



105TH
ANNUAL REPORT
2017-2018

SIMPLEX REALTY LIMITED

Board of Directors

Shri Nandan Damani
Shri Sanjay N Damani
Smt. Sandhya R Kini
Shri Vishnubhai B Haribhakti
Shri Surendra Kumar Somany
Shri Tharavanat C SuseelKumar
Shri Vijay S Jindal
Shri Sabhapati G Shukla

Chairman and Managing Director
Executive Director
Executive Director

Chief Financial Officer

Shri Surendra Kabra

Company Secretary

Shri Shekhar R Singh

Statutory Auditors

M/s. Dayal and Lohia (Retiring Auditors)
Chartered Accountants
Mumbai

Khandelwal and Mehta LLP
(Recommended for appointment)
Chartered Accountants
Mumbai

Secretarial Auditors

M/s. Manish Ghia & Associates
Company Secretaries
Mumbai

Corporate Identification Number (CIN)

L17110MH1912PLC000351

Bankers

State Bank of India, Mumbai
HDFC Bank Ltd., Mumbai

Registered Office

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

Share Transfer Agent

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

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Annual General Meeting of the Company will be held on Wednesday, the 1st August, 2018 at 11.30 A.M. at M.C Ghia Hall, 4th Floor, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Kala Ghoda, Mumbai 400 001.

NOTICE

NOTICE is hereby given that the Hundred and Fifth **ANNUAL GENERAL MEETING** of the Members of **SIMPLEX REALTY LIMITED** will be held on Wednesday, the 1st August, 2018 at 11.30 A.M. at M.C. Ghia Hall, 4th Floor, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Kala Ghoda, Mumbai-400 001 to transact the following businesses:-

ORDINARY BUSINESS:

1. **Adoption of Audited Financial Statements and Reports thereon**

To receive, consider and adopt the Audited Financial Statements (including Consolidated Financial Statements) of the Company for the financial year ended 31st March, 2018 and the Reports of the Directors' and Auditors' thereon.

2. **Appointment of Director in place of those retiring by rotation**

To appoint a Director in place of Shri Tharavanat C SuseelKumar (DIN 06453310), who retires by rotation and being eligible, offers himself for re-appointment.

3. **Appointment of Statutory Auditors**

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

“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof), for the time being in force, Khandelwal and Mehta LLP, Chartered Accountants, Mumbai (ICAI Firm Registration Firm No. W100084) be and are hereby appointed as the Statutory Auditors of the Company (in place of M/s. Dayal and Lohia, Chartered Accountants, Mumbai (ICAI Firm Registration Number 102200W, the retiring Auditors) for a term of five years commencing from the Company's financial year 2018-2019 to hold office from the conclusion of the Hundred and Fifth Annual General Meeting of the Company till the conclusion of the Hundred and Tenth Annual General Meeting to be held in 2022-2023, on a remuneration as may be fixed by the Board of Directors;

RESOLVED FURTHER THAT, for the purpose of giving effect to this resolution, Board of Directors of the Company (including its Committee (s) thereof) be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion deemed necessary, proper or desirable and to settle any questions, difficulties and/or doubts that may arise in this.”

SPECIAL BUSINESS:

4. **Re-appointment of Shri Sanjay N Damani as an Executive Director**

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197 and all other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Schedule V of the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Article 189 of the Articles of Association of the Company and pursuant to the resolution passed by the Nomination and Remuneration Committee and subject to all other sanctions, approvals and permissions as may be required and subject to such conditions and modification(s) as may be imposed or prescribed by any of the authorities while granting such sanctions, approvals and permissions, consent of the Members of the Company be and is hereby accorded to the re-appointment of Shri Sanjay N Damani (DIN 03078104) as an Executive Director of the Company for a period of five years with effect from 1st June, 2018, liable to retire by rotation, upon the terms and conditions, as set out in the draft Agreement (the Agreement) to be executed between the Company and Shri Sanjay N Damani, as placed before this meeting and duly initialed by the Company Secretary for the purpose of identification;

RESOLVED FURTHER THAT the Board of Directors of the Company ('the Board', which term shall be deemed to include the Nomination and Remuneration Committee) be and is hereby authorized to revise, amend, alter and/or vary the

terms and conditions in relation to the above remuneration in such a manner as may be permitted in accordance with the provisions of the Act and any amendment thereto or re-enactment thereof;

RESOLVED FURTHER THAT in case the Company, during the currency of tenure of Shri Sanjay N Damani as referred above, has no profits or its profits are inadequate, Shri Sanjay N Damani, Executive Director be paid the remuneration as 'Minimum Remuneration' in the respective financial year(s) as set out in the Agreement, notwithstanding that the same may exceed the ceiling limit laid down in Section 197, Schedule V to the Act and subject to the requisite approvals;

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

5. **Revision in terms of remuneration of Smt. Sandhya R Kini, Whole-time Director of the Company**

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

RESOLVED THAT pursuant to the provisions of Sections 196, 197 and all other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Schedule V of the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and pursuant to the resolution passed by the Nomination and Remuneration Committee and subject to all other sanctions, approvals and permissions as may be required and subject to such conditions and modification(s) as may be imposed or prescribed by any of the authorities while granting such sanctions, approvals and permissions, consent of the Members of the Company be and is hereby accorded to the revision in the terms of remuneration of Smt. Sandhya R Kini (DIN 03346789), Whole-time Director designated as an Executive Director of the Company to take effect from 1st April, 2018, for the unexpired period of her term, upon the terms and conditions, as set out in

the draft Agreement (the Agreement) to be executed between the Company and Smt. Sandhya R Kini, as placed before this meeting and duly initialed by the Company Secretary for the purpose of identification;

RESOLVED FURTHER THAT the Board of Directors of the Company ('the Board', which term shall be deemed to include the Nomination and Remuneration Committee) be and is hereby authorized to revise, amend, alter and/or vary the terms and conditions in relation to the above remuneration in such a manner as may be permitted in accordance with the provisions of the Act and any amendment thereto or re-enactment thereof;

RESOLVED FURTHER THAT in case the Company, during the currency of tenure of Smt. Sandhya R Kini as referred above, has no profits or its profits are inadequate, Smt. Sandhya R Kini, as an Executive Director of the Company be paid the remuneration as 'Minimum Remuneration' in the respective financial year(s) as set out in the Agreement, notwithstanding that the same may exceed the ceiling limit laid down in Section 197, Schedule V to the Act and subject to the requisite approvals;

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

6. **Approval for the Material Related Party Transaction(s)**

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

“RESOLVED THAT pursuant to the provisions of Regulation 23(4) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) and all applicable provisions of the Companies Act, 2013 (the Act) and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Company's policy on Related Party Transactions and pursuant to the resolution passed by the Audit Committee and subject to all other sanctions, approvals and

permissions as may be required, consent of the Members of the Company be and is hereby accorded to the Board of Directors ('the Board', which term shall deemed to include any committee(s) and/or any of the Directors/Person(s) authorized by Board of Directors of the Company to exercise the powers conferred by this resolution to the extent permitted by law) to enter into material contracts/arrangements/ transactions/ commitments/investments, in the ordinary course of business and at arm's length basis with Simplex Mills Company Limited and Simplex Papers Limited, which may be construed as a "Related Party" in terms of Regulation 2(1)(zb) of the Listing Regulations and Section 2(76) of the Act, on such terms and conditions as set out in the Explanatory Statement annexed to the Notice convening this meeting and as may be mutually agreed upon between the Company and Simplex Mills Company Limited and Simplex Papers Limited ;

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

By Order of the Board of Directors

Shekhar R Singh
Company Secretary

Mumbai, 14th May, 2018

CIN: L17110MH1912PLC000351

Registered Office:

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

NOTES:

1. The Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 (the Act), in respect of the Special Business under **Item numbers 3 4, 5 and 6** of the Notice dated 14th May, 2018 is appended hereto. The relevant details of Directors seeking appointment/ re-appointment pursuant to the Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) is given in Annexure to this Notice.

2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

The proxies, in order to be valid, should be duly completed, stamped and signed and must be lodged at the registered office of the Company not less than 48 hours before the commencement of the meeting. A person can act as a 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.

3. The Members/Proxy holders are requested to bring their duly filled Attendance Slip along with their copy of the Annual Report to the meeting.

4. **Book Closure:**

The Register of Members and Transfer Books of the Company will be closed from Thursday, the 26th July, 2018 to Wednesday, the 1st August, 2018 (both days inclusive) for the purpose of the Hundred and Fifth Annual General Meeting (AGM) or any adjournment thereof.

5. The Register of Directors and Key Managerial Personnel and their shareholding and the Register of Contracts or Arrangements in which the Directors are interested as maintained under Section 170 and Section 189 of the Act, respectively will be available for inspection by the Members at the AGM.

6. **Unclaimed Dividends:**

(a) Transfer to the Investor Education and Protection Fund:

Members are hereby informed that the Company is required to transfer dividends which have remained unpaid/unclaimed for a period of seven years from the date on which dividend has become due for payment to the Investor Education & Protection Fund (IEPF) established by the Government. Accordingly, during the year, unclaimed dividends amounting ₹ 5,20,125/- pertaining to the financial year 2009-10 has been transferred to IEPF on 17th October, 2017.

Members are requested to note that no claim shall lie against the Company in respect of any amount of dividend remaining unclaimed/

unpaid for a period of seven years from the dates they became first due for payment. Any Member, who has not claimed the dividend in respect of the financial year ended 31st March, 2011 and onwards is requested to approach the Company/the Share Transfer Agent (STA) of the Company for claiming the same as early as possible but not later than 17th September, 2018.

(b) Details of Unclaimed Dividends on Website:

In order to help Members to ascertain the status of Unclaimed Dividends, the Company has uploaded the information in respect of Unclaimed Dividends for the financial year ended 31st March, 2011 and subsequent years on the website of Investor Education and Protection Fund, www.iepf.gov.in and under "Investor Relations" section on the website of the Company, – www.simplexgroup.com.

(c) Transfer of "Underlying Share" into IEPF:

In terms of Section 125(6) of the Act read with IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company is required to transfer the shares in respect of which dividends have remained unclaimed for a period of seven consecutive years to the IEPF Suspense Account established by the Central Government. As required under the said Rules, the Company has published a Notice in the newspapers inviting the Members attention to the aforesaid Rules. The Company has also sent individual communication to the concerned Members whose shares are liable to be transferred to IEPF Suspense Account, pursuant to the said Rules.

The Company has also uploaded full details of such shares due for transfer as well as unclaimed dividends under "Investor Relations" section on the website of the Company.

7. Nomination Facility:

As per the provisions of Section 72 of the Act, facility for making nomination is available for the Members in respect of the shares held by them. Members holding shares in single name and who have not yet registered their nomination are

requested to register the same by submitting Form No. SH-13. If a Member desires to cancel the earlier nomination and record fresh nomination, he may submit the same in Form No. SH-14. Both Forms are appended at the end of the Annual Report. Members holding shares in physical form are requested to submit the forms to the Company's STA. Members holding shares in electronic form may obtain Nomination forms from their respective Depository Participant.

8. Updation of Members' Details:

The format of the Register of Members prescribed by the Ministry of Corporate Affairs under the Act, requires the Company/STA to record additional details of Members, including their PAN details, email address, bank details for payment of dividend, etc. A form for capturing the additional details is appended at the end of this Annual Report. Members holding shares in physical form are requested to submit the filled in form to the Company or its STA. Members holding shares in electronic form are requested to submit the details to their respective Depository Participants.

9. Electronic copy of the Annual Report for 2017-18 is being sent to all Members whose email addresses are registered with the Company/ Depository Participants for communication purposes, unless any Member has requested for a hard copy of the same. For Members who have not registered their email addresses, physical copies of the Annual Report for 2017-18 are being sent in the permitted mode.

10. To support the "Green Initiative", Members who have not registered their email addresses are requested to register the same with the Company's STA /their Depository Participants, in respect of shares held in physical/electronic mode respectively.

11. Corporate Members intending to send their Authorized Representatives to attend and vote at the Meeting are requested to ensure that the Authorized Representative carries a duly certified true copy of their Board Resolution.

12. Voting through Electronic means

I In compliance with provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and the Listing Regulations, as amended from time

to time the Company is pleased to provide the Members facility of 'remote e-voting' (e-voting from a place other than venue of the AGM) to exercise their right to vote at the AGM. The business may be transacted through e-Voting Services provided by Central Depository Service (India) Limited (CDSL).

The facility for voting, either through electronic voting system or through ballot/polling paper shall also be made available at the venue of the AGM. The Members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The Members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.

The instructions for Members voting electronically are as under:

- (i) The voting period begins on Sunday, 29th July, 2018 (10.00 a.m.) and ends on Tuesday, 31st July, 2018 (5.00 p.m.). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of the Wednesday, the 25th July, 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The Members should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Members.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 Digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

- (vii) If you are a first time user, follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. 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).</p>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.

- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the Resolutions contained in this Notice.
 - (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
 - (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option "YES" or "NO" as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
 - (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
 - (xiv) After selecting the Resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
 - (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
 - (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
 - (xvii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.
 - (xviii) Note for Non- Individual Members and Custodians
 - Non-Individual members (i.e. other than Individuals, HUF, NRI etc.) 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 they should create compliance user using the admin login and password. The Compliance user would be able to link the depository account(s)/folio numbers on which they wish to vote.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
- II The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of the Wednesday, the 25th July, 2018.
- III Shri Manish L. Ghia of M/s. Manish Ghia & Associates, Practising Company Secretary, Mumbai has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- IV The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make not later than three days of conclusion of the meeting a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.
- V The Results shall be declared on or after the AGM of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website – www.simplexgroup.com and on the website of CDSL within two days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.

- VI All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (10.00 A.M. to 6.00 P.M.) on all working days, upto and including the date of the AGM of the Company.

EXPLANATORY STATEMENT

As required by Section 102 of the Companies Act, 2013 (the Act), the following Explanatory Statement sets out all material facts relating to the business mentioned under **Item numbers 3, 4, 5 and 6** of the accompanying Notice dated 14th May, 2018.

Item No. 3

Though not statutorily required, the following is being provided as an additional information to the Members.

Pursuant to the provisions of Section 139 of the Act read with applicable Rules made thereunder, an Audit firm can act as Auditors for a maximum tenure of two terms of five consecutive years. For the purpose of reckoning this limit, existing tenure of the Auditors needs to be counted. Accordingly, the tenure of office of M/s. Dayal Lohia & Co., Chartered Accountants, as the Statutory Auditors will be expired with the conclusion of the Hundred and Fifth AGM. M/s. Dayal Lohia & Co., Chartered Accountants, have been the Statutory Auditors of the Company since the financial year 2008-09.

Khandelwal and Mehta LLP, Chartered Accountants, Mumbai (ICAI Firm Registration Firm No. W100084), have been appointed as the Statutory Auditors of the Company for a term of five years commencing from the Company's financial year 2018-19 to hold office from the conclusion of the Hundred and Fifth AGM till the conclusion of Hundred Tenth AGM on a remuneration as may be fixed by the Board of Directors.

None of the Directors and Key Managerial Personnel of the Company and/or their relatives are in any way concerned or interested in the Resolution at item No. 3 of the Notice.

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

Item No. 4

Shri Sanjay N Damani was appointed as an Executive Director of the Company for a period of three years with effect from 1st June, 2015. The term of his office expires

on 31st May, 2018. The Board of Directors at its meeting held on 14th May, 2018 on the recommendation of Nomination and Remuneration Committee approved the re-appointment of Shri Sanjay N Damani as an Executive Director of the Company for a period of five years with effect from 1st June, 2018, upon the terms and conditions, including remuneration as set out in the Agreement, subject to the necessary approvals.

Shri Sanjay N Damani has been associated with the Company since 2012 and holds 61,553 equity shares in the Company. He has also been appointed as a member of Corporate Social Responsibility Committee of the Company. Shri Nandan Damani and Shri Sanjay N Damani are related to each other.

Shri Sanjay N Damani is an MBA from Bryant University, Rhode Island, USA having experience in the area of Marketing, Finance and General Management.

He currently serves as a Director on the Boards of The Nav Bharat Refrigeration And Industries Limited, Shreelekha Global Finance Limited, Simplex Renewable Resources Private Limited, Lucky Vyapaar and Holdings Private Limited and Enas Foundation.

The Board considers that the re-appointment of Shri Sanjay N Damani as the Executive Director of the Company would be of immense benefit to the Company. The Agreement to be executed between the Company and Shri Sanjay N Damani contains, *inter-alia*, the following terms and conditions:

I Remuneration:

i Salary:

The proposed remuneration is ₹ 80,000/- per month, payable as under:

- a Basic Salary: ₹ 40,000/- per month
- b House Rent Allowance: ₹ 20,000/- per month.
- c Perquisite as shown below upto ₹ 20,000/- per month.

ii Perquisites:

Monetary value of the perquisites shall be restricted to the aforesaid amount or such other amount as may be permissible according to law from time to time in force, and as may be determined by the Board of Directors.

- A In addition to salary, Shri Sanjay N Damani will be entitled to perquisites and allowances like reimbursement of expenses in respect of gas, electricity and water, furnishing and repairs, medical reimbursement and leave travel concession for self and his family, club fees, personal accident insurance and such other payments in nature of perquisites and allowances as may be decided by the Board of Directors from time to time.
 - B Shri Sanjay N Damani shall also be eligible to the following perquisites which shall not be included in the computation of the ceiling on remuneration specified above:
 - a gratuity payable at a rate not exceeding half a month's salary for each completed year of service, and
 - b Leave: One month on full pay and allowances as per the Rules of the Company but not exceeding one month's leave for every 11 months of service. The leave accumulated but not availed of will be allowed to be encashed at the end of the tenure.
 - C The Company shall provide a car for use on Company's business and telephone at the residence of Shri Sanjay N Damani. Shri Sanjay N Damani will be billed by the Company for personal long distance calls on telephone and use of car for personal purposes.
 - D The Executive Director shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof.
- iii Commission:
- Such remuneration as calculated with reference to the net profits of the Company in particular financial year, if any, as may be determined by the Nomination and Remuneration Committee and/or the Board of Directors at the end of each financial year, subject to overall ceiling stipulated in Section 198 of the Act.
- II Minimum Remuneration:
- Where in respect of any financial year, during the tenure of Shri Sanjay N Damani as the Executive Director of the Company, the Company has no profits or its profits are inadequate, Shri Sanjay N Damani as the Executive Director of the Company shall be paid the aforementioned remuneration as "Minimum Remuneration" in the respective financial year(s) as set out in the Agreement, notwithstanding that the same may exceed the ceiling limit laid down in Section 197, Schedule V to the Act and subject to the requisites approvals.
- III Other Terms and Conditions:
- a The tenure of the Executive Director shall be for a period of five years commencing from 1st June, 2018.
 - b The Executive Director shall devote his whole time and attention to the business of the Company and carry out such duties, as may be entrusted to him by the Board of Directors from time to time and exercise such powers as may be assigned to him, subject to superintendence, control and directions of the Board of Directors in connection with and in the best interests of the business of the Company.
 - c The Executive Director shall not exceed the powers so delegated by the Board of Directors, pursuant to clause(III)(b) above.
 - d The Executive Director undertakes to employ the best of the skill and ability to make his utmost endeavors to promote the interests and welfare of the Company and to conform to and comply with the directions and regulations of the Company and all such orders and directions as may be given to him from time to time by the Board of Directors.
 - e The personnel policies of the Company and the related Rules which are applicable to other employees of the Company will also be applicable to the Executive Director, unless specifically provided otherwise.
 - f The terms and conditions of the appointment of the Executive Director may be altered and varied from time to time by the Board of Directors as it may, in its discretion deem fit, irrespective of the limits stipulated under

Schedule V to the Act or any amendments made hereafter in this regard, in such manner as may be agreed to between the Board of Directors and the Executive Director, subject to such approvals as may be required.

- g The said draft Agreement may be terminated by either party giving to other party by Ninety days' notice in writing.

The Members are being informed of the remuneration package by way of explanatory statement as given above.

The Board of Directors and Executive Director have agreed on the terms of employment. After obtaining approval from Members, the Board will formally execute the Agreement with the Executive Director reflecting the terms.

The re-appointment of Shri Sanjay N Damani as the Executive Director and remuneration payable to him are in line with provisions, Schedule V to the Act and subject to the approval of the Members to be obtained at this AGM and to the extent any of the provisions herein are inconsistent or contrary to terms of such approval, the latter will prevail.

The period of office of Shri Sanjay N Damani shall be liable to determination by retirement of directors by rotation. If Shri Sanjay N Damani is re-appointed as a director, immediately on retirement by rotation, he shall continue to hold office of as an Executive Director of the Company and such re-appointment as director shall not be deemed to constitute break in his appointment as the Executive Director of the Company.

A copy of the Agreement is available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on all working days, upto and including the date of the AGM.

Except Shri Nandan Damani and Shri Sanjay N Damani, none of the Director is interested in the said re-appointment and remuneration payable to Shri Sanjay N Damani as the Executive Director of the Company.

The Explanatory Statement together with the accompanying Notice may also be regarded as an abstract of the Agreement and Memorandum of interest under Section 190 of the Act.

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

Item No. 5

The Members of the Company at the Hundred and Fourth Annual General Meeting of the Company held on 8th August, 2017, approved the appointment of Smt. Sandhya R Kini as a Whole-time Director designated as an Executive Director for a period of five years with effect from 21st October, 2016 to 20th October, 2021 on a remuneration consisting of ₹ 42,000/- per month.

The Board of Directors at its meeting held on 14th May, 2018, on the recommendation of the Nomination and Remuneration Committee and taking into consideration of her efforts given to and involvement in the Company's project and the various initiatives etc. and her present salary and future revisions, if any, has approved to the revision in the salary from the existing ₹ 42,000/- to ₹ 45,000/- per month with effect from 1st April, 2018. All other terms and condition in relation to her appointment and remuneration as approved by the Members remain unchanged.

Smt. Sandhya R Kini has been associated with the Company since 2011 and holds 100 equity shares in the Company. She is also a Director on the Board of Lucky Vyapaar and Holdings Private Limited and Simplex Renewable Resources Private Limited.

Smt. Sandhya R Kini is commerce graduate and having experience in the field of general administration.

The supplementary Agreement to be executed between the Company and Smt. Sandhya R Kini contains, *inter-alia*, the following terms and conditions:

I Remuneration:

i Salary:

The proposed remuneration is ₹ 45,000/- per month, payable as under:

- a Basic Salary: ₹ 16,800/- per month
- b House Rent Allowance: ₹ 8,400/- per month.
- c Perquisite as shown below upto ₹ 19,800/- per month.

ii Perquisites:

Monetary value of the perquisites shall be restricted to the aforesaid amount or such other amount as may be permissible according to law from time to time in force, and

SIMPLEX REALTY LIMITED

as may be determined by the Board of Directors.

A In addition to salary, Smt. Sandhya R Kini will be entitled to perquisites and allowances like personal medical insurance and such other payments in nature of perquisites and allowances as may be decided by the Board of Directors from time to time on the recommendation of the Nomination and Remuneration Committee, to discharge her duty as the Executive Director.

B Smt. Sandhya R Kini shall also be eligible to the following perquisites which shall not be included in the computation of the ceiling on remuneration specified above:

- a gratuity payable at a rate not exceeding half a month's salary for each completed year of service, and
- b Leave: One month on full pay and allowances as per the Rules of the Company but not exceeding one month's leave for every 11 months of service.

C The Company shall provide a car for use on Company's business purposes.

D The Executive Director shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof.

iii Commission:

Such remuneration as calculated with reference to the net profits of the Company in particular financial year, if any, as may be determined by the Nomination and Remuneration Committee and/or the Board of Directors at the end of each financial year, subject to overall ceiling stipulated in Section 198 of the Act.

II Minimum Remuneration:

Where in respect of any financial year, during the tenure of Smt. Sandhya R Kini as the Executive Director of the Company, the Company has no profits or its profits are inadequate, Smt. Sandhya

R Kini shall be paid the aforementioned remuneration as "Minimum Remuneration" in the respective financial year(s) as set out in the Agreement, notwithstanding that the same may exceed the ceiling limit laid down in Section 197, Schedule V to the Act and subject to the requisites approvals.

III Other Terms and Conditions:

a The Executive Director shall devote her whole time and attention to the business of the Company and carry out such duties, as may be entrusted to her by the Board of Directors from time to time and exercise such powers as may be assigned to her, subject to superintendence, control and directions of the Board of Directors in connection with and in the best interests of the business of the Company.

b The Executive Director shall not exceed the powers so delegated by the Board of Directors, pursuant to clause (III)(a) above.

c The Executive Director undertakes to employ the best of the skill and ability to make her utmost endeavors to promote the interests and welfare of the Company and to conform to and comply with the directions and regulations of the Company and all such orders and directions as may be given to her from time to time by the Board of Directors.

d The personnel policies of the Company and the related Rules which are applicable to other employees of the Company will also be applicable to the Executive Director, unless specifically provided otherwise.

e The terms and conditions of the appointment of the Executive Director may be altered and varied from time to time by the Board as it may, in its discretion deem fit, irrespective of the limits stipulated under Schedule V to the Act or any amendments made hereafter in this regard, in such manner as may be agreed to between the Board of Directors and the Executive Director, subject to such approvals as may be required.

f The said draft Agreement may be terminated by either party giving to other party by Ninety days' notice in writing.

- g The aggregate of the remuneration as aforesaid shall be within the permissible limits laid down under Section 197, Schedule V and all other applicable provisions of the Act. All other terms and conditions of her appointment and remuneration of Smt. Sandhya R Kini as a Whole-time Director of the Company, as approved by the Members at the Hundred and Fourth Annual General Meeting held on 8th August, 2017, remain unchanged.

The Members are being informed of the remuneration package by way of explanatory statement as given above.

The Board of Directors and an Executive Director have agreed on the terms of employment. After obtaining approval from Members, the Board will formally execute the Agreement with the Executive Director reflecting the terms.

The remuneration payable to Smt. Sandhya R Kini, Executive Director is in line with provisions, Schedule V to the Act and subject to the approval of the Members to be obtained at this AGM and to the extent any of the provisions herein are inconsistent or contrary to terms of such approval, the latter will prevail.

The period of office of Smt. Sandhya R Kini shall be liable to determination by retirement of directors by rotation. If Smt. Sandhya R Kini is re-appointed as a director, immediately on retirement by rotation, she shall continue to hold office of as the Executive Director of the Company and such re-appointment as director shall not be deemed to constitute break in her appointment as the Executive Director of the Company.

A copy of the Agreement is available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on all working days, upto and including the date of the AGM.

Except Smt. Sandhya R Kini, being an appointee, none of the Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 5.

The Explanatory Statement together with the accompanying Notice may also be regarded as an abstract of the Agreement and Memorandum of interest under Section 190 of the Act.

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

Item No. 6

The Board of Directors at its meeting held on 14th May, 2018, on an approval of the Audit Committee, approved the investment upto ₹ 10,00,00,000/- (₹ Ten Cores only) each in one or more tranches in the Associate companies viz. Simplex Mills Company Limited (SMCL) and Simplex Papers Limited (SPL) respectively, by way of subscribing to Non-convertible Redeemable Preference Shares (NCRPS) of the face value of ₹ 10/- each.

The proposed investment in the SMCL and SPL may be construed as a "Related Party" within the meaning of Regulation 2(1)(zb) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) and Section 2(76) of the Companies Act, 2013 (the Act).

According to Regulation 23 of the Listing Regulations, a transaction with a Related Party shall be considered material if the transaction(s) to be entered into individually or taken together with the previous transactions during a financial year, will exceed 10 (Ten) percent of the annual consolidated turnover of the Company as per the last audited financial statement of the Company.

The proposed investment, if made, by the Company in the Associate companies upto ₹ 10,00,00,000/- (₹ Ten Cores only) each in one or more tranches, will exceed 10 (Ten) percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company for the year 2017-18. Thus, in terms of Regulation 23(4) of the Listing Regulations and Company's 'Policy on Materiality of and dealing with Related Party Transactions' and pursuant to applicable provisions of the Act and the Rules made thereunder, the proposed investment would require the approval of Members by way of an Ordinary Resolution.

The particulars of the contracts / arrangements / transactions with respect to aforesaid proposal of investment, as envisaged under clause 3 of the Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 as amended, are given as under:

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Particular	Details - 1	Details -2
Name of the Related Party	SMCL	SPL
Name of the Directors or KMP who are related	Shri Sabhapati G Shukla Shri Shekhar R Singh	Shri Shekhar R Singh
Nature of Relationship	SRL holds 48.99 % equity shares in the Paid up capital of SMCL	SRL holds 49.01% equity shares in the Paid up capital of SPL
Nature, material terms, monetary value and particulars of the contract or arrangement	It is proposed to subscribe upto One Crore, NCRPS of ₹ 10/- each	It is proposed to subscribe upto One Crore, NCRPS of ₹ 10/- each
Any other information relevant or important for the members to take decision on the resolution	SMCL is not in a position to raise /obtain funds from any external sources, to the extent possible, towards the implementation of business strategies, has requested to provide necessary funds	SPL is not in a position to raise /obtain funds from any external sources, to the extent possible, towards the implementation of business strategies, has requested to provide necessary funds

As per Regulation 23(4) of the Listing Regulations, all entities falling under the definition of related parties shall abstain from voting on such resolutions whether the entity is a related party to the particular transaction or not, wherein approval of Material Related Party transactions is sought from Shareholders.

None of the Directors and/or Key Managerial Personnel of the Company and/ or their relatives are in any way concerned or interested, financially or otherwise in the Resolution at Item No. 6 of the Notice except to the extent of their shareholding held in the Company.

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

DETAILS OF DIRECTORS RETIRING BY ROTATION/ SEEKING RE-APPOINTMENT AT THE MEETING

Re-appointment of Shri Tharavanat C SuseelKumar (Item No. 2)

Pursuant to the provisions of Section 152 of the Companies Act, 2013 and the Rules made thereunder and Articles of Association of the Company and for determining the Director liable to retire by rotation Shri Tharavanat C. SuseelKumar, Director of the Company, shall be Director to retire by rotation and being eligible has offered himself for re-appointment.

Shri Tharavanat C. SuseelKumar has been associated with the Company since 2012. He is a post graduate and represent Life Insurance Corporation of India (LIC). He currently serves as a Zonal Manager of South Central Zone of LIC.

Shri Tharavanat C. SuseelKumar is not a Director on the Board of any other company and nor holds by himself or for any other person on a beneficial basis, any shares in the Company.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Shri Tharavanat C. SuseelKumar.

Except Shri Tharavanat C. SuseelKumar, being an appointee of LIC, none of the Directors of the Company and their relatives are concerned or interested, financial or otherwise, in the Resolution set out at Item No. 2 to the extent of their shareholding held in the Company.

Re-appointment of Shri Sanjay N Damani as an Executive Director (Item No. 4)

For the details of re- appointment of Shri Sanjay N Damani as an Executive Director of the Company, please refer to the above Explanatory Statement in respect to Special Business set out at Item No. 5 of the Notice of the AGM pursuant to the Companies Act, 2013.

By Order of the Board of Directors

Mumbai, 14th May, 2018

CIN: L17110MH1912PLC000351

Registered Office:

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

Shekhar R Singh
Company Secretary

DIRECTORS' REPORT

To
The Members,

Your Directors are pleased to present the Hundred and Fifth Annual Report, together with the Audited Accounts for the year ended 31st March, 2018.

FINANCIAL RESULTS

(In ₹)

	2017-18	2016-17
Total Income	22,36,91,845	15,27,03,205
Loss before Depreciation, Finance Costs, Exceptional Item and Taxation	(2,10,73,720)	(8,21,06,036)
Less: Depreciation	13,86,869	12,36,459
Less: Finance Costs	10,83,842	30,28,549
Loss before Exceptional Item and Tax	(2,35,44,431)	(8,63,71,044)
Less: Exceptional Item	6,55,57,482	-
Loss before Tax	(8,91,01,913)	(8,63,71,044)
Less: Current Tax	-	-
Deferred Tax	(1,64,09,619)	(2,55,17,917)
Taxes of earlier years (net)	(2,90,718)	-
Loss for the year	(7,24,01,576)	(6,08,53,127)
Other Comprehensive Income for the year, net of tax	24,32,037	32,15,966
Total Comprehensive Income for the year	(6,99,69,539)	(5,76,37,161)

DIVIDEND

As the Company has incurred the losses during the year under review, your Directors have not recommended any dividend for the year ended 31st March, 2018.

OPERATIONS

The total income of the Company for the current year is ₹ 22,36,91,845/- as against ₹ 15,27,03,205/- during the previous year. The Company has incurred a net Loss of ₹ 7,24,01,576/- during the current year as against the Loss of ₹ 6,08,53,127/- in the previous year. The EPS for the current year is ₹ (24.20) as against ₹ (20.34) in the previous year. The main reasons for the losses during the year are, payment to the Collector as premium towards the change of user and impairment loss provided for, in the value of investments in one of the associates. During the year, the Company received demand from the Collector of Mumbai for the payment of premium towards the change of user for leasehold land which was developed after obtaining necessary permissions from the concerned authorities. While seeking permission, there was no policy applicable for

the premium to be charged for change of user. The Collector gave permission subject to payment of 3 percent as adhoc premium and undertaking to pay the premium as and when the policy is framed. During the year, the Government of Maharashtra has issued a policy related to the premium payable for change of user for Government Land and which is 50 percent of ready reckoner rate applicable on the date of permission, accordingly the Collector issued demand notice for ₹ 6,55,57,482/- being the difference of premium applicable as per the policy and adhoc amount already paid. As this is not expected to be of recurring nature, the same has been disclosed as Exceptional Item. The net worth of the investee company has been fully eroded and there are no assets, the Company has provided ₹ 1,03,85,981/- as impairment in the value of investment in one of the associates based on the available market price of share as on the balance sheet date.

ASSOCIATE AND JOINT VENTURE COMPANIES

The Company has two Associate companies viz. Simplex Papers Limited and Simplex Mills Company Limited. There are no joint venture companies within the

SIMPLEX REALTY LIMITED

meaning of Section 2(6) of the Companies Act, 2013 (the Act).

In terms of proviso to sub-section 3 of Section 129 of the Act, the salient features of the financial statements of the Associate Companies is set out in the prescribed form AOC-1 (Part 'B'—Associates and Joint Ventures) which forms part of the Annual Report.

PROJECT

The Company's project "Simplex KhushAangan" is a cluster of residential and commercial spaces located on the prime location of S.V.Road, Malad (West), Mumbai. This project is completed and possession has been given to the buyer for the sold units. The Company has already sold about 73 percent of the carpet area. During the year, the Company has recognized revenue from the project based on percentage completion method as per the guidance note issued by the Institute of Chartered Accountants of India.

The Company is developing a project consisting of villas at Nachinolla, Goa. As Goa is a tourist destination, to explore more opportunities in such destinations, the Company started developing these villas. The civil work has been completed and finishing work is going on.

The Company continues to focus on consolidation of its operations, rationalization of business and exploring the opportunities in the development and re-development projects of residential projects.

PUBLIC DEPOSITS

The Company has not accepted any deposits from the public and as such, no amount of principal or interest on deposits was outstanding as on the balance sheet date.

LOANS, GUARANTEES AND INVESTMENTS

The details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Act are given in the notes to the Financial Statements.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Shri Tharavanat C SuseelKumar, Director of the Company, retires by rotation in compliance with Section 152 of the Act, at the Hundred and Fifth Annual General Meeting (the AGM) of the Company and being eligible, offers himself for re-appointment. The Board of Directors are also of the opinion that he fulfills all the conditions as mentioned in the Act.

The Board of Directors of the Company at its meeting held on 14th May, 2018 has re-appointed Shri Sanjay N

Damani as the Executive Director of the Company for a period of five years with effect from 1st June, 2018.

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

The details of the Director being recommended for appointment and re-appointment are contained in the accompanying Notice of the AGM.

No Key Managerial Personnel has been appointed or has retired or resigned during the year.

BOARD EVALUATION

The Board of Directors has carried out an annual evaluation of its own Performance alongwith the Board Committee and Individual Director, pursuant to the provisions of the Act and the Listing Regulations, a structured questionnaire was prepared, after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of the Independent Director was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

NUMBER OF MEETINGS OF THE BOARD

During the year under review, four Board meetings were held. The details of the meetings are given in Corporate Governance Report which forms part of this Report.

REMUNERATION AND NOMINATION POLICY

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

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Company has practice of conducting familiarization programme for Independent Directors of the Company. The details of the said programme are given in the

Corporate Governance Report which forms part of this Report.

PARTICULARS OF EMPLOYEES

During the year, there was no employee in receipt of remuneration as prescribed in the Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The prescribed particulars of Employees as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as **Annexure IV** and form part of this Report.

AUDITORS

As per the provisions of Section 139 of the Act, the term of office of M/s. Dayal and Lohia, Chartered Accountants, Mumbai, as the Statutory Auditors of the Company will expire with the conclusion of the AGM of the Company.

The Board of Directors places on record its appreciation for the services rendered by M/s. Dayal and Lohia, Chartered Accountants, Mumbai as the Statutory Auditors of the Company.

Subject to the approval of the Members, the Board of Directors of the Company has recommended the appointment of Khandelwal and Mehta LLP, Chartered Accountants, Mumbai (ICAI Firm Registration No. W100084), as the Statutory Auditors of the Company for a term of five years commencing from the Company's financial year 2018-2019 to hold the office from the conclusion of this AGM till the conclusion of the Hundred and Tenth AGM.

Khandelwal and Mehta LLP have confirmed that, their appointment, if made, would be within the limits prescribed under Section 141(3)(g) of the Act and the Companies (Audit and Auditors Rules, 2014 and that they are not disqualified in terms of Section 139 of the Act.

Members' attention is drawn to a Resolution proposing the appointment of Khandelwal and Mehta LLP as the Statutory Auditors of the Company which is included at Item No. 3 of the Notice convening the AGM.

The Auditors have given an unmodified opinion(s) report on the financial statements for the year under review.

SECRETARIAL AUDIT

A Secretarial Audit was conducted during the year, in accordance with provisions of Section 204 of the Act.

The Secretarial Auditor's Report is attached as **Annexure II** and forms part of this Report. There is no secretarial audit qualification, reservation or adverse remark for the year under review.

CORPORATE GOVERNANCE

The Company has complied with the mandatory provisions of Corporate Governance requirements as stipulated under the Listing Regulations. A separate report on Corporate Governance along with the requisite Auditors' Certificate is annexed and forms part of this Report.

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to the provisions of Sections 134(3)(c) and Section 134(5) of the Act and the Listing Regulations, on the basis of information placed before them, the Directors state that:

- i. in the preparation of the annual accounts, the applicable indian accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii. appropriate accounting policies have been selected and applied consistently, and the judgments and estimates that have been made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2018 and the Loss of the Company for the said period;
- iii. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the annual accounts have been prepared on a going concern basis;
- v. the internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- vi. there is a proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

RELATED PARTY TRANSACTIONS

All Related Party Transactions that were entered into during the financial year were on an arm's length basis,

SIMPLEX REALTY LIMITED

in the ordinary course of business and were in compliance with the applicable provisions of the Act and the Listing Regulations. There were no transactions during the year which would require to be reported in Form AOC-2. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large during the year that would have required Members approval under the Listing Regulations.

The policy on Related Party Transactions as approved by the Board is available on the Company's website. None of the Directors has any pecuniary relationships or transactions vis-a-vis the Company.

CORPORATE SOCIAL RESPONSIBILITY

During the year under review, the CSR Committee recommended that since the Company made inadequate profit during the three preceding financial year, there is no statutory requirement for spending on CSR activities in terms of the provisions of 135 of the Act. However, the Company and its management is committed to contribute towards the betterment of the society where we live and work as and when the Company's cash flow permits.

The details of Committee and its terms of reference are set out in Corporate Governance Report. The Annual Report on CSR activities is attached as **Annexure I** and forms part of this Report.

RISK MANAGEMENT

Risk management Policy has been developed and implemented. The Board is kept informed of the risk mitigation measures being taken through risk mitigation report/operation report. There are no current risks which threaten the existence of the Company.

INTERNAL CONTROLS SYSTEMS AND ADEQUACY

The Company has in place an adequate system of internal controls. It has documented policies and procedures covering all financial and operating functions and processes. These have been designed to provide a reasonable assurance with regard to maintaining of proper accounting controls for ensuring reliability of financial reporting, monitoring of operations, protecting assets from unauthorized use or losses and compliance with regulations. The details of the internal controls system are given in the Management Discussion and Analysis Report and forms part of this Report.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has a Vigil Mechanism/Whistle Blower Policy to deal with instance of fraud and mismanagement, if any. The detail of the Policy is explained in the Corporate Governance Report and is also available on the Company's website.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT 9 is attached as **Annexure III**.

STOCK EXCHANGE

The Company's equity shares are listed at BSE Limited and the Annual Listing Fees for the year 2018-19 has been paid.

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

Considering the Company's business activities, the Directors have nothing to report under Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 with reference to Conservation of Energy and Technology Absorption.

Foreign Exchange Transactions:	2017-18	2016-17
Foreign Exchange Earnings (₹)	Nil	Nil
Foreign Exchange Outgo (₹)	10,85,470/-	9,34,830/-

DISCLOSURE UNDER THE PREVENTION OF SEXUAL HARASSMENT ACT, 2013

There was no complaint reported under the Prevention of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

ACKNOWLEDGMENT

Your Directors place on record their appreciation for the assistance and support extended by all Government Authorities, Financial Institutions, Banks, Consultants, Solicitors and Members of the Company. The Directors express their appreciation for the dedicated and sincere services rendered by the employees of the Company.

For and on behalf of the Board of Directors

Nandan Damani
Chairman and Managing Director

Mumbai, 14th May, 2018

Annexure I

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. **A brief outline of the Company's CSR policy including, overview of projects or programmes proposed to be undertaken.**

Web-link to the CSR Policy:

http://www.simplex-group.com/upload_pdf/21524CSR%20Policy%20-%205.8.2015-SRL.pdf

2. **The composition of the CSR Committee:-**

Shri Surendra Kumar Somany – Chairman
Shri Nandan Damani
Shri Sanjay N Damani

3. **Average net profit of the Company for last 3 financial years:**

Average net profit: ₹ 23,17,512/-

4. **Prescribed CSR Expenditure (2% of this amount as in 3 above):**

The Company is not required to spend any amount towards CSR.

5. **Details of CSR spend for the financial year:**

a) **Total amount spent for the year:** Nil

b) **Amount unspent, if any :** Nil

c) **Manner in which the amount spent during the financial year is detailed below:** Not Applicable

(In ₹)

Sr No.	Projects/Activities	Sector	Locations Districts (State)	Amount outlay (Budget) project or programmes wise	Amount spent on the project/ programmes	Cumulative spend upto the reporting period	Amount spent: Direct/ through implementing agency
	-	-	-	-	-	Nil	-

6. **The CSR Committee has given a responsibility statement that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company. – Not Applicable**

Nandan Damani
Chairman and Managing Director

Surendra Kumar Somany
Chairman of CSR Committee

SECRETARIAL AUDIT REPORT

For the financial year ended on 31st March, 2018
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

To
The Members,
Simplex Realty Limited
Mumbai.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Simplex Realty Limited** (CIN: L17110MH1912PLC000351) and having its registered office at 30, Keshavrao Khadye Marg, Sant Gadge Maharaj Chowk, Mumbai-400 011 (hereinafter called 'the Company'). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the Secretarial Audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2018 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 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (**Not applicable to the Company during the audit period**);
- (v) The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (**Not applicable to the Company during the audit period**);
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (**Not applicable to the Company during the audit period**);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not applicable to the Company during the audit period**);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (**Not applicable to the Company during the audit period**);
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**Not applicable to the Company during the audit period**);
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (**Not applicable to the Company during the audit period**); and
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

- (vi) The provisions of The Maharashtra Ownership Flats (Regulation of the Promotion of Construction, Sale, Management and Transfer) Act, 1963, The Real Estate (Regulation and Development) Act, 2016 and the rules made thereunder are specifically applicable to the Company based on their sector/industry.

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

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

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 of the Company 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.

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

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

We further report that during the audit period there were no major corporate events having a major bearing on the Company's affairs

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

For **Manish Ghia & Associates**
Company Secretaries

A. N. Sarma
Partner

FCS 4557 C.P. No. 7812

Mumbai, 14th May, 2018

Annexure A

To
The Members,
Simplex Realty Limited
Mumbai.

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

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

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

For **Manish Ghia & Associates**
Company Secretaries

A. N. Sarma
Partner

FCS 4557 C.P. No. 7812

Mumbai, 14th May, 2018

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 and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

1	CIN	L17110MH1912PLC000351
2	Registration Date	6 th November, 1912
3	Name of the Company	Simplex Realty Limited
4	Category / Sub-Category of the Company	Company having Share Capital
5	Address of the Registered office Contact details	30, Keshavrao Khadye Marg, Sant Gadge Maharaj Chowk, Mumbai - 400011 Tel No. 022-23082951 E-mail: company-secretary@simplex-group.com
6	Whether listed company	Yes
7	Name, Address and Contact details of Share Transfer Agent, if any	Freedom Registry Limited Plot No. 101/102, 19 th Street, MIDC, Satpur, Nashik - 422007 Tel No. 0253-2354032 E-mail: support@freedomregistry.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the Company
1	Construction and Real Estate Development	4100	100

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
1	Simplex Papers Ltd. 30, Keshavrao Khadye Marg, Sant Gadge Maharaj Chowk, Mumbai - 400011	L21010MH1994PLC078137	Associate	49.01	2(6)
2	Simplex Mills Company Ltd. 30, Keshavrao Khadye Marg, Sant Gadge Maharaj Chowk, Mumbai - 400011	L65900MH1998PLC16585	Associate	48.99	2(6)

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

i. Category-wise Shareholding:

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01.04.2017)				No. of Shares held at the end of the year (As on 31.03.2018)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	245384	-	245384	8.20	245384	-	245384	8.20	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	1316981	-	1316981	44.03	1316981	-	1316981	44.03	-
e) Banks /FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-Total A(1)	1562365	-	1562365	52.23	1562365	-	1562365	52.23	-
(2) Foreign									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Others – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks/ FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub- Total (A)(2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoters (A)=(A)(1) + (A)(2)	1562365	-	1562365	52.23	1562365	-	1562365	52.23	-
B. Public Shareholding									
(1) Institutions									
a) Mutual Fund / UTI	-	400	400	0.01	-	400	400	0.01	-
b) Banks / FI	325	9046	9371	0.32	325	9046	9371	0.32	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	776694	-	776694	25.96	776694	-	776694	25.96	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B)(1)	777019	9446	786465	26.29	777019	9446	786465	26.29	-

SIMPLEX REALTY LIMITED

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01.04.2017)				No. of Shares held at the end of the year (As on 31.03.2018)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Non – Institutions									
a) Bodies Corporate									
i) Indian	39152	4217	43369	1.45	92089	2921	95010	3.18	1.73
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual Shareholders holding nominal share capital upto ₹ 1 lakh	361147	201244	562391	18.80	350157	160576	510733	17.07	-1.73
ii) Individual Shareholders holding nominal share capital in excess of ₹ 1 lakh	21629	-	21629	0.72	26452	-	26452	0.88	0.16
c) Others (HUF, Clearing Members, Foreign National, NRIs, Trusts)	13054	2109	15163	0.51	9982	375	10357	0.35	-0.16
Sub – Total (B)(2)	434982	207570	642552	21.48	478680	163872	642552	21.48	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	1212001	217016	1429017	47.77	1212001	217016	1429017	47.77	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	2774366	217016	2991382	100.00	2774366	217016	2991382	100.00	-

ii. Shareholding of Promoters

Shareholders Name	Shareholding at the beginning of the year (As on 01.04.2017)			Shareholding at the end of the year (As on 31.03.2018)			% 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	
A. Individual							
a. Nandan Damani	120587	4.03	-	120587	4.03	-	-
b. Nandan Damani - HUF	300	0.01	-	300	0.01	-	-
c. Kamladevi Devratan Bagri	33	-	-	33	-	-	-
d. Nalini Somany	511	0.02	-	511	0.02	-	-
e. Sanjay N Damani	61553	2.06	-	61553	2.06	-	-
f. Shashi A Patodia	10414	0.34	-	10414	0.34	-	-
g. Shreelekha N Damani	51936	1.74	-	51936	1.74	-	-
h. Sumita Somany	50	-	-	50	-	-	-
B. Bodies Corporate							
a. Lucky Vyapaar and Holdings Private Limited	743040	24.84	-	743040	24.84	-	-
b. New Textiles LLP (formerly known as New Textiles Private Limited)	573941	19.19	-	573941	19.19	-	-
Total (A+B)	1562365	52.23	-	1562365	52.23	-	-

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

Shareholders Name	Shareholding at the beginning of the year (As on 01.04.2017)		Cumulative Shareholding during the year (From 01.04.2017 to 31.03.2018)	
	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
a. At the Beginning of the year	1562365	52.23		
b. Changes during the year	No change during the year			
c. At the end of the year	-	-	1562365	52.23

SIMPLEX REALTY LIMITED

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

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (As on 01.04.2017)		Cumulative Shareholding during the year (From 01.04.2017 to 31.03.2018)	
	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1. Life Insurance Corporation of India				
a. At the Beginning of the year	685741	22.92	-	-
b. Changes during the year	No change during the year			
c. At the end of the year	-	-	685741	22.92
2. The Oriental Insurance Company Limited				
a. At the Beginning of the year	90900	3.04	-	-
b. Changes during the year	No change during the year			
c. At the end of the year	-	-	90900	3.04
3. Tapan Kumar Dey				
a. At the Beginning of the year	14889	0.49	-	-
b. Changes during the year				
Date Reason				
12.05.2017 Sell	479	-0.01	14410	0.48
11.08.2017 Buy	500	0.01	14910	0.49
01.09.2017 Buy	243	0.01	15153	0.50
24.10.2017 Buy	1000	0.03	16153	0.53
22.12.2017 Buy	238	0.00	16391	0.54
19.01.2018 Buy	1000	0.01	17391	0.58
26.01.2018 Buy	155	0.04	17546	0.58
26.01.2018 Buy	328	0.01	17874	0.59
c. At the end of the year	-	-	17874	0.59
4. Laxmi Devi Damani				
a. At the Beginning of the year	8500	0.28	-	-
b. Changes during the year	No change during the year			
c. At the end of the year	-	-	8500	0.28

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (As on 01.04.2017)		Cumulative Shareholding during the year (From 01.04.2017 to 31.03.2018)	
	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
5. VSL Securities Private Limited				
a. At the Beginning of the year	8000	0.27	-	-
b. Changes during the year	No change during the year			
c. At the end of the year	-	-	8000	0.27
6. Shrinathji Flour Mills LLP				
a. At the Beginning of the year	7989	0.27	-	-
b. Changes during the year				
Date	Reason			
07.07.2017	Buy	200	8189	0.27
14.07.2017	Buy	450	8639	0.29
18.08.2017	Buy	1554	10193	0.34
06.10.2017	Buy	433	10626	0.36
13.10.2017	Buy	300	10926	0.37
20.10.2017	Buy	501	11427	0.38
27.10.2017	Buy	769	12196	0.41
31.10.2017	Buy	2672	14868	0.50
24.11.2017	Buy	17	14885	0.50
01.12.2017	Buy	972	15857	0.53
c. At the end of the year	-	-	15857	0.53
7. Pratibha Maheshwari				
a. At the Beginning of the year	7834	0.26	-	-
b. Changes during the year	No change during the year			
c. At the end of the year	-	-	7834	0.26
8. Veena Vallabhadas Gandhi				
a. At the Beginning of the year	6955	0.23	-	-
b. Changes during the year	No change during the year			
c. At the end of the year	-	-	6955	0.23

SIMPLEX REALTY LIMITED

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (As on 01.04.2017)		Cumulative Shareholding during the year (From 01.04.2017 to 31.03.2018)	
	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
9. Samanvitha Securities Private Limited				
a. At the Beginning of the year	6816	0.23	-	-
b. Changes during the year:				
Date Reason				
14.04.2017 Buy	280	0.01	7096	0.24
21.04.2017 Buy	114	0.00	7210	0.24
28.04.2017 Buy	301	0.01	7511	0.25
12.05.2017 Buy	7	0.00	7518	0.25
19.05.2017 Buy	321	0.01	7839	0.26
26.05.2017 Buy	32	0.00	7871	0.26
09.06.2017 Buy	176	0.01	8047	0.27
07.07.2017 Buy	122	0.00	8169	0.27
21.07.2017 Buy	288	0.01	8457	0.28
15.09.2017 Buy	299	0.01	8756	0.29
06.10.2017 Buy	50	0.00	8806	0.29
17.11.2017 Buy	116	0.00	8922	0.29
22.12.2017 Buy	100	0.01	9022	0.30
29.12.2017 Buy	324	0.01	9346	0.31
12.01.2018 Buy	108	0.00	9454	0.31
26.01.2018 Buy	98	0.01	9552	0.32
09.02.2018 Buy	147	0.01	9699	0.33
16.02.2018 Buy	100	0.00	9799	0.33
02.03.2018 Buy	39	0.00	9838	0.33
09.03.2018 Buy	380	0.01	10218	0.34
c. At the end of the year	-	-	10218	0.34
10. Mahendra Girdharilal				
a. At the Beginning of the year	6266	0.21	-	-
b. Changes during the year	No change during the year			
c. At the end of the year	-	-	6266	0.21

v. Shareholding of Directors and Key Managerial Personnel

For Each of the Director and Key Managerial Personnel	Shareholding at the beginning of the year (As on 01.04.2017)		Cumulative Shareholding during the year (From 01.04.2017 to 31.03.2018)	
	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1. Nandan Damani Chairman & Managing Director				
At the beginning of the year	120587	4.03	-	-
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/decrease (eg. Allotment/ transfer/ bonus/ sweat equity etc.)	No change during the year			
At the end of the year	-	-	120587	4.03
2. Sanjay N Damani Executive Director				
At the beginning of the year	61553	2.06	-	-
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/decrease (eg. Allotment/ transfer/ bonus/ sweat equity etc.)	No change during the year			
At the end of the year	-	-	61553	2.06
3. Sandhya R Kini Executive Director				
At the beginning of the year	100	0.00	-	-
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/decrease (eg. Allotment/ transfer/ bonus/ sweat equity etc.)	No change during the year			
At the end of the year	-	-	100	0.00
4. Surendra Kumar Somany Non-Executive Independent Director				
At the beginning of the year	900	0.03	-	-
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/decrease (eg. Allotment/ transfer/ bonus/ sweat equity etc.)	No change during the year			
At the end of the year	-	-	900	0.03

SIMPLEX REALTY LIMITED

For Each of the Director and Key Managerial Personnel	Shareholding at the beginning of the year (As on 01.04.2017)		Cumulative Shareholding during the year (From 01.04.2017 to 31.03.2018)	
	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
5. Vishnubhai B Haribhakti Non-Executive Independent Director				
At the beginning of the year	300	0.01	-	-
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/decrease (eg. Allotment/ transfer/ bonus/ sweat equity etc.)	No change during the year			
At the end of the year	-	-	300	0.01
6. Sabhapati G Shukla Non-Executive Independent Director				
At the beginning of the year	135	0.00	-	-
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/decrease (eg. Allotment/ transfer/ bonus/ sweat equity etc.)	No change during the year			
At the end of the year	-	-	135	0.00
7. Surendra Kabra Chief Financial Officer				
At the beginning of the year	-	-	-	-
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/decrease (eg. Allotment/ transfer/ bonus/ sweat equity etc.)	-	-	-	-
At the end of the year	-	-	-	-
8. Shekhar R Singh Company Secretary				
At the beginning of the year	-	-	-	-
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/decrease (eg. Allotment/ transfer/ bonus/ sweat equity etc.)	-	-	-	-
At the end of the year	-	-	-	-

Shri Tharavant C Suseelkumar and Shri Vijay S Jindal, Directors of the Company did not hold any Shares during the year.

V. INDEBTEDNESS

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

(in ₹)

	Secured Loans excluding deposits	Unsecured Loan	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	3,57,39,581	-	3,57,39,581
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	3,57,39,581	-	3,57,39,581
Change in Indebtedness during the financial year				
Addition	-	-	-	-
Reduction	-	23,44,440	-	23,44,440
Net Change	-	(23,44,440)	-	(23,44,440)
Indebtedness at the end of the financial year				
i) Principal Amount	-	3,33,95,141	-	3,33,95,141
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	3,33,95,141	-	3,33,95,141

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(in ₹)

Sr. No.	Particulars of Remuneration	Shri Nandan Damani (CMD)	Shri Sanjay N Damani (ED)	Smt. Sandhya R Kini (ED)	Total Amount
	Gross Salary				
1	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	51,40,000	6,83,816	3,02,400	61,26,216
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	7,40,000	2,27,939	2,01,600	11,69,539
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-	-
2	Stock Options	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total (A)	58,80,000	9,11,755	5,04,000	72,95,755

SIMPLEX REALTY LIMITED

B. Remuneration to other Directors:

(in ₹)

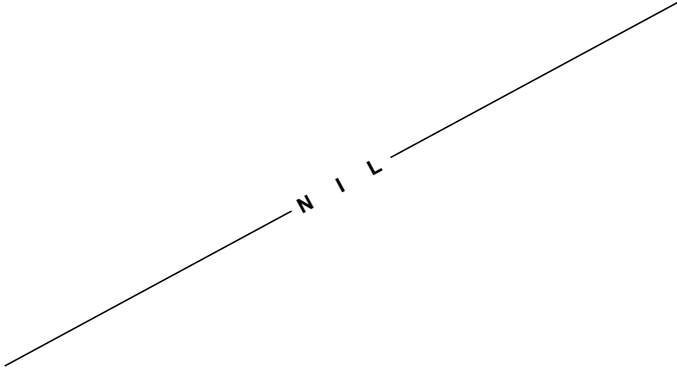
Sr. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Shri V B Haribhakti	Shri S K Somany	Shri Vijay S Jindal	Shri Sabhapati G Shukla	Shri T C Suseel Kumar	
		Independent Director	Independent Director	Independent Director	Independent Director	Non-Executive Director	
1	Independent Directors						
	Fee for attending Board/ Committee Meetings	1,00,000	1,00,000	40,000	1,00,000	-	3,40,000
	Commission	-	-	-	-	-	-
	Other, please specify	-	-	-	-	-	-
	Total (B) (1)	1,00,000	1,00,000	40,000	1,00,000	-	3,40,000
2	Other Non-Executive Directors						
	Fee for attending Board/ Committee Meetings	-	-	-	-	40,000	40,000
	Commission	-	-	-	-	-	-
	Other, please specify	-	-	-	-	-	-
	Total (B)(2)	-	-	-	-	40,000	40,000
	Total (B) = (1) +(2)	1,00,000	1,00,000	40,000	1,00,000	40,000	3,80,000

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

(in ₹)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Shri Surendra Kabra	Shri Shekhar R Singh	
		(CFO)	(CS)	
1	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	37,00,000	13,45,000	50,45,000
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	-	20,350	20,350
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-
2	Stock Options	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others, please specify	-	-	-
	Total (C)	37,00,000	13,65,350	50,65,350

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

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

PARTICULAR OF EMPLOYEES

The ratio of the remuneration of each Director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule (5) (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Sl. No.	Requirements	Details
i.	The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year	Mr. Nandan Damani 244:12 Mr. Sanjay N Damani 38:12 Mrs. Sandhya R Kini 21:12
ii.	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	Percentage increase in remuneration is as under Mr. Sanjay Damani - Director : 60% Mr. Surendra Kabra – CFO : 9% Mr. Shekhar Singh – CS : 10%
iii.	The percentage increase in the median remuneration of employees in the financial year	11%
iv.	The number of permanent employees on the rolls of Company	34 employees as on 31.03.2018
v.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	The percentage increase made in the salaries of employees other than managerial personnel in the last financial year i.e. 2017-18 was 9 percent whereas the percentage increase made in the salaries of managerial personnel in the last financial year i.e. 2017-18 was 19.75 percent.
vi.	Affirmation that the remuneration is as per the remuneration policy of the Company	Remuneration paid during the year ended 31 st March, 2018 is as per the Remuneration Policy of the Company.

For and on behalf of the Board of Directors

Mumbai, 14th May, 2018

Nandan Damani
Chairman & Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. OVERVIEW OF THE ECONOMY

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organization (CSO) and International Monetary Fund (IMF) and it is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships. India's GDP is estimated to have increased 6.6 percent in 2017-18 and is expected to grow 7.3 percent in 2018-19.

In 2017 Indian economy has faced the worst slowdown and GDP growth slumping to a three year low mainly due to destocking ahead of GST implementation, second half of the year picked up at a growth rate of 7.2%. Revival in rural demand, increased infrastructure spending is likely to drive India's growth in current year. After a year of disruption and growth slowdown, Indian economy is consolidating the gains from the recent reforms and is moving in the right direction.

The real estate sector is the second largest employer after agriculture in India and presently employs over 40 million workforce. With forward and backward linkages to over 250 sectors and ancillary industries, the real estate sector is also the third-highest contributor to the Indian economy.

The outlook for 2018 brightens as liquidity in the economy moves towards normalization, with expectations for early revival and growth in overall consumption across several sectors including construction and building materials.

2. INDUSTRY STRUCTURE AND DEVELOPMENTS

The real estate sector is one of the most globally recognised sectors. Real estate and construction is a pivotal cog of economic growth for India, as it contributes the third highest share to the Indian economy and is also the third largest employer after agriculture and is slated to grow at 30 percent over the next decade.

The real estate sector comprises four sub sectors - housing, retail, hospitality, and commercial. The growth of this sector is well complemented by the growth of the corporate environment and the demand for office space as well as urban and semi-urban accommodations.

The real estate market has been going through a phase of massive change. The regulatory reforms implemented through frameworks defined under the Real Estate Regulatory Act (RERA), and Goods and Services Tax (GST) to an extent, have led the sector in a certain direction.

According to Department of Industrial Policy and Promotion, total FDI inflow in construction development sector (including townships, housing, built-up infrastructure) during April 2000 to March, 2017 has been around US\$ 24287 million which is about 8 percent of total FDI inflows (in terms of US\$) from April 2000 to March 2017, with several foreign banks and multinationals entering the space.

Residential real estate segment

The residential real estate segment which contributes about 80 percent to the real estate sector is expected to grow significantly over the next few decades. The residential real estate comprises of residential buildings and integrated townships. Integrated townships include multiple residential building complexes along with other amenities like schools and hospitals.

The growth in the residential real estate market in India has been largely driven by rising disposable incomes, a rapidly growing middle class, low interest rates, fiscal incentives on both interest and principal payments for housing loans and also due to the shift of unorganized real estate construction to an organized development.

A recent report published by ANAROCK, shows that this year the focus of developers was to sell the existing inventory and the result of this is a decline of 8 percent in the unsold inventory in top seven cities in India. The number of new apartments added this year was half of the number added last year. All these moves kept a check on the residential apartment prices as they did not show any appreciation, re-decreased slightly in some cases.

Commercial real estate segment

The commercial real estate segment includes office spaces, IT parks, retail, healthcare, hospitality, industries and Special Economic Zones. The growth of this sector is well complemented by the growth of the corporate environment and the demand for office space.

In comparison to the residential real estate segment, commercial real estate segment remained robust in 2017 with sustained demand from industries like ITes, Consulting, e-Commerce etc. There has been a strong absorption of commercial space with a noticeable decline in vacancy rate which has been encouraging Making India a marquee terminus for global business operations. In office spaces, a strong economic growth continued to create demand. The concept of co-working spaces picked as a trend initiated by entrepreneurs, start-ups and freelancer to accomplish their transitional office requirements.

Retail real estate segment

The Indian retail industry is the largest among all the industries, accounting for over 10 percent of the country's GDP and around 8 percent.

Indian real estate sector has immense potential as India ranks the second largest population with affluent middle class, rapid urbanization and solid growth of internet. Retail spaces, on the other hand, took a slight shift from being a standalone category to mixing up with office spaces providing ease to office occupants and value to the asset.

The retail sector is expected to increase by 60 percent to reach US \$ 1.1 trillion by 2020, on the back of factors like rising incomes and lifestyle changes by middle class and increased digital connectivity. While the overall retail market is expected to grow at 12 percent per annum, modern trade would expand twice as fast at 20 percent per annum and traditional trades at 10 percent. Indian market is divided into "Organized Retail Market" which is valued at US \$ 60 billion which is only 9 percent of the total sector and "Unorganized Retail Market" constitute the rest 91 percent of the sector.

According to the National Skill Development Corporation, India retail sector will need around a workforce of around 56 million. The sector will have one of the highest incremental human resource requirements of 17.35 million till the year 2022.

3. OPPORTUNITIES

The Union Budget for 2018-2019 predominantly focused on revitalizing the rural economy, healthcare, agriculture and infrastructure sectors but the announcements for the affordable housing sector (LIG, MIG) has pleased the real estate sector which was also evident in the Credit Linked Subsidy Scheme (CLSS) and continues to boost

the affordable housing sector by setting up an affordable housing fund under the umbrella of the Pradhan Mantri Awas Yojna (PMAY), which will give impetus to the growth of industries ancillary to the real estate sector.

The Indian real estate sector has begun to show signs of improvement with total FDI of US \$ 257 million in first six months of 2017, which is more than double the total FDI in 2016 full year.

According to CREDAI-CBRE report titled "Assessing the Economic Impact of India's Real Estate", the potential employment opportunities in the real estate sector are expected at 17.2 million jobs by 2025 up from 9.2 million in 2016.

Urban population has been increasing and is expected to cross 600 million by 2030. Urbanization and growing household income are some of the major factors that influence demand for residential real estate and growth in the retail sector.

4. THREATS

- The Indian real estate sector is still highly unorganized with lots of middle men and depressed demand, together with increased construction costs - both material and labour which has been putting pressure on the cost of projects and profit margins.
- Non-availability of land within city limits along with rising land and construction costs, making affordable housing projects unviable.
- Low focus on housing for EWS and LIG segment from the developer fraternity owing to lack of effective policy framework.
- The lengthy and complex approval process leads to a high gestation period which eventually results in project cost escalation by 20-30 percent.
- Any adverse move by the banking sector towards the lending policy on the real estate loans may increase the cost of borrowing.
- The delay in approvals of project and amendments in the various Rules and Regulations can adversely impact new launches and increase in the cost of the projects. Retrospective applicability of policy changes may impact profitability.

- Acute shortage of skilled workforce at all levels.

ON GOING PROJECT

The Company's project "Simplex KhushAangan" is a cluster of residential and commercial space located on prime location of S.V.Road, Malad (west), Mumbai. This project is completed and possession has been given to the buyer for the sold units. The Company has already sold about 73 percent of the carpet area. During the year, the Company has recognized revenue from the project based on percentage completion method as per the guidance note issued by the Institute of Chartered Accountants of India.

The Company is developing a project consisting of villas at Nachinolla, Goa. As Goa is a tourist destination, to explore more opportunities in such destinations the Company started developing these villas. The civil work has been completed and finishing work is going on.

The Company continues to focus on consolidation of its operations, rationalization of business and exploring the opportunities in the development and re-development projects of residential projects.

5. OUTLOOK

The real estate sector was, perhaps, the most affected section of the Indian economy in the last year. The sector witnessed various policy reforms ranging from an impetus to affordable housing to the introduction of RERA and GST.

The realty sector is expected to see a huge fillip in sales of adorable housing. Middle-income homebuyers have plenty of reasons to celebrate after the centre revised the carpet area of homes for the MIG (Middle Income Group) category under the PMAY scheme. With an increase in carpet area from 90 sq m to 120 sq m for MIG-1 and from 110 sq m to 150 sq m for MIG-2, the middle-income homebuyers can now own a bigger and a better abode. Developers will launch new projects especially to cater to this segment, hence giving wider options to the segment. It will also help to clear out unsold stock.

The realty sector will become leaner and meaner. The promoters who are not able to comply with RERA norms would like to merge with the organized developers. This will bring greater confidence in the realty sector as the homebuyers

are insulated against being duped or delays in terms of the possession of the apartment.

With RERA now in place, the confidence of real estate investors are returning back in the sector, so high net worth individuals and high profile investors will start investing their money into real estate sector hence leading the demand for luxury housing.

Going ahead, the standpoint for the residential sector in 2018 is extremely idealistic. Supply is coming in the affordable housing segment, which is the place where most of the demand is coming from. As the economy picks up, the development from rural to urban will quicken. So there will be a significantly increased demand for houses. Be that as it may, the economy needs to develop.

6. RISKS AND CONCERNS

The Company's ability to foresee and manage business risks is crucial in achieving favorable results. While management is positive about the Company's long term outlook, we are subject to few risks and uncertainties as given below

Market price fluctuation:

The performance of your company may be affected by the sales at a price which are driven by prevailing market conditions, the nature and location of the projects.

Price risk of the input material

The primary building materials like steel and cement are subject to price volatility due to general economic conditions, competition, production levels, transportation costs and domestic and import duties and any adverse impact of rise in input cost will have impact on the profitability of the Company.

Development & regulatory risk

Development depends on several factors which include receipt of required approvals, weather conditions, labour availability, material shortages etc. and any of these factor may have an adverse impact on execution.

Economic risk

Any adverse change in any macroeconomic variables like GDP growth, interest rates, inflation, changes in tax, trade, fiscal and monetary policies

etc. may adversely impact the Company's business, profitability and financial condition.

Health and safety risks

Real estate Companies constantly face the risk of injury or illness to the Company's or third parties' construction workers.

7. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has proper and adequate system of internal control procedure commensurate with its size and nature of the business so as to ensure that all assets are safeguarded from loss, damage or disposition and ensure that all transactions are authorized, recorded and reported correctly and adequately. All operations parameters are periodically monitored and strengthened. The Company continuously upgrades these systems in line with best accounting practices. The internal control system is further supplemented by a programme of internal audit conducted by an independent firm of Chartered Accountants. The Audit Committee of the Board of Directors reviews the effectiveness of internal controls and suggests improvements for strengthening them whenever required.

8. FINANCIAL AND OPERATING PERFORMANCE

The total income of the Company for the current year is ₹ 22,36,91,845/- as against ₹ 15,27,03,205/- during the previous year. The Company has incurred a net Loss of ₹ 7,24,01,576/- during the current year as against the Loss of ₹ 6,08,53,127/- in the previous year. The EPS for the current year is ₹ (24.20) as against ₹ (20.34) in the previous year. The main reasons for the losses during the year are payment to the Collector as premium towards the change of user and impairment loss provided for in the value of investments in one of the associates. During the year, the Company has received a demand from the Collector of Mumbai for payment of premium towards the change of user for leasehold land which was developed after obtaining necessary permissions from the concerned authorities. At the time of permission there was no policy applicable for the premium to be charged for change of user and the Collector

gave permission subject to payment of 3 percent as adhoc premium and undertaking to pay the premium as and when the policy is framed. During the year the Government of Maharashtra has issued a policy related to the premium payable for change of user for Government Land and that is 50 percent of ready reckoner rate applicable on the date of permission, accordingly the Collector has issued demand notice for ₹ 6,55,57,482/- being the difference of premium applicable as per the policy and ad-hoc amount already paid. As this is not expected to be of recurring nature the same has been disclosed as Exceptional Item. As this is not expected to be of recurring nature the same has been disclosed as Exceptional Item. As the net worth of the investee company has been fully eroded and there are no assets, the Company has provided ₹ 1,03,85,981/- as impairment in the value of investment in one of the associates based on the available market price of share at the balance sheet date.

9. HUMAN RESOURCES

Employees are the key to achieve the Company's objectives and strategies. The Company provides to the employees a fair equitable work environment and support from their peers with a view to develop their capabilities leaving them with the freedom to act and to take responsibilities for the tasks assigned. The Company strongly believes that its team of capable and committed manpower, which is its core strength, is the key factor behind its achievements, success and future growth.

The industrial relations remained cordial during the year.

10. CAUTIONARY STATEMENT

The statements in this report on "Management Discussion and Analysis", describing the Company's objectives, estimations, expectations or projections, outlook etc., may constitute forward looking statements within the meaning of the applicable Rules, Laws and Regulations. Actual results may vary from such expectations, projections etc., whether express or implied. These statements are based on certain assumptions and expectations of future events over which the Company has no direct control.

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

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

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

2. BOARD OF DIRECTORS

a) Composition

The Board of Directors provides strategic direction and thrust to the operations of the Company. As on 31st March, 2018, the Board comprises of three Executive Directors and five Non-Executive Directors. The composition of the Board is in compliance with the requirements of Regulation 17 of the Listing Regulations as on 31st March, 2018.

None of the Directors on the Board is a Member of more than ten Committees and the Chairman in more than five Committees, across all companies in which they are Directors.

b) Attendance at Board Meetings and the last Annual General Meeting (AGM)

During the year ended 31st March, 2018, 4 (four) Board Meetings were held. The dates on which the said meetings were held are as follows:

10th May, 2017, 8th August, 2017, 2nd November, 2017 and 2nd February, 2018.

Attendance of Directors at Board Meetings during 2017-18 and Directorship(s) and Committee Chairmanship(s)/Membership(s) of other companies as on 31st March, 2018

Name of the Director	Category	No. of Board Meetings held - 4	No. of Directorship(s) and Committee Chairmanship(s)/Membership(s)			Attended Last AGM @ 8 th August, 2017
		Attended	Other Directorship(s)*	Committee Chairmanship(s)**	Committee Membership(s)**	
Shri Nandan Damani	Executive	4	5	1	2	Yes
Shri Sanjay N Damani	Executive	4	2	-	-	Yes
Smt. Sandhya R Kini	Executive	4	-	-	-	Yes
Shri Vishnubhai B Haribhakti	Independent Non-Executive	4	3	1	3	Yes
Shri Surendra Kumar Somany	Independent Non-Executive	4	5	3	3	Yes
Shri Tharavanat C SuseelKumar	Non-Executive	4	-	-	-	Yes
Shri Vijay S Jindal	Independent Non-Executive	4	1	-	-	Yes
Shri Sabhapti G Shukla	Independent Non-Executive	4	2	2	-	Yes

*The Directorships held by Directors as mentioned above, do not include Alternate Directorships and Directorships of Foreign Companies, Section 8 Companies and Private Limited Companies.

**Chairmanship(s)/Membership(s) of only the Audit Committee and Stakeholders' Relationship Committee of all Public Limited Companies have been considered.

Shri Nandan Damani and Shri Sanjay N Damani are related to each other.

3. AUDIT COMMITTEE

During the year ended 31st March, 2018, 4 (four) Audit Committee Meetings were held. The dates on which the said meetings were held are as follows:

10th May, 2017, 8th August, 2017, 2nd November, 2017 and 2nd February, 2018.

The composition of the Audit Committee and the number of meetings attended by each Member during the year ended 31st March, 2018 is as follows:

Name of the Member	Designation	No. of Meetings held - 4
		Attended
Shri Vishnubhai B Haribhakti	Chairman	4
Shri Surendra Kumar Somany	Member	4
Shri Sabhapati G Shukla	Member	4

All the Members of the Audit Committee are financially literate and one Member has accounting and related financial management expertise.

The Company Secretary acts as the Secretary to the Committee.

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

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

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending the appointment/re-appointment/replacement, if required, of Statutory Auditors, fixation of audit fees and approval of payments for any other services.
- Reviewing with management, the annual financial statements before submission to the

Board for approval with particular reference to:

- Matters required to be included in the Directors' Responsibility Statement are included in the Directors' Report in terms of sub-section 3(c) of Section 134 of the Act;
- Changes, if any, in accounting policies and practices and reasons for the same;
- Major accounting entries involving estimates based on the exercise of judgment by the management;
- Significant adjustments made in the financial statements arising out of audit findings;
- Compliance with listing and other legal requirements relating to financial statements.
- Disclosure of related party transactions; and
- Un-modified opinion(s) in draft audit report.
- Reviewing with management, quarterly financial statements before submission to the Board for approval;
- Review and monitor the Auditor's independence and performance and effectiveness of Audit process;
- Reviewing performance of Statutory and Internal Auditors, adequacy of the internal control systems;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern;

- Discussion with Internal Auditors of any significant findings and follow-up thereon and reviewing the reports furnished by them;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- To look into the reasons for substantial defaults in the payment to the shareholders (in case of non payment of declared dividends) and creditors;
- To grant omnibus approval for related party transactions which are in the ordinary course of business and on an arm length pricing basis and to review and approve such transactions subject to the approval of the Board;
- To review the functioning of the Whistle Blower mechanism;
- Carrying out such other function as may be specifically referred to the Committee by the Board of Directors and/or other Committees of Directors of the Company

4. NOMINATION AND REMUNERATION COMMITTEE

During the year ended 31st March, 2018, 2 (two) Nomination and Remuneration Committee Meetings were held. The dates on which the said meetings were held are as follows:

10th May, 2017 and 8th August, 2017.

The composition of the Nomination and Remuneration Committee and the number of meetings attended by each Member during the year ended 31st March, 2018 is as follows:

Name of the Member	Designation	No. of Meetings held - 2
		Attended
Shri Vishnubhai B Haribhakti	Chairman	2
Shri Surendra Kumar Somany	Member	2
Shri Sabhapati G Shukla	Member	2

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

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

Non-Executive Directors are paid remuneration by way of sitting fees. The Commission payable to Executive and Non-Executive Directors is decided by the Nomination and Remuneration Committee.

The Company Secretary acts as the Secretary to the Committee.

REMUNERATION TO DIRECTORS

The Non-Executive Directors are entitled to sitting fees for every meeting of the Board or Committee thereof attended by them. They are also entitled to commission not exceeding one percent of net profits of the Company, if paid.

The Nomination and Remuneration Policy, which was approved by the Board is available on the Company's website and the web-link for the same is http://www.simplexgroup.com/upload_pdf/20173Nomination%20and%20Reumenration%20Polic y.pdf

SIMPLEX REALTY LIMITED

Details of remuneration and sitting fees paid to Directors during the year ended 31st March, 2018 are as under:

Name of the Director	Designation	Remuneration (₹)
Shri Nandan Damani	Chairman & Managing Director	58,80,000
Shri Sanjay N Damani	Executive Director	9,11,755
Smt. Sandhya R Kini	Executive Director	5,04,000

Name of the Non- Executive Directors	Sitting fees (₹)
Shri Vishnubhai B Haribhakti	1,00,000
Shri Surendra Kumar Somany	1,00,000
Shri Tharavanat C SuseelKumar	40,000
Shri Vijay S Jindal	40,000
Shri Sabhapati G Shukla	1,00,000

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

Name of Member	No. of Equity Shares held
Shri Vishnubhai B Haribhakti	300
Shri Surendra Kumar Somany	900
Shri Sabhapati G Shukla	135

5. STAKEHOLDERS RELATIONSHIP COMMITTEE

During the year ended 31st March, 2018, 4 (four) Stakeholders' Relationship Committee Meetings were held. The dates on which the said meetings were held are as follows:

10th May, 2017, 8th August, 2017, 2nd November, 2017 and 2nd February, 2018.

The composition of the Stakeholders' Relationship Committee and the number of meetings attended by each Member during the year ended 31st March, 2018 is as follows:

Name of Member	Designation	Number of Meetings held- 4 Attended
Shri Surendra Kumar Somany	Chairman	4
Shri Nandan Damani	Member	4

The brief descriptions of terms of reference of the Committee *inter-alia*, include the following:

- To allot shares/securities from time to time;
- To consider all matters pertaining to securities, including but not limited to offer of securities alongwith issue and allotment of securities, crediting of securities in depository system, listing and de-listing of securities on/from stock exchange in India, transfer and transmission of securities, demat and remat of securities, issue of duplicate securities certificate, consolidation and split of securities certificate and to do all acts required to be done under the applicable rules, regulations and guidelines, from time to time and to consider matters incidental thereto;
- To monitor the shareholding pattern and related reports on securities;
- To approve the opening, operations and closure of bank accounts for payment of interest and dividend, issue and redemption of securities, to authorize officials to open, operate and close the said accounts from time to time;
- To consider and resolve the grievances of security holders of the Company;
- To appoint/change and fix the fees and other charges payable to the Share Transfer Agents (STA) for handling the work related to securities and to delegate powers to the STA as may be deemed fit and to monitor all activities of the STA;
- To consider and resolve the matters/grievances of Shareholders/Investors in regard to the following:
 - transfer of shares
 - non-receipt of dividends
 - non-receipt of shares in demat account

- non-receipt of annual report
- any other matter of shareholder/investor grievance
- To delegate any of the aforesaid matters to Director(s)/official(s) and/or the officials of the STA, as the Committee may deem fit.

Shri Shekhar R Singh, the Company Secretary is the Compliance officer.

INVESTOR RELATIONS

The total number of complaints received, resolved and pending during the year ended 31st March, 2018 was Nil.

6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

In compliance with Section 135 of the Act, the Board has constituted a Corporate Social Responsibility Committee. The Corporate Social Responsibility Policy, which was approved by the Board, is available on the Company's website and the web-link for the same is http://www.simplex-group.com/upload_pdf/21524CSR%20Policy%20-%205.8.2015-SRL.pdf

During the year ended 31st March, 2018, Corporate Social Responsibility Committee Meeting was held on 26th February, 2018.

The composition of the Corporate Social Responsibility Committee and the number of meetings attended by each Member during the year ended 31st March, 2018 is as follows:

Name of Member	Designation	Number of Meetings held- 1
		Attended
Shri Surendra Kumar Somany	Chairman	1
Shri Nandan Damani	Member	1
Shri Sanjay N Damani	Member	1

The terms of reference of the Committee is to comply with the requirements of Section 135 of the Act, the Companies (Corporate Social Responsibility Policy) Rules, 2014 and all other relevant compliances.

7. INDEPENDENT DIRECTORS' MEETING

During the year under review, Independent Directors met on 2nd February, 2018, *inter- alia*, to discuss:

- Evaluation of the performance of Non-Independent Directors and the Board as a whole.
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
- Evaluation of the quality, quantity content and timeliness of flow of information between the Management and the Board.

8. GENERAL BODY MEETINGS

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

Financial Year	Date of AGM	Time	Location of the Meeting
2014 – 2015	05.08.2015	11.30 A. M.	M. C. Ghia Hall, 4 th Floor, Bhogilal Hargovindas Building, 18/20, K. D. Marg, Kala Ghoda, Mumbai – 400 001
2015 – 2016	09.08.2016	11.30 A. M.	
2016 – 2017	08.08.2017	11.30 A. M.	

(ii) Special Resolutions passed in previous three AGMs:

AGM	Date of AGM	Special Resolutions
102 nd	05.08.2015	Nil
103 rd	09.08.2016	Adoption of New Set of the Articles of Association of the Company
104 th	08.08.2017	Nil

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

9. DIRECTORS

Resume and other information regarding the Directors seeking re-appointment as required by Regulation 36(3) of the Listing Regulations has been given in the Notice of the Hundred and fifth Annual General Meeting annexed to the Annual Report.

10. DISCLOSURES

a) Related party transactions

All transactions entered into with Related Parties as defined under the Act and the Listing Regulations during the financial year were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Act. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. The Board has approved a policy for related party transactions which has been uploaded on the Company's website.

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

b) Compliance by the Company

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

c) Familiarization Programme for Independent Director

At the time of appointment, a formal letter of appointment is given to Independent Directors which *inter-alia* explain the role, functions, duties and responsibilities expected from them as a Director of the Company. The Company conducts structure orientation programmes for the Independent Directors to understand and get updates on the business and operations of the Company on a continuous basis. Such programmes provide an opportunity to the Independent Directors to interact with Senior Leadership team of the Company and help them to understand the

Company's strategy models, operations, services, product-offerings, finance, human resources and such other areas may arise from time to time.

d) Vigil Mechanism/Whistle-blower Policy

The Company has adopted Vigil Mechanism/ Whistle-blower Policy, which is available on the Company's website. No personnel has been denied access to the Audit Committee to lodge their grievances.

e) Code of Conduct

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

f) Disclosure of Accounting Treatment

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

g) Disclosure of Risk Management

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

h) CEO/CFO Certification

The Chairman and Managing Director and Chief Financial Officer of the Company gave Annual Certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) read with Part 8 of Schedule II of the Listing Regulations and they also give quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33 of the Listing Regulations. The annual certification is being annexed to this report.

i) Review of Directors' Responsibility Statement

The Board in its report has confirmed that the annual accounts for the year ended 31st

March, 2018 have been prepared as per applicable indian accounting standards and policies and that sufficient care has been taken for maintaining adequate accounting records.

11. MEANS OF COMMUNICATION

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

12. CODE FOR PREVENTION OF INSIDER TRADING

The Company has adopted a Code for Prevention of Insider Trading in the shares of the Company which is in line with the Model Code as prescribed by the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The said code, *inter-alia* prohibits purchase/sale of shares of the Company by Directors and Employees while in possession of unpublished price sensitive information in relation to the Company.

13. GENERAL INFORMATION FOR MEMBERS

i)	Date, Time and Venue of forthcoming AGM	Date : Wednesday, the 1 st August, 2018 Time : 11.30 A.M. Venue: M.C. Ghia Hall, 4 th Floor, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Kala Ghoda, Mumbai - 400 001
ii)	Financial Calendar (2018 – 2019)	i) First Quarterly Results Upto 15 th August, 2018 ii) Second Quarterly Results Upto 15 th November, 2018 iii) Third Quarterly Results Upto 15 th February, 2019 iv) Annual Results Upto 30 th May, 2019
iii)	Date of Book Closure	From Thursday, the 26 th July, 2018 to Wednesday, the 1 st August, 2018 (both days inclusive)
iv)	Dividend payment date	Not Applicable
v)	Listing on Stock Exchanges	BSE Limited (BSE) P. J. Towers, Dalal Street, Fort, Mumbai – 400 001
vi)	Security Code ISIN	503229 INE167H01014

SIMPLEX REALTY LIMITED

vii) Market Price Data

The monthly high and low quotations of shares traded on the BSE from April, 2017 to March, 2018 are as follows:

Month	Volume	Price (₹)		BSE Sensex	
	(No. of shares)	High	Low	High	Low
April, 2017	4,135	114.95	90.20	30,184.22	29,241.48
May, 2017	5,411	114.95	96.00	31,255.28	29,804.12
June, 2017	2,950	105.00	90.05	31,522.87	30,680.66
July, 2017	3,306	102.80	87.00	32,672.66	31,017.11
August, 2017	9,111	104.70	85.30	32,686.48	31,128.02
September, 2017	3,896	103.85	88.95	32,524.11	31,081.83
October, 2017	5,361	107.00	86.15	33,340.17	31,440.48
November, 2017	4,044	103.55	86.65	33,865.95	32,683.59
December, 2017	5,519	119.60	97.10	34,137.97	32,565.16
January, 2018	4,577	132.15	108.00	36,443.98	33,703.37
February, 2018	3,316	119.90	103.80	36,256.83	33,482.81
March, 2018	9,844	112.25	89.30	34,278.63	32,483.84

viii) Share Transfer Agent

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

ix) Share Transfer System

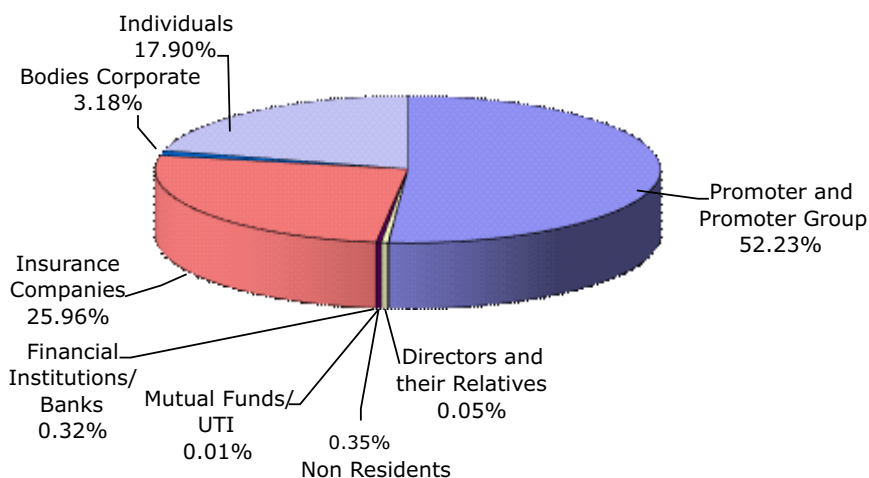
All shares sent or transferred in physical form are registered by the STA within 30 days of the lodgment, if documents, are found in order. Shares under objection are returned within two weeks. All requests for dematerialization of shares are processed and confirmations are given to the respective Depositories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

x) Shareholding Pattern as at 31st March, 2018.

	Category	Number of shares held	Percentage of Shareholding
(A)	Shareholding of Promoter and Promoter Group	15,62,365	52.23
(B)	Public shareholding		
(1)	Institutions		
	(a) Mutual Funds/ UTI	400	0.01
	(b) Financial Institutions/ Banks	9,371	0.32
	(c) Insurance Companies	7,76,694	25.96

	Category	Number of shares held	Percentage of Shareholding
(2)	Non-Institutions		
	(a) Bodies Corporate	95,010	3.18
	(b) Individuals -		
	i. holding nominal share capital up to ₹ 2 lakh.	5,09,298	17.02
	ii. holding nominal share capital in excess of ₹ 2 lakh.	26,452	0.88
	(c) Non Residents	10,357	0.35
	(d) Directors and their Relatives	1,435	0.05
	Total Public Shareholding (B)= (B)(1)+(B)(2)	14,29,017	47.77
	TOTAL (A)+(B)	29,91,382	100

Shareholding Pattern as on 31st March, 2018



Distribution of Shareholding as on 31st March, 2018

Category	Number of Shareholders	Percentage of Total number of Shareholders	Total Number of Shares	Percentage of Total Number of Shares
1 to 500	4,196	95.77	2,99,963	10.03
501 to 1,000	101	2.31	73,025	2.44
1,001 to 5,000	58	1.32	1,17,017	3.91
5,001 to 10,000	10	0.23	64,581	2.16
10,001 & above	16	0.37	24,36,796	81.46
Total	4,381	100	29,91,382	100

xi) Dematerialization of Shares and Liquidity

About 94.21 percent shares have been dematerialized as on 31st March, 2018. The Equity shares of the Company are traded on BSE Limited.

The Company has paid the Listing fees for the year 2018–2019 to the BSE Limited on which its shares are listed.

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

The Company has not made any ADRs, GDRs, Warrants or any convertible instruments issues in the recent past. Thus, there are no outstanding ADRs, GDRs, Warrants or any convertible instruments till date.

xiii) Corporate Identification Number (CIN):

L17110MH1912PLC000351

Registered Office:

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

xiv) Address for Investor Correspondence

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

Shri Shekhar R Singh
Company Secretary and Compliance Officer
Simplex Realty Limited
30, Keshavrao Khadye Marg,
Sant Gadge Maharaj Chowk,
Mumbai – 400 011
Tel. : (022) 2308 2951
Fax : (022) 2307 2773
E-mail: investors@simplex-group.com
Website : www.simplex-group.com

OR

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

Liasioning Office

104, BaySide Mall,
35/C, M.M. Malviya Marg,
Tardeo Road, Haji Ali,
Mumbai-400 034
Tel. : (022) 23525589

xv) Compliance with Listing Regulations

The Company has complied with all the mandatory requirements of the Listing Regulations. The certificate from Statutory Auditors of the Company on compliance of the conditions of Corporate Governance by the Company is annexed and form part of this Report.

xvi) Dematerialisation of Shares

Members are requested to convert their physical holdings to demat/electronic form through any of the registered Depository Participants (DPs) to avoid the hassles involved in dealing in physical shares such as possibility of loss, mutilation, etc. and also to ensure safe and speedy transaction in respect of the shares held by them.

**DECLARATION UNDER REGULATION 26(3)
READ WITH PART D OF SCHEDULE V OF SEBI
(LISTING OBLIGATIONS AND DISCLOSURE
REQUIREMENTS) REGULATIONS, 2015**

It is hereby declared that all the Board Members and Senior Management Personnel of the Company have affirmed adherence to and compliance with the Code of Conduct for the year ended 31st March, 2018.

For **Simplex Realty Limited**

Nandan Damani
Chairman and Managing Director

Mumbai, 14th May, 2018

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Simplex Realty Limited

We have examined the compliance of the conditions of Corporate Governance by Simplex Realty Limited for the year ended 31st March, 2018 as stipulated in Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) with the BSE Limited.

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

In our opinion and based on the information and according to explanations given to us and the representations made by the management and to the best of our knowledge and belief, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Chapter IV of the Listing Regulations.

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

For **Dayal and Lohia**
Chartered Accountants
Firm's Registration No.102200W

Anil Lohia
Partner
Membership No.31626

Mumbai, 14th May, 2018

SIMPLEX REALTY LIMITED

CERTIFICATION BY CEO /CFO UNDER REGULATION 17(8) READ WITH PART B OF SCHEDULE II OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To
The Board of Directors
Simplex Realty Limited

We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2018 and that to the best of our knowledge and belief:

- a) 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) There are, 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 accept responsibility 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 and we have disclosed to the Auditors and the Audit Committee, deficiencies in

the design or operation of such 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 in internal control over financial reporting during the year;
 - ii. significant changes 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 we 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.

Surendra Kabra
Chief Financial Officer

Nandan Damani
Chairman and
Managing Director

Mumbai, 14th May, 2018

INDEPENDENT AUDITORS' REPORT

To
The Members of
Simplex Realty Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Simplex Realty Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone 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 provision of the Act and the Rules made thereunder.

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 financial statements are free from material misstatement.

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

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

Opinion

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2018;
- (b) in the case of the Statement of Profit and Loss (including Other Comprehensive Income), of the Loss for the year ended on that date;
- (c) in the case of the Statement of Changes in Equity, of the changes in equity for the year ended on that date; and
- (d) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in 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 purpose of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015;
 - 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 none of the directors is disqualified as on 31st 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 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – (refer note no. 41 of the financial statements),
 - ii) The Company did not have any long term contracts including derivatives contract for which there were any material foreseeable losses,
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **Dayal and Lohia**
Chartered Accountants
Firm's Registration No.102200W

Anil Lohia
Partner

Mumbai, 14th May, 2018

Membership No. 31626

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in our report to the members of **Simplex Realty Limited** ('the Company') for the year ended on 31st 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) The Management of the Company has physically verified the fixed assets in accordance with its policy of physical verification at reasonable intervals. The discrepancies, if any noticed during such verification have been suitably adjusted in the books of account. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii) a) According to the information and explanations given to us, the management has conducted physical verification of the inventories at reasonable intervals.
- b) In our opinion and according to the information and explanations given to us, the procedures followed by the management for physical verification of inventory are reasonable and adequate in relation to the size of the Company and the nature of the business.
- c) No material discrepancies have been noticed on physical verification of the stocks as compared to book records in so far as it appears from our examination of the books.
- iii) According to the information and explanations given to us and on the basis of our examination of books of account, the Company has granted unsecured loan to company covered in the register maintained under section 189 of the Companies Act, 2013.
 - a) The terms and conditions of the loan given are not prejudicial to the Company's interest.
 - b) The schedule of repayment of principal and payment of interest has not been stipulated by the Company and hence, we are unable to make any comment on the regularity of repayment of principal and payment of interest.
 - c) The repayment terms are 'On demand' and hence, there is no overdue amount of principal and interest.
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans and investments made; the Company has not given any guarantee or security.
- v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public.
- vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 148(1) of the Act, and are of the opinion that prima facie the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii) a) According to the records of the Company, undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were outstanding as at 31st March, 2018 for a period of more than six months from the date it became payable.
- b) According to the records of the Company and information and explanations given to us and the records of the Company examined by us, there are no pending dues to be deposited of income tax, sales tax or service tax or duty of customs or duty of excise or value added tax on account of any disputes.

SIMPLEX REALTY LIMITED

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| <p>viii) On the basis of our examination of the books and according to the information and explanations given to us, during the year, there are no defaults in repayment of dues to financial institutions, banks, Government or debenture holders.</p> <p>ix) The Company has not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.</p> <p>x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.</p> <p>xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.</p> <p>xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.</p> <p>xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the</p> | <p>related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards</p> <p>xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.</p> <p>xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.</p> <p>xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.</p> |
|--|--|
- For Dayal and Lohia**
Chartered Accountants
Firm's Registration No.102200W

Anil Lohia
Partner
Membership No. 31626
- Mumbai, 14th May, 2018

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF SIMPLEX REALTY LIMITED

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

We have audited the internal financial controls over financial reporting of **Simplex Realty Limited** ("the Company") as of 31st March, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on 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 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 authorizations of management and directors of the Company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 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 **Dayal and Lohia**
Chartered Accountants
Firm's Registration No.102200W

Anil Lohia
Partner

Mumbai, 14th May, 2018

Membership No. 31626

SIMPLEX REALTY LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2018

	Note	As at 31.03.2018 ₹	As at 31.03.2017 ₹	As at 01.04.2016 ₹
A ASSETS				
I Non-Current Assets				
Property, Plant and Equipment	2	1,61,56,770	1,27,08,112	1,37,84,301
Financial Assets:				
Investments	3 a	1,89,50,250	2,93,36,231	2,93,36,231
Loans	4	4,40,056	7,92,685	3,11,04,962
Deferred Tax Assets (Net)	5	4,38,10,365	2,75,23,974	20,39,021
Other Non-Current Assets	6	1,93,10,339	94,87,915	26,16,514
Total Non-Current Assets		9,86,67,780	7,98,48,917	7,88,81,029
II Current Assets				
Inventories	7	34,74,61,577	50,58,99,148	45,07,41,272
Financial Assets:				
Investments	3 b	1,08,35,640	82,82,931	51,40,680
Trade Receivables	8	1,85,77,647	49,33,547	3,66,657
Cash and Cash Equivalents	9	24,47,357	92,40,716	91,24,971
Bank Balances other than above	10	14,36,220	18,65,883	23,41,506
Loans	11	46,22,66,300	42,20,10,136	48,63,02,099
Other Financial Assets	12	3,22,23,082	2,76,41,678	3,14,01,693
Other Current Assets	13	17,92,12,341	17,96,70,747	28,02,90,499
Total Current Assets		1,05,44,60,164	1,15,95,44,786	1,26,57,09,377
TOTAL ASSETS		1,15,31,27,944	1,23,93,93,703	1,34,45,90,406
B EQUITY AND LIABILITIES				
I Equity				
Equity Share Capital	14	2,99,36,870	2,99,36,870	2,99,36,870
Other Equity	15	1,04,44,15,064	1,11,72,64,898	1,17,85,02,427
Total Equity		1,07,43,51,934	1,14,72,01,768	1,20,84,39,297
II Liabilities				
Non-Current Liabilities				
Financial Liabilities:				
Borrowings	16	3,04,48,640	3,33,95,141	3,58,21,025
Other Financial Liabilities	17	17,35,539	3,95,767	-
Provisions	18	15,49,539	15,73,613	12,69,801
Other Non-Current Liabilities	19	6,58,746	1,90,266	-
Total Non-Current Liabilities		3,43,92,464	3,55,54,787	3,70,90,826
III Current Liabilities				
Financial Liabilities :				
Trade Payables				
Total outstanding dues of Micro and Small Enterprises		-	-	-
Others		16,60,723	88,89,594	2,19,72,875
Other Financial Liabilities	20	2,47,77,605	3,01,08,250	2,97,84,483
Other Current Liabilities	21	1,33,13,941	1,37,26,527	1,59,18,346
Provisions	22	46,31,277	39,12,777	36,15,697
Current Tax Liabilities (Net)	23	-	-	2,77,68,882
Total Current Liabilities		4,43,83,546	5,66,37,148	9,90,60,283
Total Liabilities		7,87,76,010	9,21,91,935	13,61,51,109
TOTAL EQUITY AND LIABILITIES		1,15,31,27,944	1,23,93,93,703	1,34,45,90,406

Significant Accounting Policies 1
The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached

For and on behalf of the Board

For **Dayal and Lohia**
Chartered Accountants
Firm's Registration No.102200W

Surendra Kabra
Chief Financial Officer

Nandan Damani
Chairman and Managing Director

Anil Lohia
Partner
Membership No. 31626
Mumbai, 14th May, 2018

Shekhar R Singh
Company Secretary

Surendra Kumar Somany
Independent Director

Mumbai, 14th May, 2018

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

	Note	2017-18 ₹	2016-17 ₹
Income			
I Revenue from Operations	24	16,48,05,007	9,20,18,671
II Other Income	25	5,88,86,838	6,06,84,534
III Total Income (I+II)		22,36,91,845	15,27,03,205
IV Expenses			
Cost of Sales	26	17,96,22,130	11,59,42,068
Employee Benefits Expense	27	2,53,45,363	2,26,03,748
Finance Costs	28	10,83,842	30,28,549
Depreciation	2	13,86,869	12,36,459
Other Expenses	29	3,97,98,072	9,62,63,425
Total Expenses (IV)		24,72,36,276	23,90,74,249
V Loss before Exceptional Item and Tax (III-IV)		(2,35,44,431)	(8,63,71,044)
VI Exceptional Item	30	6,55,57,482	-
VII Loss before Tax (V-VI)		(8,91,01,913)	(8,63,71,044)
VIII Tax Expense:			
(1) Current Tax		-	-
(2) Deferred Tax		(1,64,09,619)	(2,55,17,917)
(3) Earlier year Taxes		(2,90,718)	-
IX Loss for the year (VII-VIII)		(7,24,01,576)	(6,08,53,127)
X Other Comprehensive Income / (Expense) - (OCI):			
Items that will not be reclassified to Statement of Profit and Loss			
1. Re-measurement gains / (losses) on defined benefit plans		4,78,556	1,06,679
2. Changes in fair values of equity instruments through OCI		20,76,709	31,42,251
3. Income tax effect on above		(1,23,228)	(32,964)
Total Other Comprehensive Income for the year, net of tax		24,32,037	32,15,966
Total Comprehensive Income / (Expense) for the year (IX+X)		(6,99,69,539)	(5,76,37,161)
Earnings per Equity Share (Face Value of ₹10/- each)			
Basic and Diluted Earnings Per Share (in ₹)		(24.20)	(20.34)

Significant Accounting Policies

1

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached

For and on behalf of the Board

For **Dayal and Lohia**
Chartered Accountants
Firm's Registration No.102200W

Surendra Kabra
Chief Financial Officer

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Membership No. 31626
Mumbai, 14th May, 2018

Shekhar R Singh
Company Secretary

Surendra Kumar Somany
Independent Director

Mumbai, 14th May, 2018

SIMPLEX REALTY LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2018

1. EQUITY SHARE CAPITAL

	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹	As at 1st April, 2016 ₹
Balance at the beginning of the year	2,99,36,870	2,99,36,870	2,99,36,870
Changes in equity share capital during the year	-	-	-
Balance at the end of the reporting year	2,99,36,870	2,99,36,870	2,99,36,870

2. OTHER EQUITY

(In ₹)

	Reserves and Surplus				Other Reserves	Total Other Equity
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	FVTOCI - equity instruments	
Balance as at 1st April, 2016	60,71,263	1,43,23,904	70,09,00,000	45,35,91,368	36,15,892	1,17,85,02,427
Loss for the year	-	-	-	(6,08,53,127)	-	(6,08,53,127)
Other comprehensive income / (expense)	-	-	-	73,715	31,42,251	32,15,966
Total comprehensive income / (expense)	-	-	-	(6,07,79,412)	31,42,251	(5,76,37,161)
Dividend paid on equity shares*	-	-	-	(29,91,382)	-	(29,91,382)
Dividend distribution tax	-	-	-	(6,08,986)	-	(6,08,986)
Balance as at 31st March, 2017	60,71,263	1,43,23,904	70,09,00,000	38,92,11,588	67,58,143	1,11,72,64,898
Loss for the year	-	-	-	(7,24,01,576)	-	(7,24,01,576)
Other comprehensive income / (expense)	-	-	-	3,55,328	20,76,709	24,32,037
Total comprehensive income / (expense)	-	-	-	(7,20,46,248)	20,76,709	(6,99,69,539)
Dividend paid on equity shares **	-	-	-	(23,93,106)	-	(23,93,106)
Dividend distribution tax	-	-	-	(4,87,189)	-	(4,87,189)
Balance as at 31st March, 2018	60,71,263	1,43,23,904	70,09,00,000	31,42,85,045	88,34,852	1,04,44,15,064

*A dividend of ₹ 1/- per share (total dividend ₹ 29,91,382/- and dividend distribution tax of ₹ 6,08,986/- was paid to the equity shareholders for the year ended 31st March, 2016.

**A dividend of ₹ 0.80 per share (total dividend ₹ 23,93,106/- and dividend distribution tax of ₹ 4,87,189/- was paid to the equity shareholders for the year ended 31st March, 2017.

Significant Accounting Policies - Note 1

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached

For and on behalf of the Board

For **Dayal and Lohia**
Chartered Accountants
Firm's Registration No.102200W

Surendra Kabra
Chief Financial Officer

Nandan Damani
Chairman and Managing Director

Anil Lohia
Partner
Membership No. 31626
Mumbai, 14th May, 2018

Shekhar R Singh
Company Secretary

Surendra Kumar Somany
Independent Director

Mumbai, 14th May, 2018

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

	2017-18	2016-17
	₹	₹
A. CASH FLOW FROM OPERATING ACTIVITIES :		
NET LOSS BEFORE EXCEPTIONAL ITEM AND TAX	(2,35,44,431)	(8,63,71,044)
Adjustments for :		
Depreciation on property, plant and equipment	13,86,869	12,36,459
Interest expenses	10,83,842	30,28,549
Profit on sale of investments (net)	(19,443)	-
Dividend income	(1,02,957)	(82,450)
Interest income	(5,22,33,553)	(5,09,02,044)
Profit on sale of fixed assets	(5,51,190)	-
Sundry balances written off / (back) - (net)	59,261	(376)
Advances written off	-	5,97,59,760
Impairment in value of non-current investments	1,03,85,981	-
Sundry assets written off	26,660	-
OPERATING LOSS BEFORE WORKING CAPITAL CHANGES	(3,99,64,530)	1,30,39,898
Adjustment for changes in working capital	(6,35,08,961)	(7,33,31,146)
Adjustment for (increase) / decrease in operating assets:		
Inventories	15,84,37,571	(5,51,57,876)
Trade receivables	(1,36,44,100)	(45,66,890)
Other financial assets	28,50,437	(2,64,93,812)
Other current assets	4,33,151	10,06,19,751
Other bank balances	4,29,663	4,75,624
Adjustment for increase / (decrease) in operating liabilities:		
Other financial liabilities	(39,62,258)	7,19,534
Trade payables	(71,86,291)	(1,30,82,799)
Long-term provisions	4,54,482	4,10,491
Short-term provisions	7,18,500	2,97,080
Other liabilities	55,893	(20,01,553)
CASH GENERATED FROM / (USED IN) OPERATIONS	7,50,78,087	(7,21,11,596)
Direct taxes paid	(95,40,509)	(3,46,40,284)
NET CASH GENERATED FROM / (USED IN) OPERATING ACTIVITIES BEFORE EXCEPTIONAL ITEM	6,55,37,578	(10,67,51,880)
Exceptional item	(6,55,57,482)	-
NET CASH USED IN OPERATING ACTIVITIES (A)	(19,904)	(10,67,51,880)
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of fixed assets	(51,25,975)	(1,60,270)
Sale of fixed assets	8,14,978	-
Purchase of investments	(64,76,000)	-
Sale of investments	60,19,443	-
Dividend received	1,02,957	82,450
Interest received	4,50,57,944	5,17,08,282
Loans / Inter corporate deposits (given) - net	(4,02,56,164)	6,42,91,964
NET CASH GENERATED FROM INVESTING ACTIVITIES (B)	1,37,183	11,59,22,426

SIMPLEX REALTY LIMITED

		2017-18 ₹	2016-17 ₹
C. CASH FLOW FROM FINANCING ACTIVITIES :			
Proceeds from / (repayment) of borrowings (net)		(29,46,501)	(24,25,884)
Interest paid		(10,83,842)	(30,28,549)
Dividend paid (including dividend distribution tax)		(28,80,295)	(36,00,368)
NET CASH USED IN FINANCING ACTIVITIES	(C)	(69,10,638)	(90,54,801)
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(A+B+C)	(67,93,359)	1,15,745
CASH AND CASH EQUIVALENTS - AT THE START OF THE YEAR		92,40,716	91,24,971
CASH AND CASH EQUIVALENTS - AT THE END OF THE YEAR		24,47,357	92,40,716
Cash and cash equivalents comprise of :		As on 31.03.18	As on 31.03.17
Balances with Banks :			
- in Current accounts		23,73,847	91,99,307
Cash on hand		73,510	41,409
		24,47,357	92,40,716

Significant Accounting Policies - Note 1

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached

For **Dayal and Lohia**
Chartered Accountants
Firm's Registration No.102200W

Anil Lohia
Partner
Membership No. 31626
Mumbai, 14th May, 2018

Surendra Kabra
Chief Financial Officer

Shekhar R Singh
Company Secretary

For and on behalf of the Board

Nandan Damani
Chairman and Managing Director

Surendra Kumar Somany
Independent Director

Mumbai, 14th May, 2018

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

CORPORATE INFORMATION

Simplex Realty Limited ("the Company") is a public limited company, incorporated and domiciled in India having its registered office at 30, Keshavrao Khadye Marg, Sant Gadge Maharaj Chowk, Mumbai - 400 011, Maharashtra, India. The equity shares of the Company are listed on BSE Limited. The Company is in real estate development. The Company develops residential as well as commercial properties.

1. SIGNIFICANT ACCOUNTING POLICIES

(i) Basis of preparation:

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

The financial statements up to year ended 31st March, 2017 were prepared in accordance with the accounting standards notified under Section 133 of the Act read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ("Indian GAAP") and the relevant provisions of the Act as applicable. These financial statements are the first financial statements of the Company under Ind AS. Refer to note 1 (b) for information on first time adoption of Ind AS.

(ii) Current and non-current classification:

The normal operating cycle in respect of operation relating to under construction real estate project depend on signing of agreement, size of the project, type of development, project complexities, approvals needed and realization of project into cash and cash equivalent. Accordingly, project related assets and liabilities have been classified into current and non-current based on operating cycle of the respective project. All other assets and liabilities have been classified into current and non-current based on a period of twelve months.

(iii) Fair value measurement:

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

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

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

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

(iv) Revenue Recognition:

The Company is following "Percentage of Completion Method" and revenue is recognized accordingly. As per this method, revenue from sale of properties is recognized in the Statement of Profit and Loss in proportion to the actual cost incurred as against the total estimated project cost on transfer of significant risk and rewards to the buyer.

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

In accordance with the “Guidance Note on Accounting for Real Estate Transactions (for entities to whom Ind AS is applicable)” construction revenue on such projects measured at the fair value (i.e. adjusted for discounts, incentives, time value of money adjustments etc), have been recognized on percentage of completion method provided the following thresholds have been met:

- i. All critical approvals necessary for the commencement of the project have been obtained;
- ii. The expenditure incurred on construction and development cost is not less than 25 percent of total estimated construction and development costs;
- iii. At least 25 percent saleable project area is secured by contracts and agreements with buyers; and
- iv. At least 10 percent of contract consideration is realized at the reporting date in respect of such contracts and it is reasonable to expect that the parties to such contracts will comply with the payments terms as defined in the contracts.

Determination of stage of completion is arrived based on the project cost incurred against the estimated cost.

Determination of revenue under percentage of completion method necessarily involves making estimates, some of which are of technical nature, concerning where relevant, the percentage of completion, cost to completion, the expected revenue from the project or activity and the foreseeable losses to completion. Estimates of project income, as well as project cost, are reviewed periodically. The effect of changes, if any, to estimates is recognized in the financial statements for the period in which such changes are determined. Losses, if any, are fully provided for immediately. The Company recognizes revenue (i.e. its share in revenue) as per the terms of the agreements entered into with Developer or Land Owner following percentage of completion method.

Rental income from operating leases is recognized on a straight line basis over the lease term.

The Company receives maintenance amount from the customers and utilize the same towards the maintenance of the respective projects. The balance amount of maintenance expenses to be incurred is reflected as liability under the head other current liabilities.

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

Dividend income is accounted when right to receive is established.

(v) **Property, Plant and Equipment:**

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment, if any. The cost of property, plant and equipment includes purchase price, including freight, duties, taxes and expenses incidental to acquisition and installation. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Property, plant and equipment are derecognized from financial statements, either on disposal or when no economic benefits are expected from its use or disposal. The gain or losses arising from disposal of property, plant and equipment are recognized in the Statement of Profit and Loss in the year of occurrence.

Subsequent expenditures

Subsequent expenditures related to an item of property, plant and equipment are added to its carrying value only when it is probable that the future economic benefits from the asset will flow to the Company and cost can be reliably measured. All other repair and maintenance costs are recognized in the Statement of Profit and Loss during the year in which they are incurred.

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

Depreciation

Depreciation is provided on all property, plant and equipment (excluding furniture and office equipments) on straight-line method and on furniture and office equipments on the written down value method on pro-rata basis over the useful lives of the assets as prescribed in the Schedule II to the Companies Act, 2013.

Assets class	Useful life
Buildings	60 years
Furniture and fixtures	5-10 years
Office equipments	5 years
Vehicles	8 years
Electrical installations	10 years
Computers	3 years

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at 1st April, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

(vi) Impairment of Non-Financial Assets:

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's or cash generating unit's (CGU) fair value less costs of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. If such recoverable amount of the asset or cash generating unit is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the Balance Sheet date there is any indication that any impairment loss recognized for an asset in prior years may no longer exist or may have decreased, the recoverable amount is reassessed and such reversal of impairment loss is recognized in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss.

(vii) Leases:

Leases in which the Company does not transfer substantially all the risk and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized on a straight line basis over the terms of the relevant lease unless the payments are structured to increase in line with general inflation to compensate expected inflationary cost increase.

Lease deposits received are financial instruments (financial liability) and need to be measured at fair value on initial recognition. The difference between the fair value and the nominal value of deposits is considered as deferred rental income and recognized over the lease term on a straight line basis. Unwinding of discount is treated as interest expense for deposit received and is accrued as per the effective interest rate method.

(viii) Investments in Associates:

Investments in equity shares of Associates are recorded at cost and reviewed for impairment at each reporting date and if any Impairment is required, the same is recognized in the Statement of Profit and Loss.

(ix) Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

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

Financial Assets

Initial recognition and measurement

The Company recognizes financial assets when it becomes a party to the contractual provisions of the instrument. All financial assets are recognized initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

Subsequent measurement

For the purpose of subsequent measurement, the financial assets are classified as under:

i) Financial assets at amortised cost

A financial asset is measured at the amortised cost, if both the following conditions are met:

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

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

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

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

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

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

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

Financial assets that do not meet the criteria for amortized cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is recognized in profit or loss and presented net in the Statement of Profit and Loss within other income in the period in which it arises.

iv) Equity instruments

All equity instruments other than investments in associates are measured at fair value. Equity instruments which are for trading are classified as FVTPL. All other equity instruments are measured at fair value through other comprehensive income (FVTOCI). The classification is made on initial recognition and is irrevocable.

Where the Company's management has elected to present fair value gains and losses on equity instruments in other comprehensive income, there is no subsequent reclassification of fair value gains and

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

losses to profit or loss. Dividends from such investments are recognized in profit and loss when the Company's right to receive payments is established.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Impairment of financial assets

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

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

De-recognition

A financial asset is derecognized when:

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

Financial Liabilities

Initial recognition and measurement

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

Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. For trade and other payables maturing within operating cycle, the carrying amounts approximate the fair value due to short maturity of these instruments.

Loans and borrowings

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

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

Derecognition

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

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

- **Offsetting financial instruments**

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

(x) Inventories:

Construction work-in-progress are valued at cost which includes cost of land, premium for development rights, construction cost, allocated interest and expenses incidental to the project undertaken by the Company. Inventory of completed flats/units is valued at lower of cost or net realisable value.

(xi) Taxes:

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

i. Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantially enacted at the reporting date.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

ii. Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities for financial reporting purpose and the amount used for taxation purposes.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences can be utilised. The carrying amount of deferred tax asset is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

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

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

(xii) Employee Benefits:

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 recognized as an expense during the period when the employees render the services.

Defined contribution plans

The Company's contribution to Provident Fund, Pension Fund, Superannuation Fund and Employees State

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

Insurance Fund are considered as defined contribution plans, as the Company does not carry any further obligations apart from the contribution made to the respective fund/scheme and are charged as an expense based on the amount of contribution required to be made.

Defined benefit plans

The liability recognized in the balance sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period. The defined benefits obligation is calculated annually by actuaries using the projected unit credit method.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments, changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income (OCI). They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

Compensated absences

The liabilities for accumulated leave are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of reporting period using the projected unit credit method. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

(xiii) Borrowing Costs:

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

Interest and other costs incurred in connection with borrowing of funds, which are incurred for the development of long term projects, are transferred to construction work-in-progress, as part of the cost of the project upto the time all the activities necessary to prepare these projects for its intended use or sale are complete.

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

(xiv) Cash and Cash Equivalents:

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand, demand deposit and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

(xv) Provisions and Contingent Liabilities:

The Company recognizes a provision when there is a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

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

(xvi) Earnings Per Share

Basic earnings per share is calculated by dividing the profit / (loss) for the year attributable to the equity shareholders by weighted average number of equity shares outstanding during the year.

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

(xvii) Dividend

Dividend to the equity shareholders is recognized as a liability in the Company's financial statements in the period in which the dividend is approved by the shareholders.

1 (a) USE OF ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, income, expenses and disclosures of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Estimates and underlying assumptions are reviewed at each reporting date. Any revision to accounting estimates and assumptions are recognised prospectively i.e. recognised in the period in which the estimate is revised and future periods affected.

i. Evaluation of percentage completion

Determination of revenues under the percentage of completion method necessarily involves making estimates, some of which are of a technical nature, concerning, where relevant, the percentage of completion, cost to completion, the expected revenue from the project or activity and the foreseeable losses to completion. Estimates of project income, as well as project costs, are reviewed periodically. The effect of changes, if any, to estimates is recognised in the financial statements for the period in which such changes are determined.

ii. Recognition and measurement of defined benefit obligations

The cost of defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuations using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of discount rate, future salary increase and mortality rates. 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.

iii. Fair value measurement of financial instruments

When the fair values of the financial assets and liabilities recorded in the balance sheet cannot be measured based on the quoted market prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from the observable market, where possible, but where this is not feasible, a review of judgement is required in establishing fair values. Changes in assumptions relating to these assumptions could affect the fair value of financial instruments.

iv. Deferred taxes

Deferred tax is recorded on temporary differences between tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The

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

ultimate realization of deferred tax assets is dependent upon the generation of future taxable profit during the periods in which those temporary differences and the tax loss carry forwards become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of deferred tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward periods are reduced.

1(b) FIRST TIME ADOPTION OF IND AS

The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 31st March, 2018, the comparative information presented in these financial statements for the year ended 31st March, 2017 and in the preparation of an opening Ind AS balance sheet as at 1st April, 2016 (the Company's date of transition to Ind AS). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (as amended) and other relevant provisions of the Act ("Indian GAAP" or "previous GAAP"). The effects of the transition to Ind AS on equity, total comprehensive income and reported cash flows are presented in this section and are further explained in the following notes.

Ind AS 101 allows first-time adopters, certain exemptions/exceptions from the retrospective application of certain requirements under Ind AS. In preparing these financial statements, the Company has applied the following exemptions:

Ind AS Optional Exemptions:

Deemed cost for property, plant and equipment

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. Accordingly, the Company has elected to measure all of its property, plant and equipment at their previous GAAP carrying value and use that as its deemed cost as at the date of transition (1st April, 2016).

Designation of previously recognized financial instruments

Ind AS 101 allows an entity to designate investments in equity instruments at FVTOCI on the basis of the facts and circumstances at the date of transition to Ind AS. The Company has designated investments in equity shares (other than investments in equity shares of associates) as held at FVTOCI on the basis of the facts and circumstances that existed at the date of transition.

Reconciliation

The following reconciliations provide the effect of transition to Ind AS from previous GAAP in accordance with Ind AS 101:

Equity as at 1st April, 2016 and as at 31st March, 2017

Total comprehensive income for the year ended 31st March, 2017

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

Reconciliation of total equity as at 31st March, 2017 and 1st April, 2016

(In ₹)

	Notes	As at 31st March, 2017 (End of last period presented under previous GAAP)	As at 1st April, 2016 (Date of transition)
Total equity under previous GAAP		1,13,68,58,907	1,20,04,95,219
Fair valuation gain on investments held through OCI	a	67,58,143	36,15,892
Dividend not recognised as liability until declared under Ind AS	b	28,80,295	36,00,368
Adjustment for interest free security deposit	c	2,790	-
Adjustment for carrying amount of investments	d	7,02,495	7,27,818
Deferred tax assets on the Ind AS adjustments		(862)	-
Total adjustments to equity		1,03,42,861	79,44,078
Total Equity under Ind AS		1,14,72,01,768	1,20,84,39,297

Reconciliation of total comprehensive income for the year ended 31st March, 2017

(In ₹)

	Notes	Year ended 31st March, 2017 (latest period presented under previous GAAP)
Profit as per previous GAAP		(6,07,56,017)
Adjustments:		
Other income	c/d	(10,881)
Remeasurements of defined benefits obligations recognised in other comprehensive income under Ind AS	e	(1,06,679)
Finance costs	c	(11,652)
Deferred tax impact on above Ind AS adjustments	f	32,102
Total effect of transition to Ind AS		(97,110)
Loss for the year as per Ind AS		(6,08,53,127)
Other comprehensive income for the year (net of tax)		32,15,966
Total comprehensive income / (expense) for the year under Ind AS		(5,76,37,161)

Impact of Ind AS adoption on the Statement of Cash Flow for the year ended 31st March, 2017

There were no material differences between the Cash Flow Statement presented under Ind AS and the previous GAAP.

Notes:

- a) Under the previous GAAP, long term investments (other than investments in associates which are accounted at cost) were carried at cost less provision for other than temporary decline in the value of such

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

investments and current investments were measured at lower of cost or fair value. Under Ind AS, these financial assets have been designated as measured at FVTOCI. On the date of transition to Ind AS, these financial assets have been measured at their fair value which is higher than the cost as per the previous GAAP, resulting in an increase in the carrying amount by ₹ 67,58,143/- as at 31st March, 2017 and by ₹ 36,15,892/- as at 1st April, 2016. Fair value changes with respect to investments in equity instruments designated as at FVTOCI have been recognized in FVTOCI- Equity instruments reserve as at the date of transition and subsequently in the other comprehensive income for the year ended 31st March, 2017. This increased other reserves by ₹ 67,58,143/- as at 31st March, 2017 (1st April, 2016- ₹ 36,15,892/-) and other comprehensive income for the year ended 31st March, 2017 increased by ₹ 31,42,251/-.

- b) Proposed dividend - Under the previous GAAP, dividend on equity shares recommended by the Board of Directors after the end of the reporting period but before the financial statements were approved for issue was recognized in the financial statements as a liability. Under Ind AS, such dividend is recognized when the same is approved by the members in a general meeting. The effect of this change is an increase in total equity as at 31st March, 2017 by ₹ 28,80,295/- and as at 1st April, 2016 by ₹ 36,00,368/-.
- c) Security deposits- Under the previous Indian GAAP, the interest free security deposits received were carried at nominal amount. Under Ind AS, security deposits received are measured at fair value on initial recognition. Unwinding of discount is treated as interest expense and is accrued as per the EIR method. The difference between the fair value and the nominal value of deposits is considered as deferred rental income and recognised over the lease term on a straight line basis.
- d) Under the previous GAAP, current investments were measured at lower of cost and fair value and there was adjustment in the carrying value of investments of ₹ 25,323/- for the year ended 31st March, 2017 and ₹ 7,27,818/- at as 1st April, 2016 which is not required under Ind AS. Under Ind AS, current investments are measured at fair value only.
- e) Defined benefit liabilities- Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year. As a result of this change, the loss for the year ended 31st March, 2017 increased by ₹ 73,715/- net of deferred tax.
- f) Deferred taxes have been recognized on adjustments made on transition to Ind AS.
- g) Under Ind AS, all items of income and expenses recognized in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expenses that are not recognized in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes fair value gains or (losses) on FVTOCI equity instruments and remeasurements of defined benefit plans.

SIMPLEX REALTY LIMITED

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

2. PROPERTY, PLANT AND EQUIPMENT

(In ₹)

	GROSS CARRYING AMOUNT				DEPRECIATION				NET CARRYING AMOUNT	
	As at 1 st April, 2017	Additions during the year	Deductions/ Adjustments during the year	As at 31 st March, 2018	Upto 31 st March, 2017	Provided during the year	On Deductions/ Adjustments	Upto 31 st March, 2018	As at 31 st March, 2018	As at 31 st March, 2017
Freehold Land	50,00,318	-	-	50,00,318	-	-	-	-	50,00,318	50,00,318
Buildings	32,57,166	-	-	32,57,166	70,770	70,771	-	1,41,541	31,15,625	31,86,396
Computers	4,04,492	1,64,842	4,718	5,64,616	99,646	120,667	-	2,20,313	3,44,303	3,04,846
Electrical Installations	14,586	25,85,149	-	25,99,735	-	60,556	-	60,556	25,39,179	14,586
Furniture and Fixtures	5,24,011	-	5,314	5,18,697	155,006	95,618	-	2,50,624	2,68,073	3,69,005
Vehicles	45,67,075	23,70,984	2,63,788	66,74,271	8,52,018	10,07,838	-	18,59,856	48,14,415	37,15,057
Office Equipments	1,76,923	5,000	19,038	1,62,885	59,019	31,419	2,410	88,028	74,857	1,17,904
Total	1,39,44,571	51,25,975	2,92,858	1,87,77,688	12,36,459	13,86,869	2,410	26,20,918	1,61,56,770	1,27,08,112

(In ₹)

	GROSS CARRYING AMOUNT				DEPRECIATION				NET CARRYING AMOUNT	
	Deemed cost as at 1 st April, 2016	Additions during the year	Deductions/ Adjustments during the year	As at 31 st March, 2017	Opening as at 1 st April, 2016	Provided during the year	On Deductions/ Adjustments	Upto 31 st March, 2017	As at 31 st March, 2017	As at 1 st April, 2016
Freehold Land	50,00,318	-	-	50,00,318	-	-	-	-	50,00,318	50,00,318
Buildings	32,57,166	-	-	32,57,166	-	70,770	-	70,770	31,86,396	32,57,166
Computers	2,49,712	1,54,780	-	4,04,492	-	99,646	-	99,646	3,04,846	2,49,712
Electrical Installations	14,586	-	-	14,586	-	-	-	-	14,586	14,586
Furniture and Fixtures	5,24,011	-	-	5,24,011	-	1,55,006	-	1,55,006	3,69,005	5,24,011
Vehicles	45,67,075	-	-	45,67,075	-	8,52,018	-	8,52,018	37,15,057	45,67,075
Office Equipments	1,71,433	5,490	-	1,76,923	-	59,019	-	59,019	1,17,904	1,71,433
Total	1,37,84,301	1,60,270	-	1,39,44,571	-	12,36,459	-	12,36,459	1,27,08,112	1,37,84,301

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

3 (a) NON-CURRENT INVESTMENTS

Sr. No.	Particulars	Associate/ Others	Face value-fully paid	No. of Shares			Value (₹)		
				31.03.2018	31.03.2017	01.04.2016	31.03.2018	31.03.2017	01.04.2016
I	Investments in Equity Instruments								
	In Associates - Quoted- At cost								
	(a) Simplex Mills Company Ltd.	Associate	10	14,70,000	14,70,000	14,70,000	1,46,10,800	1,46,10,800	1,46,10,800
	(b) Simplex Papers Ltd.	Associate	10	14,71,000	14,71,000	14,71,000	1,47,25,431	1,47,25,431	1,47,25,431
							2,93,36,231	2,93,36,231	2,93,36,231
	Less: Impairment in value of investments						1,03,85,981	-	-
	Net value of investments						1,89,50,250	2,93,36,231	2,93,36,231
	Total Non-Current Investments						1,89,50,250	2,93,36,231	2,93,36,231

3 (b) CURRENT INVESTMENTS - (Quoted-At FVTOCI)

Sr. No.	Particulars	Associate/ Others	Face value-fully paid	No. of Shares			Value (₹)		
				31.03.2018	31.03.2017	01.04.2016	31.03.2018	31.03.2017	01.04.2016
I	Investments in Equity Instruments								
	Quoted - At FVTOCI								
(a)	Peninsula Land Ltd.	Others	2	10,750	10,750	10,750	2,18,225	2,01,563	1,84,900
(b)	Prime Urban Development (I) Ltd.	Others	2	2,500	2,500	2,500	40,250	91,875	40,250
(c)	HDFC Ltd.	Others	2	1,400	1,400	1,400	25,54,160	21,03,360	15,47,770
(d)	Piramal Enterprises Ltd.	Others	2	3,032	2,832	2,832	73,99,596	53,87,030	29,34,093
(e)	Piramal Phytocare Ltd.	Others	10	276	276	276	11,799	22,784	19,486
(f)	Hindustan Unilever Ltd.	Others	1	360	360	360	4,80,924	3,27,510	3,13,020
(g)	Delta Magnets Ltd.	Others	10	750	750	750	41,475	27,225	21,863
(h)	Morarjee Textiles Ltd.	Others	7	2,109	2,109	2,109	83,095	1,15,468	73,815
(i)	Integra Garments and Textiles Ltd.	Others	3	2,109	2,109	2,109	6,116	6,116	5,483
	Unquoted								
	Investments valued at fair value through OCI								
(j)	Universal Conveyor Beltings Ltd.	Others	10	27,500	27,500	27,500	-	-	-
	Total Current Investments						1,08,35,640	82,82,931	51,40,680

	Value (₹)		
	31.03.2018	31.03.2017	01.04.2016
Aggregate market value of quoted investments			
Non-Current	1,90,10,050	3,60,05,290	1,51,58,010
Current	1,08,35,640	82,82,931	51,40,680
Aggregate amount of impairment in value of investments	1,03,85,981	-	-

Details of total investments	Value (₹)		
	31.03.2018	31.03.2017	01.04.2016
Financial assets carried at cost	1,89,50,250	2,93,36,231	2,93,36,231
Financial assets measured at FVTOCI	1,08,35,640	82,82,931	51,40,680

SIMPLEX REALTY LIMITED

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

4. LOANS - NON-CURRENT (Unsecured, considered good)	31.03.2018 ₹	31.03.2017 ₹	01.04.2016 ₹
Security deposits	4,40,056	6,62,685	9,78,962
Loans to employees	-	1,30,000	1,26,000
Deposit towards property development	-	-	3,00,00,000
	4,40,056	7,92,685	3,11,04,962

5. DEFERRED TAX ASSET (NET)	31.03.2018 ₹	31.03.2017 ₹	01.04.2016 ₹
Deferred Tax Liability			
Long term capital gain on conversion of land into stock-in-trade	(6,71,139)	(6,71,139)	(7,51,676)
Other items	(1,65,104)	(33,826)	-
Deferred Tax Assets			
Property, Plant and Equipment	3,15,974	6,56,027	8,56,248
Expenses that are allowed on payment basis	19,88,557	21,20,984	19,34,449
Unused tax losses	4,23,42,077	2,54,51,928	-
Net deferred tax asset	4,38,10,365	2,75,23,974	20,39,021

a) Movement in deferred tax balances

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

	Opening balance as at 01.04.2017	Recognised in profit or loss	Recognised in OCI	(In ₹) Closing balance as at 31.03.2018
Property, Plant and Equipment	6,56,027	(3,40,053)	-	3,15,974
Expenses that are allowed on payment basis	21,20,984	(1,32,427)	-	19,88,557
Unused tax losses	2,54,51,928	1,68,90,149	-	4,23,42,077
Long term capital gain on conversion of land into stock-in-trade	(6,71,139)	-	-	(6,71,139)
Actuarial gain on defined benefit obligations	(32,964)	-	(1,23,228)	(1,56,192)
Interest income on unwinding of financial liability	(862)	(8,050)	-	(8,912)
Net deferred tax asset	2,75,23,974	1,64,09,619	(1,23,228)	4,38,10,365

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

Movement in deferred tax during the year ended 31st March, 2017

	Opening balance as at 01.04.2016	Recognised in profit or loss	Recognised in OCI	(In ₹) Closing balance as at 31.03.2017
Property, Plant and Equipment	8,56,248	(2,00,221)	-	6,56,027
Expenses that are allowed on payment basis	19,34,449	1,86,535	-	21,20,984
Unused tax losses	-	2,54,51,928	-	2,54,51,928
Long term capital gain on conversion of land into stock-in-trade	(7,51,676)	80,537	-	(6,71,139)
Actuarial gain on defined benefit obligations	-	-	(32,964)	(32,964)
Interest income on unwinding of financial liability	-	(862)	-	(862)
	<u>20,39,021</u>	<u>2,55,17,917</u>	<u>(32,964)</u>	<u>2,75,23,974</u>

b) Income tax recognised in profit and loss

	31.03.2018 ₹	31.03.2017 ₹
Current tax		
In respect of current year	-	-
In respect of earlier years	(2,90,718)	-
Deferred tax		
Relating to origination and reversal of temporary differences	(1,64,09,619)	(2,55,17,917)
Total income tax recognised for the year	<u>(1,67,00,337)</u>	<u>(2,55,17,917)</u>

c) Income tax recognised in other comprehensive income

	31.03.2018 ₹	31.03.2017 ₹
Deferred tax arising on income and expenses recognised in other comprehensive income	-	-
Remeasurement of defined benefit obligations	(1,23,228)	(32,964)
Total income tax recognised in other comprehensive income	<u>(1,23,228)</u>	<u>(32,964)</u>

SIMPLEX REALTY LIMITED

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

d) The income tax expense for the year can be reconciled to the accounting profit / (loss) as follows:

	31.03.2018 ₹	31.03.2017 ₹
Loss before tax	(8,91,01,913)	(8,63,71,044)
Tax expense / (income) calculated at 25.75% (2016-17:30.90%)	(2,29,43,742)	(2,66,88,653)
Effect of expenses that are not deductible	40,89,845	25,69,093
Effect of incomes which are exempt from tax	(26,511)	(25,477)
Effect of expenses that are deductible under Income tax act	(14,56,114)	(13,10,358)
Others	(2,91,414)	(62,522)
Adjustment due to changes in tax rates	46,99,186	-
Effect of previously unrecognised tax losses	(4,80,869)	-
	(1,64,09,619)	(2,55,17,917)
Adjustments recognised in the current year in relation to the current tax of earlier years	(2,90,718)	-
Income tax expense recognised in profit and loss	(1,67,00,337)	(2,55,17,917)

The tax rate used for the above reconciliations is the corporate tax rate of 25.75% for the year 2017-18 and 30.90% for the year 2016-17 payable by corporate entities based on the turnover criteria on taxable profits under Indian Income Tax Laws.

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

Based on this, the Company believes that it is probable that the Company will realize the benefits of these deductible differences. The amount of deferred tax asset considered realizable, however, could be reduced in the near term if the estimates of future taxable income during the carry-forward period are reduced.

As at 31st March, 2018, the Company has recognized deferred tax asset of ₹ 4,23,42,077/- (as at 31st March, 2017 ₹ 2,54,51,928/-) on unsued tax losses. Such tax losses include major items which are not expected to recur in future. Based on realistic estimates of future earnings, there is resasonable certainty that the Company will generate sufficient taxable income to utilise such tax losses.

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

6. OTHER NON-CURRENT ASSETS

	31.03.2018 ₹	31.03.2017 ₹	01.04.2016 ₹
Advance income tax (net of provisions)	1,93,10,339	94,87,915	26,16,514
(net of provision of ₹ 45,28,85,036/- as at 31st March, 2018, ₹ 45,31,75,754/- as at 31st March, 2017 and ₹ 41,20,26,576/- as at 1st April, 2016)	1,93,10,339	94,87,915	26,16,514

7. INVENTORIES

	31.03.2018 ₹	31.03.2017 ₹	01.04.2016 ₹
Construction work-in-progress	5,88,51,842	46,15,23,030	41,72,91,042
Realty stock-in-trade	28,86,09,735	4,43,76,118	3,34,50,230
	34,74,61,577	50,58,99,148	45,07,41,272

8. TRADE RECEIVABLES

	31.03.2018 ₹	31.03.2017 ₹	01.04.2016 ₹
Unsecured, considered good	1,85,77,647	49,33,547	3,66,657
	1,85,77,647	49,33,547	3,66,657

No trade receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

9. CASH AND CASH EQUIVALENTS

	31.03.2018 ₹	31.03.2017 ₹	01.04.2016 ₹
Balances with banks:			
In current accounts	23,73,847	91,99,307	26,23,449
Cheques on hand	-	-	63,16,000
Cash on hand	73,510	41,409	1,85,522
	24,47,357	92,40,716	91,24,971

10. OTHER BANK BALANCES

	31.03.2018 ₹	31.03.2017 ₹	01.04.2016 ₹
Unclaimed dividend accounts	14,36,220	18,65,883	23,41,506
	14,36,220	18,65,883	23,41,506

SIMPLEX REALTY LIMITED

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

11. LOANS-CURRENT	31.03.2018	31.03.2017	01.04.2016
	₹	₹	₹
Unsecured - considered good			
Loans to related parties	8,48,71,632	7,76,71,632	7,76,71,632
Inter corporate deposits	37,70,72,668	34,39,78,004	40,80,69,467
Loans to employees*	3,22,000	3,60,500	5,61,000
	<u>46,22,66,300</u>	<u>42,20,10,136</u>	<u>48,63,02,099</u>
* includes due from officers of the Company	55,000	1,75,000	3,30,000

12. OTHER CURRENT FINANCIAL ASSETS	31.03.2018	31.03.2017	01.04.2016
	₹	₹	₹
Interest receivable	2,97,81,126	2,26,05,519	2,34,11,757
Unbilled revenue	3,53,500	4,54,720	79,24,762
Others	20,88,456	45,81,439	65,174
	<u>3,22,23,082</u>	<u>2,76,41,678</u>	<u>3,14,01,693</u>

13. OTHER CURRENT ASSETS	31.03.2018	31.03.2017	01.04.2016
	₹	₹	₹
Income tax paid against disputed demand	8,27,17,054	8,27,17,054	8,27,17,054
Balances with government authorities	42,68,807	58,65,733	66,81,451
Prepaid expenses	3,62,029	4,35,300	4,55,280
Advances paid towards project approvals	8,94,22,527	8,85,72,527	8,78,48,927
Other advances	24,41,924	20,80,133	44,87,787
Advance towards land acquisition	-	-	9,81,00,000
	<u>17,92,12,341</u>	<u>17,96,70,747</u>	<u>28,02,90,499</u>

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

14. EQUITY SHARE CAPITAL

	31.03.2018 ₹	31.03.2017 ₹	01.04.2016 ₹
AUTHORISED			
1,00,00,000 (31st March, 2017 - 1,00,00,000 and 1st April, 2016 - 1,00,00,000) Equity Shares of ₹10/- each	<u>10,00,00,000</u>	<u>10,00,00,000</u>	<u>10,00,00,000</u>
ISSUED, SUBSCRIBED AND PAID UP			
29,91,382 (31st March, 2017- 29,91,382 and 1st April, 2016- 29,91,382) Equity shares of ₹10/- each fully paid up (of which 360 (31st March, 2017- 360 and 1st April, 2016- 360) shares remain to be exchanged for fractional certificates)	2,99,13,820	2,99,13,820	2,99,13,820
Add : Forfeited shares account	23,050	23,050	23,050
Total issued, subscribed and fully paid up share capital	<u>2,99,36,870</u>	<u>2,99,36,870</u>	<u>2,99,36,870</u>

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

Particulars	31.03.2018		31.03.2017		01.04.2016	
	Equity Shares		Equity Shares		Equity Shares	
	Number	₹	Number	₹	Number	₹
Shares outstanding at the beginning of the year	29,91,382	2,99,13,820	29,91,382	2,99,13,820	29,91,382	2,99,13,820
Shares issued during the year	-	-	-	-	-	-
Shares bought back during the year	-	-	-	-	-	-
Shares outstanding at the end of the year	29,91,382	2,99,13,820	29,91,382	2,99,13,820	29,91,382	2,99,13,820

b. Terms/rights attached to the equity shares

The Company has one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. 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, in proportion to their shareholding.

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

Name of Shareholder	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Lucky Vyapaar and Holdings Pvt. Ltd.	7,43,040	24.84	7,43,040	24.84	7,43,040	24.84
Life Insurance Corporation of India	6,85,741	22.92	6,85,741	22.92	6,85,741	22.92
New Textiles LLP (formerly known as New Textiles Pvt. Ltd.)	5,73,941	19.19	5,73,941	19.19	5,73,916	19.19

SIMPLEX REALTY LIMITED

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

15. OTHER EQUITY	31.03.2018 ₹	31.03.2017 ₹	01.04.2016 ₹
CAPITAL RESERVE			
Opening balance	60,71,263	60,71,263	60,71,263
Addition during the year	-	-	-
Closing balance	60,71,263	60,71,263	60,71,263
SECURITIES PREMIUM ACCOUNT			
Opening balance	1,43,23,904	1,43,23,904	1,43,23,904
Addition/(utilisation) during the year	-	-	-
Closing balance	1,43,23,904	1,43,23,904	1,43,23,904
GENERAL RESERVE			
Opening balance	70,09,00,000	70,09,00,000	70,09,00,000
Addition/(utilisation) during the year	-	-	-
Closing balance	70,09,00,000	70,09,00,000	70,09,00,000
FVTOCI-EQUITY INSTRUMENTS			
Opening balance	67,58,143	36,15,892	36,15,892
Add/(less): changes in fair value of FVTOCI equity instruments	20,76,709	31,42,251	-
Closing balance	88,34,852	67,58,143	36,15,892
RETAINED EARNINGS			
Opening balance	38,92,11,588	45,35,91,368	45,35,91,368
Loss for the year	(7,24,01,576)	(6,08,53,127)	-
<u>Items of other comprehensive income recognised directly in retained earnings:</u>			
Remeasurement of defined benefit obligation (net of tax)	3,55,328	73,715	-
Dividend paid	(23,93,106)	(29,91,382)	-
Dividend distribution tax on above	(4,87,189)	(6,08,986)	-
Closing balance	31,42,85,045	38,92,11,588	45,35,91,368
Total other equity	1,04,44,15,064	1,11,72,64,898	1,17,85,02,427

CAPITAL RESERVE

Pertains to share application money forfeited in the case where remaining amount was not paid. The reserve can be utilised in accordance with the provisions of the Act.

SECURITIES PREMIUM RESERVE

Securities premium is used to record the premium on issue of shares. The reserve can be utilised in accordance with the provisions of the Act.

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

GENERAL RESERVE

General Reserve represents amounts transferred from Retained Earnings in earlier years as per the requirements of the erstwhile Companies Act, 1956. The reserve can be utilised in accordance with the provisions of the Act. Declaration of dividend out of such reserve shall not be made except in accordance with the rules prescribed in this behalf under the Act.

FVTOCI-EQUITY INSTRUMENTS

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVTOCI equity instruments reserve within equity. The Company transfer amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

16. BORROWINGS-NON-CURRENT	31.03.2018	31.03.2017	01.04.2016
	₹	₹	₹
Unsecured loan from other			
Term loan	3,04,48,640	3,33,95,141	3,58,21,025
	3,04,48,640	3,33,95,141	3,58,21,025

(Unsecured loan availed against the security of assets given by a company in which Directors are interested and carries interest @ 9.75% per annum and is repayable in equated monthly installment over a period of 8 years)

17. OTHER FINANCIAL LIABILITIES-NON-CURRENT	31.03.2018	31.03.2017	01.04.2016
	₹	₹	₹
Security deposit	17,35,539	3,95,767	-
	17,35,539	3,95,767	-

18. PROVISIONS-NON-CURRENT	31.03.2018	31.03.2017	01.04.2016
	₹	₹	₹
For employee benefits- Gratuity (refer note 31)	15,49,539	15,73,613	12,69,801
	15,49,539	15,73,613	12,69,801

19. OTHER LIABILITIES-NON-CURRENT	31.03.2018	31.03.2017	01.04.2016
	₹	₹	₹
Deferred income	6,58,746	1,90,266	-
	6,58,746	1,90,266	-

SIMPLEX REALTY LIMITED

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

20. OTHER FINANCIAL LIABILITIES-CURRENT	31.03.2018	31.03.2017	01.04.2016
	₹	₹	₹
Current maturities of long term debt	29,46,501	23,44,440	16,30,021
Unpaid dividends	14,36,220	18,65,883	23,41,506
Other liabilities	1,30,52,663	1,53,35,860	1,57,47,742
Retention money	73,42,221	1,05,62,067	1,00,65,214
	2,47,77,605	3,01,08,250	2,97,84,483

21. OTHER CURRENT LIABILITIES	31.03.2018	31.03.2017	01.04.2016
	₹	₹	₹
Advance received from customers	-	-	1,26,50,053
Statutory dues	6,88,104	11,41,020	32,68,293
Deferred income	2,11,105	51,177	-
Others	1,24,14,732	1,25,34,330	-
	1,33,13,941	1,37,26,527	1,59,18,346

22. PROVISIONS-CURRENT	31.03.2018	31.03.2017	01.04.2016
	₹	₹	₹
For employee benefits - (refer note 31)			
Gratuity	22,79,099	10,10,133	10,10,780
Leave benefits	23,52,178	29,02,644	26,04,917
	46,31,277	39,12,777	36,15,697

23. CURRENT TAX LIABILITIES- (NET)	31.03.2018	31.03.2017	01.04.2016
	₹	₹	₹
Provision for taxation			2,77,68,882
	-	-	2,77,68,882

24. REVENUE FROM OPERATIONS	2017-18	2016-17
	₹	₹
Sale of products	15,72,86,419	9,17,18,515
Rental income	75,18,588	3,00,156
	16,48,05,007	9,20,18,671

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

25. OTHER INCOME	2017-18	2016-17
	₹	₹
Interest income on financial assets		
Bank deposits	-	35,458
Inter corporate deposits	5,22,12,253	4,97,40,665
Other deposits	21,300	11,25,921
Dividends on FVTOCI investments	1,02,957	82,450
Building rent	59,63,857	96,50,040
Other non-operating income	15,838	50,000
Profit on sale/redemption of investments (designated at fair value through profit and loss)	19,443	-
Profit on sale of fixed assets	5,51,190	-
	5,88,86,838	6,06,84,534
26. COST OF SALES	2017-18	2016-17
	₹	₹
Opening stock	46,15,23,030	41,72,91,042
Add: Expenses incurred during the year		
Materials, structural, labour and contract cost incurred	98,24,912	7,93,68,963
Rates and taxes	1,42,654	13,89,441
Professional charges	4,05,320	41,80,381
Other cost	79,91,403	8,17,74,460
Finance cost	28,20,270	43,86,699
	2,11,84,559	17,10,99,944
Less: Transferred to realty stock	24,42,33,617	1,09,25,888
Less: Closing stock	5,88,51,842	46,15,23,030
Cost of sales	17,96,22,130	11,59,42,068
27. EMPLOYEE BENEFITS EXPENSE	2017-18	2016-17
	₹	₹
Salaries and wages	2,34,99,496	2,09,62,041
Contribution to provident and other funds	8,16,985	8,26,813
Staff welfare expenses	10,28,882	8,14,894
	2,53,45,363	2,26,03,748
28. FINANCE COSTS	2017-18	2016-17
	₹	₹
Interest expenses on		
Term loan	37,28,723	43,61,699
Income tax	-	30,11,116
Others	1,75,389	17,433
Total finance costs	39,04,112	73,90,248
Less: Transferred to construction work-in-progress	28,20,270	43,61,699
Net finance costs	10,83,842	30,28,549

SIMPLEX REALTY LIMITED

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

29. OTHER EXPENSES	2017-18 ₹	2016-17 ₹
Electricity	5,26,583	4,72,348
Repairs to		
Buildings	44,529	3,48,442
Machinery	1,30,048	1,98,693
Others	5,78,229	1,94,639
Insurance	87,266	1,04,597
Rent	58,043	51,771
Rates and taxes	9,44,737	18,34,388
Advertisements	2,42,357	64,733
Business promotion expenses	5,35,644	3,85,495
Travelling and conveyance expenses	23,52,122	19,18,202
Legal and professional fees	45,90,570	1,60,86,540
Retainership fees	2,47,530	2,47,620
Printing, stationery and communication expenses	9,06,224	11,20,040
Bank charges	7,386	12,833
Interest receivable written off	66,56,137	60,32,845
Vehicles expenses	5,31,474	8,73,293
Flat maintenance expenses	12,83,235	12,45,326
Commission and brokerage	16,72,056	3,00,000
Membership and subscription charges	4,96,380	5,12,974
Security charges	14,07,747	14,48,097
Sundry assets written off	26,660	-
Good and Service Tax Paid	9,20,404	-
Service Tax Paid	67,213	-
Sundry expenses	9,52,682	7,11,361
Directors' sitting fees	3,80,000	3,31,650
Corporate social responsibility expenses	-	13,00,000
Society maintenance charges	23,80,875	-
Auditors' remuneration		
As Auditor		
Audit fee	2,90,000	2,77,010
Tax audit fee	25,000	25,253
For taxation matters	10,64,188	4,02,378
For reimbursement of expenses	6,772	3,137
Advances written off	-	5,97,59,760
Impairment in value of non-current Investments (refer note 39)	1,03,85,981	-
	3,97,98,072	9,62,63,425

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

30. EXCEPTIONAL ITEM	2017-18 ₹	2016-17 ₹
Premium for change of user (refer note 40)	6,55,57,482	-
	<u>6,55,57,482</u>	<u>-</u>

31. EMPLOYEE BENEFITS

I) Defined Contribution Plans

- a) Provident fund
- b) Superannuation fund and Pension scheme, 1995
- c) Employer's contribution to Employees state insurance

The Company has recognized the following amounts in the Statement of Profit and Loss which are included under Contribution to Provident and other funds;

Contribution to:	2017-18 ₹	2016-17 ₹
Provident fund	1,00,014	72,759
Superannuation fund	5,04,000	5,60,000
Pension fund	88,426	88,899
Employees State Insurance fund	1,24,545	1,05,155

Disclosures for defined benefit plans based on actuarial valuation report:

II) Defined Benefit Plans

GRATUITY	2017-18 ₹	2016-17 ₹
A. Changes in defined benefit obligations		
Present value of defined benefit obligation as at the beginning of the year	25,83,746	22,80,581
Interest cost	1,88,872	1,82,446
Current service cost	3,13,655	2,27,398
Past service cost- vested benefits	12,20,921	-
Benefit paid	-	-
Actuarial (gain)/loss due to changes in financial assumption	(5,52,503)	(11,971)
Actuarial (gain)/loss due to changes in experience adjustments	73,947	(94,708)
Present value of defined benefit obligation as at the end of the year	38,28,638	25,83,746

SIMPLEX REALTY LIMITED

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

	2017-18 ₹	2016-17 ₹
B. Amount recognized in the Balance Sheet		
Present value of defined benefit obligation as at the end of the year	38,28,638	25,83,746
Fair value of plan assets at the end of the year	-	-
Net liability recognized in the Balance Sheet	38,28,638	25,83,746
- Current provision	22,79,099	10,10,133
- Non-current provision	15,49,539	15,73,613
C. Expenses recognized in the Statement of Profit and Loss		
Interest cost	1,88,872	1,82,446
Current service cost	3,13,655	2,27,398
Past service cost- vested benefits	12,20,921	-
Expenses recognized in the Statement of Profit and Loss	17,23,448	4,09,844
D. Expenses recognized in the Other Comprehensive Income (OCI)		
Remeasurement (gain)/loss	(4,78,556)	(1,06,679)
Actuarial (gain)/loss due to change in financial assumptions	(5,52,503)	(11,971)
Actuarial (gain)/loss due to changes in experience adjustments	73,947	(94,708)
E. Movement in the present value of net defined benefit obligation are as follows:		
Opening net liability	25,83,746	22,80,581
Expenses recognised in the Statement of Profit and Loss	17,23,448	4,09,844
Expenses recognised in OCI	(4,78,556)	(1,06,679)
Closing net liability	38,28,638	25,83,746
Maturity profile of defined benefit obligation	Estimated for the year ended 31st March, 2018	(In ₹) Estimated for the year ended 31st March, 2017
1st following year	22,79,099	10,10,133
2nd following year	72,995	2,50,483
3rd following year	72,547	54,322
4th following year	1,08,124	59,019
5th following year	10,707	77,928
Sum of years 6 to 10	1,65,611	5,52,400

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

Sensitivity analysis	2017-18 ₹	2016-17 ₹
Impact of +1% change in discount rate	36,48,171	24,17,114
Impact of -1% change in discount rate	40,43,483	27,83,283
Impact of +1% change in salary escalation rate	39,72,854	27,29,748
Impact of -1% change in salary escalation rate	36,44,660	24,58,538

The above sensitivity analysis are based on change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions, may be correlated. When calculating the sensitivity of the defined benefits obligation to significant actuarial assumptions the same method (present value of defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The estimates of future salary increases, considered in actuarial valuation, taking account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Actuarial assumptions	As at 31st March, 2018	As at 31 st March, 2017	As at 1 st April, 2016
Discount rate	7.60%	7.31%	8.00%
Salary escalation rate	6.00%	9.00%	10.00%
Attrition rate	0.50%	0.50%	0.50%

32. Related party disclosure

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

(a) Associates	Simplex Papers Ltd. Simplex Mills Company Ltd.
(b) Key management personnel and their relatives	Mr. Nandan Damani - Managing Director Mr. Sanjay N Damani - Executive Director Mrs. Sandhya R Kini - Whole-time Director Mrs. Shivani V Jatia Mrs. Shashi A Patodia Mrs. Shreelekha N Damani
(c) Non Executive/Independent Directors	Mr. V.B.Haribhakti Mr. S.K.Somany Mrs. Anna Malhotra (ceased w.e.f. 21.10.2016) Mr. T C SuseelKumar Mr. Vijay S Jindal Mr. Sabhapati G Shukla
(d) Where persons mentioned in (b) exercise significant influence	The Nav Bharat Refrigeration And Industries Ltd. Shreelekha Global Finance Ltd. New Textile LLP (formerly known as New Textiles Pvt Ltd.) Lucky Vyapaar and Holdings Pvt. Ltd.

SIMPLEX REALTY LIMITED

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

(ii) Transactions with related parties

(In ₹)

Type of related party	Description of the nature of transactions	Volume of Transactions during 2017-18	Volume of Transactions during 2016-17	Balance as on 31.03.18 Receivable/ (Payable)	Balance as on 31.03.17 Receivable/ (Payable)	Balance as on 01.04.16 Receivable/ (Payable)
(a) Associates						
Simplex Papers Ltd.	Loan given /(repaid) - net Receivable	72,00,000	-	72,00,000	-	-
	Interest accrued	6,01,842	-			
	Interest amount written off	6,01,842	-			
Simplex Mills Co. Ltd.	Loan given /(repaid) - net Receivable	-	-	7,76,71,632	7,76,71,632	7,76,71,632
	Interest accrued	60,54,295	60,32,845			
	Interest amount written off	60,54,295	60,32,845			
(b) Key management personnel and their relatives	Remuneration#	67,91,755	58,64,459	-	-	-
	Sale of products*	1,14,957	9,76,356	-	-	-
	Installments/Other Charges received against sale of flats	-	29,26,352	-	-	-
	* To the extent of revenue recognised during the year					
	Dividend paid					
	Mr. Nandan Damani	96,470	1,13,109	-	-	-
	Mrs. Shreelekha N Damani	41,549	51,936	-	-	-
	Mr. Sanjay N Damani	49,242	61,553	-	-	-
	Mrs. Sandhya R Kini	80	100	-	-	-
	Mrs. Shashi A Patodia	8,331	10,414	-	-	-
(c) Non Executive/ Independent Directors	Sitting fees					
	Mr. V.B.Haribhakti	1,00,000	1,00,000	-	-	-
	Mr. S.K.Somany	1,00,000	1,00,000	-	-	-
	Mrs. Anna Malhotra	-	20,000	-	-	-
	Mr. T C SuseelKumar	40,000	30,000	-	-	-
	Mr. Vijay S Jindal	40,000	30,000	-	-	-
	Mr. Sabhapati G Shukla	1,00,000	50,000	-	-	-
	Dividend paid					
	Mr. V.B.Haribhakti	240	300	-	-	-
	Mr. S.K.Somany	720	900	-	-	-
	Mr. Sabhapati G Shukla	108	135	-	-	-
(d) Where persons mentioned in (b) exercise significant influence						
a) Reimbursement of expenses received						
	The Nav Bharat Refrigeration And Industries Ltd.	89,530	5,695	-	-	-
	Lucky Vyapaar and Holdings Pvt. Ltd.	40,694	-	-	-	-
b) Dividend paid						
	Lucky Vyapaar and Holdings Pvt. Ltd.	5,94,432	7,43,040	-	-	-
	New Textile LLP (formerly known as New Textiles Pvt Ltd.)	4,59,153	5,73,916	-	-	-
	Nandan Damani HUF	240	300	-	-	-
c) Security						
	Security offered by Lucky Vyapaar and Holdings Pvt. Ltd for Loan availed			3,33,95,141	3,57,39,581	3,74,51,046

Excludes provision for compensated leave and gratuity for key managerial personnel as separate actuarial valuation is not available.

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

Terms and conditions of transactions with related parties

The sale to related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and settlement occurs in cash. Transactions relating to dividend were on the same terms and conditions that applied to other shareholders.

Loans to associates

The Company has recognised interest of ₹ 6,01,842/- on the loan amount given to Simplex Papers Ltd. for part payment as deposit towards the appeal with Excise authorities which is pertaining to period prior to demerger of paper division. Considering the weak financial position of Simplex Papers Ltd., the recoverability of interest is doubtful hence, the same has been written off in this year itself. Similar treatment is being given to interest on outstanding balance of loan given to Simplex Mills Company Ltd.

33. FINANCIAL INSTRUMENTS-FAIR VALUE AND RISK MANAGEMENT

a) Accounting classification

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

(In ₹)

Particulars	As at 31.03.2018			As at 31.03.2017			As at 01.04.2016		
	At cost	FVTOCI	Amortised cost	At cost	FVTOCI	Amortised cost	At cost	FVTOCI	Amortised cost
Financial Assets									
Investments in associates	1,89,50,250	-	-	2,93,36,231	-	-	2,93,36,231	-	-
Investments in equity instruments	-	1,08,35,640	-	-	82,82,931	-	-	51,40,680	-
Loans	-	-	46,27,06,356	-	-	42,28,02,821	-	-	51,74,07,061
Trade receivables	-	-	1,85,77,647	-	-	49,33,547	-	-	3,66,657
Cash and cash equivalents	-	-	24,47,357	-	-	92,40,716	-	-	91,24,971
Other bank balances	-	-	14,36,220	-	-	18,65,883	-	-	23,41,506
Other financial assets	-	-	3,22,23,082	-	-	2,76,41,678	-	-	3,14,01,693
	1,89,50,250	1,08,35,640	51,73,90,662	2,93,36,231	82,82,931	46,64,84,645	2,93,36,231	51,40,680	56,06,41,888
Financial Liabilities									
Borrowings	-	-	3,33,95,141	-	-	3,57,39,581	-	-	3,74,51,046
Trade payables	-	-	16,60,723	-	-	88,89,594	-	-	2,19,72,875
Other financial liabilities	-	-	2,35,66,643	-	-	2,81,59,577	-	-	2,81,54,462
	-	-	5,86,22,507	-	-	7,27,88,752	-	-	8,75,78,383

b) Fair value hierarchy and method of valuation

The following table shows fair value measurement hierarchy. Except for these financial instruments, the Company considers that the carrying value amount recognised in the financial statements approximate their fair value largely due to the short term maturities of these instruments.

(In ₹)

	As at 31.03.2018			As at 31.03.2017			As at 01.04.2016		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Investments in equity instruments	1,08,35,640	-	-	82,82,931	-	-	51,40,680	-	-

Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

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

c) Risk management framework

The Company's principal financial liabilities includes borrowings, trade and other payables. The Company's principal financial assets includes loans, trade receivables, cash and cash equivalents and others. The Company also holds FVTOCI investments. The Company is exposed to credit risk, liquidity risk and market risk. The Company's senior management oversees the management of these risks. The Company's senior management provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

d) Financial risk management

The Company has exposure to the following risks arising from financial instruments:

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

i) Credit Risk

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

The carrying amount of following financial assets represents the maximum credit exposure:

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, credit risk with regards to trade receivables is almost negligible in case of its residential, commercial sale and lease rental as the same is due to the fact that in case of its residential and commercial sale business it does not handover possession till entire outstanding is received. Similarly, in case of lease rental business, the Company keeps 3 to 6 months rental amount as deposit from the occupants.

No impairment is observed on the carrying value of trade receivables.

Other financial assets

Credit risk from balances with banks, loans, investments is managed by Company's finance department. Investments of surplus funds are made only with approved counterparties. Impairment in the value of investments in associates has been recognised as on the reporting date.

ii) Liquidity Risk

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

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

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

Exposure to liquidity risk

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

(In ₹)

As at 31st March, 2018	Carrying amount	Contractual cash flows				
		Total	Within 1 year	1-2 years	2-5 years	More than 5 years
Financial Liabilities						
Borrowings	3,33,95,141	3,33,95,141	29,46,501	32,46,977	1,18,66,148	1,53,35,515
Trade Payables	16,60,723	16,60,723	16,60,723	-	-	-
Other Financial Liabilities	2,35,66,643	2,35,66,643	2,18,31,104	-	17,35,539	-
	5,86,22,507	5,86,22,507	2,64,38,328	32,46,977	1,36,01,687	1,53,35,515

As at 31st March, 2017	Carrying amount	Contractual cash flows				
		Total	Within 1 year	1-2 years	2-5 years	More than 5 years
Financial Liabilities						
Borrowings	3,57,39,581	3,57,39,581	23,44,440	29,46,501	1,07,68,052	1,96,80,588
Trade Payables	88,89,594	88,89,594	88,89,594	-	-	-
Other Financial Liabilities	2,81,59,577	2,81,59,577	2,77,63,810	-	3,95,767	-
	7,27,88,752	7,27,88,752	3,89,97,844	29,46,501	1,11,63,819	1,96,80,588

As at 1st April, 2016	Carrying amount	Contractual cash flows				
		Total	Within 1 year	1-2 years	2-5 years	More than 5 years
Financial Liabilities						
Borrowings	3,74,51,046	3,74,51,046	17,11,465	23,44,440	97,71,574	2,36,23,567
Trade Payables	2,19,72,875	2,19,72,875	2,19,72,875	-	-	-
Other Financial Liabilities	2,81,54,462	2,81,54,462	2,81,54,462	-	-	-
	8,75,78,383	8,75,78,383	5,18,38,802	23,44,440	97,71,574	2,36,23,567

iii) Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and commodity prices which will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market exposures within acceptable parameters, while optimising the return.

Currency risk

Currency risk is not material, as the Company's primary business activities are within India and does not have any exposure in foreign currency.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018**Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The management is responsible for the monitoring of the Company's interest rate position. The exposure of the Company's borrowing to the interest rate risk at the end of the reporting period is as follows.

(In ₹)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Floating rate borrowing	3,33,95,141	3,57,39,581	3,74,51,046
	3,33,95,141	3,57,39,581	3,74,51,046

The sensitivity analyses below have been determined based on the exposure to interest rate for liabilities at the end of the reporting period. The analysis is prepared assuming the amount of the liabilities outstanding at the end of the reporting period was outstanding for the whole year.

Given that the Company capitalises interest to the cost of inventory to the extent permissible, the amount indicated below may have an impact on reported profit/(loss) over the life cycle of project to which such interest is capitalised.

A reasonable possible change of 100 basis points in interest rate would have resulted in variation in the interest expenses for the Company by the amounts as follows:

(In ₹)

Particulars	2017-18	2016-17
Interest rate - Increase by 100 basis points	(3,33,951)	(3,57,396)
Interest rate - Decrease by 100 basis points	3,33,951	3,57,396

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

Commodity price risk

The Company's activities are exposed to steel and cement price risks and therefore its overall risk management program focuses on the volatile nature of the steel and cement market, thus seeking to minimize potential adverse effects on the Company's financial performance on account of such volatility.

34. CAPITAL MANAGEMENT

The Company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Company consists of net debt and the total equity of the Company. For this purpose, net debt is defined as total borrowings less cash and cash equivalents.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirements are met through short-term/long-term borrowings. The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

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

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

(In ₹)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Borrowings	3,33,95,141	3,57,39,581	3,74,51,046
Less : Cash and cash equivalents	24,47,357	92,40,716	91,24,971
Net Debt	3,09,47,784	2,64,98,865	2,83,26,075
Total equity	1,07,43,51,934	1,14,72,01,768	1,20,84,39,297
Debt/Equity ratio	0.03	0.02	0.02

35. EARNINGS PER SHARE – EPS is calculated by dividing the profit / (loss) attributable to the equity shareholders by weighted average number of equity shares outstanding during the year.

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

Particulars	2017-18	2016-17
1. Loss after tax - ₹	(7,24,01,576)	(6,08,53,127)
2. Weighted average number of shares outstanding during the year	29,91,382	29,91,382
3. Face value of shares - ₹	10/-	10/-
4. Basic / Diluted EPS - ₹	(24.20)	(20.34)

36. The Company has given loans to its associates. The disclosures pursuant to Regulation 34(3) read with para A of Schedule V to SEBI Listing Regulations, 2015

Balances as at the year end were:

(In ₹)

Associate Company	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Simplex Mills Company Limited	7,76,71,632	7,76,71,632	7,76,71,632
Simplex Papers Limited	72,00,000	-	-

The maximum amounts outstanding during the year was:

(In ₹)

Associate Company	2017-18	2016-17
Simplex Mills Company Limited	7,79,71,632	7,76,71,632
Simplex Papers Limited	72,00,000	-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018**37. LEASES**

The Company's significant leasing arrangements are in respect of operating leases for Commercial and Residential premises. Lease income from operating leases is recognised on a straight-line basis over the period of lease. The particulars of the premises given under operating leases are as under:

(In ₹)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Future minimum lease rental receivable under operating leases are as follows:			
Not later than 1 year	92,44,723	73,47,355	-
Later than 1 year not later than 5 years	3,07,86,750	3,80,46,972	-
Later than 5 years	-	19,84,500	-

38. CORPORATE SOCIAL RESPONSIBILITY

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

Gross amount required to be spent by the Company during the year ₹ Nil (previous year ₹ 12,94,542/-)

(In ₹)

Amount spent during the year:	2017-18			2016-17		
	Amount spent in cash	Amount yet to be paid in cash	Total	Amount spent in cash	Amount yet to be paid in cash	Total
(i) Construction/acquisition of any asset	-	-	-	-	-	-
(ii) On the purpose other than (i) above	-	-	-	13,00,000	-	13,00,000

39. Impairment in value of investments

During the year, the Company has provided ₹ 1,03,85,981/- as impairment in the value of investment in one of the associates, considering overall financial status of the investee company.

40. Exceptional item

During the year, the Company has received a demand from the Collector of Mumbai for payment of premium towards the change of user from industrial to residential use of leasehold land which was developed after obtaining necessary permissions from the concerned authorities. At the time of permission, there was no policy applicable for the premium to be charged for change of user and the Collector gave permission subject to payment of 3% as adhoc premium and undertaking to pay the premium as and when the policy is framed. During the year, the Government of Maharashtra has issued a policy relating to the premium payable for change of user of Government Land and the premium is 50% of ready reckoner rate applicable on the date of permission. Accordingly, the Collector has issued demand notice for ₹ 6,55,57,482/- being the difference of premium applicable as per the policy and adhoc amount already paid. As this is not expected to be of recurring nature, the same has been disclosed as Exceptional Item.

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

41. Contingent Liabilities not provided for:

a) Claims against the Company not acknowledged as debt

(In ₹)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Appeals filed in respect of disputed demands:			
Relating to income tax where the Company is in appeal	4,77,38,205	7,70,57,999	7,32,61,149
Relating to income tax where Department is in appeal	54,46,63,110	54,46,63,110	54,46,63,110
Labour matters	1,35,327	1,35,327	1,35,327
Legal cases	34,05,600	34,05,600	34,05,600

b) Others

The Company had received a demand notice of ₹ 17,15,65,324/- (as at 31st March, 2017 ₹ 17,15,65,324/- and as at 1st April, 2016 ₹ 17,15,65,324/-) from the State Revenue Department on account of permission required for transfer of flats built out of FSI relating to Leasehold land in project "Planet Godrej". The Company filed a writ petition against the demand in the Honb'le High Court of Bombay ("the Court") and the Court has stayed the demand order until a formal policy applicable to all leasehold lands is framed by the State. Further, the Court has ordered that as and when the policy is framed by the State, thereafter, the State shall approach the Honb'le High Court of Bombay for amending the present order.

42. Based on the intimations received from "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED), there are no amounts outstanding to MSME as at 31st March, 2018 and no amounts were overdue during the year for which disclosure requirements under MSMED are applicable.
43. The lease of the land at Mumbai has expired and it is yet to be renewed by the Collector of Mumbai ("the Collector"). Pending renewal of the lease, the previously agreed lease rent continues to be paid by the Company on the basis of the expired lease agreement. The demands previously raised by the Collector have been set aside by the Honb'le High Court of Bombay ("the Court"), and the Court has directed the Collector to re-assess the lease rent. As of the Balance Sheet date, no revised demand is received.
44. During the year, the Company has recognized ₹ 15,72,86,419/- as revenue from the on-going project "Simplex Khushaangan". The aggregate amount of cost incurred and the profit/(loss) recognized to date is ₹ 89,33,79,598/- and ₹ (17,58,95,207/-) respectively.
45. The Company's main business activity constitutes developing real estate, which is the only reporting segment. The Company does not have any reportable geographical segment.
46. The Financial Statements of the Company for the year ended 31st March, 2018 were approved by the Board of Directors on 14th May, 2018.
47. Previous year's figures have been reclassified, wherever necessary, to conform current year's presentation.

As per our report of even date attached

For and on behalf of the Board

For **Dayal and Lohia**
Chartered Accountants
Firm's Registration No.102200W

Surendra Kabra
Chief Financial Officer

Nandan Damani
Chairman and Managing Director

Anil Lohia
Partner
Membership No. 31626
Mumbai, 14th May, 2018

Shekhar R Singh
Company Secretary

Surendra Kumar Somany
Independent Director

Mumbai, 14th May, 2018

Part “B”: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(In ₹)

Sr. No.	Name of Associates/ Joint Ventures	Latest Audited Balance Sheet Date	Shares of Associates/Joint Ventures held by the Company			Description of how there is significant influence	Reason why the associate/ joint venture is not consolidated	Networth attributable to Shareholding as per latest audited Balance Sheet	Profit / (Loss) for the year	
			No	Amount of Investment in Associates/ Joint Venture	Extend of Holding %				Considered in Consolidation	Not Considered in Consolidation
1	Simplex Papers Limited	31.03.2018	14,71,000	1,47,25,431	49.01	Based on shareholding	N.A.	(5,37,60,715)	N.A.	(12,12,686)
2	Simplex Mills Company Limited	31.03.2018	14,70,000	1,46,10,800	48.99	Based on shareholding	N.A.	(2,34,62,109)	N.A.	(43,33,672)

For and on behalf of the Board

Nandan Damani
Chairman and Managing Director

Mumbai, 14th May, 2018

Consolidated Financial Statements

INDEPENDENT AUDITORS' REPORT

To
The Members of
Simplex Realty Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Simplex Realty Limited** ('the Company') and its associates (collectively referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31st March, 2018, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated 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 Consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting the 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 internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the 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 thereunder:

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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statement.

Opinion

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

- a) in the case of the Consolidated Balance Sheet, of the consolidated state of affairs of the Group as at 31st March, 2018;
- b) in the case of the Consolidated Statement of Profit and Loss, of the consolidated Loss for the year ended on that date; and
- c) in the case of the Consolidated Statement of Changes in Equity, of the changes in equity for the year ended on that date; and
- d) in the case of the Consolidated Cash Flow Statement, of the consolidated cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note 40 to the Consolidated Financial statements which, indicates that the two associates which have been audited by another auditor has accumulated losses and its net worth has been fully eroded. This situation, along with other matters indicates the existence of an uncertainty that may cast doubt about the two associates ability to continue as a going concern. However, the financial statements of both the associates have been prepared on a going concern basis for the reason stated in the said note.

Other Matters

- a) The consolidated financial statements include the Group's share of net loss of ₹ NIL out of the total loss of ₹ 55,46,358/- for the year ended 31st March, 2018, as considered in the consolidated financial statements, in respect of associates which are Simplex Mills Company Limited and Simplex Papers Limited, whose financial statements have not been audited by us. The financial statements of Simplex Mills Company Limited and Simplex Papers Limited have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these associates, and our report in terms of sub-section (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid associates, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work

done and the reports of the other auditors and the financial statements certified by the Management

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report, to the extent applicable, 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 purpose of our audit of the aforesaid consolidated financial statements;
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as appears from our examination of those books and the reports of the other auditors;
 - c. The consolidated Balance Sheet, consolidated Statement of Profit and Loss, and the consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
 - d. In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015;
 - e. On the basis of written representations received from the directors of the Company as on 31st March, 2018 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its associate companies incorporated in India, none of the directors of the Group is disqualified as on 31st 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 Group and operating effectiveness of such controls, refer to our separate report in "Annexure A"; and

SIMPLEX REALTY LIMITED

- 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 consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – (refer note no. 42 of the consolidated financial statement),
- ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts,

- iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **Dayal and Lohia**
Chartered Accountants
Firm's Registration No.102200W

Anil Lohia
Partner

Mumbai, 14th May, 2018

Membership No. 31626

ANNEXURE – 'A' TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF SIMPLEX REALTY LIMITED AND ITS ASSOCIATE COMPANIES

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

In conjunction with our audit of the consolidated financial statements of the Group as of and for the year ended 31st March 2018, we have audited the internal financial controls over financial reporting of **Simplex Realty Limited** ("the Company") and its associate companies which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Company and its associate companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Group 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 the respective 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Group'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 issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Group's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Group'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 Group'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 Group; (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 Group are being made only in accordance with authorizations of management and directors of the Group; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Group'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 and its associate companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, based on the internal control over financial reporting criteria established by the Group 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.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to two associate companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For **Dayal and Lohia**
Chartered Accountants
Firm's Registration No.102200W

Anil Lohia
Partner

Mumbai, 14th May, 2018

Membership No. 31626

SIMPLEX REALTY LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2018

	Note	As at 31.03.2018 ₹	As at 31.03.2017 ₹	As at 01.04.2016 ₹
A ASSETS				
I Non-Current Assets				
Property, Plant and Equipment	2	1,61,56,770	1,27,08,112	1,37,84,301
Investments accounted for using the Equity Method	3 a	-	-	-
Financial Assets:				
Loans	4	4,40,056	7,92,685	3,11,04,962
Deferred Tax Assets (Net)	5	4,38,10,365	2,75,23,974	20,39,021
Other Non-Current Assets	6	1,93,10,339	94,87,915	26,16,514
Total Non-Current Assets		7,97,17,530	5,05,12,686	4,95,44,798
II Current Assets				
Inventories	7	34,74,61,577	50,58,99,148	45,07,41,272
Financial Assets:				
Investments	3 b	1,08,35,640	82,82,931	51,40,680
Trade Receivables	8	1,85,77,647	49,33,547	3,66,657
Cash and Cash Equivalents	9	24,47,357	92,40,716	91,24,971
Bank Balances other than above	10	14,36,220	18,65,883	23,41,506
Loans	11	46,22,66,300	42,20,10,136	48,63,02,099
Other Financial Assets	12	3,22,23,082	2,76,41,678	3,14,01,693
Other Current Assets	13	17,92,12,341	17,96,70,747	28,02,90,499
Total Current Assets		1,05,44,60,164	1,15,95,44,786	1,26,57,09,377
TOTAL ASSETS		1,13,41,77,694	1,21,00,57,472	1,31,52,54,175
B EQUITY AND LIABILITIES				
I Equity				
Equity Share Capital	14	2,99,36,870	2,99,36,870	2,99,36,870
Other Equity	15	1,02,54,64,814	1,08,79,28,667	1,14,91,66,196
Total Equity		1,05,54,01,684	1,11,78,65,537	1,17,91,03,066
II Liabilities				
Non-Current Liabilities				
Financial Liabilities :				
Borrowings	16	3,04,48,640	3,33,95,141	3,58,21,025
Other Financial Liabilities	17	17,35,539	3,95,767	-
Provisions	18	15,49,539	15,73,613	12,69,801
Other Non-Current Liabilities	19	6,58,746	1,90,266	-
Total Non-Current Liabilities		3,43,92,464	3,55,54,787	3,70,90,826
III Current Liabilities				
Financial Liabilities :				
Trade Payables				
Total outstanding dues of Micro and Small Enterprises		-	-	-
Others		16,60,723	88,89,594	2,19,72,875
Other Financial Liabilities	20	2,47,77,605	3,01,08,250	2,97,84,483
Other Current Liabilities	21	1,33,13,941	1,37,26,527	1,59,18,346
Provisions	22	46,31,277	39,12,777	36,15,697
Current Tax Liabilities (Net)	23	-	-	2,77,68,882
Total Current Liabilities		4,43,83,546	5,66,37,148	9,90,60,283
Total Liabilities		7,87,76,010	9,21,91,935	13,61,51,109
TOTAL EQUITY AND LIABILITIES		1,13,41,77,694	1,21,00,57,472	1,31,52,54,175

Significant Accounting Policies

1

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached

For and on behalf of the Board

For **Dayal and Lohia**
Chartered Accountants
Firm's Registration No.102200W

Surendra Kabra
Chief Financial Officer

Nandan Damani
Chairman and Managing Director

Anil Lohia
Partner
Membership No. 31626
Mumbai, 14th May, 2018

Shekhar R Singh
Company Secretary

Surendra Kumar Somany
Independent Director

Mumbai, 14th May, 2018

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

	Note	2017-18 ₹	2016-17 ₹
Income			
I Revenue from Operations	24	16,48,05,007	9,20,18,671
II Other Income	25	5,88,86,838	6,06,84,534
III Total Income (I+II)		22,36,91,845	15,27,03,205
IV Expenses			
Cost of Sales	26	17,96,22,130	11,59,42,068
Employee Benefits Expense	27	2,53,45,363	2,26,03,748
Finance Costs	28	10,83,842	30,28,549
Depreciation	2	13,86,869	12,36,459
Other Expenses	29	2,94,12,091	9,62,63,425
Total Expenses (IV)		23,68,50,295	23,90,74,249
V Loss before share of profit / (loss) of Associates and Exceptional Item and Tax (III-IV)		(1,31,58,450)	(8,63,71,044)
VI Share of profit / (loss) of Associates accounted for using Equity Method		-	-
VII Loss before Exceptional Item and Tax (V-VI)		(1,31,58,450)	(8,63,71,044)
VIII Exceptional Item	30	6,55,57,482	-
IX Loss before Tax (VII-VIII)		(7,87,15,932)	(8,63,71,044)
X Tax Expense:			
(1) Current Tax		-	-
(2) Deferred Tax		(1,64,09,619)	(2,55,17,917)
(3) Earlier year Taxes		(2,90,718)	-
XI Loss for the year (IX-X)		(6,20,15,595)	(6,08,53,127)
XII Other Comprehensive Income / (Expense) - (OCI):			
Items that will not be reclassified to Statement of Profit and Loss			
1. Re-measurement gains / (losses) on defined benefit plans		4,78,556	1,06,679
2. Changes in fair values of equity instruments through OCI		20,76,709	31,42,251
3. Income tax effect on above		(1,23,228)	(32,964)
Total Other Comprehensive Income for the year, net of tax		24,32,037	32,15,966
Total Comprehensive Income / (Expense) for the year (XI+XII)		(5,95,83,558)	(5,76,37,161)
Earnings per Equity Share (Face Value of ₹10/- each)			
Basic and Diluted Earnings Per Share (in ₹)		(20.73)	(20.34)

Significant Accounting Policies

1

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached

For and on behalf of the Board

For **Dayal and Lohia**
Chartered Accountants
Firm's Registration No.102200W

Surendra Kabra
Chief Financial Officer

Nandan Damani
Chairman and Managing Director

Anil Lohia
Partner
Membership No. 31626
Mumbai, 14th May, 2018

Shekhar R Singh
Company Secretary

Surendra Kumar Somany
Independent Director

Mumbai, 14th May, 2018

SIMPLEX REALTY LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2018

1. EQUITY SHARE CAPITAL

	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹	As at 1st April, 2016 ₹
Balance at the beginning of the year	2,99,36,870	2,99,36,870	2,99,36,870
Changes in equity share capital during the year	-	-	-
Balance at the end of the reporting year	2,99,36,870	2,99,36,870	2,99,36,870

2. OTHER EQUITY

(In ₹)

	Reserves and Surplus				Other Reserves	Total Other Equity Attributable to the owners of Simplex Realty Limited	Non- controlling interest
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	FVTOCI - equity instruments		
Balance as at 1st April, 2016	13,61,05,795	1,43,23,904	58,24,58,692	41,26,61,913	36,15,892	1,14,91,66,196	-
Loss for the year -	-	-	-	(6,08,53,127)	-	(6,08,53,127)	-
Other comprehensive income/(expense)	-	-	-	73,715	31,42,251	32,15,966	-
Total comprehensive income/(expense)	-	-	-	(6,07,79,412)	31,42,251	(5,76,37,161)	-
Dividend paid on equity shares*	-	-	-	(29,91,382)	-	(29,91,382)	-
Dividend distribution tax	-	-	-	(6,08,986)	-	(6,08,986)	-
Balance as at 31st March, 2017	13,61,05,795	1,43,23,904	58,24,58,692	34,82,82,133	67,58,143	1,08,79,28,667	-
Loss for the year	-	-	-	(6,20,15,595)	-	(6,20,15,595)	-
Other comprehensive income/(expense)	-	-	-	3,55,328	20,76,709	24,32,037	-
Total comprehensive income/(expense)	-	-	-	(6,16,60,267)	20,76,709	(5,95,83,558)	-
Dividend paid on equity shares **	-	-	-	(23,93,106)	-	(23,93,106)	-
Dividend distribution tax	-	-	-	(4,87,189)	-	(4,87,189)	-
Balance as at 31st March, 2018	13,61,05,795	1,43,23,904	58,24,58,692	28,37,41,571	88,34,852	1,02,54,64,814	-

*A dividend of ₹ 1/- per share (total dividend ₹ 29,91,382/- and dividend distribution tax of ₹ 6,08,986/- was paid to the equity shareholders for the year ended March 31, 2016.

**A dividend of ₹ 0.80 per share (total dividend ₹ 23,93,106/- and dividend distribution tax of ₹ 4,87,189/- was paid to the equity shareholders for the year ended March 31, 2017.

Significant Accounting Policies - Note 1

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached

For and on behalf of the Board

For **Dayal and Lohia**
Chartered Accountants
Firm's Registration No.102200W

Surendra Kabra
Chief Financial Officer

Nandan Damani
Chairman and Managing Director

Anil Lohia
Partner
Membership No. 31626
Mumbai, 14th May, 2018

Shekhar R Singh
Company Secretary

Surendra Kumar Somany
Independent Director

Mumbai, 14th May, 2018

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

		2017-18	2016-17
	₹	₹	₹
A. CASH FLOW FROM OPERATING ACTIVITIES :			
NET LOSS BEFORE EXCEPTIONAL ITEM AND TAX		(1,31,58,450)	(8,63,71,044)
Adjustments for:			
Depreciation on property, plant and equipment	13,86,869		12,36,459
Interest expenses	10,83,842		30,28,549
Profit on sale of investments (net)	(19,443)		-
Dividend income	(1,02,957)		(82,450)
Interest income	(5,22,33,553)		(5,09,02,044)
(Profit)/Loss on sale of fixed assets	(5,51,190)		-
Sundry balances written off / (back) - (net)	59,261		(376)
Advances written off	-		5,97,59,760
Sundry assets written off	26,660	(5,03,50,511)	-
OPERATING LOSS BEFORE WORKING CAPITAL CHANGES		(6,35,08,961)	(7,33,31,146)
Adjustment for changes in working capital			
Adjustment for (increase) / decrease in operating assets:			
Inventories	15,84,37,571		(5,51,57,876)
Trade receivables	(1,36,44,100)		(45,66,890)
Other financial assets	28,50,437		(2,64,93,812)
Other current assets	4,33,151		10,06,19,751
Other bank balances	4,29,663		4,75,624
Adjustment for increase / (decrease) in operating liabilities:			
Other financial liabilities	(39,62,258)		7,19,534
Trade payables	(71,86,291)		(1,30,82,799)
Long-term provisions	4,54,482		4,10,491
Short-term provisions	7,18,500		2,97,080
Other liabilities	55,893	13,85,87,048	(20,01,553)
CASH GENERATED FROM/(USED IN) OPERATIONS		7,50,78,087	(7,21,11,596)
Direct taxes paid		(95,40,509)	(3,46,40,284)
NET CASH GENERATED FROM/(USED IN) OPERATING ACTIVITIES BEFORE EXCEPTIONAL ITEM		6,55,37,578	(10,67,51,880)
Exceptional item		(6,55,57,482)	-
NET CASH USED IN OPERATING ACTIVITIES (A)		(19,904)	(10,67,51,880)
B. CASH FLOW FROM INVESTING ACTIVITIES :			
Purchase of fixed assets		(51,25,975)	(1,60,270)
Sale of fixed assets		8,14,978	-
Purchase of investments		(64,76,000)	-
Sale of investments		60,19,443	-
Dividend received		1,02,957	82,450
Interest received		4,50,57,944	5,17,08,282
Loans / Inter corporate deposits (given) - net		(4,02,56,164)	6,42,91,964
NET CASH GENERATED FROM INVESTING ACTIVITIES (B)		1,37,183	11,59,22,426

SIMPLEX REALTY LIMITED

		2017-18 ₹	2016-17 ₹
C. CASH FLOW FROM FINANCING ACTIVITIES :			
Proceeds from / (repayment) of borrowings (net)		(29,46,501)	(24,25,884)
Interest paid		(10,83,842)	(30,28,549)
Dividend paid (including dividend distribution tax)		(28,80,295)	(36,00,368)
NET CASH USED IN FINANCING ACTIVITIES	(C)	(69,10,638)	(90,54,801)
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(A+B+C)	(67,93,359)	1,15,745
CASH AND CASH EQUIVALENTS - AT THE START OF THE YEAR		92,40,716	91,24,971
CASH AND CASH EQUIVALENTS - AT THE END OF THE YEAR		24,47,357	92,40,716
Cash and cash equivalents comprise of :		As on 31.03.18	As on 31.03.17
Balances with Banks :			
- in Current accounts		23,73,847	91,99,307
Cash on hand		73,510	41,409
		24,47,357	92,40,716

Significant Accounting Policies - Note 1

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached

For **Dayal and Lohia**
Chartered Accountants
Firm's Registration No.102200W

Anil Lohia
Partner
Membership No. 31626
Mumbai, 14th May, 2018

Surendra Kabra
Chief Financial Officer

Shekhar R Singh
Company Secretary

For and on behalf of the Board

Nandan Damani
Chairman and Managing Director

Surendra Kumar Somany
Independent Director

Mumbai, 14th May, 2018

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

CORPORATE INFORMATION

Simplex Realty Limited ("the Company") is a public limited company, incorporated and domiciled in India having its registered office at 30, Keshavrao Khadye Marg, Sant Gadge Maharaj Chowk, Mumbai – 400 011, Maharashtra, India. The equity shares of the Company are listed on BSE Limited. The Company is in real estate development. The Company develops residential as well as commercial properties.

1. SIGNIFICANT ACCOUNTING POLICIES

(i) Basis of preparation:

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

The consolidated financial statements up to year ended 31st March, 2017 were prepared in accordance with the accounting standards notified under Section 133 of the Act read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ("Indian GAAP") and the relevant provisions of the Act as applicable. These consolidated financial statements are the first consolidated financial statements of the Company under Ind AS. Refer to note 1 (b) for information on first time adoption of Ind AS.

(ii) Principles of consolidation:

Associates

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but does not have control or joint control over those policies. Investments in associates are accounted for using the equity method of accounting whereby the investment is initially recorded at cost.

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the Company's share of post acquisition profits or losses of the investee in the Consolidated Statement of Profit and Loss, and the Company's share of other comprehensive income or expense of the investee in other comprehensive income or expense.

Unrealised gains or losses on transactions between the Company and its associates are eliminated to the extent of the Company's interest in these entities. When the Company's share of losses exceeds its interest in associates, the carrying amount of that interest (including any long term investments) is reduced to zero and the recognition of further losses is discontinued. Additional losses are recognized only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the Company resumes recognizing its share of those profits only after its share of the profits equals the share of losses not recognized.

After application of the equity method, the Company determines whether it is necessary to recognize an impairment loss on its investment in its associate. The Company determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If there is such evidence, the Company calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognizes the loss as 'Share of profit / loss of an associate' in the Consolidated Statement of Profit and Loss.

(iii) Current and non-current classification:

The normal operating cycle in respect of operation relating to under construction real estate project depend on signing of agreement, size of the project, type of development, project complexities, approvals needed and realization of project into cash and cash equivalent. Accordingly, project related assets and liabilities have been

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

classified into current and non-current based on operating cycle of the respective project. All other assets and liabilities have been classified into current and non-current based on a period of twelve months.

(iv) Fair value measurement:

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

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

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

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

(v) Revenue Recognition:

The Company is following "Percentage of Completion Method" and revenue is recognized accordingly. As per this method, revenue from sale of properties is recognized in the consolidated Statement of Profit and Loss in proportion to the actual cost incurred as against the total estimated project cost on transfer of significant risk and rewards to the buyer.

In accordance with the "Guidance Note on Accounting for Real Estate Transactions (for entities to whom Ind AS is applicable)" construction revenue on such projects measured at the fair value (i.e. adjusted for discounts, incentives, time value of money adjustments etc), have been recognized on percentage of completion method provided the following thresholds have been met:

- i. All critical approvals necessary for the commencement of the project have been obtained;
- ii. The expenditure incurred on construction and development cost is not less than 25 percent of total estimated construction and development costs;
- iii. At least 25 percent saleable project area is secured by contracts and agreements with buyers; and
- iv. At least 10 percent of contract consideration is realized at the reporting date in respect of such contracts and it is reasonable to expect that the parties to such contracts will comply with the payments terms as defined in the contracts.

Determination of stage of completion is arrived based on the project cost incurred against the estimated cost.

Determination of revenue under percentage of completion method necessarily involves making estimates, some of which are of technical nature, concerning where relevant, the percentage of completion, cost to completion, the expected revenue from the project or activity and the foreseeable losses to completion. Estimates of project income, as well as project cost, are reviewed periodically. The effect of changes, if any, to estimates is recognized in the consolidated financial statements for the period in which such changes are determined. Losses, if any, are fully provided for immediately. The Company recognizes revenue (i.e. its share in revenue) as per the terms of the agreements entered into with Developer or Land Owner following percentage of completion method.

Rental income from operating leases is recognized on a straight line basis over the lease term.

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

The Company receives maintenance amount from the customers and utilize the same towards the maintenance of the respective projects. The balance amount of maintenance expenses to be incurred is reflected as liability under the head other current liabilities.

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

Dividend income is accounted when right to receive is established.

(vi) Property, Plant and Equipment:

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment, if any. The cost of property, plant and equipment includes purchase price, including freight, duties, taxes and expenses incidental to acquisition and installation. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Property, plant and equipment are derecognized from consolidated financial statements, either on disposal or when no economic benefits are expected from its use or disposal. The gain or losses arising from disposal of property, plant and equipment are recognized in the Consolidated Statement of Profit and Loss in the year of occurrence.

Subsequent expenditures

Subsequent expenditures related to an item of property, plant and equipment are added to its carrying value only when it is probable that the future economic benefits from the asset will flow to the Company and cost can be reliably measured. All other repair and maintenance costs are recognized in the Consolidated Statement of Profit and Loss during the year in which they are incurred.

Depreciation

Depreciation is provided on all property, plant and equipment (excluding furniture and office equipments) on straight-line method and on furniture and office equipments on the written down value method on pro-rata basis over the useful lives of the assets as prescribed in the Schedule II to the Companies Act, 2013.

Assets class	Useful life
Buildings	60 years
Furniture and fixtures	5-10 years
Office equipments	5-10 years
Vehicles	8 years
Electrical installation	10 years
Computers	3 years

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at 01 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

(vii) Impairment of Non-Financial Assets

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's or cash generating unit's (CGU) fair value less costs of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. If such recoverable amount of the

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

asset or cash generating unit is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Consolidated Statement of Profit and Loss. If at the Balance Sheet date there is any indication that any impairment loss recognized for an asset in prior years may no longer exist or may have decreased, the recoverable amount is reassessed and such reversal of impairment loss is recognized in the Consolidated Statement of Profit and Loss, to the extent the amount was previously charged to the Consolidated Statement of Profit and Loss.

(viii) Leases:

Leases in which the Company does not transfer substantially all the risk and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized on a straight line basis over the terms of the relevant lease unless the payments are structured to increase in line with general inflation to compensate expected inflationary cost increase.

Lease deposits received are financial instruments (financial liability) and need to be measured at fair value on initial recognition. The difference between the fair value and the nominal value of deposits is considered as deferred rental income and recognized over the lease term on a straight line basis. Unwinding of discount is treated as interest expense for deposit received and is accrued as per the effective interest rate method.

(ix) Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

Financial Assets

Initial recognition and measurement

The Company recognizes financial assets when it becomes a party to the contractual provisions of the instrument. All financial assets are recognized initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

Subsequent measurement

For the purpose of subsequent measurement, the financial assets are classified as under:

i) Financial assets at amortised cost

A financial asset is measured at the amortised cost, if both the following conditions are met:

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

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

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

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

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

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

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

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

Financial assets that do not meet the criteria for amortized cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is recognized in profit or loss and presented net in the Consolidated Statement of Profit and Loss within other income in the period in which it arises.

iv) Equity instruments:

All equity instruments other than investments in associates are measured at fair value. Equity instruments which are for trading are classified as FVTPL. All other equity instruments are measured at fair value through other comprehensive income (FVTOCI). The classification is made on initial recognition and is irrevocable.

Where the Company's management has elected to present fair value gains and losses on equity instruments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognized in profit and loss when the Company's right to receive payments is established.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Consolidated Statement of Profit and Loss.

Impairment of financial assets

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

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

De-recognition

A financial asset is derecognized when:

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

Financial Liabilities

• Initial recognition and measurement

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

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

- **Subsequent measurement**

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. For trade and other payables maturing within operating cycle, the carrying amounts approximate the fair value due to short maturity of these instruments.

- **Loans and borrowings**

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

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

- **Derecognition**

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

- **Offsetting financial instruments**

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

(x) Inventories:

Construction work-in-progress are valued at cost which includes cost of land, premium for development rights, construction cost, allocated interest and expenses incidental to the project undertaken by the Company. Inventory of completed flats/units is valued at lower of cost or net realisable value.

(xi) Taxes:

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

i. Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantially enacted at the reporting date.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

ii. Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities for financial reporting purpose and the amount used for taxation purposes.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent

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

that it is probable that future taxable profits will be available against which those deductible temporary differences can be utilised. The carrying amount of deferred tax asset is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

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

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

(xii) Employee Benefits:**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 recognized as an expense during the period when the employees render the services.

Defined contribution plans

The Company's contribution to Provident Fund, Pension Fund, Superannuation Fund and Employees State Insurance Fund are considered as defined contribution plans, as the Company does not carry any further obligations apart from the contribution made to the respective fund/scheme and are charged as an expense based on the amount of contribution required to be made.

Defined benefit plans

The liability recognized in the balance sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period. The defined benefits obligation is calculated annually by actuaries using the projected unit credit method.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost is included in employee benefit expense in the Consolidated Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments, changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income (OCI). They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

Compensated absences

The liabilities for accumulated leave are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of reporting period using the projected unit credit method. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

(xiii) Borrowing Costs:

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

Interest and other costs incurred in connection with borrowing of funds, which are incurred for the development of

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

long term projects, are transferred to construction work-in- progress, as part of the cost of the project upto the time all the activities necessary to prepare these projects for its intended use or sale are complete.

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

(xiv) Cash and Cash Equivalents:

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand, demand deposit and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

(xv) Provisions and Contingent Liabilities:

The Company recognizes a provision when there is a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

(xvi) Earnings Per Share:

Basic earnings per share is calculated by dividing the profit / (loss) for the year attributable to the equity shareholders by weighted average number of equity shares outstanding during the year.

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

(xvii) Dividend:

Dividend to the equity shareholders is recognized as a liability in the Company's consolidated financial statements in the period in which the dividend is approved by the shareholders.

1 (a) USE OF ESTIMATES AND JUDGEMENTS

The preparation of consolidated financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, income, expenses and disclosures of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Estimates and underlying assumptions are reviewed at each reporting date. Any revision to accounting estimates and assumptions are recognised prospectively i.e. recognised in the period in which the estimate is revised and future periods affected.

i. Evaluation of percentage completion

Determination of revenues under the percentage of completion method necessarily involves making estimates, some of which are of a technical nature, concerning, where relevant, the percentage of completion, cost to completion, the expected revenue from the project or activity and the foreseeable losses to completion. Estimates of project income, as well as project costs, are reviewed periodically. The effect of changes, if any, to estimates is recognised in the consolidated financial statements for the period in which such changes are determined

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

ii. Recognition and measurement of defined benefit obligations

The cost of defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuations using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of discount rate, future salary increase and mortality rates. 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.

iii. Fair value measurement of financial instruments

When the fair values of the financial assets and liabilities recorded in the balance sheet cannot be measured based on the quoted market prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from the observable market, where possible, but where this is not feasible, a review of judgement is required in establishing fair values. Changes in assumptions relating to these assumptions could affect the fair value of financial instruments.

iv. Deferred taxes

Deferred tax is recorded on temporary differences between tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profit during the periods in which those temporary differences and the tax loss carry forwards become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of deferred tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward periods are reduced.

1(b) FIRST TIME ADOPTION OF IND AS

The accounting policies set out in note 1 have been applied in preparing the consolidated financial statements for the year ended 31st March, 2018, the comparative information presented in these consolidated financial statements for the year ended 31st March, 2017 and in the preparation of an opening Ind AS consolidated balance sheet as at 1st April, 2016 (the Company's date of transition to Ind AS). In preparing its opening Ind AS consolidated balance sheet, the Company has adjusted the amounts reported previously in consolidated financial statements prepared in accordance with the accounting standards notified under Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (as amended) and other relevant provisions of the Act ("Indian GAAP" or "previous GAAP"). The effects of the transition to Ind AS on equity, total comprehensive income and reported cash flows are presented in this section and are further explained in the following notes.

Ind AS 101 allows first-time adopters certain exemptions/exceptions from the retrospective application of certain requirements under Ind AS. In preparing these consolidated financial statements, the Company has applied the following exemptions:

Ind AS Optional Exemptions:

Deemed cost for property, plant and equipment

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all its property, plant and equipment as recognized in the consolidated financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. Accordingly, the Company has elected to measure all of its property, plant and equipment at their previous GAAP carrying value and use that as its deemed cost as at the date of transition (1st April, 2016).

Designation of previously recognized financial instruments

Ind AS 101 allows an entity to designate investments in equity instruments at FVTOCI on the basis of the facts and circumstances at the date of transition to Ind AS. The Company has designated investments in equity shares

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

(other than investments in equity shares of associates) as held at FVTOCI on the basis of the facts and circumstances that existed at the date of transition.

Reconciliation

The following reconciliations provide the effect of transition to Ind AS from previous GAAP in accordance with Ind AS 101:

Equity as at 1st April, 2016 and Equity as at 31st March, 2017

Total comprehensive income for the year ended 31st March, 2017

Reconciliation of total equity as at 31st March, 2017 and 1st April, 2016 (In ₹)

	Notes	As at 31st March, 2017 (End of last period presented under previous GAAP)	As at 1st April, 2016 (Date of transition)
Total equity under previous GAAP		1,07,75,85,806	1,14,12,22,118
Fair valuation gain on investments held through OCI	a	67,58,143	36,15,892
Dividend not recognised as liability until declared under Ind AS	b	28,80,295	36,00,368
Adjustment for interest free security deposit	c	2,790	-
Adjustment for carrying amount of investments	d	7,02,495	7,27,818
Deferred tax assets on the Ind AS adjustments		(862)	-
Total adjustments to equity		1,03,42,861	79,44,078
Total Equity under Ind AS		1,08,79,28,667	1,14,91,66,196

Reconciliation of total comprehensive income for the year ended 31st March, 2017 (In ₹)

	Notes	Year ended 31st March, 2017 (latest period presented under previous GAAP)
Profit as per previous GAAP		(6,07,56,017)
Adjustments:		
Other income	c/d	(10,881)
Remeasurements of defined benefits obligations recognised in other comprehensive income under Ind AS	e	(1,06,679)
Finance costs	c	(11,652)
Deferred tax impact on above Ind AS adjustments	f	32,102
Total effect of transition to Ind AS		(97,110)
Loss for the year as per Ind AS		(6,08,53,127)
Other comprehensive income for the year (net of tax)		32,15,966
Total comprehensive income / (expense) for the year under Ind AS		(5,76,37,161)

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

Impact of Ind AS adoption on the consolidated Statement of Cash Flow for the year ended 31st March, 2017

There were no material differences between the Cash Flow Statement presented under Ind AS and the previous GAAP.

Notes:

- a) Under the previous GAAP, long term investments (other than investments in associate which are accounted at cost) were carried at cost less provision for other than temporary decline in the value of such investments and current investments were measured at lower of cost or fair value. Under Ind AS, these financial assets have been designated as measured at FVTOCI. On the date of transition to Ind AS, these financial assets have been measured at their fair value which is higher than the cost as per the previous GAAP, resulting in an increase in the carrying amount by ₹ 67,58,143/- as at 31st March, 2017 and by ₹ 36,15,892/- as at 1st April, 2016. Fair value changes with respect to investments in equity instruments designated as at FVTOCI have been recognized in FVTOCI- Equity instruments reserve as at the date of transition and subsequently in the other comprehensive income for the year ended 31st March, 2017. This increased other reserves by ₹ 67,58,143/- as at 31st March, 2017 (1st April, 2016 - ₹ 36,15,892/-) and other comprehensive income for the year ended 31st March, 2017 increased by ₹ 31,42,251/-.
- b) Proposed dividend - Under the previous GAAP, dividend on equity shares recommended by the Board of Directors after the end of the reporting period but before the consolidated financial statements were approved for issue was recognized in the consolidated financial statements as a liability. Under Ind AS, such dividend is recognized when the same is approved by the members in a general meeting. The effect of this change is an increase in total equity as at 31st March, 2017 ₹ 28,80,295/- and as at 1st April, 2016 ₹ 36,00,368/-.
- c) Security deposits- Under the previous Indian GAAP, the interest free security deposits received were carried at nominal amount. Under Ind AS, security deposits received are measured at fair value on initial recognition. Unwinding of discount is treated as interest expense and is accrued as per the EIR method. The difference between the fair value and the nominal value of deposits is considered as deferred rental income and recognised over the lease term on a straight line basis.
- d) Under the previous GAAP, current investments were measured at lower of cost and fair value and there was adjustment in the carrying value of investments of ₹ 25,323/- for the year ended 31st March, 2017 and ₹ 7,27,818/- at as 1st April, 2016 which is not required under Ind AS. Under Ind AS current investments are measured at fair value only.
- e) Defined benefit liabilities- Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year. As a result of this change, the loss for the year 31st March, 2017 increased by ₹ 73,715/- net of deferred tax.
- f) Deferred taxes have been recognized on adjustments made on transition to Ind AS.
- g) Under Ind AS, all items of income and expenses recognized in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expenses that are not recognized in profit or loss but are shown in the consolidated statement of profit and loss as 'other comprehensive income' includes fair value gains or (losses) on FVTOCI equity instruments and remeasurements of defined benefit plans.

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

2. PROPERTY, PLANT AND EQUIPMENT

(In ₹)

	GROSS CARRYING AMOUNT				DEPRECIATION				NET CARRYING AMOUNT	
	As at 1 st April, 2017	Additions during the year	Deductions/ Adjustments during the year	As at 31 st March, 2018	Upto 31 st March, 2017	Provided during the year	On Deductions/ Adjustments	Upto 31 st March, 2018	As at 31 st March, 2018	As at 31 st March, 2017
Freehold Land	50,00,318	-	-	50,00,318	-	-	-	-	50,00,318	50,00,318
Buildings	32,57,166	-	-	32,57,166	70,770	70,771	-	1,41,541	31,15,625	31,86,396
Computers	4,04,492	1,64,842	4,718	5,64,616	99,646	1,20,667	-	2,20,313	3,44,303	3,04,846
Electrical Installations	14,586	25,85,149	-	25,99,735	-	60,556	-	60,556	25,39,179	14,586
Furniture and Fixtures	5,24,011	-	5,314	5,18,697	1,55,006	95,618	-	2,50,624	2,68,073	3,69,005
Vehicles	45,67,075	23,70,984	2,63,788	66,74,271	8,52,018	10,07,838	-	18,59,856	48,14,415	37,15,057
Office Equipments	1,76,923	5,000	19,038	1,62,885	59,019	31,419	2,410	88,028	74,857	1,17,904
Total	1,39,44,571	51,25,975	2,92,858	1,87,77,688	12,36,459	13,86,869	2,410	26,20,918	1,61,56,770	1,27,08,112

(In ₹)

	GROSS CARRYING AMOUNT				DEPRECIATION				NET CARRYING AMOUNT	
	Deemed cost as at 1 st April, 2016	Additions during the year	Deductions/ Adjustments during the year	As at 31 st March, 2017	Opening as at 1 st April, 2016	Provided during the year	On Deductions/ Adjustments	Upto 31 st March, 2017	As at 31 st March, 2017	As at 1 st April, 2016
Freehold Land	50,00,318	-	-	50,00,318	-	-	-	-	50,00,318	50,00,318
Buildings	32,57,166	-	-	32,57,166	-	70,770	-	70,770	31,86,396	32,57,166
Computers	2,49,712	1,54,780	-	4,04,492	-	99,646	-	99,646	3,04,846	2,49,712
Electrical Installations	14,586	-	-	14,586	-	-	-	-	14,586	14,586
Furniture and Fixtures	5,24,011	-	-	5,24,011	-	1,55,006	-	1,55,006	3,69,005	5,24,011
Vehicles	45,67,075	-	-	45,67,075	-	8,52,018	-	8,52,018	37,15,057	45,67,075
Office Equipments	1,71,433	5,490	-	1,76,923	-	59,019	-	59,019	1,17,904	1,71,433
Total	1,37,84,301	1,60,270	-	1,39,44,571	-	12,36,459	-	12,36,459	1,27,08,112	1,37,84,301

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

3 (a) INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Sr. No.	Particulars	Associate/ Others	Face value- fully paid	No. of Shares			Value (₹)		
				31.03.2018	31.03.2017	01.04.2016	31.03.2018	31.03.2017	01.04.2016
I	Investments in Equity Instruments								
	Quoted- At cost								
	(a) Simplex Mills Company Ltd.	Associate	10	14,70,000	14,70,000	14,70,000	-	-	-
	(b) Simplex Papers Ltd.	Associate	10	14,71,000	14,71,000	14,71,000	-	-	-
	Total Non-Current Investments						-	-	-

3 (b) CURRENT INVESTMENTS

Sr. No.	Particulars	Associate/ Others	Face value- fully paid	No. of Shares			Value (₹)		
				31.03.2018	31.03.2017	01.04.2016	31.03.2018	31.03.2017	01.04.2016
I	Investments in Equity Instruments								
	Quoted - At FVTOCI								
(a)	Peninsula Land Ltd.	Others	2	10,750	10,750	10,750	2,18,225	2,01,563	1,84,900
(b)	Prime Urban Development (I) Ltd.	Others	2	2,500	2,500	2,500	40,250	91,875	40,250
(c)	HDFC Ltd.	Others	2	1,400	1,400	1,400	25,54,160	21,03,360	15,47,770
(d)	Piramal Enterprises Ltd.	Others	2	3,032	2,832	2,832	73,99,596	53,87,030	29,34,093
(e)	Piramal Phytocare Ltd.	Others	10	276	276	276	11,799	22,784	19,486
(f)	Hindustan Unilever Ltd.	Others	1	360	360	360	4,80,924	3,27,510	3,13,020
(g)	Delta Magnets Ltd.	Others	10	750	750	750	41,475	27,225	21,863
(h)	Morarjee Textiles Ltd.	Others	7	2,109	2,109	2,109	83,095	1,15,468	73,815
(i)	Integra Garments and Textiles Ltd.	Others	3	2,109	2,109	2,109	6,116	6,116	5,483
	Total quoted current investments						1,08,35,640	82,82,931	51,40,680
	Unquoted								
(j)	Universal Conveyor Beltings Ltd.	Others	10	27,500	27,500	27,500	-	-	-
	Total unquoted current investments						-	-	-
	Total Current Investments						1,08,35,640	82,82,931	51,40,680

	Value (₹)		
	31.03.2018	31.03.2017	01.04.2016
Aggregate market value of quoted investments			
Non-Current	1,90,10,050	3,60,05,290	1,51,58,010
Current	1,08,35,640	82,82,931	51,40,680
Aggregate carrying value of unquoted investments	-	-	-

Details of total investments	Value (₹)		
	31.03.2018	31.03.2017	01.04.2016
Financial assets measured at FVTOCI	1,08,35,640	82,82,931	51,40,680
Investments accounted for using equity method	-	-	-

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

4. LOANS - NON-CURRENT (Unsecured, considered good)	31.03.2018 ₹	31.03.2017 ₹	01.04.2016 ₹
Security deposits	4,40,056	6,62,685	9,78,962
Loans to employees	-	1,30,000	1,26,000
Deposit towards property development	-	-	3,00,00,000
	4,40,056	7,92,685	3,11,04,962

5. DEFERRED TAX ASSET (NET)	31.03.2018 ₹	31.03.2017 ₹	01.04.2016 ₹
Deferred Tax Liability			
Long term capital gain on conversion of land into stock in trade	(6,71,139)	(6,71,139)	(7,51,676)
Other items	(1,65,104)	(33,826)	-
Deferred Tax Assets			
Property, Plant and Equipment	3,15,974	6,56,027	8,56,248
Expenses that are allowed on payment basis	19,88,557	21,20,984	19,34,449
Unused tax losses	4,23,42,077	2,54,51,928	-
Net deferred tax asset	4,38,10,365	2,75,23,974	20,39,021

a) Movement in deferred tax balances

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

	Opening balance as at 01.04.2017	Recognised in profit or loss	Recognised in OCI	Closing balance as at 31.03.2018
Property, Plant and Equipment	6,56,027	(3,40,053)	-	3,15,974
Expenses that are allowed on payment basis	21,20,984	(1,32,427)	-	19,88,557
Unused tax losses	2,54,51,928	1,68,90,149	-	4,23,42,077
Long term capital gain on conversion of land into stock-in-trade	(6,71,139)	-	-	(6,71,139)
Actuarial gain on defined benefit obligations	(32,964)	-	(1,23,228)	(1,56,192)
Interest income on unwinding of financial liability	(862)	(8,050)	-	(8,912)
Net deferred tax asset	2,75,23,974	1,64,09,619	(1,23,228)	4,38,10,365

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

Movement in deferred tax during the year ended 31st March, 2017

	Opening balance as at 01.04.2016	Recognised in profit or loss	Recognised in OCI	(In ₹) Closing balance as at 31.03.2017
Property, Plant and Equipment	8,56,248	(2,00,221)	-	6,56,027
Expenses that are allowed on payment basis	19,34,449	1,86,535	-	21,20,984
Unused tax losses	-	2,54,51,928	-	2,54,51,928
Long term capital gain on conversion of land into stock-in-trade	(7,51,676)	80,537	-	(6,71,139)
Actuarial gain on defined benefit obligations	-	-	(32,964)	(32,964)
Interest income on unwinding of financial liability	-	(862)	-	(862)
	<u>20,39,021</u>	<u>2,55,17,917</u>	<u>(32,964)</u>	<u>2,75,23,974</u>

b) Income tax recognised in profit and loss

	31.03.2018 ₹	31.03.2017 ₹
Current tax		
In respect of current year	-	-
In respect of earlier years	(2,90,718)	-
Deferred tax		
Relating to origination and reversal of temporary differences	(1,64,09,619)	(2,55,17,917)
Total income tax recognised for the year	<u>(1,67,00,337)</u>	<u>(2,55,17,917)</u>

c) Income tax recognised in other comprehensive income

	31.03.2018 ₹	31.03.2017 ₹
Deferred tax arising on income and expenses recognised in other comprehensive income		
Remeasurement of defined benefit obligations	1,23,228	(32,964)
Total income tax recognised in other comprehensive income	<u>1,23,228</u>	<u>(32,964)</u>

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

d) The income tax expense for the year can be reconciled to the accounting profit / (loss) as follows:

	31.03.2018 ₹	31.03.2017 ₹
Loss before tax	(7,87,15,932)	(8,63,71,044)
Tax expense / (income) calculated at 25.75% (2016-17: 30.90%)	(2,02,69,532)	(2,66,88,653)
Effect of expenses that are not deductible	14,15,455	25,69,093
Effect of incomes which are exempt from tax	(26,511)	(25,477)
Effect of expenses that are deductible under Income tax act	(14,56,114)	(13,10,358)
Others	(2,91,414)	(62,522)
Adjustment due to changes in tax rates	46,99,186	-
Effect of previously unrecognised tax losses	(4,80,869)	-
	(1,64,09,619)	(2,55,17,917)
Adjustments recognised in the current year in relation to the current tax of earlier years	(2,90,718)	-
Income tax expense recognised in profit and loss	(1,67,00,337)	(2,55,17,917)

The tax rate used for the above reconciliations is the corporate tax rate of 25.75% for the year 2017-18 and 30.90% for the year 2016-17 payable by corporate entities based on the turnover criteria on taxable profits under Indian Income Tax Laws as on the financial statements signing date.

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

Based on this, the Company believes that it is probable that the Company will realize the benefits of these deductible differences. The amount of deferred tax asset considered realizable, however, could be reduced in the near term if the estimates of future taxable income during the carry forward period are reduced.

As at 31st March, 2018, the Company has recognized deferred tax asset of ₹ 4,23,42,077/- (as at 31st March, 2017 ₹ 2,54,51,928/-) on unsued tax losses. Such tax losses include major items which are not expected to recur in future. Based on realistic estimates of future earnings there is resasonable certainty that the Company will generate sufficient taxable income to utilise such tax losses.

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

6. OTHER NON-CURRENT ASSETS	31.03.2018	31.03.2017	01.04.2016
	₹	₹	₹
Advance income tax (net of provisions)	1,93,10,339	94,87,915	26,16,514
(net of provision of ₹ 45,28,85,036/- as at 31st March, 2018, ₹ 45,31,75,754/- as at 31st March, 2017 and ₹ 41,20,26,576/- as at 1st April, 2016)	1,93,10,339	94,87,915	26,16,514

7. INVENTORIES	31.03.2018	31.03.2017	01.04.2016
	₹	₹	₹
Construction work-in-progress	30,12,25,082	46,15,23,030	41,72,91,042
Realty stock-in-trade	4,62,36,495	4,43,76,118	3,34,50,230
	34,74,61,577	50,58,99,148	45,07,41,272

8. TRADE RECEIVABLES	31.03.2018	31.03.2017	01.04.2016
	₹	₹	₹
Unsecured, considered good	1,85,77,647	49,33,547	3,66,657
	1,85,77,647	49,33,547	3,66,657

No trade receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

9. CASH AND CASH EQUIVALENTS	31.03.2018	31.03.2017	01.04.2016
	₹	₹	₹
Balances with banks:			
In current accounts	23,73,847	91,99,307	26,23,449
Cheques on hand	-	-	63,16,000
Cash on hand	73,510	41,409	1,85,522
	24,47,357	92,40,716	91,24,971

10. OTHER BANK BALANCES	31.03.2018	31.03.2017	01.04.2016
	₹	₹	₹
Unclaimed dividend accounts	14,36,220	18,65,883	23,41,506
	14,36,220	18,65,883	23,41,506

SIMPLEX REALTY LIMITED

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

11. LOANS-CURRENT	31.03.2018	31.03.2017	01.04.2016
	₹	₹	₹
Unsecured - considered good			
Loans to related parties	8,48,71,632	7,76,71,632	7,76,71,632
Inter corporate deposits	37,70,72,668	34,39,78,004	40,80,69,467
Loans to employees*	3,22,000	3,60,500	5,61,000
	46,22,66,300	42,20,10,136	48,63,02,099
* includes due from officers of the Company	55,000	1,75,000	3,30,000

12. OTHER CURRENT FINANCIAL ASSETS	31.03.2018	31.03.2017	01.04.2016
	₹	₹	₹
Interest receivable	2,97,81,126	2,26,05,519	2,34,11,757
Unbilled revenue	3,53,500	4,54,720	79,24,762
Others	20,88,456	45,81,439	65,174
	3,22,23,082	2,76,41,678	3,14,01,693

13. OTHER CURRENT ASSETS	31.03.2018	31.03.2017	01.04.2016
	₹	₹	₹
Income tax paid against disputed demand	8,27,17,054	8,27,17,054	8,27,17,054
Balances with government authorities	42,68,807	58,65,733	66,81,451
Prepaid expenses	3,62,029	4,35,300	4,55,280
Advances paid towards project approvals	8,94,22,527	8,85,72,527	8,78,48,927
Other advances	24,41,924	20,80,133	44,87,787
Advance towards land acquisition	-	-	9,81,00,000
	17,92,12,341	17,96,70,747	28,02,90,499

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

14. EQUITY SHARE CAPITAL

	31.03.2018 ₹	31.03.2017 ₹	01.04.2016 ₹
AUTHORISED			
1,00,00,000 (31 March 2017 - 1,00,00,000 and 01 April 2016 - 1,00,00,000) Equity Shares of ₹10/- each	10,00,00,000	100,000,000	100,000,000
ISSUED, SUBSCRIBED AND PAID UP			
29,91,382 (31 March 2017- 29,91,382 and 01 April 2016- 29,91,382) Equity shares of ₹10/- each fully paid up (of which 360 (31 March 2017- 360 and 01 April 2016- 360) shares remain to be exchanged for fractional certificates)	2,99,13,820	2,99,13,820	2,99,13,820
Add : Forfeited shares account	23,050	23,050	23,050
Total issued, subscribed and fully paid up share capital	2,99,36,870	2,99,36,870	2,99,36,870

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

Particulars	31.03.2018		31.03.2017		01.04.2016	
	Equity Shares		Equity Shares		Equity Shares	
	Number	₹	Number	₹	Number	₹
Shares outstanding at the beginning of the year	29,91,382	2,99,13,820	29,91,382	2,99,13,820	29,91,382	2,99,13,820
Shares issued during the year	-	-	-	-	-	-
Shares bought back during the year	-	-	-	-	-	-
Shares outstanding at the end of the year	29,91,382	2,99,13,820	29,91,382	2,99,13,820	29,91,382	2,99,13,820

b. Terms/rights attached to the equity shares

The Company has one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. 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, in proportion to their shareholding.

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

Name of Shareholder	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Lucky Vyapaar and Holdings Pvt. Ltd.	7,43,040	24.84	7,43,040	24.84	7,43,040	24.84
Life Insurance Corporation of India	6,85,741	22.92	6,85,741	22.92	6,85,741	22.92
New Textiles LLP (formerly known as New Textiles Pvt. Ltd.)	5,73,941	19.19	5,73,941	19.19	5,73,916	19.19

SIMPLEX REALTY LIMITED

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

15. OTHER EQUITY	31.03.2018	31.03.2017	01.04.2016
	₹	₹	₹
CAPITAL RESERVE			
Opening balance	60,71,263	60,71,263	60,71,263
Add: Capital reserve on investments in associates	13,00,34,532	13,00,34,532	13,00,34,532
Addition during the year	-	-	-
Closing balance	13,61,05,795	13,61,05,795	13,61,05,795
SECURITIES PREMIUM ACCOUNT			
Opening balance	1,43,23,904	1,43,23,904	1,43,23,904
Addition/(utilisation) during the year	-	-	-
Closing balance	1,43,23,904	1,43,23,904	1,43,23,904
GENERAL RESERVE			
Opening balance	70,09,00,000	70,09,00,000	70,09,00,000
Addition/(utilisation) during the year	-	-	-
Less: Share of loss in associates	11,84,41,308	11,84,41,308	11,84,41,308
Closing balance	58,24,58,692	58,24,58,692	58,24,58,692
FVTOCI-EQUITY INSTRUMENTS			
Opening balance	67,58,143	36,15,892	36,15,892
Add/(less): changes in fair value of FVTOCI equity instruments	20,76,709	31,42,251	-
Closing balance	88,34,852	67,58,143	36,15,892
RETAINED EARNINGS			
Opening balance	34,82,82,133	41,26,61,913	41,26,61,913
Loss for the year	(6,20,15,595)	(6,08,53,127)	-
<u>Items of other comprehensive income recognised directly in retained earnings:</u>			
Remeasurement of defined benefit obligation (net of tax)	3,55,328	73,715	-
Dividend paid	(23,93,106)	(29,91,382)	-
Dividend distribution tax on above	(4,87,189)	(6,08,986)	-
Closing balance	28,37,41,571	34,82,82,133	41,26,61,913
Total other equity	1,02,54,64,814	1,08,79,28,667	1,14,91,66,196

CAPITAL RESERVE

Pertains to share application money forfeited in the case where remaining amount was not paid and created on consolidation of associates. The reserve can be utilised in accordance with the provisions of the Act.

SECURITIES PREMIUM RESERVE

Securities premium is used to record the premium on issue of shares. The reserve can be utilised in accordance with the provisions of the Act.

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

GENERAL RESERVE

General Reserve represent amounts transferred from Retained Earnings in earlier years as per the requirements of the erstwhile Companies Act, 1956. The reserve can be utilised in accordance with the provisions of the Act. Declaration of dividend out of such reserve shall not be made except in accordance with the rules prescribed in this behalf under the Act.

FVTOCI-EQUITY INSTRUMENTS

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVTOCI equity instruments reserve within equity. The Company transfer amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

16. BORROWINGS-NON-CURRENT	31.03.2018	31.03.2017	01.04.2016
	₹	₹	₹
Unsecured loan from other			
Term loan	3,04,48,640	3,33,95,141	3,58,21,025
	3,04,48,640	3,33,95,141	3,58,21,025

(Unsecured loan availed against the security of assets given by a company in which Directors are interested and carries interest @ 9.75% per annum and is repayable in equated monthly installment over a period of 8 years)

17. OTHER FINANCIAL LIABILITIES-NON-CURRENT	31.03.2018	31.03.2017	01.04.2016
	₹	₹	₹
Security deposit	17,35,539	3,95,767	-
	17,35,539	3,95,767	-

18. PROVISIONS-NON-CURRENT	31.03.2018	31.03.2017	01.04.2016
	₹	₹	₹
For employee benefits- Gratuity (refer note 31)	15,49,539	15,73,613	12,69,801
	15,49,539	15,73,613	12,69,801

19. OTHER LIABILITIES-NON-CURRENT	31.03.2018	31.03.2017	01.04.2016
	₹	₹	₹
Deferred income	6,58,746	1,90,266	-
	6,58,746	1,90,266	-

SIMPLEX REALTY LIMITED

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

20. OTHER FINANCIAL LIABILITIES-CURRENT	31.03.2018	31.03.2017	01.04.2016
	₹	₹	₹
Current maturities of long term debt	29,46,501	23,44,440	16,30,021
Unpaid dividends	14,36,220	18,65,883	23,41,506
Other liabilities	1,30,52,663	1,53,35,860	1,57,47,742
Retention money	73,42,221	1,05,62,067	1,00,65,214
	2,47,77,605	3,01,08,250	2,97,84,483

21. OTHER CURRENT LIABILITIES	31.03.2018	31.03.2017	01.04.2016
	₹	₹	₹
Advance received from customers	-	-	1,26,50,053
Statutory dues	6,88,104	11,41,020	32,68,293
Deferred income	2,11,105	51,177	-
Others	1,24,14,732	1,25,34,330	-
	1,33,13,941	1,37,26,527	1,59,18,346

22. PROVISIONS-CURRENT	31.03.2018	31.03.2017	01.04.2016
	₹	₹	₹
For employee benefits - (refer note 31)			
Gratuity	22,79,099	10,10,133	10,10,780
Leave benefits	23,52,178	29,02,644	26,04,917
	46,31,277	39,12,777	36,15,697

23. CURRENT TAX LIABILITIES- (NET)	31.03.2018	31.03.2017	01.04.2016
	₹	₹	₹
Provision for taxation			2,77,68,882
	-	-	2,77,68,882

24. REVENUE FROM OPERATIONS	2017-18	2016-17
	₹	₹
Sale of products	15,72,86,419	9,17,18,515
Rental income	75,18,588	3,00,156
	16,48,05,007	9,20,18,671

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

25. OTHER INCOME	2017-18	2016-17
	₹	₹
Interest income on financial assets		
Bank deposits	-	35,458
Inter corporate deposits	5,22,12,253	4,97,40,665
Other deposits	21,300	11,25,921
Dividends on FVTOCI investments	1,02,957	82,450
Building rent	59,63,857	96,50,040
Other non-operating income	15,838	50,000
Profit on sale of investment in mutual funds	19,443	-
Profit on sale of fixed assets	5,51,190	-
	5,88,86,838	6,06,84,534
26. COST OF SALES	2017-18	2016-17
	₹	₹
Opening stock	46,15,23,030	41,72,91,042
Add: Expenses incurred during the year		
Materials, structural, labour and contract cost incurred	98,24,912	7,93,68,963
Rates and taxes	1,42,654	13,89,441
Professional charges	4,05,320	41,80,381
Other cost	79,91,403	8,17,74,460
Finance cost	28,20,270	43,86,699
	2,11,84,559	17,10,99,944
Less: Transferred to realty stock	24,42,33,617	1,09,25,888
Less: Closing stock	5,88,51,842	46,15,23,030
Cost of sales	17,96,22,130	11,59,42,068
27. EMPLOYEE BENEFITS EXPENSE	2017-18	2016-17
	₹	₹
Salaries and wages	2,34,99,496	2,09,62,041
Contribution to provident and other funds	8,16,985	8,26,813
Staff welfare expenses	10,28,882	8,14,894
	2,53,45,363	2,26,03,748
28. FINANCE COSTS	2017-18	2016-17
	₹	₹
Interest expenses on		
Term loan	37,28,723	43,61,699
Income tax	-	30,11,116
Others	1,75,389	17,433
Total finance costs	39,04,112	73,90,248
Less: Transferred to construction work-in-progress	28,20,270	43,61,699
Net finance costs	10,83,842	30,28,549

SIMPLEX REALTY LIMITED

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

29. OTHER EXPENSES	2017-18		2016-17
	₹		₹
Electricity	5,26,583		4,72,348
Repairs to			
Buildings	44,529		3,48,442
Machinery	1,30,048		1,98,693
Others	5,78,229		1,94,639
Insurance	87,266		1,04,597
Rent	58,043		51,771
Rates and taxes	9,44,737		18,34,388
Advertisements	2,42,357		64,733
Business promotion expenses	5,35,644		3,85,495
Travelling and conveyance expenses	23,52,122		19,18,202
Legal and professional fees	45,90,570		1,60,86,540
Retainership fees	2,47,530		2,47,620
Printing, stationery and communication expenses	9,06,224		11,20,040
Bank charges	7,386		12,833
Interest receivable written off	66,56,137		60,32,845
Vehicles expenses	5,31,474		8,73,293
Flat maintenance expenses	12,83,235		12,45,326
Commission and brokerage	16,72,056		3,00,000
Membership and subscription charges	4,96,380		5,12,974
Security charges	14,07,747		14,48,097
Sundry assets written off	26,660		-
Good and Service Tax Paid	9,20,404		-
Service Tax Paid	67,213		-
Sundry expenses	9,52,682		7,11,361
Directors' sitting fees	3,80,000		3,31,650
Corporate social responsibility expenses	-		13,00,000
Society maintenance charges	23,80,875		-
Auditors' remuneration			
As Auditor			
Audit fee	2,90,000		2,77,010
Tax audit fee	25,000		25,253
For taxation matters	10,64,188		4,02,378
For reimbursement of expenses	6,772	13,85,960	3,137
Advances written off	-		5,97,59,760
	2,94,12,091		9,62,63,425

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

30. EXCEPTIONAL ITEM	2017-18 ₹	2016-17 ₹
Premium for change of user (refer note 41)	6,55,57,482	-
	<u>6,55,57,482</u>	<u>-</u>

31. EMPLOYEE BENEFITS

I) Defined Contribution Plans

- a) Provident fund
- b) Superannuation fund and Pension scheme, 1995
- c) Employer's contribution to Employees state insurance

The Company has recognized the following amounts in the Consolidated Statement of Profit and Loss which are included under Contribution to Provident and other funds;

Contribution to:	2017-18 ₹	2016-17 ₹
Provident fund	1,00,014	72,759
Superannuation fund	5,04,000	5,60,000
Pension fund	88,426	88,899
Employees State Insurance Fund	1,24,545	1,05,155

Disclosures for defined benefit plans based on actuarial valuation report:

II) Defined Benefit Plans

GRATUITY	2017-18 ₹	2016-17 ₹
A. Changes in defined benefit obligations		
Present value of defined benefit obligation as at the beginning of the year	25,83,746	22,80,581
Interest cost	1,88,872	1,82,446
Current service cost	3,13,655	2,27,398
Past service cost- vested benefits	12,20,921	-
Benefit paid	-	-
Actuarial (gain)/loss due to changes in financial assumption	(5,52,503)	(11,971)
Actuarial (gain)/loss due to changes in experience adjustments	73,947	(94,708)
Present value of defined benefit obligation as at the end of the year	38,28,638	25,83,746

SIMPLEX REALTY LIMITED

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

	2017-18 ₹	2016-17 ₹
B. Amount recognized in the Balance Sheet		
Present value of defined benefit obligation as at end of the year	38,28,638	28,86,911
Fair value of plan assets at the end of the year	-	-
Net liability recognized in the Balance Sheet	38,28,638	28,86,911
- Current provision	22,79,099	10,10,133
- Non-current provision	15,49,539	15,73,613
C. Expenses recognized in the Statement of Profit and Loss		
Interest cost	1,88,872	1,82,446
Current service cost	3,13,655	2,27,398
Past service cost- vested benefits	12,20,921	-
Expenses recognized in the Statement of Profit and Loss	17,23,448	4,09,844
D. Expenses recognized in the Other Comprehensive Income (OCI)		
Remeasurement (gain)/loss	(4,78,556)	(1,06,679)
Actuarial (gain)/loss due to change in financial assumptions	(5,52,503)	(11,971)
Actuarial (gain)/loss due to changes in experience adjustments	73,947	(94,708)
E. Movement in the present value of net defined benefit obligation are as follows:		
Opening net liability	25,83,746	22,80,581
Expenses recognised in the Statement of Profit and Loss	17,23,448	4,09,844
Expenses recognised in OCI	(4,78,556)	(1,06,679)
Closing net liability	38,28,638	25,83,746
Maturity profile of defined benefit obligation	Estimated for the year ended 31st March, 2018	(In ₹) Estimated for the year ended 31st March, 2017
1st following year	22,79,099	10,10,133
2nd following year	72,995	2,50,483
3rd following year	72,547	54,322
4th following year	1,08,124	59,019
5th following year	10,707	77,928
Sum of years 6 to 10	1,65,611	1,10,480

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

Sensitivity analysis	2017-18 ₹	2016-17 ₹
Impact of +1% change in discount rate	36,48,171	24,17,114
Impact of -1% change in discount rate	40,43,483	27,83,283
Impact of +1% change in salary escalation rate	39,72,854	27,29,748
Impact of -1% change in salary escalation rate	36,44,660	24,58,538

The above sensitivity analysis are based on change in an assumption while holding all other assumptions constant in practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefits obligation to significant actuarial assumptions the same method (present value of defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied, as when calculating the defined benefit liability recognised in the balance sheet.

The estimates of future salary increases, considered in actuarial valuation, taking account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Actuarial assumptions	As at 31st March, 2018	As at 31 st March, 2017	As at 1 st April, 2016
Discount rate	7.60%	7.31%	8.00%
Salary escalation rate	6.00%	9.00%	10.00%
Attrition rate	0.50%	0.50%	0.50%

32. Related party disclosure

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

(a) Associates	Simplex Papers Ltd. Simplex Mills Company Ltd.
(b) Key management personnel and their relatives	Mr. Nandan Damani - Managing Director Mr. Sanjay N Damani - Executive Director Mrs. Sandhya R Kini - Whole-time Director Mrs. Shivani V Jatia Mrs. Shashi A Patodia Mrs. Shreelekha N Damani
(c) Non Executive/Independent Directors	Mr. V.B.Haribhakti Mr. S.K.Somany Mrs. Anna Malhotra (ceased w.e.f. 21.10.2016) Mr. T C SuseelKumar Mr. Vijay S Jindal Mr. Sabhapati G Shukla
(d) Where persons mentioned in (b) exercise significant influence	The Nav Bharat Refrigeration And Industries Ltd. Shreelekha Global Finance Ltd. New Textile LLP (formerly known as New Textiles Pvt Ltd.) Lucky Vyapaar and Holdings Pvt. Ltd.

SIMPLEX REALTY LIMITED

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

(ii) Transactions with related parties

(In ₹)

Type of related party	Description of the nature of transactions	Volume of Transactions during 2017-18	Volume of Transactions during 2016-17	Balance as on 31.03.18 Receivable/ (Payable)	Balance as on 31.03.17 Receivable/ (Payable)	Balance as on 01.04.16 Receivable/ (Payable)
(a) Associates Simplex Papers Ltd.	Loan given /(repaid) - net Receivable Interest accrued Interest amount written off	72,00,000 - 6,01,842 6,01,842	- - - -	72,00,000	-	-
Simplex Mills Co. Ltd.	Loan given /(repaid) - net Receivable Interest accrued Interest amount written off	- 60,54,295 60,54,295	- 60,32,845 60,32,845	7,76,71,632	7,76,71,632	7,76,71,632
(b) Key management personnel and their relatives	Remuneration# Sale of products* Installments/Other Charges received against sale of flats * To the extent of revenue recognised during the year Dividend paid Mr. Nandan Damani Mrs. Shreelekha N Damani Mr. Sanjay N Damani Mrs. Sandhya R Kini Mrs. Shashi A Patodia	67,91,755 1,14,957 - 96,470 41,549 49,242 80 8,331	58,64,459 9,76,356 29,26,352 1,13,109 51,936 61,553 100 10,414	- - - - - - - -	- - - - - - - -	- - - - - - - -
(c) Non Executive/ Independent Directors	Sitting fees Mr. V.B.Haribhakti Mr. S.K.Somany Mrs. Anna Malhotra Mr. T C SuseelKumar Mr. Vijay S Jindal Mr. Sabhapati G Shukla Dividend paid Mr. V.B.Haribhakti Mr. S.K.Somany Mr. Sabhapati G Shukla	1,00,000 1,00,000 - 40,000 40,000 1,00,000 240 720 108	1,00,000 1,00,000 20,000 30,000 30,000 50,000 300 900 135	- - - - - - - - -	- - - - - - - - -	- - - - - - - - -
(d) Where persons mentioned in (b) exercise significant influence						
a) Reimbursement of expenses received						
The Nav Bharat Refrigeration And Industries Ltd.	89,530	5,695	-	-	-	-
Lucky Vyapaar and Holdings Pvt. Ltd.	40,694	-	-	-	-	-
b) Dividend paid						
Lucky Vyapaar and Holdings Pvt. Ltd.	5,94,432	7,43,040	-	-	-	-
New Textile LLP (formerly known as New Textiles Pvt Ltd.)	4,59,153	5,73,916	-	-	-	-
Nandan Damani HUF	240	300	-	-	-	-
c) Security						
Security offered by Lucky Vyapaar and Holdings Pvt. Ltd for Loan availed				3,33,95,141	3,57,39,581	3,74,51,046

Excludes provision for compensated leave and gratuity for key managerial personnel as separate actuarial valuation is not available.

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

Terms and conditions of transactions with related parties

The sale to related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and settlement occurs in cash. Transactions relating to dividend were on the same terms and conditions that applied to other shareholders.

Loans to associates

The Company has recognised interest of ₹ 6,01,842/- on the loan amount given to Simplex Papers Ltd for part payment as deposit towards the appeal with Excise authorities which is pertaining to period prior to demerger of paper division. Considering the weak financial position of Simplex Papers Ltd, the recoverability of interest is doubtful, hence, the same has been written off in this year itself. Similar treatment is being given to interest on outstanding balance of loan given to Simplex Mills Company Ltd.

33. FINANCIAL INSTRUMENTS-FAIR VALUE AND RISK MANAGEMENT

a) Accounting classification

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

(In ₹)

Particulars	As at 31.03.2018			As at 31.03.2017			As at 01.04.2016		
	At cost	FVTOCI	Amortised cost	At cost	FVTOCI	Amortised cost	At cost	FVTOCI	Amortised cost
Financial Assets									
Investments in associates	-	-	-	-	-	-	-	-	-
Investments in equity instruments	-	1,08,35,640	-	-	82,82,931	-	-	51,40,680	-
Loans	-	-	46,27,06,356	-	-	42,28,02,821	-	-	51,74,07,061
Trade receivable	-	-	1,85,77,647	-	-	49,33,547	-	-	3,66,657
Cash and cash equivalents	-	-	24,47,357	-	-	92,40,716	-	-	91,24,971
Other bank balances	-	-	14,36,220	-	-	18,65,883	-	-	23,41,506
Other financial assets	-	-	3,22,23,082	-	-	2,76,41,678	-	-	3,14,01,693
	-	1,08,35,640	51,73,90,662	-	82,82,931	46,64,84,645	-	51,40,680	56,06,41,888
Financial Liabilities									
Borrowings	-	-	3,33,95,141	-	-	3,57,39,581	-	-	3,74,51,046
Trade payables	-	-	16,60,723	-	-	88,89,594	-	-	2,19,72,875
Other financial liabilities	-	-	2,35,66,643	-	-	2,81,59,577	-	-	2,81,54,462
	-	-	5,86,22,507	-	-	7,27,88,752	-	-	8,75,78,383

b) Fair value hierarchy and method of valuation

The following table shows fair value measurement hierarchy. Except for these financial instruments, the Company considers that the carrying value amount recognised in the consolidated financial statements approximate their fair value largely due to the short term maturities of these instruments.

(In ₹)

	As at 31.03.2018			As at 31.03.2017			As at 01.04.2016		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Investments in equity instruments	1,08,35,640	-	-	82,82,931	-	-	51,40,680	-	-

Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

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

c) Risk management framework

The Company's principal financial liabilities includes borrowings, trade and other payables. The Company's principal financial assets includes loans, trade receivables, cash and cash equivalents and others. The Company also holds FVTOCI investments. The Company is exposed to credit risk, liquidity risk and market risk. The Company's senior management oversees the management of these risks. The Company's senior management provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

d) Financial risk management

The Company has exposure to the following risks arising from financial instruments:

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

i) Credit Risk

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

The carrying amount of following financial assets represents the maximum credit exposure:

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However credit risk with regards to trade receivable is almost negligible in case of its residential, commercial sale and lease rental as the same is due to the fact that in case of its residential and commercial sell business it does not handover possession till entire outstanding is received. Similarly, in case of lease rental business, the Company keeps 3 to 6 months rental amount as deposit from the occupants.

No impairment is observed on the carrying value of trade receivables.

Other financial assets

Credit risk from balances with banks, loans, investments is managed by Company's finance department. Investments of surplus funds are made only with approved counterparties. Impairment in the value of investment in associate has been recognised as on the reporting date.

ii) Liquidity Risk

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

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

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

Exposure to liquidity risk

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

(In ₹)

As at 31st March, 2018	Carrying amount	Contractual cash flows				
		Total	Within 1 year	1-2 years	2-5 years	More than 5 years
Financial Liabilities						
Borrowings	3,33,95,141	3,33,95,141	29,46,501	32,46,977	1,18,66,148	1,53,35,515
Trade Payables	16,60,723	16,60,723	16,60,723	-	-	-
Other Financial Liabilities	2,35,66,643	2,35,66,643	2,18,31,104	-	17,35,539	-
	5,86,22,507	5,86,22,507	2,64,38,328	32,46,977	1,36,01,687	1,53,35,515

As at 31st March, 2017	Carrying amount	Contractual cash flows				
		Total	Within 1 year	1-2 years	2-5 years	More than 5 years
Financial Liabilities						
Borrowings	3,57,39,581	3,57,39,581	23,44,440	29,46,501	1,07,68,052	1,96,80,588
Trade Payables	88,89,594	88,89,594	88,89,594	-	-	-
Other Financial Liabilities	2,81,59,577	2,81,59,577	2,77,63,810	-	3,95,767	-
	7,27,88,752	7,27,88,752	3,89,97,844	29,46,501	1,11,63,819	1,96,80,588

As at 1st April, 2016	Carrying amount	Contractual cash flows				
		Total	Within 1 year	1-2 years	2-5 years	More than 5 years
Financial Liabilities						
Borrowings	3,74,51,046	3,74,51,046	17,11,465	23,44,440	97,71,574	2,36,23,567
Trade Payables	2,19,72,875	2,19,72,875	2,19,72,875	-	-	-
Other Financial Liabilities	2,81,54,462	2,81,54,462	2,81,54,462	-	-	-
	8,75,78,383	8,75,78,383	5,18,38,802	23,44,440	97,71,574	2,36,23,567

iii) Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and commodity prices which will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market exposures within acceptable parameters, while optimising the return.

Currency risk

Currency risk is not material, as the Company's primary business activities are within India and does not have any exposure in foreign currency.

SIMPLEX REALTY LIMITED

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

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The management is responsible for the monitoring of the Company's interest rate position. The exposure of the Company's borrowing to the interest rate risk at the end of the reporting period is as follows.

(In ₹)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Floating rate borrowing	3,33,95,141	3,57,39,581	3,74,51,046
	3,33,95,141	3,57,39,581	3,74,51,046

The sensitivity analyses below have been determined based on the exposure to interest rate for liabilities at the end of the reporting period. The analysis is prepared assuming the amount of the liabilities outstanding at the end of the reporting period was outstanding for the whole year.

Given that the Company capitalises interest to the cost of inventory to the extent permissible, the amount indicated below may have an impact on reported profit/(loss) over the life cycle of project to which such interest is capitalised.

A reasonable possible change of 100 basis points in interest rate would have resulted in variation in the interest expenses for the Company by the amounts as follows:

(In ₹)

Particulars	2017-18	2016-17
Interest rate - Increase by 100 basis points	(3,33,951)	(3,57,396)
Interest rate - Decrease by 100 basis points	3,33,951	3,57,396

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

Commodity price risk

The Company's activities are exposed to steel and cement price risks and therefore its overall risk management program focuses on the volatile nature of the steel and cement market, thus seeking to minimize potential adverse effects on the Company's financial performance on account of such volatility.

34. CAPITAL MANAGEMENT

The Company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Company consists of net debt and the total equity of the Company. For this purpose, net debt is defined as total borrowings less cash and cash equivalents.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirements are met through short-term/long-term borrowings. The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

SIMPLEX REALTY LIMITED

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

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

(In ₹)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Borrowings	3,33,95,141	3,57,39,581	3,74,51,046
Less : Cash and cash equivalents	24,47,357	92,40,716	91,24,971
Net Debt	3,09,47,784	2,64,98,865	2,83,26,075
Total equity	1,05,54,01,684	1,11,78,65,537	1,17,91,03,066
Debt/Equity ratio	0.03	0.02	0.02

35. EARNINGS PER SHARE – EPS is calculated by dividing the profit / (loss) attributable to the equity shareholders by weighted average number of equity shares outstanding during the year.

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

Particulars	2017-18	2016-17
1. Loss after tax - ₹	(6,20,15,595)	(6,08,53,127)
2. Weighted average number of shares outstanding during the year	29,91,382	29,91,382
3. Face value of shares - ₹	10/-	10/-
4. Basic / Diluted EPS - ₹	(20.73)	(20.34)

36. Information on Subsidiaries, Joint Ventures and Associates

Information on Associates

Name of the Company	Country of incorporation	Percentage of Holding		
		As at 31st March, 2018	As at 31st March, 2017	As at 01st April, 2016
		%	%	%
Simplex Mills Company Limited	India	48.99	48.99	48.99
Simplex Papers Limited	India	49.01	49.01	49.01

37. LEASES

The Company's significant leasing arrangements are in respect of operating leases for Commercial and Residential premises. Lease income from operating leases is recognised on a straight-line basis over the period of lease. The particulars of the premises given under operating leases are as under:

(In ₹)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Future minimum lease rental receivable under operating leases are as follows:			
Not later than 1 year	92,44,723	73,47,355	-
Later than 1 year not later than 5 years	3,07,86,750	3,80,46,972	-
Later than 5 years	-	19,84,500	-

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

38. CORPORATE SOCIAL RESPONSIBILITY

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

Gross amount required to be spent by the Company during the year ₹ Nil (previous year ₹ 12,94,542/-)

(In ₹)

Amount spent during the year:	2017-18			2016-17		
	Amount spent in cash	Amount yet to be paid in cash	Total	Amount spent in cash	Amount yet to be paid in cash	Total
(i) Construction /acquisition of any asset	-	-	-	-	-	-
(ii) On the purpose other than (i) above	-	-	-	13,00,000	-	13,00,000

39. INTEREST IN ASSOCIATES

The Company has 48.99% and 49.01% shareholding in Simplex Mills Company Ltd. (SMCL) and Simplex Papers Ltd. (SPL) respectively. The Company has the ability to appoint directors on the Board of SMCL and SPL, giving it the power to participate in the financial and operating policy decisions. The Company has significant influence by virtue of its shareholding in SMCL and SPL making them as associates. The Company's interest is accounted for using the equity method in the consolidated financial statements. As per the equity method, if an entity's share of losses of an associate equals or exceeds its interest in the associate, the entity discontinues recognizing its shares of further losses. The Company's share of losses of associates had already exceeded its interest in the associates, hence no further losses are being recognized.

Name of the Company	Principal place of business	Carrying amount (₹)			
		As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016	% of ownership interest
Simplex Mills Company Limited	India	-	-	-	48.99%
Simplex Papers Limited	India	-	-	-	49.01%

Significant financial information for associates

Summarised Balance Sheet of Simplex Mills Company Limited

(In ₹)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Current assets	1,12,30,943	99,11,756	1,26,41,154
Non-current assets	4,50,93,966	4,71,90,094	5,02,07,027
Current liabilities	10,17,16,538	9,81,59,807	10,16,37,674
Non-current liabilities	-	-	-
Equity	(4,53,91,629)	(4,10,57,957)	(3,87,89,493)

SIMPLEX REALTY LIMITED

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

Summarised Statement of Profit and Loss of Simplex Mills Company Limited

(In ₹)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Revenue	17,25,475	19,98,748
Loss for the year	(43,33,672)	(22,68,464)
Other comprehensive income	-	-
Total comprehensive income/(expense)	(43,33,672)	(22,68,464)

Summarised Balance Sheet of Simplex Papers Limited

(In ₹)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Current assets	2,08,60,348	1,48,46,647	1,52,35,551
Non-current assets	9,87,369	9,94,429	97,54,429
Current liabilities	13,15,41,076	12,43,21,749	12,44,92,310
Non-current liabilities	-	-	-
Equity	(10,96,93,359)	(10,84,80,673)	(9,95,02,330)

Summarised Statement of Profit and Loss of Simplex Papers Limited

(In ₹)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Revenue	5,24,304	47,13,183
Loss for the year	(12,12,686)	(89,78,343)
Other comprehensive income	-	-
Total comprehensive income/(expense)	(12,12,686)	(89,78,343)

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

40. DISCLOSURE MANDATED BY SCHEDULE III BY WAY OF ADDITIONAL INFORMATION

Name of the entity	Net Assets (total assets minus total liabilities)		Share in Profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated	₹	As % of consolidated	₹	As % of consolidated	₹	As % of consolidated	₹
Simplex Realty Limited								
Balance as at 31st March, 2018	102%	1,07,43,51,934	117%	(7,24,01,576)	100%	24,32,037	117%	(6,99,69,539)
Balance as at 31st March, 2017	103%	1,14,72,01,768	100%	(6,08,53,127)	100%	32,15,966	100%	(5,76,37,161)
Associates*								
Simplex Mills Company Limited								
Balance as at 31st March, 2018	-	-	-	-	-	-	-	-
Balance as at 31st March, 2017	-	-	-	-	-	-	-	-
Simplex Papers Limited								
Balance as at 31st March, 2018	-	-	-	-	-	-	-	-
Balance as at 31st March, 2017	-	-	-	-	-	-	-	-
Adjustments arising out of consolidation								
As at 31st March, 2018	2%	1,89,50,250	17%	(1,03,85,981)	-	-	17%	(1,03,85,981)
As at 31st March, 2017	3%	2,93,36,231	-	-	-	-	-	-
Total for 31st March, 2018	100%	1,05,54,01,684	100%	(6,20,15,595)	100%	24,32,037	100%	(5,95,83,558)
Total for 31st March, 2017	100%	1,11,78,65,537	100%	(6,08,53,127)	100%	32,15,966	100%	(5,76,37,161)

* The net assets of these entities have not been consolidated under the equity method.

41. Exceptional item

During the year, the Company has received a demand from the Collector of Mumbai for payment of premium towards the change of user from industrial to residential use of leasehold land which was developed after obtaining necessary permissions from the concerned authorities. At the time of permission, there was no policy applicable for the premium to be charged for change of user and the Collector gave permission subject to payment of 3% as adhoc premium and undertaking to pay the premium as and when the policy is framed. During the year, the Government of Maharashtra has issued a policy related to the premium payable for change of user of Government Land and the premium is 50% of ready reckoner rate applicable on the date of permission. Accordingly, the Collector has issued demand notice for ₹ 6,55,57,482/- being the difference of premium applicable as per the policy and adhoc amount already paid. As this is not expected to be of recurring nature, the same has been disclosed as Exceptional Item.

42. Contingent Liabilities not provided for:

a) Claims against the Company not acknowledged as debt:

(In ₹)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
a) Appeals filed in respect of disputed demands:			
Relating to income tax where the Company is in appeal	4,77,38,205	7,70,57,999	7,32,61,149
Relating to income tax where Department is in appeal	54,46,63,110	54,46,63,110	54,46,63,110
b) Labour matters	1,35,327	1,35,327	1,35,327
c) Legal cases	34,05,600	34,05,600	34,05,600

SIMPLEX REALTY LIMITED

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

b) Contingent liabilities of associates, to the extent of Company's holding in associates:

(In ₹)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
a) Appeals filed in respect of disputed demands:			
i) Central Excise	16,88,43,761	16,88,94,020	17,63,80,470
ii) Labour Matters	52,28,435	52,65,689	89,53,592
b) Other claims	35,35,926	35,35,926	35,35,926
c) SICOM/Joint Director of Industries	93,89,624	88,64,891	83,40,157

c) Others

The Company had received a demand notice of ₹ 17,15,65,324/- (as at 31st March, 2017 ₹ 17,15,65,324/- and as at 1st April, 2016 ₹ 17,15,65,324/-) from the State Revenue Department on account of permission required for transfer of flats built out of FSI relating to Leasehold land in project "Planet Godrej". The Company filed a writ petition against the demand in the Honb'le High Court of Bombay ("the Court") and the Court has stayed the demand order until a formal policy applicable to all leasehold lands is framed by the State. Further, the Court has ordered that as and when the policy is framed by the State, thereafter, the State shall approach the Honb'le High Court of Bombay for amending the present order.

43. Based on the intimations received from "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED), there are no amounts outstanding to MSME as at 31st March, 2018 and no amounts were overdue during the year for which disclosure requirements under MSMED are applicable.
44. The lease of the land at Mumbai has expired and it is yet to be renewed by the Collector of Mumbai ("the Collector"). Pending renewal of the lease, the previously agreed lease rent continues to be paid by the Company on the basis of the expired lease agreement. The demands previously raised by the Collector have been set aside by the Honb'le High Court of Bombay ("the Court"), and the Court has directed the Collector to re-assess the lease rent. As of the Balance Sheet date, no revised demand is received.
45. During the year, the Company has recognized ₹ 15,72,86,419/- as revenue from the on-going project "Simplex Khushaangan". The aggregate amount of cost incurred and the profit/(loss) recognized to date is ₹ 89,33,79,598/- and ₹ (17,58,95,207/-) respectively.
46. The Company's main business activity constitutes developing real estate, which is the only reporting segment. The Company does not have any reportable geographical segment.
47. The Financial Statements of the Company for the year ended 31st March, 2018 were approved by the Board of Directors on 14th May, 2018.
48. Previous year's figures have been reclassified, wherever necessary, to conform current year's presentation.

As per our report of even date attached

For and on behalf of the Board

For Dayal and Lohia
Chartered Accountants
Firm's Registration No.102200W

Surendra Kabra
Chief Financial Officer

Nandan Damani
Chairman and Managing Director

Anil Lohia
Partner
Membership No. 31626
Mumbai, 14th May, 2018

Shekhar R Singh
Company Secretary

Surendra Kumar Somany
Independent Director

Mumbai, 14th May, 2018

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**Form No. SH-13
Nomination Form**

[Pursuant to Section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014]

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

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

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

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

2. PARTICULARS OF NOMINEE/S –

- a. Name:
- b. Date of Birth:
- c. Father's / Mother's / Spouse's name:
- d. Occupation:
- e. Nationality:
- f. Address:
- g. E-mail Id. & Telephone No.:
- h. Relationship with the security holder(s):

3. IN CASE NOMINEE IS A MINOR –

- a. Date of birth:
- b. Date of attaining majority:
- c. Name of guardian:
- d. Address of guardian:

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

- a. Name:
- b. Date of Birth:
- c. Father's / Mother's / Spouse's name:
- d. Occupation:
- e. Nationality:
- f. Address:
- g. E-mail Id. & Telephone No.:
- h. Relationship with the security holder(s)
- i. Relationship with the minor nominee:

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

Signature(s)

Name(s) and Address of Witness

Signature

SIMPLEX REALTY LIMITED

Form No. SH-14 Cancellation or Variation of Nomination Form

[Pursuant to sub- section (3) of Section 72 of the Companies Act, 2013 and Rule 19(9) of the Companies (Share Capital and Debentures) Rules, 2014]

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

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

Or

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

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

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

2. (a) PARTICULARS OF NOMINEE/S –

- i. Name:
- ii. Date of Birth:
- iii. Father's / Mother's / Spouse's name:
- iv. Occupation:
- v. Nationality:
- vi. Address:
- vii. E-mail Id. & Telephone No.:
- viii. Relationship with the security holder(s):

(b) IN CASE NOMINEE IS A MINOR –

- i. Date of birth:
- ii. Date of attaining majority:
- iii. Name of guardian:
- iv. Address of guardian:

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

- i. Name:
- ii. Date of Birth:
- iii. Father's / Mother's / Spouse's name:
- iv. Occupation:
- v. Nationality:
- vi. Address:
- vii. E-mail Id. & Telephone No.:
- viii. Relationship with the security holder(s)
- ix. Relationship with the minor nominee:

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

Signature(s)

Name(s) and Address of Witness

Signature



CIN: L17110MH1912PLC000351

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

ATTENDANCE SLIP

I hereby record my presence at the 105th ANNUAL GENERAL MEETING held at M.C. Ghia Hall, 4th Floor, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Kala Ghoda, Mumbai 400 001 at 11.30. A.M. on Wednesday, the 1st day of August, 2018.

DP.ID.No. _____

Client I.D.No. _____

Folio No. _____

Full Name of Member _____

Signature _____

Full Name of Proxy (in Block Letters) _____

Signature _____

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



CIN: L17110MH1912PLC000351

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

PROXY FORM

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

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

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

1. Name : Address:

E. mail ID: Signature: or failing him

2. Name : Address:

E. mail ID: Signature: or failing him

3. Name : Address:

E. mail ID: Signature:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 105th Annual General Meeting of the Company, to be held on Wednesday, the 1st August, 2018 at 11.30 A.M. at M.C. Ghia Hall, 4th Floor, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Kala Ghoda, Mumbai - 400 001 and at any adjournment thereof in respect of such resolutions as are indicated below:



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

Resolutions	For	Against
Ordinary Business:		
1. Adoption of the Audited Financial Statements (including the Consolidated Financial Statements), the Reports of the Directors' and Auditors.		
2. Re-appointment of Shri Tharavanat C SuseelKumar as a Director, who retires by rotation		
3. Appointment of Khandelwal and Mehta LLP, as Statutory Auditors.		
Special Business:		
4. Re- appointment of Shri Sanjay N Damani as an Executive Director.		
5. Revision in the terms of remuneration of Smt. Sandhya R Kini, Whole-time Director.		
6. Approval for the Material Related Party Transaction(s).		

Signed this.....day of2018.

Signature of Member

Signature of Proxy holder(s)

Affix
Revenue
Stamp
(Signature)

Note:

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

To
Freedom Registry Limited
Unit: Simplex Realty Limited
Plot No. 101/102, 19th Street,
MIDC, Satpur,
Nashik- 422 007

Updation of Shareholder Information

I/ We request you to record the following information against my/our Folio No.:

General Information:

Folio No.:	
Name of the first named Shareholder:	
PAN:*	
CIN/ Registration No.:* (applicable to Corporate Shareholders)	
Tel No. with STD Code:	
Mobile No:	
Email Id:	

**Self-attested copy of the document(s) enclosed*

Bank Details

IFSC: (11 digit)	MICR: (9 digit)
Bank A/c Type:	Bank A/c No.:*
Name of the Bank:	
Bank Branch Address:	

** A blank cancelled cheque is enclosed to enable verification of bank details.*

I/ We hereby declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete or incorrect information, I/ We would not hold the Company/ STA responsible. I/ We undertake to inform any subsequent changes in the above particulars as and when the changes take place. I/ We understand that the above details shall be maintained by you till I/We hold the securities under the above mentioned Folio No.

Place:

Date:

Signature of Sole/ First holder

SIMPLEX REALTY LIMITED

NOTES

Route map of venue of the AGM Hall



If undelivered, please return to:

Simplex Realty Limited

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