-18, the country's finished steel exports increased 17 per cent year-on-year to 9.62 million tonnes (MT), as compared to 8.24 MT in 2016-17.

Steel Performance FY 2017-18

Crude Steel production (Million Tonnes)

Particulars	FY14	FY15	FY16	FY17	FY18
Public	16.77	17.21	17.92	18.48	19.8
Private	64.92	71.77	71.87	78.91	82.50
Total	81.69	88.98	89.79	97.39	102.30

Steel Consumption in India (Million Tonnes)

Particulars	FY14	FY15	FY16	FY17	FY18
Public Sector	74.10	76.36	81.53	83.93	90.70

Source : Joint Plant Committee

Highlights of the Indian Steel Industry:

- Infrastructure, oil and gas and automotives would drive the growth of the industry
- Ministry of Steel plans to set up Steel Research and Technology Mission in India to promote R&D activities in the sector
- Achieved all -time high crude steel production in FY 2018
- Third largest crude steel producer in the world in 2017
- Third largest consumer of finished steel in the world in 2017.
- Steel consumption grew at a multi-year high in FY18
- Contributes nearly 2% to the country's GDP

Steel production of top 10 steel-producing countries:

RANK	COUNTRY	2017 (MILLION TONNES)	2016 (MILLION TONNES)	% CHANGE
1	China	831.7	807.6	3.0
2	Japan	104.7	104.8	-0.1
3	India	101.4	95.5	6.2
4	United States	81.6	78.5	4.0
5	Russia	71.3	70.5	1.3
6	South Korea	71.1	68.6	3.7
7	Germany	43.4	42.1	3.5
8	Turkey	37.5	33.2	13.1
9	Brazil	34.4	31.3	9.9
10	Italy	24.0	23.4	2.9

Source : World Steel Association.

POLICY SUPPORT AIDING GROWTH IN THE STEEL SECTOR

New National Steel Policy

New National Steel Policy has been formulated by the Ministry of Steel in 2016, which will retain the objectives included in National Steel Policy (NSP) 2005. It aims at covering broader aspects of steel sector across the country including environment and facilitation of new steel projects, growth of steel demand in India and raw materials.

Under the policy, the central government stated that all the government tenders will give preference to domestically manufactured steel and iron products. Moreover, Indian steel makers importing intermediate products or raw



materials can claim benefits of domestic procurement provision by adding minimum of 15 per cent value to the product.

The New steel policy, 2017 aspires to achieve 300MT of steel making capacity by 2030. This would translate into additional investment of Rs 10 lakh Crore (US\$ 156.08 billion) by 2030-31.

New Steel Policy seeks to increase per capita steel consumption to the level of 160 kgs by 2030 from existing level of around 60 kg.

R & D and Innovation

The scheme for the promotion of R&D in the iron and steel sector' has been continued under the 14th Finance Commission (2019-20). Under the scheme, 26 projects have been approved with financial assistance of Rs 161 crore (US\$ 24.98 million) from Ministry of Steel.

The Ministry of Steel is also actively participating in the Impacting Research Innovation & Technology (IMPRINT) & Uchchar Avishkar Yojana (UAY) Schemes launched by Ministry of Human Resource Development. IMPRINT scheme aims to solve major engineering and technology challenges and UAY is promoting industry sponsored, outcome-oriented research projects.

Ministry of Steel is setting up an industry driven institutional mechanism - Steel Research & Technology Mission of India (SRTMI) – with an initial corpus of US\$ 30.89 million. The institute will facilitate joint collaborative research projects in the sector.

OPPORTUNITIES & THREATS

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. In 2017, India overtook Germany to become the fourth largest automobiles market globally.

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. In FY18, passenger traffic at Indian airports stood at 308.75 million and number of operational airports stood at 94 in July 2017. Development of Tier-II city airports would sustain consumption growth. 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 . PPP Investments in railways are expected to grow from Rs 24,000 crore (US\$ 3.72 billion) in 2017-18 (RE) to Rs 27,000 crore (US\$ 4.19 billion) in 2018-19.

Oil and Gas

Oil and gas amongst major end-user segment accounted for 34.4 per cent of primary energy consumption in FY16. This would lead to an increase in demand of steel tubes and pipes, providing a lucrative opportunity to the steel industry.

Power

The government targets capacity addition of 100 GW under the 13th Five-Year Plan (2017–22) .Both generation and transmission capacities would be enhanced, thereby raising steel demand from the sector .Power capacity addition of 17,200 MW achieved in 2017-18.

CORPORATE SOCIAL RESPONSIBILITY

During FY 2017-18, your Company contributed Rs 10.18 Lacs towards Corporate Social Responsibility (CSR).

OPERATIONAL AND FINANCIAL PERFORMANCE

During the year, the Company recorded a Profit after Tax of Rs 335.47 Lacs compared to previous year of Rs 223.51 Lacs. The increase is primarily on account of improved realizations and higher deliveries. The basic and diluted earnings per share for Financial Year 2017-18 were at Rs 5.61 and 5.59 respectively(Previous year : Rs 3.73).

a) Revenue from Operations

(Rs in Lakhs)

Particulars	FY 2017-18	FY 2016-17
Sale of Products	14780.37	23202.14
Sale of Traded Goods	7483.14	-
Job Contract Receipts	89.24	66.02
Work Contract Receipts	43.04	262.97
Other Operating Revenue	46.25	145.20
Total Revenue from Operations (Gross)	22442.04	23676.33

Revenue from operations for the F.Y. 2017-18 stood at Rs 22442.04 Lacs against the Rs 23676.33 Lacs of previous year.

(b) Consumption of Raw Material & Component and Purchase of Traded goods:

(Rs in Lakhs)

Particulars	FY 2017-18	FY 2016-17	Change %
Consumption of Raw Material and Purchase of Traded goods	15197.36	11248.58	35.10

During the year Consumption of Raw Material and purchase of traded goods increased by 35.10% to Rs 15197.36 Lacs as compared to Rs 11248.58 in previous year due to price hikes.

**(c) Employee Benefit Expenses**

(Rs in Lakhs)

Particulars	FY 2017-18	FY 2016-17	Change %
Employee benefit Expense	1727.35	1830.89	(5.66)

The employee cost during the year decreased by 5.66% to Rs 1727.35 Lacs as compared to Rs 1830.89 Lacs in the previous year due to proper review of KRA and KPA on Quarterly basis.

(d) Finance Costs

(Rs in Lakhs)

Particulars	FY 2017-18	FY 2016-17	Change %
Finance Costs	1163.14	1128.61	3.06

Finance cost increased by 3.06% to Rs 1163.14 Lacs in FY18 from Rs 1128.61 Lacs in the previous year. The increase was primarily due to availing the additions funds from Union Bank of India upto Rs 1200.00 Lacs.

(e) Depreciation and Amortisation Expenses

(Rs in Lakhs)

Particulars	FY 2017-18	FY 2016-17	Change %
Depreciation and Amortisation Expenses	1244.58	782.37	59.08

The Depreciation during the year has been provided as per revised Schedule II under the Companies Act, 2013. During the year under review the depreciation increased by 59.08% to Rs 1244.58 Lacs in FY18 from Rs 782.37 Lacs in FY17 due to capitalization & addition of Assets and changes on account of implementation of Ind As.

Continuing focus of the management is consistently on undertaking better manufacturing processes, improved productivity and optimization of resource for improvement in performance aimed at achieving results better than the trend witnessed in the industries in which the Company operates.

Viewed in this backdrop, the Company's performance for the year under review is considered to be reasonably satisfactory.

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 utilisation of resources and protect the Company's assets and investors' interests. The Company has a clearly defined organisational 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 2018, the company had 515 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 AUDITORS' REPORT

To the Members of Simplex Castings Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **Simplex Castings Limited** ('the Company'), which comprise the balance sheet as at 31 March 2018, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "standalone Ind AS financial statements").

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at 31 March, 2018, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.



- (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) the balance sheet, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
- (d) in our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rule issued thereunder;
- (e) on the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, we report that one of the director is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 31 to the standalone Ind AS 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.

For O P Singhania & Co.

(ICAI Firm Regn. No.002172C)

Chartered Accountants

Sanjay Singhania

Partner

Membership number: 076961

Bhilai, 26th May, 2018



Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements for the year ended 31 March 2018, we report that:

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, all major assets except certain low value items viz furniture & fixtures and office equipment have been physically verified by the management at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed.
- (c) The title deeds of immovable properties, as disclosed in Note 4 & 5 to the financial statements, are held in the name of the Company.
- (ii) 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.
- (iii) The company has not granted any secured or unsecured loan to the companies, firms, limited liability partnership firms or other parties covered in the register maintained under section 189 of the companies Act, 2013, therefore, the provisions of clause 3 (iii) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.
- (iv) In our opinion and according to the information & explanations given to us, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of the loans and investment made, and guarantees and security provided by it. The Company has not granted any loans and made any investments, or provided any guarantees or security to the parties covered under Section 185 of the Companies Act, 2013.
- (v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from public, in terms of the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act and rules framed thereunder; therefore the provisions of clause 3(v) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.
- (vi) We have broadly reviewed the books of account maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, in respect of Company's products to which the said rules are made applicable and are of the opinion that, prima facie, the prescribed accounts and records, have been made and maintained. We have, however, not made a detailed examination of the records.
- (vii) (a) According to the information & explanations given to us, during the year the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, goods & services tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities though there has been delay observed in some cases. Further, no undisputed amounts of statutory dues as stated above were in arrears as at 31st March 2018 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, goods & services tax, custom duty, excise duty, value added tax and cess which have not been deposited on account of any dispute.
- (viii) Based on our audit procedures, and according to the information and explanations given to us, the company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or debenture holders as at the balance sheet date.
- (ix) During the year the Company has raised moneys by way of issue of equity share warrants. According to the information and explanations given to us, and in our opinion, the company has utilized the money received for the purpose for which the money was raised. Further, during the year the term loans have been applied progressively for the purpose for which the loans were obtained.
- (x) In our opinion and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year. Therefore, the provisions of clause 3(x) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.
- (xi) The Company has provided for managerial remuneration during the year in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Companies Act, 2013.



- (xii) As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Therefore, the provisions of clause 3(xii) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.
- (xiii) The Company has entered into transactions with related parties in compliance with the provisions of Section 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (xiv) During the year the company has made preferential allotment i.e. private placement of equity share warrants with due compliance of Section 42 of the Act and relevant SEBI Regulations.
- (xv) The Company has not entered into any non-cash transactions as referred in Section 192 of the Act with its directors or persons connected with him. Therefore, the provisions of clause 3(xv) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Therefore, the provisions of clause 3(xvi) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.

For O P Singhania & Co.

(ICAI Firm Regn. No.002172C)

Chartered Accountants

Sanjay Singhania

Partner

Membership number: 076961

Bhilai, 26th May, 2018



Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of **Simplex Castings Limited** ("the Company") as of 31 March 2018 in conjunction with our audit of the standalone Ind AS 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 our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For O P Singhania & Co.

(ICAI Firm Regn. No.002172C)

Chartered Accountants

Sanjay Singhania

Partner

Membership number: 076961

Bhilai, 26th May, 2018



BALANCE SHEET AS AT 31ST MARCH, 2018

(₹ in lakhs)

Particulars	Note No	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
ASSETS				
<i>(1) Non-current assets</i>				
(a) Property, Plant and Equipment	4	9547.08	6857.71	7088.03
(b) Capital work-in-progress		1607.32	523.69	0.00
(c) Investment Properties	5	289.22	289.22	289.22
(d) Other intangible assets	6	6.70	11.11	7.54
<i>(e) Financial assets</i>				
(i) Investments	7	17.47	18.48	14.13
(ii) Other financial assets	8	355.00	292.40	50.88
(f) Non-Current tax assets (net)		2.18	43.93	0.00
(g) Other non-current assets	9	361.15	2010.64	2090.66
<i>(2) Current-assets</i>				
(a) Inventories	10	8643.44	5544.23	7073.42
<i>(b) Financial assets</i>				
(i) Trade Receivables	11	6059.93	6489.33	4964.95
(ii) Bank, Cash and cash equivalents	12	124.94	15.70	28.39
(ii) Bank balances other than (ii) above	12	162.97	155.91	209.66
(c) Other current assets	9	2586.23	1288.54	1276.38
Total Assets		29763.65	23540.91	23093.26
EQUITY AND LIABILITIES				
<i>Equity</i>				
(a) Equity share capital	13	598.42	598.42	598.42
(b) Other equity		7484.36	7287.98	7021.54
(c) Money received against share warrants		797.48	0.00	0.00
<i>Liabilities</i>				
<i>(1) Non-current liabilities</i>				
<i>(a) Financial Liabilities</i>				
(i) Borrowings	14	2901.68	3119.63	2077.24
(b) Provisions	15	262.38	156.01	139.83
(c) Deferred tax Liabilities (Net)	16	750.04	789.11	787.38
(d) Other non-current liabilities	17	641.56	85.98	84.85
<i>(2) Current liabilities</i>				
<i>(a) Financial Liabilities</i>				
(i) Borrowings	18	5262.59	4823.61	4982.08
(ii) Trade Payables	19	8195.76	4196.47	4255.95
(iii) Other Financial Liabilities	20	1258.23	1875.89	1727.27
(b) Other current liabilities	21	1513.65	553.89	1347.48
(c) Provisions	15	77.60	25.15	25.69
(d) Current tax liabilities (Net)		19.91	28.77	45.53
Total Equity and Liabilities		29763.65	23540.91	23093.26
Summary of significant accounting policies	2.1			
First time adoption of Ind AS	3.1			

The accompanying notes are integral part of the financial statements.

As per our report of even date

For and on behalf of the Board of Directors of

For O P Singhania & Co.
(ICAI Firm Reg. No.002172C)
Chartered Accountants

Simplex Castings Limited

per Sanjay Singhania
Partner
Membership No.076961

Ketan M Shah
Chairman & Whole time Director
(DIN: 00312343)

Sangeeta K Shah
Managing Director
(DIN: 05322039)

D. Meena
Company Secretary

Avinash Hariharo
CFO

Place : Bhilai
Date : 26.05.2018



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

		(₹ in lakhs)	
	Notes	31.03.2018	31.03.2017
Revenue from operations (Gross)	22	22,442.04	23,676.33
Other Income	23	145.11	177.71
TOTAL REVENUE (I)		22,587.15	23,854.04
Cost of raw material and component consumed	24	7,767.50	11,248.58
Purchase of Traded Goods		7,429.86	-
(Increase)/decrease in inventories of finished goods work-in-progress and traded goods	25	(2,330.78)	1,658.43
Excise Duty on sales		249.03	1,654.84
Employees benefits expenses	26	1,727.35	1,830.89
Finance costs	27	1,163.14	1,128.61
Depreciation and amortization expenses	28	1,244.58	782.37
Other Expenses	29	5,008.49	5,179.74
TOTAL EXPENDITURE (II)		22,259.18	23,483.47
Profit/(loss) before tax		327.97	370.57
Tax expenses			
Current tax		28.05	147.84
Deferred Tax		(35.55)	(0.78)
Total tax expenses		(7.50)	147.07
Profit/(loss) for the year from continuing operations		335.47	223.51
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss			
Actuarial gain or loss on defined benefit plans, net of taxes		(102.07)	38.58
A (i) Items that will be reclassified to profit or loss			
Fair valuation of investments, net of taxes		(1.01)	4.35
Total Comprehensive Income for the period Comprising Profit/(Loss) and Other Comprehensive Income for the period		232.40	266.44
Earnings per equity share [nominal value of share @ Rs. 10/- (31st March, 2017" Rs. 10)	30		
Basic		5.61	3.73
Diluted		5.59	3.73
Summary of significant accounting policies	2.1		
First time adoption of Ind AS	3.2		

The accompanying notes are integral part of the financial statements.

As per our report of even date

For O P Singhania & Co.
(ICAI Firm Reg. No.002172C)
Chartered Accountants

per Sanjay Singhania
Partner
Membership No.076961

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

Ketan M Shah
Chairman & Whole time Director
(DIN: 00312343)

Sangeeta K Shah
Managing Director
(DIN: 05322039)

D. Meena
Company Secretary

Avinash Hariharno
CFO

Place : Bhilai
Date : 26.05.2018



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

(₹ in lakhs)

	2018	2017
Cash Flow from operating activities		
Profit/(loss) before tax	327.97	370.57
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation/amortization	1,244.58	782.37
Loss/(profit) on sale of fixed assets	0.60	(0.40)
Provision for leave encashment	23.42	31.06
Provision for gratuity	49.97	49.49
Provision/Allowances for credit loss on debtors	84.01	18.85
Provision for warranty & guarantee	(5.91)	0.85
Finance Cost	1,163.14	1,128.61
Interest Income	87.03	79.74
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	2,974.81	2,461.14
Movements in working capital :		
Increase/(decrease) in trade payables	3,999.29	(59.48)
Increase/(decrease) in other financial liabilities	(803.97)	(158.83)
Increase/(decrease) in other current liabilities	959.75	(793.59)
Increase/(decrease) in Other non-current liabilities	555.57	1.13
Decrease/(increase) in trade receivables	345.39	(1,543.24)
Decrease/(increase) in inventories	(3,099.20)	1,529.18
Decrease/(increase) in other non current assets	(8.75)	(8.83)
Decrease/(increase) in other current assets	(1,297.69)	(12.16)
Cash generated from/(used in) operations	3,625.21	1,415.33
Direct taxes paid (net of refunds)	(11.68)	(208.53)
Net Cash flow from/(used in) operating activities	A	3,613.54
Cash flows from investing activities		
Purchase of fixed assets, including intangible assets, CWIP & Capital Advances	(3,367.05)	(990.76)
Proceeds from sale/scraping of fixed assets	11.52	0.70
Investment in bank deposits (having original maturity of more than three months)	(71.90)	(194.86)
Interest received	(87.03)	(79.74)
Net cash flow from/(used in) investing activities	B	(3,514.46)
Cash flows from financing activities		
Proceeds from issue of share warrant and application money	797.48	-
Proceeds/(Repayment) of long-term borrowings	(27.14)	1,332.27
Proceeds from short-term borrowings	438.99	(158.47)
Interest paid	(1,163.14)	(1,128.61)
Dividends paid on equity shares	(29.92)	-
Tax on equity dividend paid	(6.09)	-
Net cash flow from/(used in) financing activities	C	10.17
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)	109.25	(12.69)
Cash and Cash Equivalents at the beginning of the year	15.69	28.39
Cash and Cash Equivalents at the end of the year	124.94	15.69
Components of cash and cash equivalents		
Cash in hand	1.89	3.62
With banks- on current account	123.05	12.07
	124.94	15.69

As per our report of even date

For O P Singhania & Co.
(ICAI Firm Reg. No.002172C)
Chartered Accountants

per Sanjay Singhania
Partner
Membership No.076961

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

Ketan M Shah
Chairman & Whole time Director
(DIN: 00312343)

Sangeeta K Shah
Managing Director
(DIN: 05322039)

D. Meena
Company Secretary

Avinash Hariharno
CFO

Place : Bhilai
Date : 26.05.2018



Statement of Changes in Equity for the year ended 31.03.2017

Equity Share Capital

(₹ in lakhs)

Balance as at 01.04.2016	Changes in the equity share capital during the year	Balance as at 31.03.2017
59,842,000	0	59,842,000

Other Equity

	Securities Premium Reserve	General Reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income (Net of Tax)	Other itmes of Other Comprehensive Income (Gain/ loss on employee benefit) (Net of Tax)	Total
Balance at the beginning of the reporting period 01.04.2016	511.12	5,500.00	1,010.23	0.18	-	7,021.54
Acturial Gain/loss on employee benefit) (Net of Tax)	-	-	-	-	38.58	38.58
Equity Instruments through Other Comprehensive Income (Net of Tax)	-	-	-	4.35	-	4.35
Transfer from retained earnings	-	200.00	(200.00)	-	-	-
Profit/(loss) for the year	-	-	223.51	-	-	223.51
Balance at the end of the reporting period 31.03.2017	511.12	5,700.00	1,033.74	4.53	38.58	7,287.98

As per our report of even date

For O P Singhania & Co.
(ICAI Firm Reg. No.002172C)
Chartered Accountants

per Sanjay Singhania
Partner
Membership No.076961

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

Ketan M Shah
Chairman & Whole time Director
(DIN: 00312343)

Sangeeta K Shah
Managing Director
(DIN: 05322039)

D. Meena
Company Secretary

Avinash Hariharno
CFO

Place : Bhilai
Date : 26.05.2018



Statement of Changes in Equity for the year ended 31.03.2018

Equity Share Capital

(₹ in lakhs)

Balance as at 01.04.2017	Changes in the equity share capital during the year	Balance as at 31.03.2018
59,842,000	-	59,842,000

Other Equity

	Securities Premium Reserve	General Reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income (Net of Tax)	Other itmes of Other Comprehensive Income (Gain/ loss on employee benefit) (Net of Tax)	Total
Balance at the beginning of the reporting period 01.04.2017	511.12	5,700.00	1,033.74	4.53	38.58	7,287.98
Acturial Gain/loss on employee benefit) (Net of Tax)	-	-	-	-	(102.07)	(102.07)
Equity Instruments through Other Comprehensive Income (Net of Tax)	-	-	-	(1.01)	-	(1.01)
Profit/(loss) for the year	-	-	335.47	-	-	335.47
Final Dividend & Tax Paid	-	-	(36.01)	-	-	(36.01)
Balance at the end of the reporting period 31.03.2018	511.12	5,700.00	1,333.20	3.52	(63.48)	7,484.36

As per our report of even date

For O P Singhania & Co.
(ICAI Firm Reg. No.002172C)
Chartered Accountants

per Sanjay Singhania
Partner
Membership No.076961

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

Ketan M Shah
Chairman & Whole time Director
(DIN: 00312343)

Sangeeta K Shah
Managing Director
(DIN: 05322039)

D. Meena
Company Secretary

Avinash Hariharno
CFO

Place : Bhilai
Date : 26.05.2018



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

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) For all periods upto and including the year ended 31st March 2017, the company prepared its financial statements in accordance with accounting standards notified as Companies (Accounting Standards) Rules, 2006 and considered as "Previous GAAP".
- iii) These financial statements for the year ended 31st March, 2018 are the Company's first Ind AS standalone financial statements.
- iv) 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
- v) Company's financial statements are presented in Indian Rupees (₹ in lakhs), which is also its functional currency.

2.2 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) The company has elected to avail the exemption granted by Ind AS 101 'First Time Adoption of the Indian Accounting Standards' to continue with the carrying value for all of its Property, Plant and Equipment as recognised in the financial statements as at the date of transition to Ind ASs, measured as per the previous GAAP and use that as its deemed cost as at the date of transition (i.e. as on April 1, 2016).
- 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) The company has elected to avail the exemption granted by Ind AS 101 'First Time Adoption of the Indian Accounting Standards' to continue with the carrying value for all of its Intangible Assets as recognised in the financial statements as at the date of transition to Ind ASs, measured as per the previous GAAP and use that as its deemed cost as at the date of transition (i.e. as on April 1, 2016).
- ii) 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.
- iii) 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.
- iv) 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

Leases are classified as finance leases whenever the terms of the lease, transfers substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

- Leased assets

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed.

g) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.



Based on the Educational Material on Ind AS 18 issued by the ICAI, the company has considered that recovery of excise duty flows to the company on its own account. Therefore it is a liability of the manufacturer and forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the company on its own account, revenue includes excise duty.

However, Sales Tax/Value Added Tax (VAT) and Goods & Service Tax are not received by the company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

i) Sale of goods

Revenue from sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

ii) Interest income

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

iii) Dividends

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

iv) Rendering of services

Revenue from the services is recognised by reference to the stage of completion. Stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours for each contract. When the contract outcome cannot be measured reliably, revenue is recognised only to the extent that the expenses incurred are eligible to be recovered.

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 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 along with the Plant & Machinery or subsequently which are capitalized and added in the carrying amount of such item 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 obsolesces, 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 which case the tax is 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.

2.3 **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 asset's 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 groups 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.

2.4 First Time adoption of Ind AS

The Company has adopted Ind AS with effect from 1st April 2016 with comparatives being restated. Accordingly the impact of transition has been provided in the Opening Reserves as at 1st April 2016. The figures for the previous period have been restated, regrouped and reclassified wherever required to comply with the requirement of Ind AS and Schedule III.

a) Exemptions from retrospective application

- i) Deemed cost for property, plant and equipment and intangible assets

The Company has elected to measure all its property, plant and equipment and intangible assets at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS.

- ii) Deemed cost for investment properties

The Company has elected to measure all its investment properties at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS.

b) Transition to Ind AS - Reconciliations

The following reconciliations provide the explanations and quantification of the differences arising from the transition from Previous GAAP to Ind AS in accordance with Ind AS 101:

- i) Reconciliation of Equity as at 1st April, 2016 and 31st March, 2017. Refer Note-3.1.
 ii) Reconciliation of Statement of Profit and Loss for the year ended 31st March, 2017. Refer Note-3.2.



3.1 RECONCILIATIONS

The following reconciliations provides the effect of transition to Ind AS from IGAAP in accordance with Ind AS 101

1. Equity as at April 1, 2016 and March 31, 2017
2. Net profit for the year ended March 31, 2017

Reconciliation of equity as previously reported under IGAAP to Ind AS

(₹ in lakhs)

Particulars	Note	Opening Balance Sheet as at April 1, 2016			Balance Sheet as at March 31, 2017		
		Previous IGAAP	Effects of transition to Ind-AS	Ind AS	Previous IGAAP	Effects of transition to Ind-AS	Ind AS
ASSETS							
Non-current assets							
Property, plant and equipment	A	7,416.31	(328.28)	7,088.03	7,054.26	(196.55)	6,857.71
Capital work-in-progress		-	-	-	523.69	-	523.69
Investment properties	A	-	289.22	289.22	-	289.22	289.22
Other Intangible Assets		7.54	-	7.54	11.11	-	11.11
Financial Assets							
(i) Investments	B	14.47	(0.33)	14.13	14.47	4.01	18.48
(ii) Other Financial Assets		50.88	-	50.88	292.40	-	292.40
Non-current tax assets		92.37	(92.37)	-	136.30	(92.37)	43.93
Other non-current assets	C	2,089.56	1.11	2,090.66	2,009.54	1.11	2,010.64
Total non-current assets		9,671.12	(130.65)	9,540.47	10,041.76	5.43	10,047.19
Current assets							
Inventories	D	5,210.21	1,863.20	7,073.42	5,177.49	366.74	5,544.23
Financial assets:							
(i) Trade receivables	E	7,285.11	(2,320.16)	4,964.95	7,367.87	(878.53)	6,489.33
(ii) Bank, Cash and cash equivalents		28.39	-	28.39	15.70	-	15.70
(iii) Bank balances other than (ii) above		209.66	-	209.66	155.91	-	155.91
Other current assets	F	1,247.87	28.52	1,276.38	1,232.99	55.55	1,288.54
Total current assets		13,981.23	(428.44)	13,552.79	13,949.96	(456.24)	13,493.72
Total assets		23,652.35	(559.09)	23,093.26	23,991.72	(450.82)	23,540.91
EQUITY AND LIABILITIES							
Equity							
Equity share capital		598.42	-	598.42	598.42	-	598.42
Other equity	G	7,482.48	(460.94)	7,021.54	7,696.21	(408.23)	7,287.98
Total equity		8,080.90	(460.94)	7,619.96	8,294.63	(408.23)	7,886.40
Non-current liabilities							
Financial Liabilities							
(i) Borrowings	H	2,093.55	(16.31)	2,077.24	3,137.79	(18.16)	3,119.63
Provisions	I	77.44	62.39	139.83	109.83	46.19	156.01
Deferred tax liabilities (Net)	J	941.44	(154.06)	787.38	909.72	(120.61)	789.11
Other non-current liabilities		84.85	-	84.85	85.98	-	85.98



Particulars	Note	Opening Balance Sheet as at April 1, 2016			Balance Sheet as at March 31, 2017		
		Previous IGAAP	Effects of transition to Ind-AS	Ind AS	Previous IGAAP	Effects of transition to Ind-AS	Ind AS
Current liabilities							
Financial Liabilities							
(i) Borrowings		4,982.08	-	4,982.08	4,823.61	-	4,823.61
(ii) Trade Payables		4,255.95	-	4,255.95	4,196.47	-	4,196.47
(iii) Other financial liabilities		1,717.43	9.84	1,727.27	1,789.87	86.01	1,875.89
Other current liabilities		1,347.48	-	1,347.48	553.89	-	553.89
Provisions	I	25.69	-	25.69	61.16	(36.01)	25.15
Current tax liabilities (net)		45.53	-	45.53	28.77	-	28.77
Total current liabilities		15,571.45	(98.14)	15,473.30	15,697.10	(42.59)	15,654.51
Total equity and liabilities		23,652.35	(559.09)	23,093.26	23,991.72	(450.82)	23,540.91

Explanations for reconciliation of Balance Sheet as previously reported under IGAAP to INDAS

A) Property, Plant and Equipment (PPE)

As per Ind AS 16, PPE are defined as tangible items that are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and are expected to be used during more than one period. Certain spare parts now meets the definition of PPE and are accordingly classified as PPE.

Under previous GAAP, investment properties were presented as a part of property, plant and equipment. Based on Ind AS 40, the company has reclassified freehold land held for undetermined future use to Investment Property.

B) Investment

Under Ind AS, financial assets representing investments in equity shares have been fair valued. The company has designated such investments as FVTOCI investments. At the date of transition to Ind AS, difference between the instruments fair value and Indian GAAP carrying amount has been recognised as a separate component of equity, in the FVTOCI reserve, net of related deferred taxes for investments measured at FVTOCI.

The company was having investment of Rs.0.52 lac in wholly owned subsidiary 'Simplex Mash LLP at Kazakhstan' as on the date of transition. As the company is not having any transaction and activity since 2013 and did not have any control since then, the investment amount of LLP has been considered as impaired as on the date of transition and has been eliminated against retained earnings.

C) Other Non-Current Assets

Recognition of deposit on leasehold land which was included alongwith leasehold land.

D) Inventory

Recognition of inventory on account of deferral of sales due to continuing managerial involvement and Stores and spare parts in the nature of property, plant and equipment has been reclassified.

E) Trade receivables

Under Indian GAAP, the company is to create provision for impairment of receivables consists only in respect of specific amount for incurred losses. Under Ind AS, impairment allowance has been determined based on Expected Loss model (ECL). Due to ECL model, the company impaired its trade receivable by INR 264.92 lacs on 1 April 2016 which has been eliminated against retained earnings. The impact of INR 18.85 lacs for year ended on 31 March 2017 has been recognized in the statement of profit and loss.

F) Other Current assets

Under Indian GAAP, amount receivable against funded defined benefit plans has been netted off with total liability of defined benefit which has now shown separately.

G) Other equity

- Adjustments to retained earnings and other comprehensive income has been made in accordance with Ind AS, for the above mentioned line items.
- In addition, as per Ind-AS 19, actuarial gains and losses are recognized in other comprehensive income as compared to being recognized in the statement of profit and loss under IGAAP.



H) Borrowings

Under Indian GAAP, transaction costs incurred in connection with borrowings are amortised upfront and charged to profit or loss for the period. Under Ind AS, transaction costs are included in the initial recognition amount of financial liability and charged to profit or loss using the effective interest method. The unamortized transaction cost is further classified in to non current and current.

I) Provisions

Adjustments that reflect unamortised negative past service cost arising on gratuity and leave encashment in an earlier period. Ind AS 19 requires such gains and losses to be adjusted to retained earnings.

Under the previous GAAP, dividends proposed by the Board of Directors after the Balance Sheet date but before the approval of the financial statements were considered as adjusting events. Accordingly, provision for proposed dividend was recognised as liability. Under Ind AS, such dividends are recognised when the same is approved by the shareholders in the general meeting. Accordingly, the liability for proposed dividend and tax thereon, included under provisions has been reversed with corresponding adjustment to retained earnings.

I) Deferred Tax liabilities

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences land which was not required under Indian GAAP.

In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the company has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

3.2 RECONCILIATION OF STATEMENT OF PROFIT & LOSS AS PREVIOUSLY REPORTED UNDER IGAAP TO IND AS

(₹ in lakhs)

	Particulars	Note	Year ended March 31, 2017		
			Previous IGAAP	Effects of transition to Ind-AS	Ind AS
I.	<u>INCOME</u>				
	Revenue from operations (Gross)	A	22,215.85	1,460.48	23,676.33
II.	Other Income		177.71	-	177.71
	Total Income (I+II)		22,393.56	1,460.48	23,854.04
III.	<u>EXPENDITURE</u>				
	Cost of materials consumed		11,248.58	-	11,248.58
	Purchases of Stock-in-Trade		-	-	-
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	A	334.23	1,324.20	1,658.43
	Employee benefits expense	B	1,839.49	(8.60)	1,830.89
	Finance costs	C	1,130.47	(1.85)	1,128.61
	Depreciation and amortization expense	D	724.52	57.84	782.37
	Excise Duty on sales	A	1,557.11	97.72	1,654.84
	Other expenses	E	5,257.77	(78.02)	5,179.74
	Total expenses		22,092.18	1,391.29	23,483.47
IV.	Profit Before Tax		301.39	69.19	370.57



	Particulars	Note	Year ended March 31, 2017		
			Previous IGAAP	Effects of transition to Ind-AS	Ind AS
V.	Tax expense:				
	(1) Current tax	F	145.00	2.84	147.84
	(2) Deferred Tax	G	(31.72)	30.94	(0.78)
VI.	Profit for the period (IV - V)		188.11	35.40	223.51
VII.	Other comprehensive income for the year, net of tax		-	42.93	42.93
VIII.	TOTAL COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX	H	188.11	78.33	266.44

Explanations for reconciliation of Statement of Profit and loss as previously reported under IGAAP to Ind AS

A. Revenue

Under Indian GAAP, sale of goods was presented as net of excise duty. However, under Ind AS, sale of goods includes excise duty. Excise duty on sale of goods is separately presented on the face of statement of profit and loss. Thus sale of goods under Ind AS has increased by INR 1557.11 lacs with a corresponding increase in other expense.

Further, under Ind AS the timing of risk and reward varies to the extent that revenue can be recognized when there is no continuing control over or the managerial involvement over the goods. This has resulted in increment of revenue to the extent of INR 1460.48 lacs with a consequential impact on inventory and due increase in Excise Duty on sales.

B. Employee benefit expenses

As per Ind-AS 19- Employee Benefits, actuarial gains and losses are recognized in other comprehensive income and not reclassified to profit and loss in a subsequent period.

Adjustments reflect unamortised negative past service cost arising on modification of the gratuity plan in an earlier period. Ind AS 19 requires such gains and losses to be adjusted to retained earnings.

C. Finance costs

Under Indian GAAP, transaction costs incurred in connection with borrowings are amortised upfront and charged to profit or loss for the period. Under Ind AS, transaction costs are included in the initial recognition amount of financial liability and charged to profit or loss using the effective interest method. The unamortized transaction cost is further classified in to non current and current.

D. Depreciation

Recognition of additional PPE from spare parts has resulted in additional depreciation charge for the year ended 31 March 2017.

E. Other expenses

Under Indian GAAP, the company is to create provision for impairment of receivables consists only in respect of specific amount for incurred losses. Under Ind AS, impairment allowance has been determined based on Expected Loss model (ECL).

F. Current Tax

Tax related to earlier year has been considered as prior period adjustment and shown as appropriation with the balances in the Statement of Profit or Loss in Indian GAAP. Under Ind AS 12, the tax related to earlier year is the part of current tax and the reconciliation of the same should be separately disclosed.

G. Deferred Tax

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.



H. Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in the Statement of Profit and Loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the Statement of Profit and Loss as 'other comprehensive income' includes remeasurements of defined benefit plans and fair valuation of investments. The concept of other comprehensive income did not exist under previous GAAP.

4. PROPERTY, PLANT AND EQUIPMENT

(₹ in lakhs)

	Freehold Land	Leasehold Land	Factory Shed & Building	Plant & Machinery	Mould Box & Pattern	Furniture & Fixtures	Vehicles	Total
Gross Block Carrying Value								
At 1st April 2016	-	124.17	2,065.53	4,419.84	387.98	11.35	79.16	7,088.03
Additions	-	-	24.00	345.48	131.48	10.77	33.19	544.93
Disposals	-	-	-	-	-	-	0.50	0.50
At 31st March, 2017	-	124.17	2,089.53	4,765.32	519.46	22.13	111.85	7,632.46
Additions	408.71	-	-	2,317.02	1,214.88	1.05	-	3,941.67
Disposals	-	-	-	1.47	10.25	0.40	0.01	12.12
At 31st March, 2018	408.71	124.17	2,089.53	7,080.88	1,724.09	22.78	111.84	11,562.00
Depreciation								
At 1st April 2016	-	-	-	-	-	-	-	-
Charge for the year	-	1.60	100.10	580.34	47.84	7.06	38.01	774.95
Disposals/ (Adjustment)	-	-	-	-	-	-	0.20	0.20
At 31st March, 2017	-	1.60	100.10	580.34	47.84	7.06	37.81	774.75
Charge for the year	-	1.60	178.43	776.85	264.04	1.74	17.51	1,240.17
Disposals/ (Adjustment)	-	-	-	-	-	-	-	-
At 31st March, 2018	-	3.20	278.52	1,357.19	311.88	8.80	55.32	2,014.92
Net Block								
At 1st April, 2016	-	124.17	2,065.53	4,419.84	387.98	11.35	79.16	7,088.03
At 31st March, 2017	-	122.57	1,989.43	4,184.98	471.61	15.07	74.04	6,857.71
At 31st March, 2018	408.71	120.97	1,811.00	5,723.69	1,412.21	13.98	56.52	9,547.08

5. INVESTMENT PROPERTIES

(₹ in lakhs)

	Freehold Land	Total
Gross Block Carrying Value		
At 1st April 2016	289.22	289.22
Purchase/additions	-	-
At 31 March, 2017	289.22	289.22
Purchase/additions	-	-
At 31st March, 2018	289.22	289.22
Depreciation/Amortization		
At 1st April 2016	-	-
Charge for the year	-	-
At 31st March, 2017	-	-
Charge for the year	-	-
At 31st March, 2018	-	-
Net Block		
At 1st April, 2016	289.22	289.22
At 31st March, 2017	289.22	289.22
At 31st March, 2018	289.22	289.22



6. OTHER INTANGIBLE ASSETS

(₹ in lakhs)

	Computer Software	Total
Gross Block		
Carrying Value		
At 1 April 2016	7.54	7.54
Purchase/additions	11.00	11.00
At 31 March, 2017	18.53	18.53
Purchase/additions	-	-
At 31 March, 2018	18.53	18.53
Amortization		
At 1 April 2016	-	-
Charge for the year	7.42	7.42
At 31 March, 2017	7.42	7.42
Charge for the year	4.41	4.41
At 31 March, 2018	11.83	11.83
Net Block		
At 1 April, 2016	7.54	7.54
At 31 March, 2017	11.11	11.11
At 31 March, 2018	6.70	6.70

7. INVESTMENTS

	Face value per unit in Rs.	No. of Shares/ Units as at 31.03.2018	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Trade investments					
Valued at cost					
Non Trade investments					
Carried at Fair Value through OCI					
Investment in equity instruments, fully Paid up (unquoted)					
Quoted					
7200 Equity Shares of ₹ 10/- each of Industrial Development Bank of India	10	7,200	5.20	5.41	5.00
Investment in mutual fund, fully Paid up					
Carried at Fair Value through OCI					
SBI Magnum Comma Fund	10	19,990	6.37	6.90	4.61
SBI PSU Fund	10	34,349	5.54	5.82	4.16
Investment in government securities					
Other Long term investments					
National Saving Certificates			0.36	0.36	0.36
			17.47	18.48	14.13
Aggregate amount of quoted investments and market value thereof			17.12	18.12	13.77
Aggregate amount of Unquoted investments			0.36	0.36	0.36
Investment in government securities carried at cost			0.36	0.36	0.36
Investment carried at fair value through OCI			17.12	18.12	13.77



8. OTHER FINANCIAL ASSETS

(₹ in lakhs)

	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Unsecured, considered good unless stated otherwise			
Balance with bank having maturity for more than 12 months (refer note-12)	355.00	292.40	50.88
	355.00	292.40	50.88

9. OTHER ASSETS (UNSECURED, CONSIDERED GOOD)

	Non-Current			Current		
	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Capital Advances	-	1,658.25	1,747.09			
Advances other than capital advances						
Advance to Vendors				1,619.04	841.26	818.67
Prepaid expenses				86.83	71.62	153.04
Balance with statutory/govt. authorities				775.42	303.75	263.73
Security deposit with govt. & others	361.15	352.40	343.57			
Others				104.95	71.90	40.95
Total	361.15	2,010.64	2,090.66	2,586.23	1,288.54	1,276.38

10. INVENTORIES (VALUED AT LOWER OF COST AND NET REALIZABLE VALUE)

	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Raw Materials, components and Stores & spares	3,070.69	2,313.77	2,184.51
Stock in transit	-	-	10.21
Finished goods	2,267.82	2,030.90	3,325.10
Semi-finished goods	3,293.43	1,199.57	1,553.59
Stock of Scrapping of Assets	11.50	-	-
	8,643.44	5,544.23	7,073.42

11. TRADE RECEIVABLES

	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Unsecured, considered good unless stated otherwise			
Trade receivables	6427.71	6773.11	5229.87
Less: Provision for doubtful receivables	367.78	283.77	264.92
	6059.93	6489.33	4964.95

**12. BANK, CASH AND CASH EQUIVALENTS**

(₹ in lakhs)

	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Cash and cash equivalents						
Balances with banks:						
On current accounts				123.05	12.07	14.31
Cash on hand				1.89	3.62	14.08
				124.94	15.70	28.39
Other bank balances						
Unpaid dividend account				15.32	17.57	24.65
*Deposits with original maturity for more than 12 months	355.00	292.40	50.88			
*Deposits with original maturity for more than 3 months but less than 12 months				147.65	138.35	185.00
	355.00	292.40	50.88	162.97	155.91	209.66
Amount disclosed under other financial assets (note 8)	355.00	292.40	50.88			
	-	-	-	287.91	171.61	238.04

*Deposits are pledged with various banks for availing LC, Bank Guarantee and Margin Money.

13. EQUITY SHARE CAPITAL

Authorised 10000000 (31st March, 2017: 7500000 and 1st April, 2016: 7500000) equity shares of Rs.10/- each	1,000.00	750.00	750.00
	1,000.00	750.00	750.00
Issued 6093000 (31st March, 2017: 6093000 and 1st April, 2016: 6093000) equity shares of Rs.10/- each	609.30	609.30	609.30
	609.30	609.30	609.30
Subscribed and fully paid-up 5984200 (31st March, 2017: 5984200 and 1st April, 2016: 5984200) equity shares of Rs.10/- each fully paid-up	598.42	598.42	598.42
	598.42	598.42	598.42

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

	As at 31.03.2018		As at 31.03.2017	
	No.	(₹ in lakhs)	No.	(₹ in lakhs)
At the beginning of the period	5984200	598.42	5984200	598.42
Issued during the period	-	-	-	-
Outstanding at the end of the period	5984200	598.42	5984200	598.42

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. Details of shareholders holding more than 5% shares in the company:

(₹ in lakhs)

	As at 31.03.2018		As at 31.03.2017	
	No.	% of holding in the class	No.	% of holding in the class
Equity shares of Rs.10/- each fully paid Ketan M Shah	3104415	51.88	3104315	51.88
	3104415	51.88	3104315	51.88

e. Terms of Issue of Equity Share Warrants

During the year the company has taken approval from members to issued and allotment of 20,00,000 Convertible Equity Warrants on preferential basis to group of Strategic Investors, not forming part of the Promoter Group of the Company i.e. non promoter, with an option to convert the same into equal number of equity shares at a price of ₹ 160/- per share at par on face value of ₹ 10/- per share, within a period of 18 months from the date of allotment of warrants.

14. BORROWINGS

Particulars	Effective interest rate	Maturity	Non-current portion			Current maturities		
			As at 31.03.2018	As at 31.03.2017	As at 01.04.2016	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Secured								
Corporate loan from banks	13.50%	Sept.,2020	263.31	473.63	726.70	240.00	240.00	244.49
Corporate loan from banks	14.25%	June, 2019	216.12	405.88	-	192.00	192.00	-
Term loan from banks	14.40%	Sept.,2022	368.41	250.76	-	192.00	96.00	-
Term loan from financial institutions	12.00% to 12.20%	March, 2023	172.19	-	-	32.74	-	-
Other loans and advances								
Other loans from bank (secured)	11.65%	March, 2020 & June, 2021	11.15	17.91	7.29	6.70	6.87	2.51
Other loans from financial institutions (secured)	13.00%	January, 2022	4.31	5.67	-	1.22	1.07	-
Other loans from financial institutions (secured)	9.14%	March, 2018	-	-	12.40	-	12.47	11.55
Unsecured								
Loans & advances from Directors	9.00%	--	801.22	720.67	633.11	-	-	-
Loans & advances from body corporates	9.00%	--	985.06	1,245.11	697.74	-	-	-
Loan from financial institutions	17.75% to 18.00%	February, 2020	38.51	-	-	37.86	-	-
Loan from financial institutions	18.00% to 19.00%	March, 2020	41.38	-	-	36.71	-	-
			2,901.68	3,119.63	2,077.24	739.23	548.42	258.54



(₹ in lakhs)

Particulars	Effective interest rate	Maturity	Non-current portion			Current maturities		
			As at 31.03.2018	As at 31.03.2017	As at 01.04.2016	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
The above amount includes								
Secured borrowings			1,035.50	1,153.85	746.39	664.66	548.42	258.54
Unsecured borrowings			1,866.18	1,965.78	1,330.85	74.56	-	-
Amount disclosed under the head "other current liabilities" (refer note 20)						(739.23)	(548.42)	(258.54)
Net amount			2,901.68	3,119.63	2,077.24	-	-	-

Security and terms & conditions for above loans:

- Corporate Loan from Banks (State Bank of India (SBI) and Bank of Baroda (BOB)) are secured by 1st Pari Passu charge on the entire Factory Leasehold land at Bhilai & Urla, built-up area including plant & machineries on entire fixed assets (existing & proposed) of the company by way of hypothecation/mortgage.
- Term Loan from State Bank of India (SBI) is secured by an exclusive charge on the Machinery to be purchased out from the said loan.
- Term Loan from financial institutions are secured by way of equitable mortgage on the freehold land at Kohka ward, Durg.
- The facilities from banks are further secured by exclusive charge (First Charge) by way of equitable mortgage on the residential properties of the company at Vaishali Nagar- Bhilai, Kabeer Nagar - Raipur & the residential properties of the directors at Surya Vihar colony (phase I & II), Junwani, Bhilai, 2nd Pari Passu charge on the entire Factory Leasehold land at Bhilai, built-up area including plant & machineries on entire fixed assets (existing & proposed) of the company by way of hypothecation/mortgage and also guaranteed by two directors of the Company.
- Other loans and advances from Banks and financial institutions are secured by Hypothecation of respective vehicles purchased under the loan.
- Other loans bearing interest @9% 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.

15. PROVISIONS

	Long-term			Short-term		
	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Provision for Employee Benefits	245.44	133.16	117.83	77.60	25.15	25.69
Provision for warranty and guarantees	16.94	22.85	22.00	-	-	-
	262.38	156.01	139.83	77.60	25.15	25.69



16. DEFERRED TAX (ASSETS)/LIABILITIES

(₹ in lakhs)

	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Deferred Tax (Assets)/Liability			
Temporary differences on account of PPE & Other intangible assets	982.55	953.80	952.68
Temporary differences on account of Employee Benefits	(47.32)	(31.40)	(42.15)
Temporary differences on index cost of inflation	(35.15)	(31.91)	(28.29)
MAT Credit Entitlement	(22.85)	-	-
Temporary differences on Provisions for receivables and warranties	(127.20)	(101.38)	(94.86)
Net deferred tax (assets)/ liabilities	750.04	789.11	787.38
RECONCILIATION OF DEFERRED TAX (ASSETS)/LIABILITIES (NET)			
Deferred Tax (Assets)/Liabilities			
Deferred tax liability / (assets) at the beginning of the year	789.11	787.38	787.38
Deferred tax liability / (assets) during the year on account of timing difference	(39.08)	1.73	-
DEFERRED TAX LIABILITIES / (ASSETS) AT THE END OF THE YEAR	750.04	789.11	787.38

17. OTHER NON-CURRENT LIABILITIES

	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Retention money/Security Deposit payable	641.56	85.98	84.85
	641.56	85.98	84.85

18. BORROWINGS

	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Cash Credit facility from banks (secured)	2,457.25	3,091.68	2,427.55
Working capital demand loan (secured)	2,805.35	1,231.93	2,394.51
Export Packing credit (secured)	-	500.00	160.02
The above amount includes	5,262.59	4,823.61	4,982.08
Secured borrowings	5,262.59	4,823.61	4,982.08

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.

19. TRADE PAYABLE

	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Trade payables (refer note 39 for details of dues for micro and small enterprises)	8,195.76	4,196.47	4,255.95
	8,195.76	4,196.47	4,255.95

20. OTHER FINANCIAL LIABILITIES

	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Current maturities of long-term borrowings (secured) (refer note-14)	739.23	548.42	258.54
Interest accrued but not due on borrowings	-	41.15	140.83
Investor Education and Protection Fund will be credited by following amounts (as and when due)			
Unpaid dividend	15.32	17.56	24.65
Liabilities for expenses	503.69	1,268.75	1,303.25
	1,258.23	1,875.89	1,727.27

**21. OTHER CURRENT LIABILITIES**

(₹ in lakhs)

	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Other Payable			
Duties & Taxes Payable	3.47	89.78	130.26
TDS payable	43.99	40.93	68.85
Others	-	41.81	119.98
Advances from Customer	1,466.18	381.38	1,028.39
	1,513.65	553.89	1,347.48

22. REVENUE FROM OPERATIONS

	31.03.2018	31.03.2017
Revenue from operations		
Sale of products	14,780.37	23,202.14
Job Contract Receipts	89.24	66.02
Work Contract Receipts	43.04	262.97
Other operating revenue		
Sale of traded goods	7,483.14	-
Sale of MEIS Scripts/export incentives	46.25	47.20
Pattern development charges	-	98.00
Revenue from operations (gross)	22,442.04	23,676.33

23. OTHER INCOME

	31.03.2018	31.03.2017
Interest Income on		
Bank Deposits & others	87.03	79.74
Exchange fluctuation gain	8.37	78.83
Profit on sale of fixed assets	-	0.40
Other non-operating income (net of expenses directly attributable to such income)	49.71	18.75
	145.11	177.71

24. COST OF MATERIAL AND COMPONENTS CONSUMED

	31.03.2018	31.03.2017
Inventory at the beginning of the year	2,313.77	2,184.51
Add: purchases	8,524.43	11,550.10
	10,838.20	13,734.61
Less: transferred to PPE*	-	172.26
Less : Inventory at the end of the year	3,070.69	2,313.77
Cost of raw material and components consumed	7,767.50	11,248.58

*Tools & Dies lying in the stock are considered as part of Property, plant & equipment in accordance with Ind AS-16.

25. (INCREASE)/DECREASE IN INVENTORIES

	31.03.2018	31.03.2017	(Increase)/ Decrease
Inventories at the end of the year			31.03.2018
Finished goods	2,267.82	2,030.91	(236.91)
Semi-Finished goods	3,293.43	1,199.56	(2,093.87)
Work Contract-in-progress	-	-	-
	5,561.25	3,230.47	(2,330.78)
Inventories at the beginning of the year			31.03.2017
Finished goods	2,030.91	3,325.10	1,294.19
Semi-Finished goods	1,199.56	1,553.59	354.04
Work Contract-in-progress	-	10.21	10.21
	3,230.47	4,888.90	1,658.43
	-	-	-
Net (increase)/decrease in inventories	(2,330.78)	1,658.43	-



26. EMPLOYEE BENEFITS EXPENSES

(₹ in lakhs)

	31.03.2018	31.03.2017
Salaries, wages and bonus	1,386.04	1,512.21
Directors' remuneration	86.76	57.77
Contribution to provident and other fund	82.38	78.14
Gratuity Expense	49.97	49.49
Workmen and staff welfare expenses	122.20	133.28
	1,727.35	1,830.89

27. FINANCE COSTS

	31.03.2018	31.03.2017
Interest		
- on corporate/term loans	110.17	347.96
- on working capital	502.36	421.66
- on others	352.87	143.81
Bank charges	197.73	215.19
	1,163.14	1,128.61

28. DEPRECIATION AND AMORTIZATION EXPENSES

	31.03.2018	31.03.2017
Depreciation on tangible assets	1,240.17	774.95
Amortization of intangible assets	4.41	7.42
	1,244.58	782.37

29. OTHER EXPENSES

	31.03.2018	31.03.2017
Testing/Laboratory charges	48.86	55.09
Off loading/Job contract charges	1,589.47	1,690.10
Power & Fuel	1,550.85	1,545.97
Freight and forwarding charges	682.83	549.60
(Increase)/decrease of excise duty on inventory	(154.70)	(95.27)
Rent	50.96	41.47
Rates and taxes		
- Sales tax & work contract tax	15.29	4.26
- Excise duty	27.29	28.43
- Terminal tax	0.28	5.02
- Others	8.79	8.85
Insurance	8.36	30.05
Repairs and maintenance		
- Plant and machinery	179.42	291.27
- Buildings	62.94	62.01
- Others	122.07	112.93
Liquidated damages	9.91	41.99
Commission		
- Other than Sole selling agents	104.03	138.07
Provision/Allowances for credit loss on debtors	84.01	18.85
Provision for Warranty & Guarantee	(5.91)	0.85
Travelling and conveyance	189.20	131.42
Communication expenses	21.90	27.15
Printing and stationery	17.24	15.82
Legal and professional fees	143.74	114.33



(₹ in lakhs)

	31.03.2018	31.03.2017
Directors' sitting fees	3.55	3.37
Research & Development	50.35	8.15
Payment to Auditor (Refer details below)	7.50	4.67
Loss on sale/scrapping of fixed assets	0.60	-
Advertisement/Sales Promotion expenses	63.00	41.63
Donation	2.84	1.96
Forward contract premium	76.66	274.14
Corporate Social Responsibility	10.18	13.25
Miscellaneous expenses	36.98	14.31
	5,008.49	5,179.74

	31.03.2018	31.03.2017
Payment to Auditor		
As auditor :		
Audit fee	7.00	3.75
Tax Audit fee	0.50	0.25
In other capacity		
Taxation matters	-	0.63
Out of pocket expenses	-	0.04
	7.50	4.67

30. EARNINGS PER SHARE (EPS)

	31.03.2018	31.03.2017
Net profit/(loss) as per statement of profit and loss	335.47	223.51
Net profit/(loss) attributable to Equity Shareholders	335.47	223.51
Nominal Value of Equity Shares (₹)	10.00	10.00
Weighted average number of equity shares in calculating Basic EPS	5984200	5984200
Weighted average number of equity shares in calculating Diluted EPS	5998592	5984200
Basic & Diluted EPS		
- Basic earning per share	5.61	3.73
- Diluted earning per share	5.59	3.73

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 ₹ 2234.01 lacs (Previous Year ₹ 2077.04 lacs.)
- ii) Disputed liability of ₹ Nil (Previous Year ₹ 30.42 lacs) on account of Excise and Service Tax against which the matter has been decided in the favour of the company during the year.
- iii) Disputed liability of ₹ Nil (Previous ₹ 9.49 lacs) on account of Sales Tax against which the order has been passed and the liability based on the order has been paid by the company.
- iv) Disputed liability of ₹ Nil (Previous Year ₹ 149.21) on account of Income Tax against which the matter has been decided in favour of the company by the Income Tax Appellate Tribunal during the year.
- v) Pursuant to the judgement of the State Industrial Court, Raipur, on the labour case relating to strike declared in the year 1990, the company has been directed to pay compensation to the retrenched workers amounting to ₹ 82.80 lacs in total, for which the company has obtained a stay against the said order from the High Court, Bilaspur vide order dated 28.11.2001, on account of a petition contending the order which is yet to be heard. The petition has since been heard by the Honourable High Court, Bilaspur and vide their order of April, 2016 the company is liable to pay a final compensation of ₹ 14.00 lacs. No provision has been made in the accounts for the said liability of ₹ 14.00 lacs.
- vi) Estimated amount of contracts remaining to be executed on capital accounts ₹ Nil (Previous Year ₹ 86.79 lacs).



32. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 19 EMPLOYEE BENEFITS:

a. Defined Contribution Plan:

Amount of Rs. 82.38 lakhs (P.Y. Rs. 78.14 lakhs) is recognised as an expenses and included in employee benefit expense as under the following defined contribution plans (Refer Note no 26).

	(₹ in lakhs)	
Benefit (Contribution to):	2017-18	2016-17
Provident Fund & Employee state insurance scheme	82.38	78.14
Total	82.38	78.14

b. Defined benefit plan:

Gratuity:

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity plan provides a lumpsum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount equivalent to 15 to 30 days salary for each completed year of service subject to a maximum of Rs. 20 Lakhs. Vesting occurs upon completion of five continuous years of service in accordance with Indian law.

The Company makes annual contributions to LIC Group Gratuity Fund, which is funded defined benefit plan for qualifying employees.

Particulars		(₹ in lakhs)			
		Gratuity		Leave Encashment	
		2017-18	2016-17	2017-18	2016-17
		(Funded)	(Funded)	(Non Funded)	(Non Funded)
I	Change in Present value of defined benefit obligation during the year:				
	Present value of defined benefit obligation at the beginning of the year	422.79	383.83	94.97	93.48
	Interest Cost	47.88	28.79	6.81	6.26
	Current Service Cost	29.95	44.71	16.61	22.85
	Past Service Cost				
	Benefit paid directly by employer	(72.69)	-	(14.26)	(20.03)
	Actuarial Changes arising from changes in financial assumption	(7.40)	18.58	(2.45)	4.12
	Actuarial Changes arising from changes in experience assumption	94.29	(53.13)	13.11	(11.72)
	Present value of defined benefit obligation at the end of the year	514.82	422.79	114.78	94.97
II	Change in fair value of plan assets during the year:				
	Fair value of plan assets at the beginning of the year	-	-	-	-
	Contribution paid by the employer	72.69	-	14.26	20.03
	Benefit paid from the fund	(72.69)	-	(14.26)	(20.03)
	Fair value of plan assets at the end of the year	-	-	-	-
III	Net asset / (liability) recognised in the balance sheet:				
	Present Valur of defined benefit obligation at the end of the year	514.82	422.79	114.78	94.97
	Fair value of plan assets at the end of the year	-	-	-	-
	Amount recognised in the balance sheet	-	-	-	-
	Net asset / (liability) - Current	66.19	38.73	11.40	6.98
	Net asset / (liability) - Non Current	448.63	384.06	103.38	87.99



(₹ in lakhs)

Particulars	Gratuity		Leave Encashment	
	2017-18	2016-17	2017-18	2016-17
	(Funded)	(Funded)	(Non Funded)	(Non Funded)
IV Expenses recognized in the statement of profit and loss for the year:				
Current Service Cost	29.95	44.71	16.61	22.85
Interest Cost on benefit obligation (Net)	47.88	28.79	6.81	6.26
Total expenses included in employee benefits expenses	77.83	73.50	23.42	29.11
V Recognized in other comprehensive income for the year:				
Actuarial Changes arising from changes in financial assumption	(7.40)	18.58	(2.45)	4.12
Actuarial Changes arising from changes in experience assumption	94.29	(53.13)	13.11	(11.72)
Recognized in other comprehensive income for the year:	86.90	(34.54)	10.66	(7.60)
VI Maturity profile of defined benefit obligation:				
Within the next 12 months (next annual reporting period)	21.97	18.18	5.66	4.71
Between 2 and 5 years	209.69	180.02	39.75	30.99
Between 6 and 10 years	266.74	202.61	56.73	44.38
VII Quantitative Sensitivity analysis for significant assumption is as below:				
1				
1% point increase in discount rate	478.90	392.21	105.71	86.99
1% point decrease in discount rate	555.71	457.78	125.26	104.25
1% point increase rate of salary Increase	553.00	453.58	125.58	104.54
1% point decrease rate of salary Increase	480.36	394.89	105.29	86.60
1% point increase rate of employee turnover rate	514.73	422.79	114.61	94.66
1% point decrease rate of employee turnover rate	514.87	422.75	114.98	95.32
2 Sensitivity Analysis Method:				
Sensitivity Analysis is determined based on the expected movement in liability if the assumption were not proved to be true on different count.				

VIII Actuarial assumptions:

Particulars	Gratuity		Leave Encashment		
	2017-18	2016-17	2017-18	2016-17	
	Non Funded	Non Funded	Non Funded	Non Funded	
1	Discount rate	7.75%	7.50%	7.50%	8.00%
2	Salary escalation	8.00%	8.00%	6.00%	6.00%
3	Mortality rate during employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
4	Mortality post retirement rate	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
5	Rate of Employee Turnover	1% to 8%	1% to 8%	1% to 8%	1% to 8%



Expected contribution to the defined plan for the next reporting period:

Notes:

- (i) The actuarial valuation of plan assets and the present value of the defined obligation were carried out at 31st March, 2018. The present value of the defined benefit obligation and the related current service cost and past service cost, were measured using the projected Unit Credit Method.

33. 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:

(₹ in lakhs)

	31-Mar-18	31-Mar-17	01-Apr-16
Trade receivables	6,059.93	6,489.33	4,964.95
Bank, Cash and cash equivalents	287.91	171.61	238.04

Impairment losses

	31-Mar-18	31-Mar-17	01-Apr-16
Trade receivables (measured under life time excepted credit loss model)			
Opening balance	283.77	264.92	264.92
Provided during the year	84.01	18.85	-
Reversal of provision	-	-	-
Closing balance	367.78	283.77	264.92

Ageing analysis

(₹ in lakhs)

	31-Mar-18	31-Mar-17
Upto 3 months	4,732.04	5,292.31
3-6 months	591.30	384.72
More than 6 months	736.59	812.30
	6,059.93	6,489.33

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.

Financing arrangements

The Company has access to following undrawn borrowing facilities at the end of the reporting period: (₹ in lakhs)

	31-Mar-18	31-Mar-17	01-Apr-16
Term Loan	150.00	445.00	800.00
Cash Credit facilities	237.41	176.39	17.92

Maturities of financial liabilities

The contractual undiscounted cash flows of financial liabilities are as follows:

As at 31 March 2018	Less than 1 year	1-5 years	More than 5 years	Total
Borrowings	6,001.82	2,901.68	-	8,903.50
Trade payables	8,195.76	-	-	8,195.76
Other financial liabilities	519.00	-	-	519.00
	14,716.59	2,901.68	-	17,618.27

As at 31 March 2017	Less than 1 year	1-5 years	More than 5 years	Total
Borrowings	5,372.03	3,119.63	-	8,491.66
Trade payables	4,196.47	-	-	4,196.47
Other financial liabilities	1,327.47	-	-	1,327.47
	10,895.96	3,119.63	-	14,015.59

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, Commercial Paper Program. 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-18	31-Mar-17	01-Apr-16
Variable rate borrowings	6,752.29	6,506.66	5,963.07
Fixed rate borrowings	2,151.22	1,985.00	1,354.79

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-18	31-Mar-17
Interest rates - increase by 70 basis points	47.27	45.55
Interest rates - decrease by 70 basis points	(47.27)	(45.55)

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.

(₹ in lakhs)

PARTICULARS	Currency	Currency in Lacs	
		2017-18	2016-17
Borrowings	USD	65.25	30.00
Trade Receivables	USD	1.96	1.48
Trade Receivables	EURO	0.57	0.54

Profit or loss estimate to higher/lower as a result of changes in foreign exchange rates-

	Impact on profit after tax	
	2017-18	2016-17
Foreign exchange rates - increase by 1%	1.21	0.94
Foreign exchange rates - decrease by 1%	(1.21)	(0.94)

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 ₹ 0.34 lacs (2016-17: ₹ 0.36 lacs); an equal change in the opposite direction would have decreased profit and loss.

34. 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

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.

	31 March 2018	31 March 2017
Total liabilities (long term debt)	3,640.91	3,668.05
Less : Bank, Cash and cash equivalent	287.91	171.61
Net debt	3,353.00	3,496.44
Total equity	8,082.78	7,886.40
Net debt to equity ratio	0.41	0.44

The company has complied with the covenants of the terms of the major borrowing facilities through out the reporting period.



35. 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

(₹ in lakhs)

	Carrying amount	Level 1	Level 2	Level 3
	As at 31.03.2018			
Financial assets at amortised cost:				
Trade receivables	6059.93	-	-	-
Other financial assets	355.00			
Bank, Cash and bank balances	287.91	-	-	-
	6702.84	-	-	-
Financial assets at fair value through other comprehensive income:				
Investments	17.47	17.12	-	0.36
Total	17.47	17.12	-	0.36
Financial liabilities at amortised cost:				
Long term borrowings	2901.68	-	-	-
Short term borrowings	5262.59	-	-	-
Trade payables	8195.76	-	-	-
Other financial liabilities	1258.23	-	-	-
Total	17618.27	-	-	-

	Carrying amount	Level 1	Level 2	Level 3
	As at 31.03.2017			
Financial assets at amortised cost:				
Trade receivables	6489.33	-	-	-
Other financial assets	292.40			
Bank, Cash and bank balances	171.61	-	-	-
	6953.34	-	-	-
Financial assets at fair value through other comprehensive income:				
Investments	18.48	18.12	-	0.36
Total	18.48	18.12	-	0.36
Financial liabilities at amortised cost:				
Long term borrowings	3119.63	-	-	-
Short term borrowings	4823.61	-	-	-
Trade payables	4196.47	-	-	-
Other financial liabilities	1875.89	-	-	-
Total	14015.59	-	-	-



(₹ in lakhs)

	Carrying amount			
	As at 01.04.2016	Level 1	Level 2	Level 3
Financial assets at amortised cost:				
Trade receivables	4964.95	-	-	-
Other financial assets	50.88	-	-	-
Bank, Cash and bank balances	238.04	-	-	-
Total	5253.87	-	-	-
Financial assets at fair value through other comprehensive income:				
Investments	14.13	13.77	-	0.36
Total	14.13	13.77	-	0.36
Financial liabilities at amortised cost:				
Long term borrowings	2077.24	-	-	-
Short term borrowings	4982.08	-	-	-
Trade payables	4255.95	-	-	-
Other financial liabilities	1727.27	-	-	-
Total	13042.54	-	-	-

During the reporting period ending 31st March, 2018 and 31st March, 2017, there were no transfers between Level 1, Level 2 and Level 3 fair value measurements.

36. INFORMATION ON RELATED PARTY DISCLOSURES ARE GIVEN BELOW :

i) Related Parties

a) Other Related Parties where significant influence exist

- Prabha Plantations Pvt. Ltd.
- Sim Prabha Estates & Trading Co. Pvt. Ltd.
- SEFW Projects Pvt. Ltd.
- Ssquare Corporate Consultants Pvt. Ltd.

b) Key Management Personnel

- Shri Ketan M. Shah, Chairman and Whole time Director
- Smt. Sangeeta K. Shah, Managing Director
- Shri Piyush P. Shah, Executive Director
- Shri G Gopalswamy, Executive Director
- Smt. D Meena, Company Secratery
- Shri Avinash Hariharno, CFO
- Shri K.R. Choksey, Independent Director
- Shri Rajendra A. Shah, Independent Director
- Shri Champak K. Dedhia, Independent Director
- Mrs. Ushma N Khabaria, Independent Director

c) Relatives of Key Management Personnel

- Shri Shantanu Ghosh (Brother of Smt. Sangeeta K. Shah)
- Smt Vinoda Gopalswamy (wife of Shri G Gopalswamy)
- Shri Praveen Goverdhan (son of Shri G Gopalswamy)



ii) Transaction with Related Parties in the ordinary course of business

(₹ in lakhs)

		2017-18	2016-17
a) Other Related Parties where significant influence exist	Commission paid	90.26	105.91
	Interest Paid	87.41	55.01
	Unsecured Loan received	66.27	489.25
	Unsecured Loan repaid	119.57	125.23
	Outstandings		
	Payables	992.71	1042.82
b) Key Management Personnel	Remuneration/salary Paid	110.76	80.92
	Interest Paid	63.73	58.05
	Rent Paid	14.40	14.40
	Consultancy Charges Paid	1.00	0.00
	Sitting Fees	3.40	3.15
	Unsecured Loan received	110.83	118.10
	Unsecured Loan repaid	46.00	115.97
	Outstandings		
	Payables	801.22	726.30
c) Relatives of Key Management Personnel	Salary Paid	0.00	4.06
	Rent Paid	4.80	4.80
	Outstandings		
	Payables	0.00	1.44

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

		2017-18	2016-17
a) Commission paid:			
	SEFW Projects Pvt. Ltd.	90.26	105.91
b) Interest Paid:			
	SEFW Projects Pvt. Ltd.	34.48	18.92
	Prabha Plantation Pvt. Ltd.	27.22	26.78
	Shri Ketan M Shah	63.73	58.05
	SIM Prabha Estate & Trading Co. Pvt. Ltd	18.93	4.84
c) Rent Paid:			
	Shri Ketan M Shah	14.40	14.40
	Shri Praveen Goverdhan	2.00	-
	Smt. Vinoda Gopalswamy	2.80	4.80
d) Consultancy Charges Paid:			
	Shri Champak K. Dedhia	1.00	-
e) Remuneration/Salary Paid			
	Shri Ketan M Shah	44.03	15.43
	Smt. Sangeeta K Shah	42.73	42.34
	Shri G Gopalswamy	24.00	24.00
f) Sitting Fees Paid			
	Shri K.R. Choksey	0.75	0.95
	Shri Rajendra A. Shah	1.00	0.75
	Shri Champak K. Dedhia	0.90	0.50
	Mrs. Ushma N Khabaria	0.75	0.95
g) Unsecured Loans Received:			
	SEFW Projects Pvt. Ltd.	25.96	186.35
	Prabha Plantation Pvt. Ltd.	20.86	81.70
	Shri Ketan M Shah	110.83	118.10
	SIM Prabha Estate & Trading Co. Pvt. Ltd	14.13	158.50
	Ssquare Corporate Consultants Pvt. Ltd.	5.32	62.70



(₹ in lakhs)

h) Repayment of Unsecured Loans:	2017-18	2016-17
SEFW Projects Pvt. Ltd.	-	31.35
Prabha Plantation Pvt. Ltd.	63.57	81.69
Shri Ketan M Shah	46.00	115.97
Ssquare Corporate Consultants Pvt. Ltd.	56.00	3.69
i) Payables:	2017-18	2016-17
SEFW Projects Pvt. Ltd.	413.39	382.37
Prabha Plantation Pvt. Ltd.	283.61	322.68
Shri Ketan M Shah	801.22	726.30
SIM Prabha Estate & Trading Co. Pvt. Ltd	225.18	208.15

37. 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:

Movement in provision for warranty and guarantee:	2017-18	2016-17
Opening Balance	22.85	22.00
Add: Provision during the year	-	0.85
Less: Amount reversed during the year	5.91	-
Closing Balance	16.94	22.85

38. During the year the company has incurred ₹10.18 lacs on account of Corporate Social Responsibility Activities. According to provisions of section 135 of the Companies Act, 2013, the company is required to spent ₹ 6.28 lacs based on the average net profits of the previous three years. 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	10.18	0.00	10.18

39. There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March, 2018. This information as required to be disclosed under the Micro, Small and Medium Enterprise Development Act, 2006.
40. During the year the Company has received ₹ 797.48 lakhs (25% of the issue price) from the issue and allotment of 1839400 warrants (11,37,900 Warrants Dated 28/03/2018 and 7,01,500 Warrants Dated 31/03/2018) of ₹ 10/- each at a premium of ₹150/- to non promoters on preferential basis , in pursuance of the approval of the shareholder accorded through Postal Ballot on 24th March, 2018 from the objects of the issue stated in the explanatory statement to the Notice of Postal Ballot dated 15th February, 2018. The proceeds of convertible warrants have been utilized for procurement of raw material and components alongwith routine expenses of working capital requirement of the company.
41. Previous year figures have been regrouped or rearranged wherever necessary.

As per our report of even date
For O P Singhania & Co.
 (ICAI Firm Reg. No.002172C)
 Chartered Accountants

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

per Sanjay Singhania
Partner
 Membership No.076961

Ketan M Shah
 Chairman & Whole time Director
 (DIN: 00312343)

Sangeeta K Shah
 Managing Director
 (DIN: 05322039)

D. Meena
 Company Secretary

Avinash Hariharno
 CFO

Place : Bhilai
 Date : 26.05.2018

**SIMPLEX CASTINGS LIMITED**

CIN:L27320MH1980PLC067459

Regd office: 601/602A, Fairlink Center, Off Andheri Link Road, Andheri (West), Mumbai-53.

PROXY FORM (Form No.MGT-11)

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

Name of the member(s)(Sole /first Shareholder)	
Name of Joint Holder, if any	
Registered Address:	
Email Id:	
Folio No. / Client Id:	
DP ID:	
No. of Shares held	

I / We, being the member(s) of _____ shares of the above named Company, hereby appoint:

- Name: _____ Email Id: _____
Address: _____
Signature: _____, or failing him / her
- Name: _____ Email Id: _____
Address: _____
Signature: _____, or failing him / her
- Name: _____ Email Id: _____
Address: _____
Signature: _____

as my/our Proxy to attend and vote for me /us and on my / our behalf at the 38th Annual General Meeting of the Company, to be held on Friday, 21st September, 2018 at 10.30 a.m. at Baba Saheb Dhaanukar hall, Maharashtra Chamber Of Commerce, Industry & Agriculture, Oricon House, 6th floor, 12, K. Dubhash Road, Fort, Mumbai – 400001, and at any adjournment thereof in respect of such resolutions as are indicated below:

S No.		Vote (See Note 3)	
		For	Against
Ordinary Business			
1	Adoption of Balance Sheet, Statement of Profit and Loss, Report of the Board of Directors and Auditors for the financial year ended 31 st March , 2018.		
2	Appoint a Director in place of Mr Piyush Shah (DIN-00199205), who retires by rotation and being eligible, offers himself for reappointment.		
3	Confirmation of Dividend declared.		
4	Reappointment of M/s O P Singhania, Chartered Accountants, Firm Registration No. 002172C as Statutory Auditors of the Company for Five years.		
Special Business			
5	Ratify the remuneration of Cost Auditor.		

Signed this..... day of.....2018.

Signature of Shareholder

Signature of Proxy holder(s)

Please affix Re.1/- revenue stamp

NOTE:

- The Proxy form must be deposited at the Registered Office of the Company not less than 48 hours before the meeting.
- A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company may appoint a single person as a proxy and such person cannot act as a proxy for any other person or shareholder.
- It is optional to put a "X" in the appropriate column against the Resolutions indicated in the Box. If you leave the "For" or "Against" column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he / she may deem appropriate.

TEAR HERE

**SIMPLEX CASTINGS LIMITED**

CIN:L27320MH1980PLC067459

Regd office: 601/602A, Fairlink Center, Off Andheri Link Road, Andheri (West), Mumbai-53.

ATTENDANCE SLIP FOR 38th ANNUAL GENERAL MEETING

Registered Folio No / DP ID & Client ID	
No. of Shares	
Name and Address of the Shareholder(s):	
Joint Holder(s):	

I/we hereby record my/our presence at the 38th Annual General Meeting of the Company held at "Babasaheb Dhaanukar Hall, Maharashtra Chamber of Commerce, Industry & Agriculture, Orion House, 6th floor, 12K Dubhash Marg, Fort, Mumbai – 400001" on Friday, September 21, 2018 at 10.30 a.m.

If Shareholder(s), please sign here	If Proxy, please mention name and sign here	
	Name of the Proxy	Signature

Note: Please sign this Attendance Slip and hand it over at the ENTRANCE OF THE MEETING HALL.

TEAR HERE



TEAR HERE

**ELECTRONIC VOTING PARTICULARS**

Electronic Voting Sequence Number (EVSN)	User ID	*Default PAN
180816008		

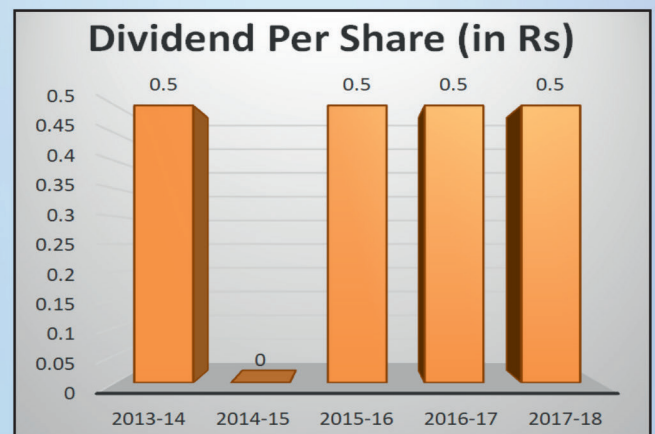
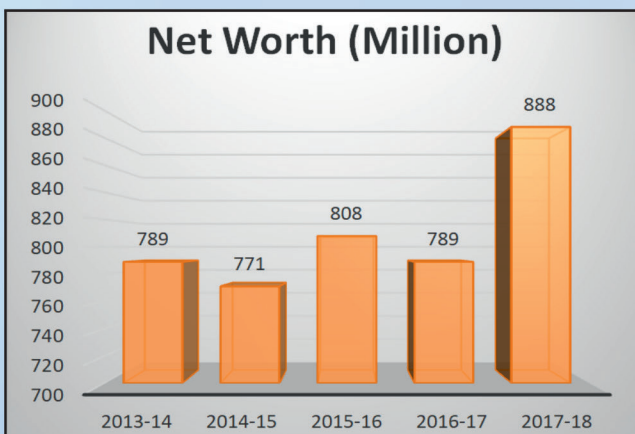
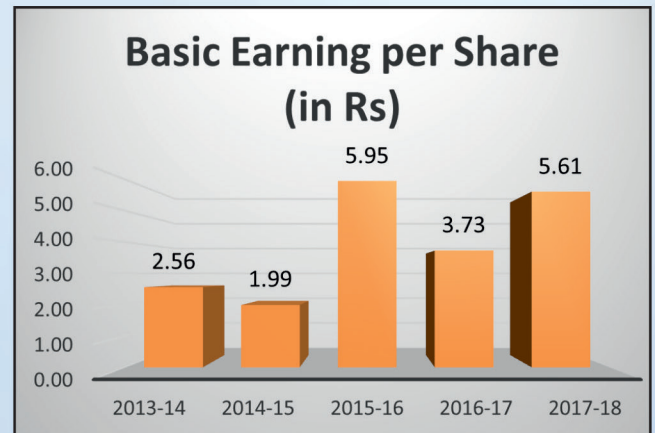
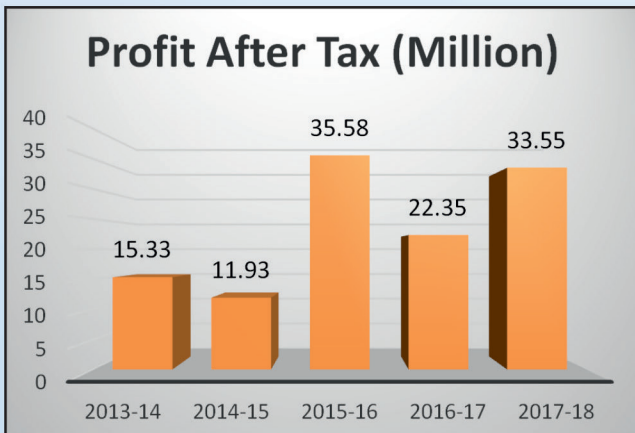
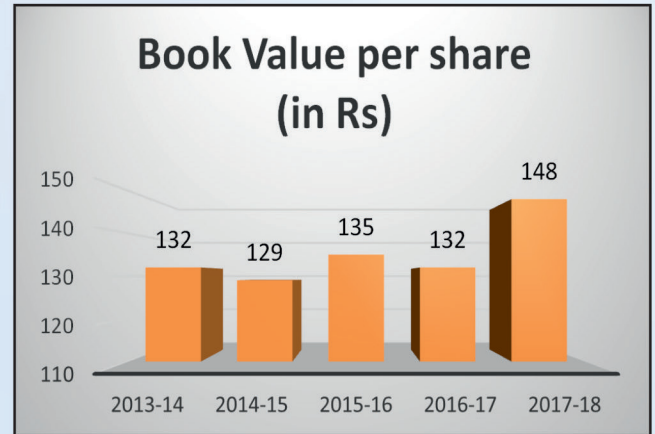
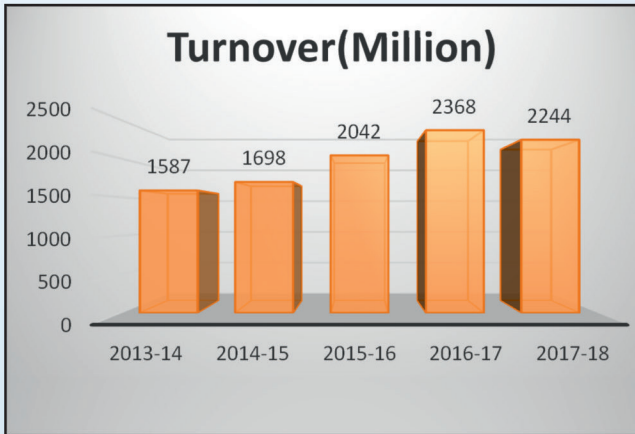
*** Only Members who have not updated their PAN with the Company / Depository Participant shall use default PAN in the PAN field.**

Note: Please read the instructions for e-voting given along with notice of the 38th Annual General Meeting. The Voting period starts from Tuesday, September 18, 2018 (9.00 a.m.) and ends on Thursday, September 20, 2018 (5.00 p.m.). The voting module shall be disabled by CSDL for voting thereafter.

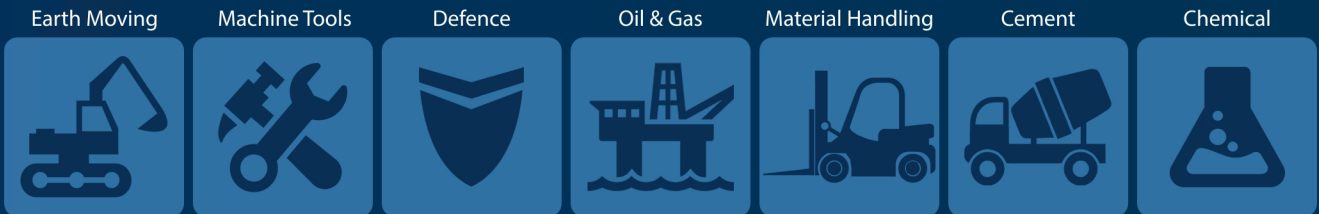
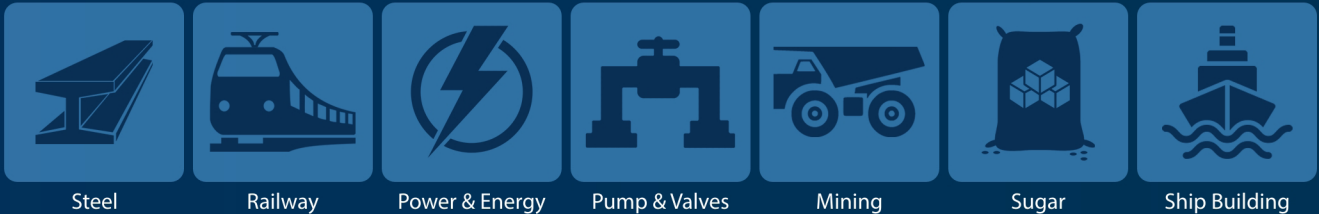




FINANCIAL HIGHLIGHTS



Sectors Served



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SIMPLEX CASTINGS LIMITED

If undelivered, please return to:

REGISTERED OFFICE

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

Website: www.simplexcastings.com