

11<sup>th</sup> July, 2022

**Department of Corporate Services**

BSE Limited

Phiroz Jeejeebhoy Towers,

Dalal Street,

Mumbai-400001

Dear Sir / Madam,

**Ref: Script Code - 503229**

**Sub: Submission of the Annual Report for the financial year 2021-22.**

In pursuance of Regulation 34 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, please find enclosed herewith the Annual Report of the Company for the financial year 2021-22 containing inter-alia the Notice convening the 109<sup>th</sup> Annual General Meeting to be held on Wednesday, 3<sup>rd</sup> August, 2022 at 11.30 a.m. through Video Conferencing ('VC') / Other Audio-Visual Means ('OAVM'), Board's Report with the relevant annexures, Management Discussion and Analysis, Report on Corporate Governance, Audited Financial Statements (Standalone and Consolidated), Auditors' Report thereon, etc. for the financial year 2021-22.

The soft copy of the Annual Report is also available on the website of the Company at [www.simplex-group.com](http://www.simplex-group.com)

You are requested to take the same on your records.

Thanking You,

Yours faithfully,

For **Simplex Realty Limited**



**Kinjal P Shah**  
**Company Secretary**  
**& Compliance Officer**



**109<sup>TH</sup>**  
**ANNUAL REPORT**  
**2021-2022**

# SIMPLEX REALTY LIMITED

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## Board Of Directors

Shri Nandan Damani	Chairman and Managing Director
Shri Sanjay N Damani	Executive Director
Smt. Sandhya R.Kini	Executive Director
Shri Vishnubhai B.Haribhakti	Independent Non-Executive Director
Shri Surendra Kumar Somany	Independent Non-Executive Director
Shri Vijay S.Jindal	Independent Non-Executive Director
Shri Sabhapati G.Shukla	Independent Non-Executive Director
Shri Praveen Kumar (Appointed w.e.f.25 <sup>th</sup> May, 2022)	Non-Executive Director
Smt. Renu Jain (Resigned w.e.f.18 <sup>th</sup> May, 2022)	Non-Executive Director

## Chief Financial Officer

Shri Surendra Kabra

## Company Secretary

Mrs.Kinjal P. Shah  
(Appointed w.e.f 7<sup>th</sup> February, 2022)

## Statutory Auditors

Khandelwal and Mehta LLP  
Chartered Accountants  
Mumbai

## Secretarial Auditors

Taher Sapatwala & Associates  
Company Secretaries  
Mumbai

## Corporate Identification Number (CIN)

L17110MH1912PLC000351

## Bankers

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

## Solicitors

M/s.Federal and Company, 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, 19<sup>th</sup> Street,  
Tel.:0253-2354032  
Fax :0253-2351126  
Email: support@freedomregistry.co.in

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109<sup>th</sup> Annual General Meeting of the Company will be held on Wednesday, the 3<sup>rd</sup> August, 2022 at 11.30.am through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")

## NOTICE

NOTICE is hereby given that the Hundred and Ninth **ANNUAL GENERAL MEETING** of the Members of **SIMPLEX REALTY LIMITED** will be held on Wednesday, the 3<sup>rd</sup> day of August, 2022 at 11.30 a.m. through Video Conferencing (“VC”)/ Other Audio Video Means (“OAVM”) 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 audited Consolidated Financial Statements) of the Company for the financial year ended 31<sup>st</sup> March, 2022 and the Reports of the Directors’ and Auditors’ thereon.

#### 2. To declare dividend on Equity Shares for the financial year 2021-22.

#### 3. Appointment of Director in place of those retiring by rotation.

To appoint a Director in place of Smt. Sandhya R. Kini, who retires by rotation and being eligible, offers herself for re-appointment.

### SPECIAL BUSINESS:

#### 4. Appointment of Shri Praveen Kumar, nominee of Life Insurance Corporation of India (LIC) as a Director of the Company

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

“**RESOLVED THAT** pursuant to the provisions of Section 152 and all other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Articles of Association of the Company (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Shri Praveen Kumar (DIN 09617351), who was appointed as an Additional Director of the Company with effect from 25<sup>th</sup> May, 2022 by the Board of Directors and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Act, being eligible and in respect of whom the Company has received a notice in writing under Section 160 (1) of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

By order of the Board of Directors

**Kinjal P Shah**  
Company Secretary

Mumbai, 25<sup>th</sup> May, 2022  
CIN: L17110MH1912PLC000351

### Registered Office:

30, Keshavrao Khadye Marg,  
Sant Gadge Maharaj Chowk,  
Mumbai-400011

### NOTES:

1. The Ministry of Corporate Affairs (“MCA”) allowed conducting Annual General Meeting (“AGM”) through Video Conferencing (“VC”) or Other Audio-Visual Means (“OAVM”) and dispensed physical presence of the Members at a common venue. Accordingly, MCA issued Circular No. 20/2020 dated 5<sup>th</sup> May, 2020 read with Circular No. 14/2020 dated 8<sup>th</sup> April, 2020, Circular No. 17/2020 dated 13<sup>th</sup> April, 2020, Circular No. 02/2021 dated 13<sup>th</sup> January, 2021, Circular No. 19/2021 dated 8<sup>th</sup> December, 2021 and Circular No. 02/2022 dated 05<sup>th</sup> May, 2022 (hereinafter collectively referred to as “MCA Circulars”) and Securities and Exchange Board of India (“SEBI”) vide Circular Nos. SEBI/HO/CFD/CMD1CIR/P/2020/79 dated 12<sup>th</sup> May, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15<sup>th</sup> January, 2021 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13<sup>th</sup> May, 2022 (hereinafter collectively referred to as SEBI Circulars) prescribing the procedures and manner of conducting the AGM through VC/OAVM. In terms of the said Circulars, the 109<sup>th</sup> AGM of the Members will be held through VC/OAVM mode. Hence, Members can attend and participate in the AGM through VC/OAVM only. The registered office of the Company shall be deemed to be the venue for the AGM.
2. 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 number 4** of the Notice dated 25<sup>th</sup> May, 2022 is appended hereto. The relevant details of Directors seeking appointment/re-appointment pursuant to the Regulation 36(3) of the Securities and Exchange Board of India (SEBI) (Listing

# SIMPLEX REALTY LIMITED

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Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) and Secretarial Standard-2 is given in Annexure to this Notice.

3. In view of the MCA Circulars, no proxy shall be appointed by the Members and accordingly the Proxy Form and Attendance Slip are not annexed to this Notice. However, the Corporate Members/Institutional Investors (i.e other than Individuals, HUF, NRI etc.) intending to authorize their representatives are requested to send duly certified copy of the Board Resolution alongwith attested specimen signature (s) of the duly authorized signatory (ies) who are authorized to participate in the AGM through VC/OAVM and to vote through remote e-voting to the Scrutinizer by e-mail to [fcsravisharma@gmail.com](mailto:fcsravisharma@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
4. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
5. Since the AGM will be held through VC / OAVM, the Route Map is not annexed to this Notice.
6. Pursuant to Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("The Listing Regulations") and in line with the MCA Circulars, the Notice calling the AGM and Annual Report is available on the website of the Company at [www.simplex-group.com](http://www.simplex-group.com). The Notice can also be accessed from the website of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and is also available on the website of e-voting agency National Securities Depository Limited (NSDL) at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
7. **Book Closure and dividend**

- i. The Register of Members and Transfer Books of the Company will be closed from Thursday, the 28<sup>th</sup> day of July, 2022 to Wednesday, the 3<sup>rd</sup> day of August, 2022 (both days inclusive) for the purpose of the Hundred and Nineth Annual General Meeting (the AGM) and dividend, subject to the approval of the members.

The dividend of ₹ 1.00 per share (i.e. 10%) on the Equity Shares of the Company of face value ₹10/- each, if declared at the AGM, will be paid subject to deduction of income tax at source (TDS), as applicable, within 30 days from the date of the AGM.

**For Shares held in electronic form:** To all the Beneficial Owners as at the end of the day on Wednesday, 27<sup>th</sup> July, 2022 as per the list of Beneficial Owners to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL); and

**For Shares held in physical form:** To all the Members, whose names appears in the Company's Register of Members after giving effect to valid transmission and transposition requests lodged with the Company as at the close of business hours on Wednesday, 27<sup>th</sup> July, 2022.

- ii. Dividend income is taxable in the hands of the Shareholders and the Company is required to deduct TDS from dividend paid to the Members at rates prescribed in the Income Tax Act, 1961 (the IT Act). In general, to enable compliance with TDS requirements, members are requested to complete and/or update their Residential Status, Permanent Account Number (PAN), Category as per the IT Act with their Depository Participants (DPs) or in case shares are held in physical form, with the Company/Share Transfer Agents (STA) by sending documents through email by Tuesday, 26<sup>th</sup> July, 2022. The details are available on the website of the Company at [www.simplex-group.com](http://www.simplex-group.com) under the 'Investor Relations' section.

A communication providing information and detailed instructions with respect to tax on the dividend for the financial year ended 31<sup>st</sup> March, 2022 is being sent separately to the Members whose email addresses are registered with the Company/DPs.

**Updation of mandate for receiving dividends directly in bank account through Electronic Clearing System or any other means in a timely manner:**

**Shares held in physical form:** Members are requested to send the following documents in original to STA.

- a. Form ISR-1 along with the supporting documents. The said form is available on the website of the Company at <https://simplex-group.com/report.php>.
- b. original cancelled cheque bearing the name of the Member or first holder, in case shares are held jointly. In case

name of the holder is not available on the cheque, kindly submit the following documents:-

- i) cancelled cheque in original.
  - ii) bank attested legible copy of the first page of the Bank Passbook / Bank Statement bearing the names of the account holders, address, bank account number and the full address of the bank branch.
- c. self-attested photocopy of the PAN Cards of all the holders; and
- d. self-attested photocopy of any document (such as Aadhaar Card, Driving Licence, Election Identity Card, Passport) in support of the address of the first holder as registered with the Company.

**Shares held in electronic form:**

Members may please note that their bank details as furnished by the respective Depositories to the Company will be considered for remittance of dividend as per the applicable regulations of the Depositories and the Company will not be able to accede to any direct request from such Members for change/addition/deletion in such bank details. Accordingly, the Members holding shares in demat form are requested to ensure that their DPs update their Electronic Bank Mandate.

Further, please note that instructions, if any, already given by the Members in respect of shares held in physical form will not be automatically applicable to the dividend paid on shares held in electronic form.

For Members who are unable to receive the dividend directly in their bank accounts through Electronic Clearing Service or any other means due to non-registration of the Electronic Bank Mandate, the Company shall despatch the dividend warrant/demand draft to such Members at the address registered with the Company.

8. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which the directors

are interested, maintained under Section 189 of the Act, will be available for inspection in the electronic form (scanned copy) by the Members during the AGM. All documents referred to in the Notice will also be available for inspection in the electronic form (scanned copy) without any fee by the Members from the date of circulation of this Notice up to the date of AGM, i.e. 3<sup>rd</sup> August, 2022. Members seeking to inspect such documents can send an email to [company-secretary@simplex-group.com](mailto:company-secretary@simplex-group.com)

**9. 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 and Protection Fund (IEPF) established by the Government. Accordingly, during the year, unclaimed dividends amounting ₹ 3.73 Lakhs pertaining to the financial year 2013-2014 has been transferred to IEPF on 20<sup>th</sup> September, 2021.

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 31<sup>st</sup> March, 2015 is requested to approach the Company/ Share Transfer Agent (STA) of the Company for claiming the same as early as possible but not later than 10<sup>th</sup> September, 2022.

**(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 31<sup>st</sup> March, 2015 and subsequent years on the website of the Company at [www.simplex-group.com](http://www.simplex-group.com) under Investor Relations section.

**(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 Suspend 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 Suspend 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.

## 10. Nomination Facility

As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or Form SH-14 as the case may be. The said form can be downloaded from the Company's website <https://simplex-group.com/report.php>. Members are requested to submit the said details to their DP in case the shares are held by them in electronic form or to STA in case the shares are held in physical form.

11. The format of the Register of Members prescribed by the Ministry of Corporate Affairs under the Act, requires the Company/Share Transfer Agent to record additional details of Members, including their PAN details, email address, bank details for payment of dividend, etc. This request should be submitted in Form ISR-1, which is appended at the end of this Annual Report. Members holding shares in physical form are requested to submit the filled in form to the Company or its Share Transfer Agent. Members holding shares in electronic form are requested to submit the details to their respective Depository Participants.

## 12. Updation of PAN and other details

SEBI, vide its circular dated 3<sup>rd</sup> November, 2021 has mandated furnishing of PAN, KYC details (i.e., Postal Address with Pin Code, email address,

mobile number, bank account details) and nomination details, by the holders of physical securities through Form ISR-1. As per the circular, w.e.f. 1<sup>st</sup> January 2022, any service requests or complaints received from the Members, will not be processed by STA till the aforesaid details/documents are provided by the Shareholder. On or after 1<sup>st</sup> April 2023, in case any of the above cited documents/ details are not available in the Folio(s), STA shall be constrained to freeze such Folio(s).

Accordingly, the Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing their PAN, KYC and Nomination details. Relevant details and forms prescribed by SEBI to give effect to the aforesaid circular are available on the website of the Company at [www.simplex-group.com](http://www.simplex-group.com)

13. 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.

14. In accordance with Regulation 40(1) of the SEBI Listing Regulations, as amended, the Company has stopped accepting any fresh transfer requests for securities held in physical form. Members holding shares of the Company in physical form are requested to kindly get their shares converted into demat/electronic form to get inherent benefits of dematerialisation.

Further, Members may please note that SEBI vide its Circular dated 25<sup>th</sup> January, 2022 mandated listed companies to issue securities in demat form only while processing any service requests viz. issue of duplicate securities certificate; claim from Unclaimed Suspend Account; renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the website of the Company at <https://simplex-group.com/report.php>.

## 15. 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 National Securities Depository Limited (NSDL).

The facility for voting, through electronic voting system shall also be made available during the AGM. The Members attending the meeting, through VC/OAVM facility and who have not already cast their vote through remote e-voting shall be eligible to vote through e-voting system in the AGM. 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 remote e-voting period begins on Sunday, the 31<sup>st</sup> July, 2022 at 9:00 A.M. and ends on Tuesday, the 2<sup>nd</sup> August, 2022 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Wednesday, the 27<sup>th</sup> July, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 27<sup>th</sup> July, 2022.
- (ii) Any person, holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding

shares as of the cut-off date, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no. 1800 1020 990 and 1800 22 44 30 . In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. 27<sup>th</sup> July, 2022 may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".

**How do I vote electronically using NSDL e-Voting system?**

The way to vote electronically on NSDL e-voting system consists of "Two Steps" which are mentioned below:

**Step 1: Access to NSDL e-voting system**





**A) Login method for e-voting and joining virtual meeting for individual shareholders holding securities in demat mode**

In terms of SEBI circular dated 9<sup>th</sup> December 2020, on e-voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-voting facility.

Login method for individual shareholders holding securities in demat mode is given below:



# SIMPLEX REALTY LIMITED

Type of shareholders	Login Method
<p>Individual Shareholders holding securities in demat mode with NSDL.</p>	<ol style="list-style-type: none"> <li>Existing <b>IDEAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the <b>“Beneficial Owner”</b> icon under <b>“Login”</b> which is available under <b>‘IDEAS’</b> section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on <b>“Access to e-Voting”</b> under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting. If you are not registered for IDEAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select <b>“Register Online on IDEAS Portal”</b> or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https:// eservices.nsdl.com/ SecureWeb/ Ideas Direct Reg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to <b>e-Voting website of NSDL</b> for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App <b>“NSDL Speede”</b> facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div style="text-align: center;"> <p><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  App Store         </div> <div style="text-align: center;">  Google Play         </div> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 10px;">   </div> </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once logged-in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43

**B) Login Method for e-voting and joining virtual meeting for shareholders other than individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Login to NSDL e-Voting website?**

1. Visit the e-voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can login at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you login to NSDL eservices after using your login credentials, click on e-voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 120115 then user ID is 120115001***

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
  - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

# SIMPLEX REALTY LIMITED

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- (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
- 6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "**Forgot User Details / Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.
- 7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
- 8. Now, you will have to click on "Login" button.
- 9. After you click on the "Login" button, Home page of e-voting will open.

## **Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

### **How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

- 1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
  - 2. Select "EVEN" of Company which is 120115 to cast your vote during the remote e-voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "**Join Meeting**".
  - 3. Now you are ready for e-voting as the Voting page opens.
  - 4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
- 5. Upon confirmation, the message "Vote cast successfully" will be displayed.
  - 6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
  - 7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### **General guidelines for shareholders**

- 1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature (s) of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [fcsravisharma@gmail.com](mailto:fcsravisharma@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "**Upload Board Resolution / Authority Letter**" displayed under "**e-Voting**" tab in their login.
- 2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "**Forgot User Details/Password?**" or "**Physical User Reset Password?**" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
- 3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Sarita Mote at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

### **Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e-mail ids for e-voting for the resolutions set out in this notice:**

- 1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [support@freedomregistry.co.in](mailto:support@freedomregistry.co.in)

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [support@freedomregistry.co.in](mailto:support@freedomregistry.co.in) If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method **explained at step 1 (A) i.e. Login method for e-voting and joining virtual meeting for individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated 9<sup>th</sup> December, 2020 on e-voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:**

1. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM.
3. Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote again at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-voting on the day of the AGM shall be the same person mentioned for remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM AREAS UNDER:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system.** After successful login, you can see link of “VC/OAVM link” placed under “**Join General meeting**” menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
  2. Facility of joining the AGM through VC/OAVM shall open 30 minutes before the time scheduled for the AGM and shall be kept open throughout the proceedings of the AGM.
  3. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at [company-secretary@simplex-group.com](mailto:company-secretary@simplex-group.com) from 28<sup>th</sup> July, 2022 (9:00 a.m. IST), to 30<sup>th</sup> July, 2022 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
  4. Members who need assistance before or during the AGM, can contact NSDL on [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)/ 1800 1020 990 /1800 224 430 or contact Ms. Sarita Mote, Assistant Manager, NSDL, at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- 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) i.e. Wednesday, 27<sup>th</sup> July, 2022.

# SIMPLEX REALTY LIMITED

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- III Shri Ravi Sharma, Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- IV The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make not later than three days of conclusion of the meeting a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.
- V The Results shall be declared on or after the AGM of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.simplex-group.com and on the website of NSDL within two days of passing of the resolutions at the AGM of the Company and communicated to BSE Limited.
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## EXPLANATORY STATEMENT

As required by Section 102 of the Companies Act, 2013 (the Act), the following Explanatory Statement sets out all material facts relating to the business mentioned under **Item number 4** of the accompanying Notice dated 25<sup>th</sup> May, 2022.

### Item No. 4

Life Insurance Corporation of India (LIC) vide its letter no. IMA/ND Cell/ RS/ dated 5<sup>th</sup> May, 2022, withdrew the nomination of Smt. Renu Jain, Director (ZTC-Gurugram) and appointed Shri Praveen Kumar as its representative on the Board of the Company. Accordingly, Shri Praveen Kumar was appointed as an Additional Director of the Company with effect from 25th May, 2022.

In terms of Section 161(1) of the Act, Shri Praveen Kumar holds office only upto the date of the ensuing AGM of the Company but is eligible for appointment as a Director, whose office shall be liable to retire by rotation.

Shri Praveen Kumar, Aged 60 years, joined the Corporation in December 1985 as a Direct Recruit Officer of the 14th batch. Having done his masters in chemistry, he has rich and varied experience of over 36 years in the Corporation with the distinction of having worked in all four offices of the Corporation i.e. branches, division, zones and central office i.e. from the grass root operational level to the highest policy formulation level.

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

Shri Praveen Kumar does not hold any shares in the Company.

The Board is of the view that the appointment of Shri Praveen Kumar on the Company's Board as Director is desirable and would be beneficial to the Company.

Accordingly, consent of the Members is sought for passing resolution as set out in this Item of the Notice for appointment of Shri Praveen Kumar as a Director of the Company.

Except, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item number 4 except to the extent of their shareholding, if any, in the Company.

By order of the Board of Directors

**Kinjal P Shah**  
Company Secretary

Mumbai, 25<sup>th</sup> May, 2022  
CIN: L17110MH1912PLC000351

**Registered Office:**  
30, Keshavrao Khadye Marg,  
Sant Gadge Maharaj Chowk,  
Mumbai – 400011

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**DETAILS OF DIRECTORS SEEKING APPOINTMENT /RE-APPOINTMENT IN TERMS OF THE REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, AND SECRETARIAL STANDARDS-2 ON GENERAL MEETINGS**

**Item No. 3**

**Re- appointment of Smt. Sandhya R. Kini**

Smt. Sandhya R. Kini, aged 53 years has been associated with the Company since 2011 and holds 100 equity shares in the Company. She is a commerce graduate from University of Mumbai and has experience in the field of general administration.

She has attended all five Meetings of the Board during the year under review. She currently serves as a Director on the Boards of Lucky Vyapaar and Holdings Private Limited and Simplex Renewable Resources Private Limited. Further, she is not related to any of the Directors or Key Managerial Personnel of the Company.

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

Except Smt. Sandhya R. Kini, none of the Directors and the Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the Item No.3 of the Notice.

The Board recommends the Resolution set out at item no.3 of the Notice for your approval.

**Item No. 4**

**Appointment of Shri Praveen Kumar, nominee of LIC as a Director of the Company**

Shri Praveen Kumar, aged 60 years, joined the Corporation in December, 1985, as a Direct Recruit Officer of the 14th batch. He has an experience of over 36 years in the Corporation. He has worked in both Marketing and Administrative Assignments and also

headed Branches and Divisions during his career. Furthermore, he has experience of working in Rural, Urban and Metro Offices of the Corporation. This multifaceted work experience stood in great stead when during 2002-03, as head of Kanpur Division, he steered the Division to become one of the top business performers of the Corporation. Besides Kanpur Division, he has also headed one of the Divisions of Mumbai.

Before Joining as the Executive Director (New Business & Reinsurance), he has worked as the Executive Director (Marketing: Bancassurance and Alternate Channels) and prior to that he has worked as the General Manager in LIC- Housing Finance Ltd, besides, as the Chief in the Central Office Departments viz. New Business and Reinsurance and Human Resources Development.

Shri Praveen Kumar is not related to any Director or Key Managerial Personnel of the Company and does not hold any shares of the Company.

By order of the Board of Directors

**Kinjal P Shah**  
**Company Secretary**

Mumbai, 25<sup>th</sup> May, 2022  
CIN: L17110MH1912PLC000351

**Registered Office:**  
30, Keshavrao Khadye Marg,  
Sant Gadge Maharaj Chowk,  
Mumbai – 400011

# SIMPLEX REALTY LIMITED

## DIRECTORS' REPORT

To  
The Members,

Your Directors are pleased to present the Hundred and Nineth Annual Report, together with the Audited Accounts for the year ended 31<sup>st</sup> March, 2022.

### FINANCIAL RESULTS

(₹ in Lakhs)

Particulars	2021-2022	2020-2021
<b>Total Income</b>	<b>878.88</b>	924.15
Profit before Depreciation, Finance Costs, Exceptional Item and Taxation	<b>339.59</b>	73.79
Less: Depreciation	<b>16.35</b>	12.35
Less: Finance Costs	<b>9.80</b>	20.63
<b>Profit before Exceptional Item and Tax</b>	<b>313.44</b>	40.81
Less: Exceptional Item	-	-
<b>Profit before Tax</b>	<b>313.44</b>	40.81
Less: Current Tax	<b>29.31</b>	7.01
Deferred Tax	<b>34.55</b>	(12.72)
Taxes of earlier years	<b>2.77</b>	0.02
<b>Profit for the year</b>	<b>246.81</b>	46.50
Other Comprehensive Income/ (Expense) for the year, net of tax	<b>18.14</b>	98.66
<b>Total Comprehensive Income/ (Expense) for the year</b>	<b>264.95</b>	145.16

### DIVIDEND

The Directors are pleased to recommend a dividend of ₹1.00 per share (i.e 10%) on equity shares of face value of ₹ 10/- each for the year ended 31<sup>st</sup> March, 2022. The dividend, as recommended above, if approved by the Members at the ensuing Annual General Meeting, the total outflow towards dividend on equity shares for the year would be ₹ 29.91 Lakhs.

### OPERATIONS

The total income of the Company for the current year is ₹ 878.88 Lakhs as against ₹ 924.15 Lakhs during the previous year. The Company has made a net profit of ₹ 246.81 Lakhs during the current years as against the net profit of ₹ 46.50 Lakhs in the previous year. During the year, the Company has reversed impairment loss in the value of investment in one of the associates of ₹ 103.86 Lakhs based on the market price of share of the investee company. The EPS for the current year is ₹ 8.25 as against ₹ 1.55 in the previous year.

### TRANSFER TO RESERVES

The Board of Directors of your Company have not transferred any amount to the reserves for the financial year under review.

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

During the year, the Board of Directors reviewed the affairs of the Associate Companies. In terms of sub-section 3 of Section 129 of the Act, we have prepared consolidated financial statements of the Company, which forms part of the Annual Report. Further, a statement containing 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.

### PROJECTS

The Company is developing a project consisting of villas at Nachinolla, Goa. We have obtained completion certificate from the concerned authorities for the villas. Interior work for villas is in final stage and we are expecting these villas to be ready for sale during the current year.

The Company is exploring the options to start development on its own land at Mahalaxmi, Mumbai.

The Company's project "Simplex KhushAangan" is completed and handed over to the society for its day to day maintenance. The Company has inventory (i.e. commercial units) in this project and we are making efforts to sale the inventory.

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

### **CHANGE IN THE NATURE OF BUSINESS**

There is no change in the nature of the business of the Company during the year.

### **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**

Smt. Sandhya R Kini (DIN: 03346789) a Director, retires by rotation in compliance with Section 152 of the Act, at the ensuing AGM of the Company and being eligible, offers herself for re-appointment. The Board of Directors are also of the opinion that Smt. Sandhya R Kini fulfills all the conditions as mentioned in the Act.

Smt. Renu Jain, nominee of Life Insurance Corporation of India (LIC) on the Company's Board, resigned as a Director with effect from 18<sup>th</sup> May, 2022. The Board has placed on record its appreciation for the valuable contribution made to the Company by Smt. Renu Jain during her tenure. Consequent to her resignation, Shri Praveen Kumar was nominated by LIC as a Director on the Board. The Board of Directors of the Company at the meeting held on 25<sup>th</sup> May, 2022, on the recommendation of Nomination and Remuneration Committee has approved the appointment of Shri Praveen Kumar as an Additional Director, upto the date of ensuing Annual General Meeting of the Company.

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) and that they are not disqualified to

become directors under the Companies Act, 2013. In terms of Section 150 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, Independent Directors of the Company have confirmed that they have registered themselves with the data bank maintained by The Indian Institute of Corporate Affairs ('IICA').

In terms of Section 134 (3)(q) read with Rule 8 of the Companies (Accounts) Rules, 2014, the Board of Directors is of the opinion that all the Independent Directors of the Company hold highest standards of integrity and possess requisite expertise and experience required to fulfill their duties as Independent Directors. As per the requirement of the circular from the stock exchange (no: LIST/COMP/14/2018-19 Dated June 20, 2018), the Board of Directors and its Nomination and Remuneration Committee, while considering the appointment and re-appointment of the directors, have verified that they are not debarred from holding the office of director pursuant to any SEBI order. Accordingly, the Company affirms that the Director proposed to be appointed/re-appointed is not debarred from holding the office of director by virtue of any SEBI order or any other such authority.

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

Consequent to resignation of Mr. Paras Shah, the Board has appointed Mrs. Kinjal P. Shah, as the Company Secretary and Compliance Officer designated as the Key Managerial Personnel of the Company with effect from 7<sup>th</sup> February, 2022.

### **BOARD EVALUATION**

The Board of Directors has carried out an annual evaluation of its own performance, 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 Directors 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.



# SIMPLEX REALTY LIMITED

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## NUMBER OF MEETINGS OF THE BOARD

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

## SHARE CAPITAL

The paid-up equity share capital stood at ₹ 299.14 Lakhs. During the year under review, the Company has not issued equity shares with differential voting rights, sweat equity shares, employees stock options and not made any provision for purchase of its own shares.

## 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 III** and form part of this Report.

## AUDITORS

Messers Khandelwal and Mehta LLP, Chartered Accountants, Mumbai (ICAI Firm Registration No. W100084), Auditors of the Company have submitted their Independent Auditors Report on the Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2022 and they have given an unmodified opinion(s) report on the Financial Statements for the year under review. The Auditors have confirmed that they comply with all the requirements and criteria and are qualified to continue to act as Auditors of the Company. No frauds have been reported by the Auditors under Section 143(12) of the Act.

## 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.

## SECRETARIAL STANDARDS

The Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and Annual General Meeting.

## CORPORATE GOVERNANCE

The Company has complied with the mandatory provisions of Corporate Governance 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 Section 134(3)(c) read with Section 134(5) of the Act, and the Listing Regulations, on the basis of information placed before them, the Directors state that:

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii. appropriate accounting policies have been selected and applied consistently, and the judgments and estimates that have been made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2022 and the profit of the Company for the said period;
- iii. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the annual accounts have been prepared on a going concern basis;
- v. the internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- vi. there is a proper system to ensure compliance with the provisions of all applicable laws and that such 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, 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-à-vis the Company.

## CORPORATE SOCIAL RESPONSIBILITY

As per the provisions of Section 135(1) of Companies Act, 2013, if Company having net worth of ₹ 500 crore or more or the turnover of ₹ 1,000 crore or more or net profit of ₹ 5 crore or more in immediately preceding financial year (i.e. as on 31<sup>st</sup> March, 2021 for the year under review) then the provision of this section is applicable. In the case of our Company, none of these criteria is fulfilled by the Company as on 31<sup>st</sup> March 2021.

Accordingly, the Company is not required to form Corporate Social Responsibility Committee and to spend any amount towards the CSR activities for the financial year 2021-22 as per the provision of Section 135 of the Companies Act, 2013.

However, with a view to have a better corporate governance, the Company continues with the CSR Committee which is already formed and conducts a meeting once in a year.

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 on [https://simplex-group.com/admin/report/uploads/Whistle%20Blower%20Policy\\_SRL.pdf](https://simplex-group.com/admin/report/uploads/Whistle%20Blower%20Policy_SRL.pdf)

## ANNUAL RETURN

In terms of Section 92(3) of the Companies Act, 2013, copy of the Annual Return of the Company is available on the website of the Company. The web link of the same is [https://simplex-group.com/admin/report/uploads/Form\\_MGT\\_7-2022.pdf](https://simplex-group.com/admin/report/uploads/Form_MGT_7-2022.pdf)

## STOCK EXCHANGE

The Company's equity shares are listed at BSE Limited and the Annual Listing Fees for the year 2022-23 has been paid.

## DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

During the financial year under review, no significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

## 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:	2021-22	2020-21
Foreign Exchange Earnings (₹ in Lakhs)	NIL	Nil
Foreign Exchange Outgo (₹ in Lakhs)	0.42	0.27

# SIMPLEX REALTY LIMITED

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## **DISCLOSURE UNDER THE PREVENTION OF SEXUAL HARASSMENT ACT, 2013**

The Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace and has duly constituted an Internal Complaints Committee in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder.

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

## **MATERIAL CHANGES AFFECTING THE COMPANY**

There were no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which these financial statements relate and the date of this Report.

## **DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (IBC) DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR**

Not applicable as the Company has not made or received any application under the IBC during the financial year.

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

The Company has not entered into any one time settlement and thus, this clause is not applicable.

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The Management Discussion and Analysis Report for the Financial Year under review as stipulated under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, is attached and forms a part of this Report.

## **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, 25<sup>th</sup> May, 2022

**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**

1. Brief Outline on CSR Policy of the Company: Our vision is to actively contribute to the social and economic development of the communities in which we operate. In doing, so to build a better, sustainable way of life for the weaker sections of society and raise the country's human development index.

2. Composition of the CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Shri Surendra Kumar Somany	Chairman	1	1
2.	Shri Nandan Damani	Member	1	1
3.	Shri Sanjay N Damani	Member	1	1

3. Web-link to the CSR Policy:

[http://www.simplex-group.com/upload\\_pdf/21524CSR%20Policy%20-%205.8.2015-SRL.pdf](http://www.simplex-group.com/upload_pdf/21524CSR%20Policy%20-%205.8.2015-SRL.pdf)

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): **Not Applicable**

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: **Not Applicable**

6. Average net profit of the Company for last 3 financial years as per Section 135(5): ₹ **142.65 Lakhs** (₹ in Lakhs)

Sr. No.	Particulars	Amount
a.	Two percent of average net profit of the company as per section 135(5)	Nil*
b.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	Nil
c.	Amount required to be set off for the financial year, if any	Nil
d.	Total CSR obligation for the financial year (7a+7b-7c).	Nil

\* The Company is not required to spend any amount towards CSR activities as per the provision of Section 135 of the Companies Act, 2013 ( Also please refer to clause 11 of this report).

8. (a) CSR amount spent or unspent for the financial year: **Not Applicable** (₹ in Lakhs)

Total Amount spent for the financial year.	Amount unspent				
	Total Amount transferred to Unspent CSR Account as per Section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
Nil	Nil	---	---	Nil	---

# SIMPLEX REALTY LIMITED

(b) Details of CSR amount spent against ongoing projects for the financial year: **Not Applicable** (₹ in Lakhs)

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project	Amount spent in the current financial year	Amount transferred to Unspent CSR Account for the project as per Section 135(6)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
1	-	-	-	-	-	-	Nil	Nil	Nil	-	-	-

(c) Details of CSR amount spent against other than ongoing projects for the financial year: **Not Applicable**

(₹ in Lakhs)

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project		Amount spent for the project	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
1	-	-	-	-	-	Nil	-	-	-

(d) Amount spent in Administrative Overheads: **Nil**

(e) Amount spent on Impact Assessment, if applicable: **Not Applicable**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): **Nil**

(g) Excess amount for set off, if any: **Not Applicable**

(₹ in Lakhs)

Sr. No.	Particulars	Amount
(i)	Two percent of average net profit of the company as per Section 135(5)	Nil
(ii)	Total amount spent for the Financial Year	Nil
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

9. (a) Details of Unspent CSR amount for the preceding three financial years: **Not Applicable**

(₹ in Lakhs)

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135 (6)	Amount spent in the reporting Financial Year	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years.
				Name of the Fund	Amount	Date of transfer	
1	-	Nil	Nil	-	Nil	-	Nil

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **Not Applicable**

(₹ in Lakhs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sr. No.	Project ID.	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project	Amount spent on the project in the reporting Financial Year	Cumulative amount spent at the end of reporting Financial Year.	Status of the project - Completed / Ongoing
1	-	-	-	-	Nil	Nil	Nil	-

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (Asset Wise details):

(a) Date of creation or acquisition of the capital asset(s): **None**

(b) Amount of CSR spent for creation or acquisition of capital asset (s): **Nil**

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. : **Not applicable**

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): **Not applicable**

11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per Section 135(5):

**As per the provisions of Section 135(1) of Companies Act, 2013, if the Company having net worth of ₹ 500 crore or more or the turnover of ₹ 1,000 crore or more or net profit of ₹ 5 crore or more in immediately preceding financial year (i.e. as on 31<sup>st</sup> March, 2021) then the provision of this section is applicable. In the case of our Company, none of these criteria is fulfilled as on 31<sup>st</sup> March 2021.**

**Accordingly, the Company is not required to form Corporate Social Responsibility Committee and to spend any amount towards the CSR activities for the financial year 2021-22 as per the provision of Section 135 of the Companies Act, 2013.**

**However, with a view to have a better corporate governance, the Company continues with the CSR Committee which is already formed and conducts a meeting once in a year.**

**Nandan Damani**  
Chairman and Managing Director

**Surendra Kumar Somany**  
Chairman of CSR Committee

### FORM NO. MR-3

### SECRETARIAL AUDIT REPORT

For the Financial Year ended on 31<sup>st</sup> March, 2022  
[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

I 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, Jacob Circle, Mumbai 400011 (hereinafter called 'the Company').

The secretarial audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

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

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

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (**Not applicable to the Company during the Review 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, 2018 (**Not applicable to the Company during the Review Period**);
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (**Not applicable to the Company during the Review Period**);
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not applicable to the Company during the Review Period**);
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**Not applicable to the Company during the Review Period**);
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (**Not applicable to the Company during the Review Period**);
  - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR);
- (vi) The provisions of The Real Estate (Regulation and Development) Act, 2016 and the rules made there under are specifically applicable to the Company based on their sector/industry.

I 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 and as per representations and clarifications provided by the management, the Company has complied with the provisions of the Act, Rules, Regulations, Standards, Guidelines etc. as mentioned above.

**I further report that:**

The Board of Directors of the Company is duly constituted with Executive Directors and Non-Executive Directors. There were no changes in the composition of the Board of Directors during the period under review and hence necessary compliance with the provisions of the Act was not applicable.

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.

There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing

Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.

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

**I 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.

**I 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 my letter of even date which is annexed as Annexure – 'A' and forms an integral part of this report.

**Taher Sapatwala**

Taher Sapatwala & Associates  
Company Secretaries  
FCS: 8029  
C.P. No. 16149  
UDIN: F008029D000391401

Place: Mumbai  
Date: 25<sup>th</sup> May, 2022

**Annexure A**

To  
The Members,  
**Simplex Realty Limited**  
Mumbai

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I 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. I believe that the processes and practices, I followed provided a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Where ever required, I have obtained the management representation about the compliance of laws, rules, regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My 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.

**Taher Sapatwala**

Taher Sapatwala & Associates  
Company Secretaries  
FCS: 8029  
C.P. No. 16149  
UDIN: F008029D000391401

Place: Mumbai  
Date: 25<sup>th</sup> May, 2022



## 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	Shri Nandan Damani : 230 : 14 Shri Sanjay N Damani : 42 : 14 Smt. Sandhya R Kini : 24 : 14
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, Shri Sanjay N Damani - Director : 12.50% Smt. Sandhya R Kini - Director : 6.25% Shri Surendra Kabra - CFO : 6.13%
iii	The percentage increase in the median remuneration of employees in the financial year	22.07%
iv	The number of permanent employees on the rolls of Company	28 employees as on 31.03.2022
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. 2021-22 was 10.76% whereas the percentage increase made in the remuneration of managerial personnel in the last financial year i.e. 2021-22 was 5.52%.
vi	Affirmation that the remuneration is as per the remuneration policy of the Company	Remuneration paid during the year ended 31 <sup>st</sup> March, 2022 is as per the Remuneration Policy of the Company.

For and on behalf of the Board of Directors

Mumbai, 25<sup>th</sup> May, 2022

**Nandan Damani**  
Chairman and Managing Director

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## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### 1. OVERVIEW OF THE ECONOMY

As per World Bank, ADB and IMF projections, India to remain the fastest growing major economy in the world during 2021-24. According to the International Monetary Fund's latest World Economic Outlook projections, India's real GDP is projected to grow at 9% in 2021-22 and 2022-23 and at 7.1% in 2023-2024, which would make India the fastest growing major economy in the world for all 3 years. India's economic growth at 9.02% in real terms in 2021-22 is the highest among all large economies. India's real GDP at current prices stood at USD 3.12 trillion in financial year 2021-22. India is the third-largest unicorn ecosystem in the world after US and China. Now India has 100 unicorns collectively valued at USD 332.7 billion.

### 2. INDUSTRY STRUCTURE AND DEVELOPMENTS

Real estate sector is one of the most globally recognized sectors. It comprises of four sub sectors - housing, retail, hospitality, and commercial. In India, the real estate sector is the second-highest employment generator, after the agriculture sector. Real estate sector in India is expected to reach US\$ 1 trillion in market size by 2030, up from US\$ 200 billion in 2021. By 2025, it will contribute 13% to country's GDP. With the rise of the corporate environment, the demand for office space and urban and semi-urban accommodation has increased, assisting the growth of this business. According to ICRA, Indian companies are likely to raise more than Rs. 3.5 trillion (US\$ 48 billion) through infrastructure and real estate investment trusts in 2022, compared to US\$ 29 billion raised so far. Emergence of nuclear families, rapid urbanisation and rising household income are likely to remain the key drivers for growth in all spheres of real estate, including residential, commercial and retail.

Despite the continued cyclical upswings and downswings of the COVID-19 pandemic, the Indian real estate sector has remained largely resilient. It is now showing signs of revival, on the back of India's strong position as a driver of the global economy as well as promising growth projections across segments such as office, I&L, residential and alternative real estate segments. This has

been highlighted by real estate consulting firm CBRE South Asia in its report 'Real Estate Market Outlook 2022 – India'

According to the Economic Times Housing Finance Summit, about three houses are built per 1,000 people each year, compared to the required five houses per 1,000 inhabitants. The present housing deficit in cities is projected to exceed ten million units. By 2030, an extra 25 million units of affordable housing will be needed to accommodate the country's urban population growth.

The Current Sentiment Index Score of the real estate sector has notched up to an all-time high of 65 in Q4 of 2021, according to a report by Knight Frank India. India's real estate sector is witnessing a healthy increase in demand in 2022 and this momentum is expected to hold for the rest of the year. Demand for residential properties has surged due to increased urbanization, low-interest rates, a fall in house prices, attractive offers from developer and state governments' stimulus supported the housing market revival.

Housing sales rose 9% to 78,627 units during the January-March 2022 period, highest quarterly sales in the last four years, across eight major cities, according to property consultant Knight Frank India. According to a report by Construction Week, the commercial real estate sector in India is expected to grow at a CAGR of 13% approximately. The demand for office space has been and is still on the rise. Office space's gross absorption enjoyed an all-time high in the first quarter (March 2022). Across the top seven cities of India, net office leasing rose 113% from a year ago to 11.55 million sq ft in the first quarter of 2022, showed data from JLL India. Leasing across high streets and malls in India is expected to soar past the pre-covid levels this year, according to real estate investment firm CBRE, which said the country could see a 25% jump in new store openings in 2022 compared with the previous year. In its report 'Real Estate Market Outlook 2022 – India', CBRE South Asia Pvt. Ltd. said retailers are expected to lease over 5.1 million sq.ft. of space in 2022, coming close to the previous two years' combined figure of 5.9 million sq. fts.

### 3. OPPORTUNITIES

The real estate market has now started gaining momentum. The momentum is expected to continue in 2022-23 on the back of strong demand, and housing sales may jump around 12% year-on-year in the current financial year, according to a report by India Ratings. Affordable housing continues to remain a significant opportunity for developers and key focus area of the government. The government continues to focus on the affordable housing and in the budget 2022 the Union Finance Minister announced that 80 Lakhs homes would be completed in FY 23 and allocated ₹ 48000 crores towards PM Awas Yojana (PMAY). This will provide opportunities to developers to enter in this segment. India is one of the fastest-growing markets for office spaces in the world, driven by rising demand for office rentals, emerging flexible office spaces. There is a strong demand for co-working spaces led by start-ups and IT sectors and this has pushed co-working businesses to launch more centres in metropolises and other demand generating areas.

### 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.
- The lengthy and complex approval process leads to a high gestation period which eventually results in project cost escalation by 20-30 percent.
- Finance plays an imperative role in the construction industry, liquidity crisis or any adverse move by the banking sector towards the lending policy on the real estate loans may adversely impact the execution of the projects and 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.

### 5. ON GOING PROJECT

The Company is developing a project consisting of villas at Nachinolla, Goa. We have obtained completion certificate from the concerned authorities for the villas. Interior work for villas is in final stage and we are expecting these villas to be ready for sale during the current year.

The Company is exploring the options to start development on its own land at Mahalaxmi, Mumbai.

The Company's project "Simplex KhushAangan" is completed and handed over to the society for its day to day maintenance. The Company has inventory (i.e. commercial units) in this project and we are making efforts to sale the inventory.

### 6. OUTLOOK

India's real estate sector is witnessing a healthy increase in demand in 2022 and this momentum is expected to hold for the rest of the year. From commercial spaces to the residential market, the overall market outlook is a bright one for the real estate industry.

The real estate sector in India is set to experience around 5% capital value growth in 2022 in the residential segment. Certain projections state that the sales momentum is expected to increase in 2022 as prospective home buyers will continue to prefer bigger homes, better amenities and attractive pricing will keep them interested in sealing the deals. Meanwhile, as work resumes in offices, the recovery in the commercial sector and flight-to-quality trend is expected to keep rents stable to increase in 2022. Additionally, the luxury housing market is poised to touch new heights in the coming year.

### 7. 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 and regulatory risk

Development depends on several factors which include receipt of required approvals, weather conditions, labour availability, material shortages etc. and any of these factors 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.

## 8. 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.

## 9. FINANCIAL AND OPERATING PERFORMANCE

The total income of the Company for the current year is ₹ 878.88 Lakhs as against ₹ 924.15 Lakhs during the previous year. The Company has made a net profit of ₹ 246.81 Lakhs during the current years as against the net profit of ₹ 46.50 Lakhs in the previous year. During the year, the Company has reversed impairment loss in the value of investment in one of the associates of ₹103.86 Lakhs based on the market price of share of the investee company. The EPS for the current year is ₹ 8.25 as against ₹ 1.55 in the previous year.

## 10. KEY FINANCIAL RATIOS

The Key Financial Ratios for the financial year 31<sup>st</sup> March 2022 are as under:

Particulars	2021-2022	2020-2021
Debtors Turnover	-	-
Inventory Turnover	<b>0.03</b>	0.13
Interest Coverage Ratio	<b>32.97</b>	2.98
Current Ratio	<b>32.87</b>	31.22
Debt Equity Ratio	<b>0.00</b>	0.01
EBIDTA Margin (%)	<b>38.64</b>	7.98
Net Profit Margin (%)	<b>28.08</b>	5.03
Return on Net worth	<b>2.19</b>	0.42

During the FY 2021-22, there was lower sales compared to the previous year which has reduced inventory turnover ratio. In the FY 2021-22, the Company made higher profit due to higher interest income and reversal of impairment loss on investments which has major impact on net profit margin, return on net worth and EBITDA margin. Interest coverage ratio has improved due to lower interest cost during the year and higher profit. Debt equity ratio has improved due to partial prepayment of loan during the year.

## 11. 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.

We are continuously working to create and nurture an organization that is highly motivated, result oriented and adaptable to the changing business environment.

## **12. 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 CORPORATE 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 as amended (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 31<sup>st</sup> March, 2022, 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 31<sup>st</sup> March, 2022.

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 31<sup>st</sup> March, 2022, 5 (five) Board Meetings were held. The dates on which the said meetings were held are as follows:

31<sup>st</sup> May, 2021, 30<sup>th</sup> June, 2021, 3<sup>rd</sup> August, 2021, 30<sup>th</sup> October, 2021 and 7<sup>th</sup> February, 2022.

#### Attendance of Directors at Board Meetings during 2021-2022 and Directorship(s) and Committee Chairmanship(s)/Membership(s) of other companies as on 31<sup>st</sup> March, 2022

Name of the Director	Category	No. of Board Meetings held - 5	No. of Directorship(s) and Committee Chairmanship(s)/Membership(s)			Attended Last AGM held on 4 <sup>th</sup> August, 2021
		Attended	Other Directorship(s)*	Committee Chairmanship(s)**	Committee Membership(s)**	
Shri Nandan Damani	Executive	5	5	1	2	Yes
Shri Sanjay N Damani	Executive	5	2	-	-	Yes
Smt. Sandhya R. Kini	Executive	5	-	-	-	Yes
Shri Vishnubhai B. Haribhakti	Independent Non-Executive	5	-	-	-	Yes
Shri Surendra Kumar Somany	Independent Non-Executive	5	4	3	1	Yes
Smt. Renu Jain	Non-Executive	5	-	-	-	Yes
Shri Vijay S. Jindal	Independent Non-Executive	4	-	-	-	Yes
Shri Sabhapti G. Shukla	Independent Non-Executive	5	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.

# SIMPLEX REALTY LIMITED

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

Name	Name of Listed Company	Category
Shri Nandan Damani	Graphite India Limited	Independent Non-Executive
	Pudumjee Paper Products Limited	Independent Non-Executive
	AMJ Land Holdings Limited	Independent Non-Executive
Shri Sanjay N Damani	Nil	Nil
Smt. Sandhya R. Kini	Nil	Nil
Shri Vishnubhai B. Haribhakti	Nil	Nil
Shri Surendra Kumar Somany	The Jamshri Ranjitsinghji Spinning & Weaving Mills Company Limited	Independent Non-Executive
	Soma Textiles and Industries Limited	Non-Executive Non Independent
Shri Vijay S Jindal	Nil	Nil
Shri Sabhapati G. Shukla	Simplex Mills Company Limited	Independent Non-Executive
Smt. Renu Jain	Nil	Nil

## d) List of Core Skills/ Expertise /Competences of Directors

The Board has identified the following skills/expertise /competences for the effective function of the Company which are currently available with the Board:

Industry	Experience in and knowledge of the industry in which the Company operates.
	Experience in and knowledge of broader industry environment and business planning.
Professional	Expertise in professional areas such as Technical, Accounting, Finance, Taxation, Legal, Management, Human Resources, Marketing, etc.
Governance	Experience in developing governance practices, serving the best interest of all stakeholders, maintaining the Board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values.
Behavioural	Knowledge and skills to function well as team Members, effective decision making process, integrity effective communication, innovative thinking.

## e) Key Board Qualifications

Director	Area of Expertise			
	Industry	Professional	Governance	Behavioural
Shri Nandan Damani	✓	-	✓	✓
Shri Sanjay N Damani	✓	✓	✓	-
Smt. Sandhya R. Kini	-	-	✓	✓
Shri Vishnubhai B. Haribhakti	-	✓	✓	-
Shri SurendraKumar Somany	✓	-	-	✓
Shri Vijay S. Jindal	✓	-	-	✓
Shri Sabhapati G. Shukla	-	✓	✓	-
Smt. Renu Jain	-	✓	-	✓

## f) Other Disclosures

- The Board confirms that the Independent Directors fulfill the conditions specified in the Listing Regulations and are independent of the management.
- None of the Independent Directors have resigned during the year.

## 3. AUDIT COMMITTEE

During the year ended 31<sup>st</sup> March, 2022, 4 (four) Audit Committee Meetings were held. The dates on which the said meetings were held are as follows:

31<sup>st</sup> May, 2021, 3<sup>rd</sup> August, 2021, 30<sup>th</sup> October, 2021 and 7<sup>th</sup> February, 2022.

The composition of the Audit Committee and the number of meetings attended by each Member during the year ended 31<sup>st</sup> March, 2022 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's 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 31<sup>st</sup> March, 2022, 3 (three) Nomination and Remuneration Committee Meetings were held. The dates on which the said meetings were held are as follows:

31<sup>st</sup> May, 2021, 3<sup>rd</sup> August, 2021 and 7<sup>th</sup> February, 2022.

The composition of the Nomination and Remuneration Committee and the number of meetings attended by each Member during the year ended 31<sup>st</sup> March, 2022 is as follows:

Name of the Member	Designation	No. of Meetings held - 3
		Attended
Shri Vishnubhai B. Haribhakti	Chairman	3
Shri Surendra Kumar Somany	Member	3
Shri Sabhapati G. Shukla	Member	3

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

- Succession planning of the Board of Directors and other Senior Management Employees;
- To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down;
- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to remuneration for the Directors and Key Managerial Personnel and other Senior Management Employees;
- Review the performance of the Board of Directors and other Senior Management Employees in accordance with the criteria laid down;
- 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 <https://simplex-group.com/admin/report/uploads/Nomination%20and%20Reumenration%20Policy.pdf>

**Details of remuneration and sitting fees paid to Directors during the year ended 31<sup>st</sup> March, 2022 are as under:**

Name of the Director	Designation	Remuneration (₹ in Lakhs)
Shri Nandan Damani	Chairman & Managing Director	59.77
Shri Sanjay N Damani	Executive Director	10.88
Smt. Sandhya R. Kini	Executive Director	6.12

Name of the Non- Executive Director	Sitting fees (₹ in Lakhs)
Shri Vishnubhai B. Haribhakti	1.20
Shri Surendra Kumar Somany	1.20
Smt. Renu Jain	0.50
Shri Vijay S. Jindal	0.40
Shri Sabhapati G. Shukla	1.20

**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	50
Shri Surendra Kumar Somany	900
Shri Sabhapati G. Shukla	135

## 5. STAKEHOLDERS RELATIONSHIP COMMITTEE

During the year ended 31<sup>st</sup> March, 2022, 1 (one) Stakeholders' Relationship Committee Meeting was held on 30<sup>th</sup> October, 2021

The composition of the Stakeholders' Relationship Committee and the number of meetings attended by each Member during the year ended 31<sup>st</sup> March, 2022 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 Sabhapati G. Shukla	Member	1

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 Agent (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.

Mrs. Kinjal P. Shah is the Compliance Officer of the Company.

## INVESTOR RELATIONS

During the year ended 31<sup>st</sup> March, 2022, no complaints from the investors were received by the Company.

## 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 <https://simplex-group.com/admin/report/uploads/CSR%20Policy.pdf>

During the year ended 31<sup>st</sup> March, 2022, Corporate Social Responsibility Committee Meeting was held on 7<sup>th</sup> February, 2022.

The composition of the Corporate Social Responsibility Committee and the number of meetings attended by each Member during the year ended 31<sup>st</sup> March, 2022 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.

# SIMPLEX REALTY LIMITED

## 7. INDEPENDENT DIRECTORS' MEETING

During the year under review, Independent Directors met on 7<sup>th</sup> February, 2022, 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
2018 – 2019	07.08.2019	11:30 A. M.	Babubhai Chinai Committee Room, 2 <sup>nd</sup> Floor, Indian Merchants Chamber, IMC Marg, Churchgate, Mumbai – 400020
2019 – 2020	18.08.2020	11:00 A. M.	Meeting conducted through Video Conferencing (VC) / Other Audio-Visual Means (OAVM) pursuant to the MCA Circulars <b>Deemed Venue:</b> Regd. Office- 30, Keshavrao Khadye Marg, Sant Gadge Maharaj Chowk, Mumbai – 400011.
2020 – 2021	04.08.2021	11:30 A. M.	Meeting conducted through Video Conferencing (VC) / Other Audio-Visual Means (OAVM) pursuant to the MCA Circulars <b>Deemed Venue:</b> Regd. Office- 30, Keshavrao Khadye Marg, Sant Gadge Maharaj Chowk, Mumbai – 400011.

### (ii) Special Resolutions passed in previous three AGMs:

AGM	Date of AGM	Special Resolutions
106 <sup>th</sup>	07.08.2019	• Re-appointment of Shri Vijay S. Jindal as an Independent Director of the Company
107 <sup>th</sup>	18.08.2020	Nil
108 <sup>th</sup>	04.08.2021	• Re-appointment of Shri Sabhapati G. Shukla as an Independent Director of the Company • Re-appointment of Smt. Sandhya R Kini as a Whole Time Director for a period of three years w.e.f 21 <sup>st</sup> October, 2021 • Revision in terms of remuneration of Shri Sanjay N Damani, Executive Director of the Company

### Postal ballot during the last year:

No resolution was passed through postal ballot voting process during the financial year under review and last year.

## 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 Nineth 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 is available on the

Company's website and the web-link for the same is [http://www.simplex-group.com / upload\\_pdf/24517Revised%20Related%20Party%20Policy.pdf](http://www.simplex-group.com/upload_pdf/24517Revised%20Related%20Party%20Policy.pdf)

The detailed suitable disclosure as required by the Indian Accounting Standards (Ind AS) 24 on material significant related party transactions 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, SEBI and other statutory authorities on all matters relating to capital market during the last three years. No penalties or strictures have been imposed on the Company by the Stock Exchange, SEBI or other statutory authorities.

**c) 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 that may arise from time to time. The Familiarization Programmes are available on the Company's website and the web-link for the same is <https://simplex-group.com/admin/report/uploads/Familiarization-Programme-for-Independent-Directors-of-SRL.pdf>

**d) Vigil Mechanism/Whistle-blower Policy**

The Company has adopted Vigil Mechanism/Whistle-blower Policy, which is available on the Company's website. No personnel has been denied access to the Audit Committee to lodge his/her 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 Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act 2013.

**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 B of Schedule II of the Listing Regulations and they also given quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33 of the Listing Regulations.

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

The Board in its report has confirmed that the annual accounts for the year ended 31st March, 2022 have been prepared as per applicable Indian Accounting Standards (Ind AS) and policies and that sufficient care has been taken for maintaining adequate accounting records.

**j) Recommendation of the Committee**

During the financial year 2021-22, all the recommendations of the Committees of the Board, which were mandatorily required, have been accepted by the Board of Directors.

**11. MEANS OF COMMUNICATION**

- a. The quarterly, half-yearly, nine months and full year results are published in The Financial Express (English edition) and Mumbai Lakshdeep (Regional edition).

- b. The Company uploads financial results and quarterly shareholding pattern along with other relevant information useful to investors on the Company's website [www.simplex-group.com](http://www.simplex-group.com).
- c. At present, the Company does not make presentation to Institutional Investors or to the Analysts.
- d. 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 as amended. The said code, inter-alia prohibits purchase/sale of shares of the Company by Directors and Employees while in possession of unpublished price sensitive information in relation to the Company and the web-link for the same is - <https://simplex-group.com/admin/report/uploads/Final%20Policy%20Insider%20Trading%202015.pdf>

### vii) Market Price Data

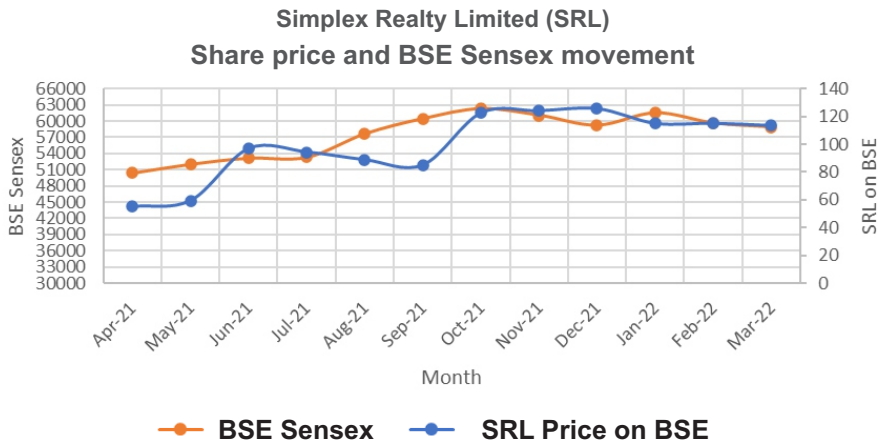
The monthly high and low quotations of shares traded on the BSE from April, 2021 to March, 2022 are as follows:

Month	Volume	Price (₹)		BSE Sensex	
	(No. of shares)	High	Low	High	Low
April, 2021	13,435	55.00	45.20	50375.77	47204.50
May, 2021	10,495	59.40	44.00	52013.22	48028.07
June, 2021	12,710	96.90	58.10	53126.73	51450.58
July, 2021	7,780	94.30	79.05	53290.81	51802.73
August, 2021	8,296	88.75	63.30	57625.26	52804.08
September, 2021	5,693	85.00	70.60	60412.32	57263.90
October, 2021	41,231	122.50	73.20	62245.43	58551.14
November, 2021	5,197	124.00	83.70	61036.56	56382.93
December, 2021	33,689	125.50	87.50	59203.37	55132.68
January, 2022	20,395	114.90	98.20	61475.15	56409.63
February, 2022	13,144	114.95	87.05	59618.51	54383.20
March, 2022	6,758	113.30	87.30	58890.92	52260.82

## 13. GENERAL INFORMATION FOR SHAREHOLDERS

i)	<b>Date, Time and Venue of forthcoming AGM</b>	Date : Wednesday, 3 <sup>rd</sup> August, 2022 Time : 11:30 A.M. Through Video Conferencing (VC) / Other Audio Video Means (OAVM)
ii)	<b>Financial Calendar (2022 – 2023)</b>	i) First Quarterly Results - Upto 14 <sup>th</sup> August, 2022 ii) Second Quarterly Results - Upto 14 <sup>th</sup> November, 2022 iii) Third Quarterly Results - Upto 14 <sup>th</sup> February, 2023 iv) Annual Results - Upto 30 <sup>th</sup> May, 2023
iii)	<b>Date of Book Closure</b>	Thursday, the 28 <sup>th</sup> July, 2022 to Wednesday, the 3 <sup>rd</sup> August, 2022 (both days inclusive)
iv)	<b>Dividend payment date</b>	Within 30 days of the declaration in the ensuing AGM
v)	<b>Listing on Stock Exchange</b>	BSE Limited (BSE) P.J. Towers, Dalal Street, Fort, Mumbai – 400 001
vi)	<b>Security Code Script Name ISIN</b>	503229 SIMPLXREA INE167H01014

**Performance of the share price of the Company in comparison to the BSE Sensex:**



**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.co.in

**ix) Share Transfer System and Dematerialisation**

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended from time to time, request for effecting transfer of securities shall not

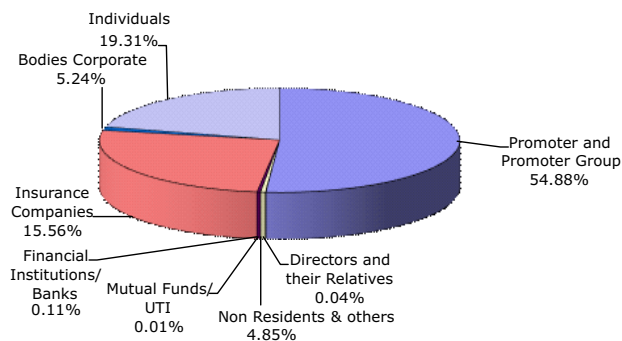
be processed unless the securities are held in the dematerialized form with a depository. Further, transmission or transposition of securities held in physical or dematerialised form shall be effected only in dematerialised form. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company.

# SIMPLEX REALTY LIMITED

## x) Shareholding Pattern as on 31<sup>st</sup> March, 2022

	Category	Number of shares held	Percentage of Shareholding
(A)	<b>Shareholding of Promoter and Promoter Group</b>	<b>16,41,815</b>	<b>54.88</b>
(B)	<b>Public shareholding</b>		
(1)	<b>Institutions</b>		
(a)	Mutual Funds/ UTI	400	0.01
(b)	Financial Institutions/ Banks	3,207	0.11
(c)	Insurance Companies	4,65,474	15.56
(2)	<b>Non-Institutions</b>		
(a)	Bodies Corporate	1,56,831	5.24
(b)	Individuals -		
i.	holding nominal share capital up to ₹2 lac.	4,52,303	15.12
ii.	holding nominal share capital in excess of ₹2 lac.	1,25,423	4.19
(c)	Non Residents and Others	8,999	0.31
(d)	Directors and their Relatives	1,185	0.04
(e)	Others	1,35,745	4.54
	<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>13,49,567</b>	<b>45.12</b>
	<b>TOTAL (A)+(B)</b>	<b>29,91,382</b>	<b>100.00</b>

Shareholding Pattern as on 31<sup>st</sup> March, 2022



## Distribution of Shareholding as on 31<sup>st</sup> March, 2022

Category	Number of Shareholders	Percentage of Total Number of Shareholders	Total Number of Shares	Percentage of Total Number of Shares
1 to 500	3,278	94.74	2,33,199	7.80
501 to 1,000	88	2.54	62,223	2.08
1,001 to 5,000	66	1.91	1,38,873	4.64
5,001 to 10,000	10	0.29	60,724	2.03
10,001 & above	18	0.52	24,96,363	83.45
<b>Total</b>	<b>3,460</b>	<b>100.00</b>	<b>29,91,382</b>	<b>100.00</b>

**xi) Dematerialization of Shares and Liquidity**

About 96.53 percent shares have been dematerialized as on 31<sup>st</sup> March, 2022. The Equity shares of the Company are traded on BSE Limited.

The Company has paid the Listing fees for the year 2022-23 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 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:

Mrs. Kinjal P. Shah  
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](mailto:investors@simplex-group.com)  
Website: [www.simplex-group.com](http://www.simplex-group.com)

**OR**

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

**Liasioning Office**

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

**xv) Compliance with the 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 who are holding shares in physical form are hereby requested to convert their holdings in electronic mode to avail various benefits of dematerialisation.

Dematerialisation of holdings will, inter alia, curb fraud in physical transfer of securities by unscrupulous entities and improve ease, convenience and safety of transactions for investors.

Further, SEBI has, vide its circular dated 25<sup>th</sup> January, 2022 mandated companies to issue its securities in demat form only while processing various service requests such as issue of duplicate share certificates, sub-division, consolidation, transmission, etc. to enhance ease of dealing in securities markets by investors. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website at [www.simplex-group.com](http://www.simplex-group.com).

**xvii) Revalidation of Dividend Warrants**

In respect of Members who have neither opted for NECS/ECS mandate nor have such facility with their banker and who have not encashed earlier dividends paid by the Company, are requested to write to the Company's Share Transfer Agent for revalidation of expired dividend warrants and failing their encashment for a period of seven years, their unclaimed dividends will be transfer to Investor Education and Protection Fund.



**xviii) Update Address/ E-Mail Address/Bank Details/Mobile No.**

As a part of Green Initiative, the Act allow companies to go for paperless compliances by sending Notices, Annual Report and other related documents by e-mail to its Members. Many of the Members have not registered their e-mail addresses so far. They may, as a support to this initiative, register their e-mail addresses by sending an e-mail to support@freedomregistry.co.in quoting their Name, Folio No./DP ID/Client ID, E-mail addresses and Mobile No. to get registered with us for enabling us to send the said documents in electronic form.

**xix) Certificate from Company Secretary in Practice**

Mr. Binit Kumar, Practicing Company Secretary, has issued a certificate as required under the Listing Regulations, confirming that none of the directors on the Board of the Company has been debarred or disqualified

from being appointed or continuing as director of the Company by the SEBI / Ministry of Corporate Affairs or any such statutory authority.

**xx) Details of Total Fees Paid to Statutory Auditors**

The details of total fees for all services paid by the Company, on a consolidated basis, to the Statutory Auditor and all entities in the network firm / network entity of which the statutory auditor is a part, are as follows:

(₹ in Lakhs)

Audit Fees	3.65
Re-imbursement of expenses	0.01
<b>Total</b>	<b>3.66</b>

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

During the year ended 31<sup>st</sup> March, 2022, there were no complaints received by the Company.

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**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 31<sup>st</sup> March, 2022.

For **Simplex Realty Limited**

Mumbai, 25<sup>th</sup> May, 2022

**Nandan Damani**  
Chairman and Managing Director

**CERTIFICATE ON NON-DISQUALIFICATION OF DIRECTORS**

To,  
The Members,  
**Simplex Realty Limited**

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

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

**CS Binit Kumar**  
Company Secretary in Practice  
ACS No.:10859  
C.P. No.: 21698  
Peer Review UID No.: 12019WB1926000  
UDIN: F010859D000379911

Date: 25<sup>th</sup> May, 2022  
Place: Kolkata

# SIMPLEX REALTY LIMITED

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## 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 2022 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 **Khandelwal and Mehta LLP**  
Chartered Accountants  
Firm's Reg. No. 102200W

**Sunil L Khandelwal**  
Partner  
Membership No:101388  
UDIN: 22101388ALBEIC8798

Mumbai, 25<sup>th</sup> May, 2022

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

The Board of Directors  
**Simplex Realty Limited**

We have reviewed the financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2022 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 the 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, 25<sup>th</sup> May, 2022

## INDEPENDENT AUDITORS' REPORT

### To the Members of Simplex Realty Limited Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the standalone financial statements of Simplex Realty Limited ("the Company"), which comprise of the Balance Sheet as at 31st March 2022, the Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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, 2022;
- (b) in the case of the Statement of Profit and Loss (including Other Comprehensive Income), of the profit 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 Statement of Cash Flow, of the Cash flows for the year ended on that date.

#### Basis for Opinion

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

#### Key Audit Matters

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

Sr. No.	Key Audit Matters	Auditor's Response
1	Review of the value of realty stock-in-trade & investments held by the company as on 31 <sup>st</sup> March 2022	<p><b>Principal Audit Procedures</b></p> <p>The assessment of various procedures adopted by the management which includes</p> <ol style="list-style-type: none"> <li>i) Ascertaining the value of investments and realty stock-in-trade held as at 31<sup>st</sup> March, 2022.</li> <li>ii) Considering the impact (if any) of Covid-19 pandemic on investments and stock-in-trade held as at date.</li> <li>iii) Verification of amount invested, current value of investments, regularity of receipt of income on those investments and it's fair classification and presentation in the audited financial statements.</li> <li>iv) Assessing the appropriateness of value of realty stock-in-trade disclosed in the financial statements.</li> </ol>
2	Review of financial health of companies in which inter corporate deposits are held.	<p><b>Principal Audit Procedures:</b></p> <p>The assessment of procedures adopted by management, including;</p> <ol style="list-style-type: none"> <li>i) Obtaining the latest audited financial statements of the companies to whom inter-corporate deposits are granted; thereby also assessing the financial soundness and the capability to repay the amount on demand or as per the terms of agreement;</li> <li>ii) Verification of amounts and regularity of receipt of interest income on such inter corporate deposits;</li> <li>iii) Obtaining regular confirmation of the closing balance of the deposits held by the borrowers with that of records in the company.</li> </ol>
3	Review, effect and presentation of completed tax assessments	<p><b>Principal Audit Procedures</b></p> <p>Obtained details of completed tax assessments and demands for the year ended 31<sup>st</sup> March, 2022 from the management, followed by verification of tax refunds on completed tax assessments and treatment of the same in books of accounts and standalone financial statements.</p>

### **Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibility for the 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 financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either

intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

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

material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit we report that:
  - (a) We have sought and obtained all the information and explanations which to the

best of our knowledge and belief were necessary for the purposes of our audit.

- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Company and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (g) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 39 to the financial statements
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. The amounts which were required to be transferred to Investor Education and

Protection Fund by the Company have been transferred on or before due date.

- iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in note 44 to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in note 44 to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (iv) (a) and (iv) (b) contain any material mis-statement.
- v. The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

**For Khandelwal and Mehta LLP**  
Chartered Accountants  
Firm Reg. No. W100084

**(Sunil Khandelwal)**  
Partner  
Membership No: 101388  
UDIN : 22101388AKBPNA9675

Place : Mumbai  
Date : 25th May, 2022.



# SIMPLEX REALTY LIMITED

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## 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, 2022. We report that:

- i) a) The Company, on the basis of available information, has maintained proper records showing full particulars including quantitative details and situations 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;
- d) According to information and explanations given to us and on the basis of examination of the records of the Company, none of its Property, Plant and Equipment or intangible assets or both are revalued during the year.
- e) On the basis of available information, the Company does not hold any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under.
- ii) a) According to the information and explanations given to us, the inventories have been physically verified at reasonable intervals by the management during the year and no material discrepancies have been noticed. 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.
- b) According to the information and explanations given to us and on the basis of examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of Rupees five crore, in the aggregate, from banks on the basis of security of current assets and hence this clause is not applicable.
- iii) a) A During the year the Company has not granted any loans and advances to subsidiaries, joint ventures and associates. Accordingly, paragraph 3(iii)(a)(A) of the order is not applicable.
- B The Company has given loans and advances to employees and given Inter Corporate Deposits (ICDs) to unrelated parties during the year. The aggregate amount given during the year is ₹ 881.45 Lakhs and the balance outstanding of Loans to employees and ICDs as at 31<sup>st</sup> March, 2022 is ₹ 3,403.86 Lakhs.
- b) The terms and conditions of all the loans and advances given and investments made are not prejudicial to the company's interest; the company has not provided any guarantees.
- c) The repayment of principal and payment of interest are regular and there is no default.
- d) The ICDs given by the company are repayable on demand basis and there are no overdue amounts with respect to ICDs and any other loans and advances given.
- e) There are no loans or advances that have fallen due during the year and have been renewed or extended by fresh loans to settle the overdues of existing loans.
- f) The company has given ICDs in the nature of loans and advances which are repayable on demand aggregating to ₹ 3,393.90 Lakhs which are about 99.71% of the total loans and advances granted. None of the loans and advances are granted to promoters or related parties as defined in clause (76) of section 2 of the Companies Act, 2013.
- 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) According to the information and explanation given to us, maintenance of cost records has not been

- prescribed by the Central Government pursuant to Companies (Cost Accounting Records) Rules, 2011 under sub-section (1) of section 148 of the Companies Act.
- 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 31<sup>st</sup> March, 2022 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.
  - viii) On the basis of our examination of the books and according to the information and explanations given to us, there is no transaction which is not recorded in the books of account and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
  - ix) a) 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.
  - b) During the year the Company is not declared as wilful defaulter by any bank or financial institution or other lender.
  - c) During the year the Company has not obtained any Term Loan.
  - d) The company has not raised any fund on short term basis during the year which have been utilised for long term purposes.
  - e) The Company has not taken any funds from it's subsidiaries, associates or joint ventures hence question of raising of any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures does not arise.
  - f) The Company has not raised any loan during the year on the pledge of securities held by subsidiaries, associates or joint ventures.
  - x) a) In our opinion and on the basis of information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments).
  - b) In our opinion and on the basis of information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
  - xi) 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.
  - xii) In our opinion and according to information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
  - xiii) According to information and explanations given to us and based on our examination of the records of the company, transactions with related parties are in accordance with section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in Financial Statements as required by applicable Ind AS.
  - xiv) a) According to information and explanations given to us and based on our examination of the records of the Company, it has an internal audit system commensurate with the size and nature of its business.
  - b) The reports of the Internal Auditors for the period under audit were considered by us.
  - xv) According to 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 him. Accordingly, paragraph 3(xv) of the Order is not applicable.
  - xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45- IA of Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable.
  - xvii) The Company has not incurred any cash loss in the financial year and in the immediately preceding financial year.

# SIMPLEX REALTY LIMITED

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- xviii) There has been no resignation of the statutory auditors during the year. Accordingly, paragraph 3(xviii) of the Order is not applicable.
- xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that the Company is capable of meeting its liabilities existing at the date of balance sheet, as and when they fall due, within a period of one year from the balance sheet date.
- xx) According to the information and explanations given to us and based on our examination of the records of the Company, there is no unspent amount which is required to be transferred to any Fund Specified in Schedule VII to the Companies Act or to a Special account in compliance with the provisions of Subsection (6) of Section 135 of the said Act.
- xxi) There are no qualifications or adverse remarks by the respective auditors of in the Companies (Auditor's Report) Order, 2020 of the companies included in the consolidated financial statements. Accordingly, paragraph 3(xxi) of the Order is not applicable.

**For Khandelwal and Mehta LLP**  
Chartered Accountants  
Firm Reg. No. W100084

**(Sunil Khandelwal)**  
Partner

Membership No: 101388  
UDIN : 22101388AKBPNA9675

Place : Mumbai  
Date : 25th May, 2022.

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## ANNEXURE – 'B' TO THE INDEPENDENT AUDITOR'S 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, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

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

### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on 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, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Khandelwal and Mehta LLP**  
Chartered Accountants  
Firm Reg. No. W100084

**(Sunil Khandelwal)**  
Partner  
Membership No: 101388  
UDIN : 22101388AKBPNA9675

Place : Mumbai  
Date : 25th May, 2022.

# SIMPLEX REALTY LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2022

		Note	As at 31.03.2022	(₹ in Lakhs) As at 31.03.2021
<b>A</b>	<b>ASSETS</b>			
	<b>I Non-Current Assets</b>			
	Property, Plant and Equipment	2 a	158.87	176.96
	Capital Work-In-Progress	2 b	11.39	-
	Financial Assets:			
	Investments	3 a	2,356.80	2,759.57
	Loans	4	6.04	2.58
	Other Financial Assets	5	15.91	15.84
	Deferred Tax Assets (Net)	6	390.00	427.80
	Other Non-Current Assets	7	103.22	174.17
	<b>Total Non-Current Assets</b>		<u>3,042.23</u>	<u>3,556.92</u>
	<b>II Current Assets</b>			
	Inventories	8	3,356.68	3,163.53
	Financial Assets:			
	Investments	3 b	640.44	661.28
	Cash and Cash Equivalents	9	318.21	24.89
	Bank Balances other than above	10	5.62	9.36
	Loans	11	3,397.82	2,958.35
	Other Financial Assets	12	91.45	302.24
	Other Current Assets	13	856.72	840.74
	<b>Total Current Assets</b>		<u>8,666.94</u>	<u>7,960.39</u>
	<b>TOTAL ASSETS</b>		<u>11,709.17</u>	<u>11,517.31</u>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>			
	<b>I Equity</b>			
	Equity Share Capital	14	299.37	299.37
	Other Equity	15	11,126.47	10,861.52
	<b>Total Equity</b>		<u>11,425.84</u>	<u>11,160.89</u>
	<b>II Liabilities</b>			
	<b>Non-Current Liabilities</b>			
	Financial Liabilities:			
	Borrowings	16	-	65.21
	Other Financial Liabilities	17	-	17.60
	Provisions	18	19.62	18.23
	Other Non-Current Liabilities	19	-	0.43
	<b>Total Non-Current Liabilities</b>		<u>19.62</u>	<u>101.47</u>
	<b>III Current Liabilities</b>			
	Financial Liabilities :			
	Borrowings	20	35.36	50.01
	Trade Payables	21	-	-
	Total outstanding dues of Micro and Small Enterprises		5.78	-
	Others		8.21	15.49
	Other Financial Liabilities	22	145.64	124.88
	Other Current Liabilities	23	6.69	5.51
	Provisions	24	62.03	59.06
	<b>Total Current Liabilities</b>		<u>263.71</u>	<u>254.95</u>
	<b>Total Liabilities</b>		<u>283.33</u>	<u>356.42</u>
	<b>TOTAL EQUITY AND LIABILITIES</b>		<u>11,709.17</u>	<u>11,517.31</u>
	<b>Significant Accounting Policies</b>	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 **Khandelwal and Mehta LLP**  
Chartered Accountants  
Firm's Registration No. W100084

**Surendra Kabra**  
Chief Financial Officer

**Nandan Damani**  
Chairman and Managing Director

**Sunil Khandelwal**  
Partner  
Membership No. 101388  
Mumbai, 25<sup>th</sup> May, 2022

**Kinjal Shah**  
Company Secretary &  
Compliance Officer

**Surendra Kumar Somany**  
Independent Director

Mumbai, 25<sup>th</sup> May, 2022

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2022

	Note	2021-22	(₹ in Lakhs) 2020-21
<b>Income</b>			
I Revenue from Operations	25	198.49	415.60
II Other Income	26	680.39	508.55
<b>III Total Income (I+II)</b>		<b>878.88</b>	<b>924.15</b>
<b>IV Expenses</b>			
Cost of Sales	27	102.36	442.14
Employee Benefits Expense	28	271.28	270.19
Finance Costs	29	9.80	20.63
Depreciation	2	16.35	12.35
Other Expenses	30	165.65	138.03
<b>Total Expenses (IV)</b>		<b>565.44</b>	<b>883.34</b>
<b>V Profit before Exceptional Item and Tax (III-IV)</b>		<b>313.44</b>	<b>40.81</b>
<b>VI Exceptional Item</b>		<b>-</b>	<b>-</b>
<b>VII Profit before Tax (V-VI)</b>		<b>313.44</b>	<b>40.81</b>
<b>VIII Tax Expense:</b>			
(1) Current tax		29.31	7.01
(2) Deferred tax		34.55	(12.72)
(3) Earlier year taxes		2.77	0.02
<b>IX Profit for the year (VII-VIII)</b>		<b>246.81</b>	<b>46.50</b>
<b>X Other Comprehensive Income / (Expense) - (OCI):</b>			
<b>Items that will not be reclassified to Statement of Profit and Loss</b>			
1. Re-measurement gains / (losses) on defined benefit plans		1.95	0.20
2. Changes in fair values of equity instruments through OCI		10.13	65.01
3. Income tax effect on above		(1.54)	(10.78)
		<b>10.54</b>	<b>54.43</b>
<b>Items that will be reclassified to Statement of Profit and Loss</b>			
1. Changes in fair values of debt instruments through OCI		9.30	50.07
2. Income tax effect on above		(1.70)	(5.84)
		<b>7.60</b>	<b>44.23</b>
<b>Total Other Comprehensive Income/(Expense) for the year, net of tax</b>		<b>18.14</b>	<b>98.66</b>
<b>Total Comprehensive Income / (Expense) for the year (IX+X)</b>		<b>264.95</b>	<b>145.16</b>
Earnings per Equity Share (Face Value of ₹10/- each)			
Basic and Diluted Earnings Per Share (in ₹)		<b>8.25</b>	<b>1.55</b>

### Significant Accounting Policies

1

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached

For and on behalf of the Board

For **Khandelwal and Mehta LLP**  
Chartered Accountants  
Firm's Registration No. W100084

**Surendra Kabra**  
Chief Financial Officer

**Nandan Damani**  
Chairman and Managing Director

**Sunil Khandelwal**  
Partner  
Membership No. 101388  
Mumbai, 25<sup>th</sup> May, 2022

**Kinjal Shah**  
Company Secretary &  
Compliance Officer

**Surendra Kumar Somany**  
Independent Director

Mumbai, 25<sup>th</sup> May, 2022

# SIMPLEX REALTY LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2022

### 1. EQUITY SHARE CAPITAL

(₹ in Lakhs)

	As at 31.03.2022	As at 31.03.2021
<b>Balance at the beginning of the year</b>	<b>299.37</b>	299.37
Changes in equity share capital due to prior period errors	-	-
<b>Restated balance at the beginning of the reporting period</b>	<b>299.37</b>	299.37
Changes in equity share capital during the year	-	-
<b>Balance at the end of the reporting year</b>	<b>299.37</b>	299.37

### 2. OTHER EQUITY

For the year ended 31st March, 2022

(₹ in Lakhs)

	Reserves and Surplus				Other Comprehensive Income		Total Other Equity
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Equity instruments - FVTOCI	Debt instruments - FVTOCI	
<b>Balance as at 1st April, 2021</b>	<b>60.71</b>	<b>143.24</b>	<b>7,009.00</b>	<b>3,583.02</b>	<b>29.96</b>	<b>35.59</b>	<b>10,861.52</b>
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-	-	-
Profit for the year	-	-	-	246.81	-	-	246.81
Other comprehensive income / (expense)	-	-	-	1.46	9.08	7.60	18.14
Total comprehensive income / (expense)	-	-	-	248.27	9.08	7.60	264.95
<b>Balance as at 31st March, 2022</b>	<b>60.71</b>	<b>143.24</b>	<b>7,009.00</b>	<b>3,831.29</b>	<b>39.04</b>	<b>43.19</b>	<b>11,126.47</b>

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2022

For the year ended 31st March, 2021

(₹ in Lakhs)

	Reserves and Surplus				Other Comprehensive Income		Total Other Equity
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Equity instruments - FVTOCI	Debt instruments - FVTOCI	
<b>Balance as at 1st April, 2020</b>	<b>60.71</b>	<b>143.24</b>	<b>7,009.00</b>	<b>3,497.05</b>	<b>15.00</b>	<b>(8.64)</b>	<b>10,716.36</b>
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-	-	-
Profit for the year	-	-	-	46.50	-	-	46.50
Other comprehensive income / (expense)	-	-	-	0.15	54.28	44.23	98.66
Transfer on sale FVTOCI designated instruments	-	-	-	39.32	(39.32)	-	-
Total comprehensive income / (expense)	-	-	-	85.97	14.96	44.23	145.16
<b>Balance as at 31st March, 2021</b>	<b>60.71</b>	<b>143.24</b>	<b>7,009.00</b>	<b>3,583.02</b>	<b>29.96</b>	<b>35.59</b>	<b>10,861.52</b>

### 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 **Khandelwal and Mehta LLP**  
Chartered Accountants  
Firm's Registration No. W100084

**Surendra Kabra**  
Chief Financial Officer

**Nandan Damani**  
Chairman and Managing Director

**Sunil Khandelwal**  
Partner  
Membership No. 101388  
Mumbai, 25<sup>th</sup> May, 2022

**Kinjal Shah**  
Company Secretary &  
Compliance Officer

**Surendra Kumar Somany**  
Independent Director

Mumbai, 25<sup>th</sup> May, 2022



# SIMPLEX REALTY LIMITED

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

	(₹ in Lakhs)	
	2021-22	2020-21
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
<b>PROFIT BEFORE TAX</b>	<b>313.44</b>	<b>40.81</b>
<b>Adjustments for :</b>		
Depreciation on property, plant and equipment	16.35	12.35
Interest expenses	9.80	20.63
Profit on sale of investments (net)	(1.76)	(25.35)
Dividend income	(16.43)	(16.39)
Interest income	(519.67)	(421.08)
Profit on sale of fixed assets	(6.48)	(19.93)
Sundry balances written off / (back) - (net)	(4.49)	-
Changes in fair value of financial assets at fair value through profit or loss	0.62	3.31
Unwinding of discount on security deposit	(1.74)	(1.74)
Sundry assets written off	0.02	-
Reversal of impairment loss on non current investment	(103.86)	-
<b>OPERATING LOSS BEFORE EXCEPTIONAL ITEM AND WORKING CAPITAL CHANGES</b>	<b>(314.20)</b>	<b>(407.39)</b>
<b>Adjustment for changes in working capital</b>		
Adjustment for (increase) / decrease in operating assets:		
Inventories	(193.14)	350.61
Other financial assets	5.69	306.41
Other current assets	(15.98)	0.64
Other bank balances	3.75	1.65
Adjustment for increase / (decrease) in operating liabilities:		
Other financial liabilities	5.76	(17.36)
Trade payables	(1.50)	0.71
Long-term provisions	3.34	(1.12)
Short-term provisions	2.97	6.57
Other liabilities	2.48	(7.80)
<b>CASH (USED IN) / GENERATED FROM OPERATIONS</b>	<b>(500.83)</b>	<b>232.92</b>
Direct taxes (paid) / refund received	37.63	(26.84)
<b>NET CASH (USED IN) / GENERATED FROM OPERATING ACTIVITIES (A)</b>	<b>(463.20)</b>	<b>206.08</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of fixed assets / CWIP	(12.10)	(51.43)
Sale of fixed assets	8.90	21.00
Purchase of investments	(122.00)	(1,848.66)
Sale / redemption of investments	668.18	2,176.61
Dividend received	16.43	16.39
Interest received	722.18	311.43
Loans / Inter corporate deposits refund / (given) - net	(437.29)	(720.15)
<b>NET CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES (B)</b>	<b>844.30</b>	<b>(94.81)</b>

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

	(₹ in Lakhs)	
	2021-22	2020-21
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Proceeds from / (repayment) of borrowings (net)	(79.87)	(89.21)
Interest paid	(7.91)	(18.92)
<b>NET CASH (USED IN) FINANCING ACTIVITIES</b>	<b>(87.78)</b>	<b>(108.13)</b>
	(c)	
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>293.32</b>	<b>3.14</b>
<b>CASH AND CASH EQUIVALENTS - AT THE START OF THE YEAR</b>	<b>24.89</b>	<b>21.75</b>
<b>CASH AND CASH EQUIVALENTS - AT THE END OF THE YEAR</b>	<b>318.21</b>	<b>24.89</b>
<b>Cash and cash equivalents comprise of :</b>	<b>As on</b>	<b>As on</b>
	<b>31.03.22</b>	<b>31.03.21</b>
Balances with Banks :		
- in Current accounts	<b>318.16</b>	24.76
Cash on hand	<b>0.05</b>	0.13
Cash and cash equivalents (Note no. 9)	<b>318.21</b>	24.89

### 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 **Khandelwal and Mehta LLP**  
Chartered Accountants  
Firm's Registration No. W100084

**Sunil Khandelwal**  
Partner  
Membership No. 101388  
Mumbai, 25<sup>th</sup> May, 2022

**Surendra Kabra**  
Chief Financial Officer

**Kinjal Shah**  
Company Secretary &  
Compliance Officer

For and on behalf of the Board

**Nandan Damani**  
Chairman and Managing Director

**Surendra Kumar Somany**  
Independent Director

Mumbai, 25<sup>th</sup> May, 2022

# SIMPLEX REALTY LIMITED

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## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

### 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. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### (i) Basis of preparation:

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

#### (ii) Current and non-current classification:

The 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 certain 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 prices (unadjusted) in active market for identical assets or liabilities.
- Level 2- Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3-Inputs based on unobservable market data.

#### (iv) Revenue Recognition:

Ind AS 115- Revenue from Contracts with Customers, is mandatory for reporting periods beginning on or after 1st April, 2018, under Ind AS 115- revenue is recognized when or as it satisfies each performance obligation by transferring a promised good or service to a customer. A good or service is considered to be transferred when the customer obtains control. Under Ind AS- 115 transfer of control of a good or service over time rather than at a point in time is considered when one of the following criteria are met:

- The Customer simultaneously receives and consumes the benefits provided by the entity’s performance as the entity performs.
- The entity’s performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- The entity’s performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

If it is not possible to demonstrate that the performance obligation is satisfied over time, the revenue cannot be recognized over time (means revenue is to be recognized following Completed Control Method, instead of Percentage of Completion Method (POCM))

Costs incurred is being used to measure progress towards completion as there is a direct relationship between input and productivity. 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. The effect of changes, if any, to estimates is recognized in the financial statements for the period in which such changes are determined.

Revenue in excess of invoicing are classified as contract assets (which is referred as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which is referred as unearned/deferred income).

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.

#### 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

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

### (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 and preference 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.

#### 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:

#### 1) Financial assets at amortised cost

A financial asset is measured at the amortised cost, if both of 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

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## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

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 recognized in OCI is reclassified from equity to other income in the Statement of Profit and 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 including interest income and dividend income if any, recognised as other income in the Statement of Profit and Loss.

### 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 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, borrowings and

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

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.

- **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

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

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, 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 Statement of Profit and Loss.

Remeasurement gain 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 Change 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.



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

### **(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 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

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

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.

### **Estimation of uncertainties relating to the global health pandemic from COVID-19**

The Company, as at the date approval of these financial statements has considered internal and external sources of information, in assessing the possible effects that may result from the global health pandemic relating to COVID-19 on the carrying amounts of loans, investments, receivables, inventories and other assets. As on the date of approval of these financial statements, the Company has concluded that the impact of COVID - 19 is not material based on these estimates and expects to recover the carrying amount of these assets. The impact of COVID-19 on the Company's Financial Statements may differ from that estimated as at the date of approval of these financial statements.

# SIMPLEX REALTY LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

### 2 (a) PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

	GROSS CARRYING AMOUNT				DEPRECIATION				NET CARRYING AMOUNT	
	As at 01.04.2021	Additions during the year	Deductions/ Adjustments during the year	As at 31.03.2022	Upto 31.03.2021	Provided during the year	On Deductions/ Adjustments	Upto 31.03.2022	As at 31.03.2022	As at 31.03.2021
Freehold Land	48.93	-	-	48.93	-	-	-	-	48.93	48.93
Buildings	37.95	-	-	37.95	3.69	0.79	-	4.48	33.47	34.26
Computers	15.14	-	-	15.14	10.90	1.89	-	12.79	2.35	4.24
Electrical Installations	26.00	-	0.02	25.98	7.97	2.46	-	10.43	15.55	18.03
Furniture and Fixtures	6.14	0.71	-	6.85	4.11	0.48	-	4.59	2.26	2.03
Vehicles	108.88	-	25.82	83.06	41.01	10.20	23.39	27.82	55.24	67.87
Office Equipments	4.92	-	-	4.92	3.32	0.53	-	3.85	1.07	1.60
<b>Total</b>	247.96	0.71	25.84	222.83	71.00	16.35	23.39	63.96	158.87	176.96

(₹ in Lakhs)

	GROSS CARRYING AMOUNT				DEPRECIATION				NET CARRYING AMOUNT	
	As at 01.04.2020	Additions during the year	Deductions/ Adjustments during the year	As at 31.03.2021	Upto 31.03.2020	Provided during the year	On Deductions/ Adjustments	Upto 31.03.2021	As at 31.03.2021	As at 31.03.2020
Freehold Land	50.00	-	1.07	48.93	-	-	-	-	48.93	50.00
Buildings	37.95	-	-	37.95	2.90	0.79	-	3.69	34.26	35.05
Computers	13.80	1.34	-	15.14	7.77	3.13	-	10.90	4.24	6.03
Electrical Installations	26.00	-	-	26.00	5.52	2.45	-	7.97	18.03	20.48
Furniture and Fixtures	6.14	-	-	6.14	3.70	0.41	-	4.11	2.03	2.44
Vehicles	58.84	50.04	-	108.88	36.36	4.65	-	41.01	67.87	22.48
Office Equipments	4.87	0.05	-	4.92	2.40	0.92	-	3.32	1.60	2.47
<b>Total</b>	197.60	51.43	1.07	247.96	58.65	12.35	-	71.00	176.96	138.95

### 2 (b) Capital Work-In-Progress (CWIP)

As at 31.03.2022

(₹ in Lakhs)

CWIP	Amount in CWIP for a period of				Total
	< 1 year	1-2 years	2-3 years	> 3 years	
Projects in progress	11.39	-	-	-	11.39
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>11.39</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11.39</b>

As at 31.03.2021

(₹ in Lakhs)

CWIP	Amount in CWIP for a period of				Total
	< 1 year	1-2 years	2-3 years	> 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

### 3 (a) NON-CURRENT INVESTMENTS

(₹ in Lakhs)

Sr. No.	Particulars	Associate / Others	Face value - fully paid (₹)	No. of Shares/Units		Amount	
				31.03.2022	31.03.2021	31.03.2022	31.03.2021
	<b>In Associates</b>						
<b>I</b>	<b>Investments in Equity Instruments</b>						
	<b>Quoted - (At cost)</b>						
	(a) Simplex Mills Company Ltd.	Associate	10	<b>14,70,000</b>	14,70,000	<b>146.11</b>	146.11
	(b) Simplex Papers Ltd.	Associate	10	<b>14,71,000</b>	14,71,000	<b>147.25</b>	147.25
						<b>293.36</b>	293.36
	Less: Impairment in value of investments					-	(103.86)
<b>II</b>	<b>Investments in Preference Shares - Unquoted - In associate (At cost)</b>						
	Non-Cumulative Redeemable Preference Shares of Simplex Mills Company Ltd.	Associate	10	<b>90,00,000</b>	90,00,000	<b>900.00</b>	900.00
	<b>Other Investments</b>						
<b>I</b>	<b>Investment in Preference Shares -Unquoted- Others- (At FVTOCI)</b>						
	7.50% Tata Capital Limited - Non Convertible Redeemable Preference shares	Others	1000	<b>20,000</b>	20,000	<b>201.60</b>	195.34
<b>II</b>	<b>Investments in Bonds/Debentures- Quoted (At FVTOCI)</b>						
	10.32% Andhra Pradesh Capital Region Development Authority- unsecured redeemable Non Convertible Bonds - series E (16/08/2028)	Others	200000	<b>50</b>	50	<b>106.32</b>	107.06
	8.75% Axis Bank Limited unsecured perpetual, additional tier I, Basel III, Non Convertible Debenture - Series 28	Others	1000000	-	20	-	201.00
	8.50% BOB Perp Series XIII (call date 28/07/2025)	Others	1000000	<b>10</b>	10	<b>101.75</b>	99.90
	10.88% Cholamandalam Investment and Finance Company Limited, unsecured Non Convertible Debenture series PDI 20 (with first call option 12/02/2029)	Others	500000	<b>60</b>	60	<b>327.75</b>	322.05
	7.74% SBI AT1 Bonds in the nature of Debentures Series (call date 09/09/2025)	Others	1000000	<b>10</b>	10	<b>100.66</b>	100.24
	8.15% State Bank of India perpetual series IV additional tier I bonds under Basel III	Others	1000000	-	10	-	100.42
	10.75% The Tata Power Company Limited-NCD perpetual 2072	Others	1000000	-	10	-	104.68
	10.15% UP Power Corporation Limited-Non Convertible Bonds Series II- 2017-18 (20/01/2028)	Others	1000000	<b>20</b>	20	<b>208.50</b>	206.56
	<b>Investments in Bonds/Debentures- Unquoted (At FVTOCI)</b>						
	9.67% Tata Sons Pvt Ltd NCD 13SP22 (13/09/2022)	Others	1000000	-	9	-	94.41
<b>III</b>	<b>Investments in Alternate Investment Fund - Unquoted - (At FVTPL)</b>						
	India Realty Excellence Fund IV					<b>72.00</b>	60.00
	Walton Street Blacksoil Real Estate Fund					<b>44.85</b>	78.41
	<b>Total Non-Current Investments</b>					<b>2,356.80</b>	2,759.57

# SIMPLEX REALTY LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ in Lakhs)

Details of total investments:	31.03.2022	31.03.2021
Financial assets measured at cost	1,193.36	1,089.50
Financial assets measured at Fair Value through Other Comprehensive Income (FVTOCI)	1,046.58	1,531.66
Financial assets measured at Fair Value through Profit or Loss (FVTPL)	116.85	138.41

### 3 (b) CURRENT INVESTMENTS

(₹ in Lakhs)

Sr. No.	Particulars	Associate / Others	Face value - fully paid (₹)	No. of Shares/Units		Amount	
				31.03.2022	31.03.2021	31.03.2022	31.03.2021
I	<b>Investments in Equity Instruments - (measured at Fair Value Through Other Comprehensive Income - FVTOCI)</b>						
	<b>Quoted - fully paid up</b>						
(a)	HDFC Ltd.	Others	2	1,400	1,400	33.44	34.99
(b)	Piramal Enterprises Ltd.	Others	2	3,000	3,000	65.61	52.56
(c)	Hindustan Unilever Ltd.	Others	1	360	360	7.38	8.75
	<b>Total quoted current investments in equity instruments</b>					<b>106.43</b>	<b>96.30</b>
	<b>Unquoted - fully paid up</b>						
(j)	Universal Conveyor Beltings Ltd.	Others	10	27,500	27,500	-	-
	<b>Total unquoted current investments in equity instruments</b>					<b>-</b>	<b>-</b>
II	<b>Investments in Bonds/Debentures- Quoted (At FVTOCI)</b>						
	8.75% Axis Bank Limited unsecured perpetual, additional tier I, Basel III, Non Convertible Debenture - Series 28 (with first call option 28/06/2022)	Others	1000000	20	-	200.42	-
	9.95 Future Consumers Ltd secured Non Convertible Debenture series III	Others	100000	-	100	-	100.00
	9.50% Indusind Bank Ltd perpetual bond	Others	1000000	-	5	-	49.55
	8.15% State Bank of India perpetual series IV additional tier I bonds under Basel III (with first call option 02/08/2022)	Others	1000000	10	-	100.05	-
	11.40% The Tata Power Company Ltd unsecured perpetual Non Convertible Debenture	Others	1000000	-	10	-	100.68
	10.75% The Tata Power Company Limited-NCD perpetual 2072 (call date 21/08/2022)	Others	1000000	10	-	101.85	-
	8.97% UP Power Corporation Limited- Non Convertible Bonds Series III	Others	1000000	-	10	-	100.65
	<b>Investments in Bonds/Debentures- Unquoted (At FVTOCI)</b>						
	9.67% Tata Sons Pvt Ltd NCD 13SP22 (13/09/2022)	Others	1000000	9	-	91.55	-
III	<b>Investments in Bonds/Debentures- Quoted (At Amortised cost)</b>						
	9.56% Tamilnadu Power Finance and Infra Development Corp Ltd-Series 2	Others	1000000	-	6	-	42.32
	9.72% Tamilnadu Generation and Distribution Corp Ltd-Series 2 (call date 16/07/2024)	Others	1000000	4	4	40.14	40.08
	9.75% UP Power Corporation Ltd	Others	1000000	-	10	-	75.22
	<b>Total current investments in bonds/debentures</b>					<b>534.01</b>	<b>508.50</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ in Lakhs)

Sr. No.	Particulars	Associate / Others	Face value - fully paid ₹	No. of Shares/Units		Amount	
				31.03.2022	31.03.2021	31.03.2022	31.03.2021
<b>IV</b>	<b>Investments in Mutual Funds-Unquoted (at FVTPL)</b>						
	DSP Overnight Fund - Regular-Growth	Others	1000	-	649.419	-	7.14
	Tata Money Market Fund - Direct Plan -Growth	Others	1000	-	1,344.461	-	49.34
	<b>Total investments in mutual funds</b>					-	56.48
	<b>Total Current Investments</b>					<b>640.44</b>	661.28

(₹ in Lakhs)

Details of total investments:	31.03.2022	31.03.2021
Financial assets measured at fair value through Other Comprehensive Income (FVTOCI)	<b>600.30</b>	447.18
Financial assets measured at fair value through Profit or Loss (FVTPL)	-	56.48
Financial assets measured at amortised cost	<b>40.14</b>	157.62

	(₹ in Lakhs)	
	31.03.2022	31.03.2021
<b>Aggregate market value of quoted investments</b>		
Non-Current	<b>1,991.29</b>	1,241.91
Current	<b>549.20</b>	603.86
<b>Aggregate carrying value of unquoted investments</b>		
Non-Current	<b>1,218.45</b>	1,328.16
Current	<b>91.55</b>	56.48
<b>Aggregate amount of impairment in value of investments</b>		
Non-Current	-	(103.86)

(₹ in Lakhs)

<b>4. LOANS - NON-CURRENT</b> (Considered good-Unsecured)	<b>31.03.2022</b>	<b>31.03.2021</b>
Loans to employees	<b>6.04</b>	2.58
	<b>6.04</b>	2.58

(₹ in Lakhs)

<b>5. OTHER FINANCIAL ASSETS - NON-CURRENT</b>	<b>31.03.2022</b>	<b>31.03.2021</b>
Security deposits	<b>3.41</b>	3.34
Bank deposit with more than 12 months maturity	<b>12.50</b>	12.50
	<b>15.91</b>	15.84

The above bank deposit is given to the bank as security for issuing bank guarantee.

# SIMPLEX REALTY LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

6. DEFERRED TAX ASSET (NET)	31.03.2022	(₹ in Lakhs) 31.03.2021
<b>Deferred Tax Liability</b>		
Long term capital gain on conversion of land into stock-in-trade	(6.78)	(6.78)
Others	(0.02)	(0.06)
<b>Deferred Tax Assets</b>		
Property, plant and equipment	(0.31)	1.78
Expenses that are allowed on payment basis	25.71	24.25
Unused tax losses	377.55	400.52
Others	(6.15)	8.08
<b>Net deferred tax asset</b>	<b>390.00</b>	<b>427.80</b>

### a) Movement in deferred tax balances

#### Movement in deferred tax during the year ended 31st March, 2022

	Opening balance as at 01.04.2021	Recognised in profit or loss	Recognised in OCI	Closing balance as at 31.03.2022
Property, plant and equipment	1.78	(2.09)	-	(0.31)
Expenses that are allowed on payment basis	4.80	0.36	-	5.16
Unused tax losses	400.52	(22.97)	-	377.55
Long term capital gain on conversion of land into stock-in-trade	(6.78)	-	-	(6.78)
Provision for employee benefits	19.45	1.59	(0.49)	20.55
Interest income on unwinding of financial liability	(0.06)	0.04	-	(0.02)
Others	8.08	(11.48)	(2.75)	(6.15)
<b>Net deferred tax asset</b>	<b>427.80</b>	<b>(34.55)</b>	<b>(3.24)</b>	<b>390.00</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

### Movement in deferred tax during the year ended 31st March, 2021

	Opening balance as at 01.04.2020	Recognised in profit or loss	Recognised in OCI	(₹ in Lakhs) Closing balance as at 31.03.2021
Property, plant and equipment	3.40	(1.62)	-	1.78
Expenses that are allowed on payment basis	4.44	0.36	-	4.80
Unused tax losses	400.52	-	-	400.52
Long term capital gain on conversion of land into stock-in trade	(6.78)	-	-	(6.78)
Provision for employee benefits	18.13	1.37	(0.05)	19.45
Interest income on unwinding of financial liability	(0.05)	(0.01)	-	(0.06)
Others	12.03	12.62	(16.57)	8.08
<b>Net deferred tax asset</b>	<b>431.69</b>	<b>12.72</b>	<b>(16.62)</b>	<b>427.80</b>

	31.03.2022	31.03.2021
<b>b) Income tax recognised in profit and loss</b>		
<b>Current tax</b>		
In respect of current year	<b>29.31</b>	7.01
In respect of earlier years	<b>2.77</b>	0.02
<b>Deferred tax</b>		
Relating to origination and reversal of temporary differences	<b>34.55</b>	(12.72)
<b>Total income tax recognised for the year</b>	<b>66.63</b>	(5.69)

	31.03.2022	31.03.2021
<b>c) Income tax recognised in other comprehensive income</b>		
Deferred tax arising on income and expenses recognised in other comprehensive income:		
Remeasurement of defined benefit obligations	<b>(0.49)</b>	(0.05)
Changes in fair value of equity instruments through FVTOCI	<b>(1.05)</b>	(10.73)
Changes in fair value of debt instruments through FVTOCI	<b>(1.70)</b>	(5.84)
<b>Total income tax recognised in other comprehensive income</b>	<b>(3.24)</b>	(16.62)



# SIMPLEX REALTY LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

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

	31.03.2022	(₹ in Lakhs) 31.03.2021
<b>Profit before tax</b>	<b>313.44</b>	40.81
Tax expense calculated at 25.168% (2021-22: 25.168%)	<b>78.89</b>	10.27
Effect of expenses that are not deductible or deductible on payment basis	<b>7.25</b>	6.51
Effect of expenses that are deductible under Income tax act	<b>(9.28)</b>	(9.23)
Others	<b>9.97</b>	(13.26)
Utilisation of brought forward business losses set off during the year	<b>(22.97)</b>	-
	<b>63.86</b>	(5.71)
Adjustments recognised in the current year in relation to the current tax of earlier years	<b>2.77</b>	0.02
<b>Income tax expense recognised in profit and loss</b>	<b>66.63</b>	(5.69)

The tax rate used for the above reconciliations is the corporate tax rate of 25.168% for the year 2021-22 and 2020-21 payable by the Company.

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 31<sup>st</sup> March, 2022, the Company has recognized deferred tax asset of ₹ 377.55 Lakhs ( as at 31<sup>st</sup> March, 2021 ₹ 400.52 Lakhs) on unused 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 reasonable certainty that the Company will generate sufficient taxable income to utilise such tax losses.

	31.03.2022	(₹ in Lakhs) 31.03.2021
<b>7. OTHER NON-CURRENT ASSETS</b>		
Advance income tax (net of provisions)	<b>103.22</b>	174.17
(net of provision of ₹ 1132.69 Lakhs as at 31st March, 2022, ₹ 1100.61 Lakhs as at 31st March, 2021)	<b>103.22</b>	174.17

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

<b>8. INVENTORIES</b>	(₹ in Lakhs)	
	<b>31.03.2022</b>	31.03.2021
Construction work-in-progress	<b>2,148.65</b>	1,979.17
Realty stock-in-trade	<b>1,208.03</b>	1,184.36
	<b>3,356.68</b>	3,163.53

<b>9. CASH AND CASH EQUIVALENTS</b>	(₹ in Lakhs)	
	<b>31.03.2022</b>	31.03.2021
Balances with banks:		
In current accounts	<b>318.16</b>	24.76
Cash on hand	<b>0.05</b>	0.13
	<b>318.21</b>	24.89

<b>10. OTHER BANK BALANCES</b>	(₹ in Lakhs)	
	<b>31.03.2022</b>	31.03.2021
Unclaimed dividend accounts	<b>5.62</b>	9.36
	<b>5.62</b>	9.36

<b>11. LOANS-CURRENT</b>	(₹ in Lakhs)	
	<b>31.03.2022</b>	31.03.2021
<b>Loans receivable considered good - Unsecured</b>		
Inter corporate deposits	<b>3,393.90</b>	2,956.61
Loans to employees*	<b>3.92</b>	1.74
	<b>3,397.82</b>	2,958.35

\* includes due from officers of the Company

<b>12. OTHER CURRENT FINANCIAL ASSETS</b>	(₹ in Lakhs)	
	<b>31.03.2021</b>	31.03.2020
Interest receivable	<b>81.96</b>	281.96
Others	<b>9.49</b>	20.28
	<b>91.45</b>	302.24

# SIMPLEX REALTY LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

	(₹ in Lakhs)	
	<u>31.03.2022</u>	<u>31.03.2021</u>
<b>13. OTHER CURRENT ASSETS</b>		
Income tax paid against disputed demand	<b>687.03</b>	687.03
Balances with government authorities	<b>103.51</b>	99.53
Prepaid expenses	<b>13.41</b>	3.02
Other advances	<b>52.77</b>	51.16
	<b>856.72</b>	840.74

	(₹ in Lakhs)	
	<u>31.03.2022</u>	<u>31.03.2021</u>
<b>14. EQUITY SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
1,00,00,000 (31 <sup>st</sup> March, 2021 - 1,00,00,000) Equity Shares of ₹ 10/- each	<b>1,000.00</b>	1,000.00
<b>ISSUED, SUBSCRIBED AND PAID UP</b>		
29,91,382 (31 <sup>st</sup> March, 2021- 29,91,382) Equity shares of ₹ 10/- each fully paid up (of which 360 (31st March, 2021 - 360) shares remain to be exchanged for fractional certificates)	<b>299.14</b>	299.14
Add : Forfeited shares account	<b>0.23</b>	0.23
<b>Total issued, subscribed and fully paid up share capital</b>	<b>299.37</b>	299.37

### a. Reconciliation of the shares outstanding at the beginning and at the end of the year (₹ in Lakhs)

Particulars	31.03.2022		31.03.2021	
	Equity Shares		Equity Shares	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	<b>29,91,382</b>	<b>299.14</b>	29,91,382	299.14
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>29,91,382</b>	<b>299.14</b>	29,91,382	299.14

### 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.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

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

Name of Shareholder	As at 31st March, 2022		As at 31st March, 2021	
	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
New Textiles LLP	5,99,123	20.03	5,99,123	20.03
Life Insurance Corporation of India	3,74,574	12.52	4,15,903	13.90

### d. Details of the shareholding of Promoters

Name of Promoter	As at 31.03.2022		As at 31.03.2021		% change during the year
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	
<b>Individual</b>					
Nandan Damani	1,25,316	4.19	1,25,316	4.19	-
Nandan Damani HUF	300	0.01	300	0.01	-
Sanjay N Damani	77,230	2.58	77,230	2.58	-
Shreelekha N Damani	51,936	1.73	51,936	1.73	-
Shashi Patodia	44,276	1.48	44,276	1.48	-
Nalini Somany	511	0.02	511	0.02	-
Sumita Somany	50	0.00	50	0.00	-
Kamladevi Bagri	33	0.00	33	0.00	-
<b>Bodies Corporate</b>					
Lucky Vyapaar and Holdings Pvt Ltd	7,43,040	24.84	7,43,040	24.84	-
New Textiles LLP	5,99,123	20.03	5,99,123	20.03	-
<b>Total</b>	<b>16,41,815</b>	<b>54.88</b>	<b>16,41,815</b>	<b>54.88</b>	<b>-</b>

# SIMPLEX REALTY LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

	31.03.2022	(₹ in Lakhs) 31.03.2021
<b>15. OTHER EQUITY</b>		
<b>CAPITAL RESERVE</b>		
Opening balance	60.71	60.71
Closing balance	60.71	60.71
<b>SECURITIES PREMIUM ACCOUNT</b>		
Opening balance	143.24	143.24
Closing balance	143.24	143.24
<b>GENERAL RESERVE</b>		
Opening balance	7,009.00	7,009.00
Closing balance	7,009.00	7,009.00
<b>OTHER COMPREHENSIVE INCOME- EQUITY INSTRUMENTS (FVTOCI)</b>		
Opening balance	29.96	15.00
Add/(less): Changes in fair value during the year of FVTOCI equity instruments (net of tax)	9.08	54.28
Less: Transfer on sale of FVTOCI -designated instruments	-	(39.32)
Closing balance	39.04	29.96
<b>OTHER COMPREHENSIVE INCOME- DEBT INSTRUMENTS (FVTOCI)</b>		
Opening balance	35.59	(8.64)
Add/(less): Changes in fair value during the year of FVTOCI debt instruments (net of tax)	7.60	44.23
Closing balance	43.19	35.59
<b>RETAINED EARNINGS</b>		
Opening balance	3,583.02	3,497.05
Add: Transfer on sale of FVTOCI -designated instruments	-	39.32
Profit for the year	246.81	46.50
<u>Items of other comprehensive income recognised directly in retained earnings:</u>		
Remeasurement of defined benefit obligation (net of tax)	1.46	0.15
Closing balance	3,831.29	3,583.02
<b>Total other equity</b>	<b>11,126.47</b>	<b>10,861.52</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

### 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.

### 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.

### OTHER COMPREHENSIVE INCOME - EQUITY INSTRUMENTS (FVTOCI)

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.

### OTHER COMPREHENSIVE INCOME- DEBT INSTRUMENTS (FVTOCI)

This reserve represents the cumulative gains (net of losses) arising on revaluation of debt instruments measured at fair value through Other Comprehensive Income. When the financial asset is derecognised, the cumulative gains or losses previously recognised in this reserve is reclassified from equity to Profit or Loss.

	31.03.2022	(₹ in Lakhs) 31.03.2021
<b>16. BORROWINGS - NON-CURRENT</b>		
Unsecured loan from other		
Term loan	-	65.21
	-	65.21

(Unsecured loan availed against the security of assets given by a company in which Directors are interested and carries interest @ 11.55% per annum (previous year 11.55% p.a.) and is repayable in equated monthly installment over a period of 1 years (previous year 2 years) last installment is in November 2022).

	31.03.2022	(₹ in Lakhs) 31.03.2021
<b>17. OTHER FINANCIAL LIABILITIES - NON-CURRENT</b>		
Security deposit	-	17.60
	-	17.60

# SIMPLEX REALTY LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

18. PROVISIONS - NON-CURRENT	(₹ in Lakhs)	
	31.03.2022	31.03.2021
For employee benefits- Gratuity (refer note 31)	19.62	18.23
	<u>19.62</u>	<u>18.23</u>

19. OTHER LIABILITIES - NON-CURRENT	(₹ in Lakhs)	
	31.03.2022	31.03.2021
Deferred income	-	0.43
	<u>-</u>	<u>0.43</u>

20. BORROWINGS-CURRENT	(₹ in Lakhs)	
	31.03.2022	31.03.2021
Unsecured loan from other		
Current maturities of term debt	35.36	50.01
	<u>35.36</u>	<u>50.01</u>

(Unsecured loan availed against the security of assets given by a company in which Directors are interested and carries interest @ 11.55% per annum (previous year 11.55% p.a.) and is repayable in equated monthly installment over a period of 1 years (previous year 2 years) last installment is in November 2022).

## 21. TRADE PAYABLES

Trade payable ageing as at 31st March, 2022

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment/transaction				Total
	< 1 years	1-2 years	2-3 years	> 3 years	
(i) MSME	5.78	-	-	-	5.78
(ii) Others	8.21	-	-	-	8.21
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-
	<u>13.99</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13.99</u>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

### Trade payable ageing as at 31st March, 2021

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment/transaction				Total
	< 1 years	1-2 years	2-3 years	> 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	12.61	1.41	1.20	0.27	15.49
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-
	12.61	1.41	1.20	0.27	15.49

### 22. OTHER FINANCIAL LIABILITIES-CURRENT

31.03.2022

(₹ in Lakhs)

31.03.2021

Unpaid dividends	5.62	9.36
Security deposit	19.49	-
Other liabilities	103.07	86.64
Retention money	17.46	28.88
	<u>145.64</u>	<u>124.88</u>

### 23. OTHER CURRENT LIABILITIES

31.03.2022

(₹ in Lakhs)

31.03.2021

Statutory dues	6.26	3.77
Deferred income	0.43	1.74
	<u>6.69</u>	<u>5.51</u>

### 24. PROVISIONS-CURRENT

31.03.2022

(₹ in Lakhs)

31.03.2021

#### For employee benefits - (refer note 31)

Gratuity	23.74	22.95
Leave benefits	38.29	36.11
	<u>62.03</u>	<u>59.06</u>



# SIMPLEX REALTY LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

		(₹ in Lakhs)
<b>25. REVENUE FROM OPERATIONS</b>	<b>2021-22</b>	<b>2020-21</b>
Sale of products	<b>118.32</b>	344.56
Rental income	<b>80.17</b>	71.04
	<b>198.49</b>	415.60

		(₹ in Lakhs)
<b>26. OTHER INCOME</b>	<b>2021-22</b>	<b>2020-21</b>
<b>Interest income on financial assets</b>		
Bank deposits	<b>0.74</b>	0.82
Inter corporate deposits	<b>350.90</b>	206.87
Interest income on financial assets fair valued through other comprehensive income	<b>138.60</b>	144.79
Interest income on financial assets carried at amortised cost	<b>8.74</b>	33.32
Interest income on financial assets carried at fair value through profit or loss	<b>16.99</b>	21.61
Interest on deposits	-	13.57
Others	<b>1.83</b>	0.10
Interest on income tax refund	<b>1.26</b>	-
Dividend income from equity instruments designated at FVTOCI	<b>1.43</b>	1.30
Dividend income on other investments	<b>15.00</b>	15.09
Building rent	<b>32.80</b>	25.80
Profit on sale/redemption of investments (designated at fair value through profit or loss)	<b>1.76</b>	25.22
Profit on sale/redemption of investments carried at FVTOCI	-	0.13
Profit on sale of fixed assets	<b>6.48</b>	19.93
Reversal of impairment loss on non current investment (refer note 43)	<b>103.86</b>	-
	<b>680.39</b>	508.55

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

	(₹ in Lakhs)	
<b>27. COST OF SALES</b>	<b>2021-22</b>	<b>2020-21</b>
<b>Opening stock</b>		
Construction work in progress	1,979.17	1,884.22
Finished stock	1,184.37	1,629.93
<b>Add: Expenses incurred during the year</b>		
Materials, structural, labour and contract cost incurred	80.20	49.61
Rates and taxes	0.08	0.18
Professional charges	64.34	39.13
Other cost - net	23.48	2.61
Finished unit purchased	127.40	-
	<b>295.50</b>	<b>91.53</b>
<b>Less: Closing stock</b>		
Construction work-in-progress	2,148.65	1,979.17
Finished stock	1,208.03	1,184.37
<b>Cost of sales</b>	<b>102.36</b>	<b>442.14</b>

	(₹ in Lakhs)	
<b>28. EMPLOYEE BENEFITS EXPENSE</b>	<b>2021-22</b>	<b>2020-21</b>
Salaries and wages	254.20	253.33
Contribution to provident and other funds	7.78	7.59
Staff welfare expenses	9.30	9.27
	<b>271.28</b>	<b>270.19</b>

	(₹ in Lakhs)	
<b>29. FINANCE COSTS</b>	<b>2021-22</b>	<b>2020-21</b>
Interest on		
Term loan	7.86	18.52
Income tax	-	0.40
Others	1.94	1.71
	<b>9.80</b>	<b>20.63</b>

# SIMPLEX REALTY LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

	(₹ in Lakhs)	
<b>30. OTHER EXPENSES</b>	<b>2021-22</b>	<b>2020-21</b>
Electricity	6.25	4.93
Repairs to		
Buildings	26.24	0.14
Machinery	0.96	1.47
Others	1.77	1.25
Insurance	1.07	0.73
Rent	0.67	0.65
Rates and taxes	9.44	9.44
Advertisements	0.64	0.30
Business promotion expenses	1.66	1.10
Travelling and conveyance expenses	11.78	5.63
Legal and professional fees	11.43	6.60
Retainership fees	8.75	11.14
Printing, stationery and communication expenses	6.43	5.20
Bank charges	0.15	0.05
Vehicles expenses	5.50	5.02
Flat maintenance expenses	16.69	10.15
Commission and brokerage	-	4.30
Membership and subscription charges	6.50	6.75
Security charges	10.50	11.03
Sundry assets written off	0.02	-
Goods and Service tax paid	6.70	6.81
Changes in fair value of financial assets at fair value through profit or loss (FVTPL)	0.62	3.31
Sundry expenses	13.27	14.24
Directors' sitting fees	4.50	3.80
Society maintenance charges	10.45	19.84
<b>Auditors' remuneration</b>		
As Auditor		
Audit fee	3.65	3.65
Tax audit fee	-	0.50
For reimbursement of expenses	0.01	0.00
	<b>165.65</b>	<b>138.03</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

### 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;

	<u>2021-22</u>	(₹ in Lakhs) <u>2020-21</u>
<b>Contribution to:</b>		
Provident fund	1.11	1.04
Superannuation fund	5.04	5.04
Pension fund	0.90	0.87
Employees State Insurance fund	0.73	0.64

#### Disclosures for defined benefit plan based on actuarial valuation report:

#### II) Defined Benefit Plan

##### GRATUITY

##### A. Changes in defined benefit obligations

	<u>2021-22</u>	(₹ in Lakhs) <u>2020-21</u>
Present value of defined benefit obligation as at the beginning of the year	41.18	40.52
Interest cost	1.99	2.03
Current service cost	2.14	2.89
Past service cost- vested benefits	-	-
Benefit paid	-	(4.06)
Actuarial (gain) / loss due to changes in demographic assumption	0.27	-
Actuarial (gain) / loss due to changes in financial assumption	(0.56)	(1.19)
Actuarial (gain) / loss due to changes in experience adjustments	(1.66)	0.99
Present value of defined benefit obligation as at the end of the year	43.36	41.18

##### B. Amount recognized in the Balance Sheet

Present value of defined benefit obligation as at the end of the year	43.36	41.18
Fair value of plan assets at end of the year	-	-
Net liability recognized in the Balance Sheet	43.36	41.18
- Current provision	23.74	22.95
- Non-current provision	19.62	18.23

# SIMPLEX REALTY LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

	2021-22	(₹ in Lakhs) 2020-21
<b>C. Expenses recognized in the Statement of Profit and Loss</b>		
Interest cost	1.99	2.03
Current service cost	2.14	2.89
Past service cost- vested benefits	-	-
Expenses recognized in the Statement of Profit and Loss	4.13	4.92

### D. Expenses recognized in the Other Comprehensive Income (OCI)

Remeasurement (gain)/loss	(1.95)	(0.20)
Actuarial (gain) / loss due to changes in demographic assumption	0.27	-
Actuarial (gain) / loss due to changes in financial assumptions	(0.56)	(1.19)
Actuarial (gain) / loss due to changes in experience adjustments	(1.66)	0.99

### E. Movement in the present value of net defined benefit obligation are as follows

Opening net liability	41.18	40.52
Expenses recognised in Statement of Profit and Loss	4.13	4.92
Expenses recognised in OCI	(1.95)	(0.20)
Contributions paid	-	(4.06)
Closing net liability	43.36	41.18

### Maturity profile of defined benefit obligation

	Estimated for the year ended 31st March, 2022	(₹ in Lakhs) Estimated for the year ended 31st March, 2021
1st following year	23.74	22.95
2nd following year	2.76	0.10
3rd following year	0.45	2.27
4th following year	0.48	0.10
5th following year	0.34	0.12
Sum of years 6 to 10	9.99	9.23

### Sensitivity analysis

	2021-22	(₹ in Lakhs) 2020-21
Impact of +1% change in discount rate	41.55	39.14
Impact of -1% change in discount rate	45.48	43.60
Impact of +1% change in salary escalation rate	44.45	42.54
Impact of -1% change in salary escalation rate	41.72	39.15

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

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 benefits 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.

<b>Actuarial assumptions</b>	<b>As at 31st March, 2022</b>	As at 31st March, 2021
Discount rate	<b>6.98%</b>	6.70%
Salary escalation rate	<b>5.00%</b>	5.00%
Attrition rate:		
0 to 5 years	<b>16.67%</b>	0.50%
6 to 10 years	<b>6.67%</b>	0.00%
11 to 60 years	<b>0.00%</b>	0.00%

### 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.<br>Simplex Mills Company Ltd.  |
| (b) Key management personnel and their relatives                  | Shri Nandan Damani - Managing Director<br>Shri Sanjay N. Damani - Executive Director<br>Smt. Sandhya R Kini - Executive Director<br>Smt. Shivani V Jatia<br>Smt. Shashi A Patodia<br>Smt. Shreelekha N. Damani |
| (c) Non Executive/Independent Directors                           | Shri V.B.Haribhakti<br>Shri S.K.Somany<br>Smt. Renu Jain<br>Shri Vijay S Jindal<br>Shri Sabhapati G Shukla   |
| (d) Where persons mentioned in (b) exercise significant influence | The Nav Bharat Refrigeration and Industries Ltd.<br>Shreelekha Global Finance Ltd.<br>New Textiles LLP<br>Lucky Vyapaar and Holdings Pvt. Ltd.   |

# SIMPLEX REALTY LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

### (ii) Transactions with related parties

(₹ in Lakhs)

Type of related party	Description of the nature of transactions	Volume of transactions during 2021-22	Volume of transactions during 2020-21	Balance as on 31.03.22 Receivable/ (Payable)	Balance as on 31.03.21 Receivable/ (Payable)
(a) Simplex Mills Company Ltd.	Reimbursement of expenses	(0.51)	(0.52)	-	-
(b) Key management personnel and their relatives	Remuneration#	76.78	74.16	-	-
(c) Non Executive/ Independent Directors	<b>Sitting fees</b>				
	Shri V.B.Haribhakti	1.20	1.00	-	-
	Shri S.K.Somany	1.20	1.00	-	-
	Smt Renu Jain	0.50	0.40	-	-
	Shri Vijay S Jindal	0.40	0.40	-	-
	Shri Sabhapati G Shukla	1.20	1.00	-	-
(d) Where persons mentioned in (b) exercise significant influence					
a) Reimbursement of expenses-net					
The Nav Bharat Refrigeration and Industries Ltd.		0.90	0.23	-	-
Lucky Vyapaar and Holdings Pvt. Ltd.		0.23	1.79	-	-
b) Security					
Security offered by Lucky Vyapaar and Holdings Pvt. Ltd for loan availed		-	-	35.36	115.22

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

#### Terms and conditions of transactions with related parties

Transactions with 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.

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

### a) Financial instruments by category

(₹ in Lakhs)

Particulars	31.03.2022			31.03.2021		
	At FVTOCI	At FVTPL	At Amortised cost	At FVTOCI	At FVTPL	At Amortised cost
<b>Financial Assets</b>						
Investments	1,646.88	116.85	40.14	1,978.84	194.89	157.62
Loans	-	-	3,403.86	-	-	2,960.93
Cash and cash equivalents	-	-	318.21	-	-	24.89
Other bank balances	-	-	5.62	-	-	9.36
Other financial assets	-	-	107.36	-	-	318.08
	1,646.88	116.85	3,875.19	1,978.84	194.89	3,470.88
<b>Financial Liabilities</b>						
Borrowings	-	-	35.36	-	-	115.22
Trade payables	-	-	13.99	-	-	15.49
Other financial liabilities	-	-	145.64	-	-	142.48
	-	-	194.99	-	-	273.19

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

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

The following table shows fair value hierarchy of financial assets measured at fair value on a recurring basis. 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 Lakhs)

Financial assets	31.03.2022			31.03.2021		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Measured at Amortised Cost</b>						
Investments in bonds/debentures	-	40.14	-	-	157.62	-
<b>Measured at FVTOCI</b>						
Investments in equity instruments	106.43	-	-	96.30	-	-
Investments in preference shares	-	201.60	-	-	195.34	-
Investments in bonds/debentures	-	1,338.85	-	-	1,687.20	-
<b>Measured at FVTPL</b>						
Investments in mutual funds	-	-	-	-	56.48	-
Investments in alternate investment funds	-	116.85	-	-	138.41	-

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities. 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.

Level 2: Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

The fair value of financial instruments that are not traded in active market is determined using market approach and valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

The fair value of investments in bonds, debentures and mutual funds is measured at quoted price, dealer quotes or NAV.

### c) Risk management framework

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

### d) Financial Risk Management

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

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

#### 1) 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, investments in inter corporate deposits, bonds or debentures.

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



# SIMPLEX REALTY LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

### 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 and investments is managed by Company's finance department. Investments of surplus funds are primarily made in fixed deposits, with banks and companies; bonds or debentures of investment grade issued by government institutions, public sector undertakings, corporates. These counter parties are shortlisted and exposure limits determined on the basis of their credit rating, financial statements and other relevant informations. As these counter parties are government institutions, public sector undertaking and corporates with investment grade credit ratings, the counter party risk attached to such assets is considered to be insignificant. Impairment in the value of investments in associates is recognised, if required, 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 in 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.

### Exposure to liquidity risk

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

(₹ in Lakhs)

As at 31 <sup>st</sup> March, 2022	Carrying amount	Contractual cash flows				
		Total	Within 1 year	1-2 years	2-5 years	More than 5 years
<b>Financial Liabilities</b>						
Borrowings	35.36	35.36	35.36	-	-	-
Trade Payables	13.99	13.99	13.99	-	-	-
Other Financial Liabilities	145.64	145.64	145.64	-	-	-
	<b>194.99</b>	<b>194.99</b>	<b>194.99</b>	-	-	-

(₹ in Lakhs)

As at 31 <sup>st</sup> March, 2021	Carrying amount	Contractual cash flows				
		Total	Within 1 year	1-2 years	2-5 years	More than 5 years
<b>Financial Liabilities</b>						
Borrowings	115.22	115.22	50.01	56.11	9.10	-
Trade Payables	15.49	15.49	15.49	-	-	-
Other Financial Liabilities	142.48	142.48	124.88	17.60	-	-
	<b>273.19</b>	<b>273.19</b>	<b>190.38</b>	<b>73.71</b>	<b>9.10</b>	-

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

### 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. The Company's investments are held in bonds/debentures, fixed deposits and debt mutual funds. Investments in bonds/debenture are measured either fair value through other comprehensive income or fair valued through profit or loss to recognise market volatility, which is not considered to be significant. Fixed deposits are held with highly rated banks and companies and are not subject to interest rate volatility.

The Company invests in mutual funds. Mutual fund investments are susceptible to market price risks that arise mainly from change in interest rate which may impact the return and value of such investments.

### Currency risk

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

### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The 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 Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Floating rate borrowing	35.36	115.22
	35.36	115.22

The sensitivity analysis 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. The amount indicated below may have an impact on reported profit / (loss) for the year.

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 Lakhs)

Particulars	2021-22	2020-21
Interest rate - Increase by 100 basis points	(0.35)	(1.15)
Interest rate - Decrease by 100 basis points	0.35	1.15

### 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.

# SIMPLEX REALTY LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

### 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.

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

(₹ in Lakhs)

	As at 31.03.2022	As at 31.03.2021
Borrowings	35.36	115.22
Less: Cash and cash equivalents	(318.21)	(24.89)
<b>Net Debt</b>	<b>(282.85)</b>	90.33
<b>Total Equity</b>	<b>11,425.84</b>	11,160.89
<b>Debt/Equity ratio</b>	<b>(0.02)</b>	0.01

**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	2021-22	2020-21
1. Profit after tax (₹ in Lakhs)	246.81	46.50
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 - ₹	8.25	1.55

### 36. 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 Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Future minimum lease rental receivable under operating leases are as follows:		
Not later than 1 year	57.65	104.24
Later than 1 year not later than 5 years	-	19.85
Later than 5 years	-	-

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

### 37. CORPORATE SOCIAL RESPONSIBILITY

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

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

### 38. ANALYTICAL RATIOS

The following are analytical ratios for the year ended 31st March, 2022 and 31st March, 2021

Ratio	Numerator	Denominator	As at 31.03.2022	As at 31.03.2021	% change during the year	Explanation for change by more than 25%
Current ratio	Current assets	Current liabilities	32.87	31.22	5.26%	-
Debt-equity ratio	Total debt	Shareholder's equity	0.00	0.01	-70.02%	Due to part prepayment of the loan.
Debt service coverage ratio	Net profit after tax +/- Non-cash operating items + Interest	Interest + Principal repayment	1.89	0.72	160.66%	Due to higher income and reduced interest cost.
Return on equity (ROE)	Net profit after tax	Average shareholder's equity	2.19%	0.42%	421.11%	Due to higher income including reversal of impairment loss on investments.
Inventory turnover ratio	Cost of goods sold	Average inventory	0.03	0.13	-76.29%	Due to lower sales in the current year.
Trade payables turnover ratio	Purchases for services and other expenses	Average trade payables	21.11	13.56	55.65%	Due to higher expenses in the current year (including building repairs and professional fees etc).
Net capital turnover ratio	Net sales	Average working capital	1.47%	4.43%	-66.81%	Due to lower sales in current year.
Net profit ratio	Net profit after tax	Total revenue	28.08%	5.03%	458.09%	Due to higher income including reversal of impairment loss on investments.
Return on capital employed (ROCE)	Earning before interest and tax	Tangible net worth + Total debt + Deferred tax liability	2.82%	0.54%	417.60%	
Return on Investment (ROI)	Income generated from investment	Time weighted average investment	9.12%	9.24%	-1.31%	-

# SIMPLEX REALTY LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

### 39. CONTINGENT LIABILITIES NOT PROVIDED FOR

#### a) Claims against the Company not acknowledged as debt:

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Appeals filed in respect of disputed demands:		
Relating to income tax where the Company is in appeal	725.18	477.38
Relating to income tax where Department is in appeal	2,804.25	2,804.25
Labour matters	1.35	1.35
Legal cases	34.06	34.06
Bank guarantee	12.50	12.50

#### b) Others

The Company had received a demand notice of ₹ 1,715.65 Lakhs (as at 31<sup>st</sup> March, 2021 ₹ 1,715.65 Lakhs) 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 Hon'ble 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 Hon'ble High Court of Bombay for amending the present order.

40 Based on the intimations received from "suppliers" regarding their status under as Micro, Small and Medium Enterprises Development Act, 2006 (MSMED), ₹ 5.78 Lakhs is outstanding to MSME as at 31<sup>st</sup> March, 2022 and no amounts were overdue during the year for which disclosure requirements under MSMED are applicable.

41 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 Hon'ble 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.

42 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.

#### 43 Reversal of impairment loss in value of investments:

During the year the Company has reversed ₹103.86 Lakhs the impairment loss provided in the value of investment in one of the associates, considering market value of investment.

44 No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

- 45** The Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2022 were approved by the Board of Directors on 25<sup>th</sup> May, 2022.
- 46** Previous year's figures have been reclassified, wherever necessary, to conform current year's presentation.

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As per our report of even date attached

For **Khandelwal and Mehta LLP**  
Chartered Accountants  
Firm's Registration No. W100084

**Sunil Khandelwal**  
Partner  
Membership No. 101388  
Mumbai, 25<sup>th</sup> May, 2022

**Surendra Kabra**  
Chief Financial Officer

**Kinjal Shah**  
Company Secretary &  
Compliance Officer

For and on behalf of the Board

**Nandan Damani**  
Chairman and Managing Director

**Surendra Kumar Somany**  
Independent Director  
Mumbai, 25<sup>th</sup> May, 2022

**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 Lakhs)

Sr. No.	Name of Associates/ Joint Venture	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	Net worth attributable to Shareholding as per latest audited Balance Sheet	Profit / (Loss) for the year	
			Nos.	Amount of Investment in Associates/ Joint Venture	Extend of Holding %				Considered in Consolidation	Not Considered in Consolidation
1	Simplex Papers Limited	31.03.2022	14,71,000	147.25	49.01	Based on shareholding	N.A.	(577.71)	-	(16.54)
2	Simplex Mills Company Limited	31.03.2022	14,70,000	Equity Value 146.11 Preference Shares Value 900.00	48.99	Based on shareholding	N.A.	(158.68)	34.32	35.73

For and on behalf of the Board

**Nandan Damani**  
Chairman and Managing Director

Mumbai, 25<sup>th</sup> May, 2022

## **INDEPENDENT AUDITORS' REPORT**

### **To The Members of Simplex Realty Limited**

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

##### **Opinion**

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 31<sup>st</sup> March, 2022, 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").

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 Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('IND AS') and other accounting principles generally accepted in India,

- a) in the case of the Consolidated Balance Sheet, of the consolidated state of affairs of the Group as at 31<sup>st</sup> March, 2022;
- b) in the case of the Consolidated Statement of Profit and Loss, of the consolidated profit 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.

##### **Basis for Opinion**

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

##### **Emphasis of Matter**

We draw attention to Note 39 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 associate's ability to continue as a going concern. However, the financial statements of both the associates have been prepared on a going concern basis.

##### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion there on, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.



# SIMPLEX REALTY LIMITED

Sr. No.	Key Audit Matters	Auditor's Response
1	Review of the value of realty stock-in-trade & investments held by the company as on 31 <sup>st</sup> March 2022	<p><b>Principal Audit Procedures</b></p> <p>The assessment of various procedures adopted by the management which includes</p> <ul style="list-style-type: none"> <li>i) Ascertaining the value of investments and realty stock-in-trade held as at 31<sup>st</sup> March, 2022.</li> <li>ii) Considering the impact (if any) of Covid-19 pandemic on investments and stock-in-trade held as at date.</li> <li>iii) Verification of amount invested, current value of investments, regularity of receipt of income on those investments and it's fair classification and presentation in the audited Consolidated financial statements.</li> <li>iv) Assessing the appropriateness of value of realty stock-in-trade disclosed in the Consolidated financial statements.</li> </ul>
2	Review of financial health of companies in which inter corporate deposits are held.	<p><b>Principal Audit Procedures:</b></p> <p>The assessment of procedures adopted by management, including;</p> <ul style="list-style-type: none"> <li>i) Obtaining the latest audited financial statements of the companies to whom inter-corporate deposits are granted; thereby also assessing the financial soundness and the capability to repay the amount on demand or as per the terms of agreement;</li> <li>ii) Verification of amounts and regularity of receipt of interest income on such inter corporate deposits;</li> <li>iii) Obtaining regular confirmation of the closing balance of the deposits held by the borrowers with that of records in the company.</li> </ul>
3	Review, effect and presentation of completed tax assessments	<p><b>Principal Audit Procedures</b></p> <p>Obtained details of completed tax assessments and demands for the year ended 31<sup>st</sup> March, 2022 from the management, followed by verification of tax refunds on completed tax assessments and treatment of the same in books of accounts and consolidated financial statements.</p>

## Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 with respect to the preparation of these consolidated financial statements that give a true and fair view of the financial position, financial performance,

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

In preparing the Consolidated financial statements, the Board of Directors is responsible for assessing the Group entities' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are responsible for overseeing the Group's financial reporting process.

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(I) of the Act, we are also responsible for expressing our opinion on whether the Company and its associates have adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements.

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

We communicate with those charged with governance of the Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

#### **Other Matters**

The consolidated financial statements include the Group's share of net profit of ₹ 34.32 Lakhs out of the total comprehensive income of ₹195.41 Lakhs for the year ended 31<sup>st</sup> March, 2022, as considered in the consolidated financial statements, in respect of

# SIMPLEX REALTY LIMITED

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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. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of subsection (11) of section 143 of the companies Act, 2013, according to the information and explanations given to us, and based on the CARO reports issued by another auditors for Company's associates included in the consolidated financial statements of the Company to which reporting under CARO is applicable, we report that there is no qualification or adverse remark in the reports of the associates.
  2. As required by Section 143(3) of the Act, we report that:
    - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit 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 it appears from our examination of those books and the reports of the other auditors.
    - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, (the consolidated Statement of Changes in Equity) 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 Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors of the Holding Company as on 31<sup>st</sup> March, 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its associate companies incorporated in India, none of the directors of the Group companies, is disqualified as on 31<sup>st</sup> March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.
  - (g) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid during the current year by the Holding Company and its associates which are incorporated in India to its directors is in accordance with the provisions of Section 197 of the Act.
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) 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. The Company did not have any long-term contracts including derivative contracts 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 Protection Fund by the Group.

- iv. (a) The management of holding Company has represented that, to the best of its knowledge and belief, and the reports of the statutory auditors of its associate companies incorporated in India, other than as disclosed in note 46 to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The management of holding Company has represented that, to the best of its knowledge and belief, and the reports of the statutory auditors of its associate companies incorporated in India, other than as disclosed in note 46 to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Party or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, and as per the reports of the statutory auditors of the associate companies incorporated in India, nothing has come to our notice that has caused us to believe that the representations under sub-clause (iv) (a) and (iv) (b) contain any material mis-statement.
- v. The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

**For Khandelwal and Mehta LLP**  
Chartered Accountants  
Firm Reg. No. W100084

**(Sunil Khandelwal)**  
Partner  
Membership No: 101388  
UDIN : 22101388AKBQLY3518

Place : Mumbai  
Date : 25<sup>th</sup> May, 2022

# SIMPLEX REALTY LIMITED

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## **Annexure A - 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 statement of **Simplex Realty Limited** ("the Company") as of and for the year ended 31<sup>st</sup> March, 2022 we have audited the internal financial controls over financial reporting of the Group for the year ended on that date.

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

The respective Management of the Company and its Associates are 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 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 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 with reference to these consolidated financial statements 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 with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, with reference to these consolidated financial statements, 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 consolidated financial statements, whether due to fraud or error.

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

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

A company's internal financial control over financial reporting with reference to these consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated 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 consolidated financial statements.

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

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated financial statements, 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 with reference to these consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated financial statements 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, to the best of information and according to the explanations given to us and based on the consideration of reports of other auditors, as referred to in Other Matters paragraph, the Group has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at 31<sup>st</sup> March, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Khandelwal and Mehta LLP**  
Chartered Accountants  
Firm Reg. No. W100084

**(Sunil Khandelwal)**  
Partner  
Membership No: 101388  
UDIN : 22101388AKBQLY3518

Place : Mumbai  
Date : 25<sup>th</sup> May, 2022

# SIMPLEX REALTY LIMITED

## CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2022

		(₹ in Lakhs)	
		As at	As at
A	Note	31.03.2022	31.03.2021
<b>A ASSETS</b>			
<b>I Non-Current Assets</b>			
Property, Plant and Equipment	2 a	158.87	176.96
Capital Work-In-Progress	2 b	11.39	-
Financial Assets:			
Investments accounted for using the Equity Method	3 a	741.32	706.99
Investments - others	3 b	1,163.43	1,670.07
Loans	4	6.04	2.58
Other Financial Assets	5	15.91	15.84
Deferred Tax Assets (Net)	6	390.00	427.80
Other Non-Current Assets	7	103.22	174.17
<b>Total Non-Current Assets</b>		<b>2,590.18</b>	<b>3,174.41</b>
<b>II Current Assets</b>			
Inventories	8	3,356.68	3,163.53
Financial Assets:			
Investments	3 c	640.44	661.28
Cash and Cash Equivalents	9	318.21	24.89
Bank Balances other than above	10	5.62	9.36
Loans	11	3,397.82	2,958.35
Other Financial Assets	12	91.45	302.24
Other Current Assets	13	856.72	840.74
<b>Total Current Assets</b>		<b>8,666.94</b>	<b>7,960.39</b>
<b>TOTAL ASSETS</b>		<b>11,257.12</b>	<b>11,134.80</b>
<b>B EQUITY AND LIABILITIES</b>			
<b>I Equity</b>			
Equity Share Capital	14	299.37	299.37
Other Equity	15	10,674.42	10,479.01
<b>Total Equity</b>		<b>10,973.79</b>	<b>10,778.38</b>
<b>II Liabilities</b>			
<b>Non-Current Liabilities</b>			
Financial Liabilities:			
Borrowings	16	-	65.21
Other Financial Liabilities	17	-	17.60
Provisions	18	19.62	18.23
Other Non-Current Liabilities	19	-	0.43
<b>Total Non-Current Liabilities</b>		<b>19.62</b>	<b>101.47</b>
<b>III Current Liabilities</b>			
Financial Liabilities :			
Borrowings	20	35.36	50.01
Trade Payables	21		
Total outstanding dues of Micro and Small Enterprises		5.78	-
Others		8.21	15.49
Other Financial Liabilities	22	145.64	124.88
Other Current Liabilities	23	6.69	5.51
Provisions	24	62.03	59.06
<b>Total Current Liabilities</b>		<b>263.71</b>	<b>254.95</b>
<b>Total Liabilities</b>		<b>283.33</b>	<b>356.42</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>11,257.12</b>	<b>11,134.80</b>

### Significant Accounting Policies

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 **Khandelwal and Mehta LLP**  
Chartered Accountants  
Firm's Registration No. W100084

**Surendra Kabra**  
Chief Financial Officer

**Nandan Damani**  
Chairman and Managing Director

**Sunil Khandelwal**  
Partner  
Membership No. 101388  
Mumbai, 25<sup>th</sup> May, 2022

**Kinjal Shah**  
Company Secretary &  
Compliance Officer

**Surendra Kumar Somany**  
Independent Director

Mumbai, 25<sup>th</sup> May, 2022

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2022

	Note	2021-22	(₹ in Lakhs) 2020-21
<b>Income</b>			
I Revenue from Operations	25	198.49	415.60
II Other Income	26	576.53	508.55
<b>III Total Income (I+II)</b>		<b>775.02</b>	<b>924.15</b>
<b>IV Expenses</b>			
Cost of Sales	27	102.36	442.14
Employee Benefits Expense	28	271.28	270.19
Finance Costs	29	9.80	20.63
Depreciation	2	16.35	12.35
Other Expenses	30	165.65	138.03
<b>Total Expenses (IV)</b>		<b>565.44</b>	<b>883.34</b>
<b>V Profit before share of profit of associate, exceptional item and tax (III-IV)</b>		<b>209.58</b>	<b>40.81</b>
<b>VI Share of Profit of associate accounted for using equity method (refer note 41)</b>		<b>34.32</b>	<b>8.83</b>
<b>VII Profit before exceptional item and tax (V+VI)</b>		<b>243.90</b>	<b>49.64</b>
<b>VIII Exceptional Item</b>		<b>-</b>	<b>-</b>
<b>IX Profit before Tax (VII-VIII)</b>		<b>243.90</b>	<b>49.64</b>
<b>X Tax Expense:</b>			
(1) Current tax		29.31	7.01
(2) Deferred tax		34.55	(12.72)
(3) Earlier year taxes		2.77	0.02
<b>XI Profit for the year (IX-X)</b>		<b>177.27</b>	<b>55.33</b>
<b>XII Other Comprehensive Income / (Expense) - (OCI):</b>			
<b>Items that will not be reclassified to Statement of Profit and Loss</b>			
1. Re-measurement gains / (losses) on defined benefit plans		1.95	0.20
2. Changes in fair values of equity instruments through OCI		10.13	65.01
3. Income tax effect on above		(1.54)	(10.78)
		<b>10.54</b>	<b>54.43</b>
<b>Items that will be reclassified to Statement of Profit and Loss</b>			
1. Changes in fair values of debt instruments through OCI		9.30	50.07
2. Income tax effect on above		(1.70)	(5.84)
		<b>7.60</b>	<b>44.23</b>
<b>Total Other Comprehensive Income/(Expense) for the year, net of tax</b>		<b>18.14</b>	<b>98.66</b>
<b>Total Comprehensive Income / (Expense) for the year(XI+XII)</b>		<b>195.41</b>	<b>153.99</b>
Earnings per Equity Share (Face Value of ₹10/- each)			
Basic and Diluted Earnings Per Share (in ₹)		<b>5.93</b>	<b>1.85</b>

### Significant Accounting Policies

1

### The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached

For and on behalf of the Board

For **Khandelwal and Mehta LLP**  
Chartered Accountants  
Firm's Registration No. W100084

**Surendra Kabra**  
Chief Financial Officer

**Nandan Damani**  
Chairman and Managing Director

**Sunil Khandelwal**  
Partner  
Membership No. 101388  
Mumbai, 25<sup>th</sup> May, 2022

**Kinjal Shah**  
Company Secretary &  
Compliance Officer

**Surendra Kumar Somany**  
Independent Director

Mumbai, 25<sup>th</sup> May, 2022



# SIMPLEX REALTY LIMITED

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2022

### 1. EQUITY SHARE CAPITAL

(₹ in Lakhs)

	As at 31.03.2022	As at 31.03.2021
<b>Balance at the beginning of the year</b>	<b>299.37</b>	299.37
Changes in equity share capital due to prior period errors	-	-
Restated balance at the beginning of the reporting period	299.37	299.37
Changes in equity share capital during the year	-	-
<b>Balance at the end of the reporting year</b>	<b>299.37</b>	299.37

### 2. OTHER EQUITY

For the year ended 31<sup>st</sup> March, 2022

(₹ in Lakhs)

	Reserves and Surplus				Other Comprehensive Income		Total Other Equity-Attributable to the owners of Simplex Realty Limited	Non-controlling Interest
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Equity instruments - FVTOCI	Debt instruments - FVTOCI		
<b>Balance as at 31<sup>st</sup> March, 2021</b>	1,361.05	143.24	5,824.59	3,084.58	29.96	35.59	10,479.01	-
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	177.27	-	-	177.27	-
Other comprehensive income / (expense)	-	-	-	1.46	9.08	7.60	18.14	-
Total comprehensive income / (expense)	-	-	-	178.73	9.08	7.60	195.41	-
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>1,361.05</b>	<b>143.24</b>	<b>5,824.59</b>	<b>3,263.31</b>	<b>39.04</b>	<b>43.19</b>	<b>10,674.42</b>	-

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2022

For the year ended 31<sup>st</sup> March, 2021

(₹ in Lakhs)

	Reserves and Surplus				Other Comprehensive Income		Total Other Equity-Attributable to the owners of Simplex Realty Limited	Non-controlling Interest
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Equity instruments - FVTOCI	Debt instruments - FVTOCI		
Balance as at 1 <sup>st</sup> April, 2020	1,361.05	143.24	5,824.59	2,989.78	15.00	(8.64)	10,325.02	-
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	55.33	-	-	55.33	-
Other comprehensive income / (expense)	-	-	-	0.15	54.28	44.23	98.66	-
Transfer on sale FVTOCI designated instruments	-	-	-	39.32	(39.32)	-	-	-
Total comprehensive income / (expense)	-	-	-	94.80	14.96	44.23	153.99	-
Balance as at 31 <sup>st</sup> March, 2021	1,361.05	143.24	5,824.59	3,084.58	29.96	35.59	10,479.01	-

### 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 Khandelwal and Mehta LLP**  
Chartered Accountants  
Firm's Registration No. W100084

**Surendra Kabra**  
Chief Financial Officer

**Nandan Damani**  
Chairman and Managing Director

**Sunil Khandelwal**  
Partner  
Membership No. 101388  
Mumbai, 25<sup>th</sup> May, 2022

**Kinjal Shah**  
Company Secretary &  
Compliance Officer

**Surendra Kumar Somany**  
Independent Director

Mumbai, 25<sup>th</sup> May, 2022

# SIMPLEX REALTY LIMITED

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

	2021-22	(₹ in Lakhs) 2020-21
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
<b>PROFIT BEFORE TAX</b>	<b>243.90</b>	49.64
<b>Adjustments for :</b>		
Depreciation on property, plant and equipment	16.35	12.35
Interest expenses	9.80	20.63
Profit on sale of investments (net)	(1.76)	(25.35)
Dividend income	(16.43)	(16.39)
Interest income	(519.67)	(421.08)
Profit on sale of fixed assets	(6.48)	(19.93)
Sundry balances written off / (back) - (net)	(4.49)	-
Share of (profit) / loss of associate	(34.32)	(8.83)
Changes in fair value of financial assets at fair value through profit or loss	0.62	3.31
Unwinding of discount on security deposit	(1.74)	(1.74)
Sundry assets written off	0.02	-
<b>OPERATING LOSS BEFORE EXCEPTIONAL ITEM AND WORKING CAPITAL CHANGES</b>	<b>(314.20)</b>	(407.39)
Adjustment for changes in working capital		
Adjustment for (increase) / decrease in operating assets:		
Inventories	(193.14)	350.61
Other financial assets	5.69	306.41
Other current assets	(15.98)	0.64
Other bank balances	3.75	1.65
Adjustment for increase / (decrease) in operating liabilities:		
Other financial liabilities	5.76	(17.36)
Trade payables	(1.50)	0.71
Long-term provisions	3.34	(1.12)
Short-term provisions	2.97	6.57
Other liabilities	2.48	(7.80)
<b>CASH (USED IN) / GENERATED FROM OPERATIONS</b>	<b>(500.83)</b>	232.92
Direct taxes (paid) / refund received	37.63	(26.84)
<b>NET CASH (USED IN) / GENERATED FROM OPERATING ACTIVITIES</b>	<b>(A) (463.20)</b>	206.08
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of fixed assets	(12.10)	(51.43)
Sale of fixed assets	8.90	21.00
Purchase of investments	(122.00)	(1,848.66)
Sale / redemption of investments	668.18	2,176.61
Dividend received	16.43	16.39
Interest received	722.18	311.43
Loans / Inter corporate deposits refund / (given) - net	(437.29)	(720.15)
<b>NET CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES</b>	<b>(B) 844.30</b>	(94.81)

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

	(₹ in Lakhs)	
	<u>2021-22</u>	<u>2020-21</u>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Proceeds from / (repayment) of borrowings (net)	(79.87)	(89.21)
Interest paid	(7.91)	(18.92)
<b>NET CASH (USED IN) FINANCING ACTIVITIES</b> (C)	<u>(87.78)</u>	<u>(108.13)</u>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>293.32</b>	<b>3.14</b>
<b>CASH AND CASH EQUIVALENTS - AT THE START OF THE YEAR</b>	<b>24.89</b>	<b>21.75</b>
<b>CASH AND CASH EQUIVALENTS - AT THE END OF THE YEAR</b>	<b>318.21</b>	<b>24.89</b>
<b>Cash and cash equivalents comprise of :</b>	<b>As on</b>	<b>As on</b>
	<u><b>31.03.22</b></u>	<u>31.03.21</u>
Balances with Banks :		
- in Current accounts	<b>318.16</b>	24.76
Cash on hand	<u><b>0.05</b></u>	<u>0.13</u>
Cash and cash equivalents (Note no. 9)	<u><b>318.21</b></u>	<u>24.89</u>

### Significant Accounting Policies - Note 1

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached

**For Khandelwal and Mehta LLP**  
Chartered Accountants  
Firm's Registration No. W100084

**Sunil Khandelwal**  
Partner  
Membership No. 101388  
Mumbai, 25<sup>th</sup> May, 2022

**Surendra Kabra**  
Chief Financial Officer

**Kinjal Shah**  
Company Secretary &  
Compliance Officer

For and on behalf of the Board

**Nandan Damani**  
Chairman and Managing Director

**Surendra Kumar Somany**  
Independent Director

Mumbai, 25<sup>th</sup> May, 2022

# SIMPLEX REALTY LIMITED

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

### 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. SUMMARY OF 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.

##### (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/loss 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 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 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.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

### (iv) Fair value measurement:

The Company's accounting policies and disclosures require the measurement of fair values for certain 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 prices (unadjusted) in active market for identical assets or liabilities.
- Level 2- Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3-Inputs based on unobservable market data.

### (v) Revenue Recognition:

Ind AS- 115 Revenue from Contracts with Customers is mandatory for reporting periods beginning on or after April 1, 2018, under Ind AS- 115 revenue is recognized when or as it satisfies each performance obligation by transferring a promised good or service to a customer. A good or service is considered to be transferred when the customer obtains control. Under Ind AS- 115 transfer of control of a good or service over time rather than at a point in time is considered when one of the following criteria are met:

- The Customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs.
- The entity's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- The entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

If it is not possible to demonstrate that the performance obligation is satisfied over time, the revenue cannot be recognized over time (means revenue is to be recognized following Completed Control Method, instead of Percentage of Completion Method (POCM)).

Costs incurred is being used to measure progress towards completion as there is a direct relationship between input and productivity. 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. The effect of changes, if any, to estimates is recognized in the financial statements for the period in which such changes are determined.

Revenue in excess of invoicing are classified as contract assets (which is referred as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which is referred as unearned/deferred income).

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.

# SIMPLEX REALTY LIMITED

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

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 years
Vehicles	8 years
Electrical installations	10 years
Computers	3 years

### (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 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.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

### (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 of 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:

- 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



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

previously recognized in OCI is reclassified from equity to other income in the Consolidated Statement of Profit and 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 including interest income and dividend income if any, recognised as other income in the Consolidated Statement of Profit and Loss.

### 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.

#### • **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.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022**

- **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 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.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

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, Superannuation and Employees State Insurance Contribution 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 gain 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 change 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.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

### (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 & 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 net 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 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.

### 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

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

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.

### **Estimation of uncertainties relating to the global health pandemic from COVID-19**

The Group, as at the date approval of these consolidated financial statements has considered internal and external sources of information, in assessing the possible effects that may result from the global health pandemic relating to COVID-19 on the carrying amounts of loans, investments, receivables, inventories and other assets. As on the date of approval of these consolidated financial statements, the Group has concluded that the impact of COVID - 19 is not material based on these estimates and expects to recover the carrying amount of these assets. The impact of COVID-19 on the Group's consolidated financial statements may differ from that estimated as at the date of approval of these consolidated financial statements.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022**

**2 (a) PROPERTY, PLANT AND EQUIPMENT**

(₹ in Lakhs)

	GROSS CARRYING AMOUNT				DEPRECIATION				NET CARRYING AMOUNT	
	As at 01.04.2021	Additions during the year	Deductions/ Adjustments during the year	As at 31.03.2022	Upto 31.03.2021	Provided during the year	On Deductions/ Adjustments	Upto 31.03.2022	As at 31.03.2022	As at 31.03.2021
Freehold Land	48.93	-	-	<b>48.93</b>	-	-	-	-	<b>48.93</b>	48.93
Buildings	37.95	-	-	<b>37.95</b>	3.69	0.79	-	<b>4.48</b>	<b>33.47</b>	34.26
Computers	15.14	-	-	<b>15.14</b>	10.90	1.89	-	<b>12.79</b>	<b>2.35</b>	4.24
Electrical Installations	26.00	-	0.02	<b>25.98</b>	7.97	2.46	-	<b>10.43</b>	<b>15.55</b>	18.03
Furniture and Fixtures	6.14	0.71	-	<b>6.85</b>	4.11	0.48	-	<b>4.59</b>	<b>2.26</b>	2.03
Vehicles	108.88	-	25.82	<b>83.06</b>	41.01	10.20	23.39	<b>27.82</b>	<b>55.24</b>	67.87
Office Equipments	4.92	-	-	<b>4.92</b>	3.32	0.53	-	<b>3.85</b>	<b>1.07</b>	1.60
<b>Total</b>	<b>247.96</b>	<b>0.71</b>	<b>25.84</b>	<b>222.83</b>	<b>71.00</b>	<b>16.35</b>	<b>23.39</b>	<b>63.96</b>	<b>158.87</b>	<b>176.96</b>

(₹ in Lakhs)

	GROSS CARRYING AMOUNT				DEPRECIATION				NET CARRYING AMOUNT	
	As at 01.04.2020	Additions during the year	Deductions/ Adjustments during the year	As at 31.03.2021	Upto 31.03.2020	Provided during the year	On Deductions/ Adjustments	Upto 31.03.2021	As at 31.03.2021	As at 31.03.2020
Freehold Land	50.00	-	1.07	48.93	-	-	-	-	48.93	50.00
Buildings	37.95	-	-	37.95	2.90	0.79	-	3.69	34.26	35.05
Computers	13.80	1.34	-	15.14	7.77	3.13	-	10.90	4.24	6.03
Electrical Installations	26.00	-	-	26.00	5.52	2.45	-	7.97	18.03	20.48
Furniture and Fixtures	6.14	-	-	6.14	3.70	0.41	-	4.11	2.03	2.44
Vehicles	58.84	50.04	-	108.88	36.36	4.65	-	41.01	67.87	22.48
Office Equipments	4.87	0.05	-	4.92	2.40	0.92	-	3.32	1.60	2.47
<b>Total</b>	<b>197.60</b>	<b>51.43</b>	<b>1.07</b>	<b>247.96</b>	<b>58.65</b>	<b>12.35</b>	<b>-</b>	<b>71.00</b>	<b>176.96</b>	<b>138.95</b>

**2 (b) Capital Work-In-Progress (CWIP)**

As at 31.03.2022

(₹ in Lakhs)

CWIP	Amount in CWIP for a period of				Total
	< 1 year	1-2 years	2-3 years	> 3 years	
Projects in progress	11.39	-	-	-	11.39
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>11.39</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11.39</b>

As at 31.03.2021

(₹ in Lakhs)

CWIP	Amount in CWIP for a period of				Total
	< 1 year	1-2 years	2-3 years	> 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# SIMPLEX REALTY LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

### 3 (a) NON-CURRENT INVESTMENTS - ACCOUNTED FOR USING THE EQUITY METHOD

(₹ in Lakhs)

Sr. No.	Particulars	Associate / Others	Face value - fully paid (₹)	No. of Shares/Units		Amount	
				31.03.2022	31.03.2021	31.03.2022	31.03.2021
	<b>In Associates</b>						
<b>I</b>	<b>Investments in Equity Instruments</b>						
	<b>Quoted - (At cost)</b>						
	(a) Simplex Mills Company Ltd.	Associate	10	<b>14,70,000</b>	14,70,000	-	-
	(b) Simplex Papers Ltd.	Associate	10	<b>14,71,000</b>	14,71,000	-	-
<b>II</b>	<b>Investments in Preference Shares - Unquoted - In associate (At cost)</b>						
	Non-Cumulative Redeemable Preference Shares of Simplex Mills Company Ltd.	Associate	10	<b>90,00,000</b>	90,00,000	<b>741.32</b>	706.99
	<b>Total Equity Accounted Investments</b>					<b>741.32</b>	706.99

### 3 (b) NON-CURRENT INVESTMENTS - OTHERS

(₹ in Lakhs)

Sr. No.	Particulars	Associate / Others	Face value - fully paid (₹)	No. of Shares/Units		Amount	
				31.03.2022	31.03.2021	31.03.2022	31.03.2021
<b>I</b>	<b>Investment in Preference Shares -Unquoted- Others- (At FVTOCI)</b>						
	7.50% Tata Capital Limited - Non Convertible Redeemable Preference shares	Others	1000	<b>20,000</b>	20,000	<b>201.60</b>	195.34
<b>II</b>	<b>Investments in Bonds/Debentures- Quoted (At FVTOCI)</b>						
	10.32% Andhra Pradesh Capital Region Development Authority- unsecured redeemable Non Convertible Bonds - series E (16/08/2028)	Others	200000	<b>50</b>	50	<b>106.32</b>	107.06
	8.75% Axis Bank Limited unsecured perpetual, additional tier I, Basel III, Non Convertible Debenture - Series 28	Others	1000000	-	20	-	201.00
	8.50% BOB Perp Series XIII (call date 28/07/2025)	Others	1000000	<b>10</b>	10	<b>101.75</b>	99.90
	10.88% Cholamandalam Investment and Finance Company Limited, unsecured Non Convertible Debenture series PDI 20 (with first call option 12/02/2029)	Others	500000	<b>60</b>	60	<b>327.75</b>	322.05
	7.74% SBI AT1 Bonds in the nature of Debentures Series I (call date 09/09/2025)	Others	1000000	<b>10</b>	10	<b>100.66</b>	100.24
	8.15% State Bank of India perpetual series IV additional tier I bonds under Basel III	Others	1000000	-	10	-	100.42
	10.75% The Tata Power Company Limited-NCD perpetual 2072	Others	1000000	-	10	-	104.68
	10.15% UP Power Corporation Limited-Non Convertible Bonds Series II- 2017-18 (20/01/2028)	Others	1000000	<b>20</b>	20	<b>208.50</b>	206.56
	<b>Investments in Bonds/Debentures- Unquoted (At FVTOCI)</b>						
	9.67% Tata Sons Pvt Ltd NCD 13SP22 (13/09/2022)	Others	1000000	-	9	-	94.41
<b>III</b>	<b>Investments in Alternate Investment Fund - Unquoted - (At FVTPL)</b>						
	India Realty Excellence Fund IV					<b>72.00</b>	60.00
	Walton Street Blacksoil Real Estate Fund					<b>44.85</b>	78.41
	<b>Total Non-Current Investments</b>					<b>1,163.43</b>	1,670.07

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022**

(₹ in Lakhs)

<b>Details of total investments:</b>	<b>31.03.2022</b>	31.03.2021
Financial assets measured at cost	<b>741.32</b>	706.99
Financial assets measured at Fair Value through Other Comprehensive Income (FVTOCI)	<b>1,046.58</b>	1,531.66
Financial assets measured at Fair Value through Profit or Loss (FVTPL)	<b>116.85</b>	138.41

**3 (c) CURRENT INVESTMENTS**

(₹ in Lakhs)

Sr. No.	Particulars	Associate / Others	Face value - fully paid (₹)	No. of Shares/Units		Amount	
				31.03.2022	31.03.2021	31.03.2022	31.03.2021
<b>I</b>	<b>Investments in Equity Instruments - (measured at Fair Value Through Other Comprehensive Income - FVTOCI)</b>						
	<b>Quoted - fully paid up</b>						
(a)	HDFC Ltd.	Others	2	<b>1,400</b>	1,400	<b>33.44</b>	34.99
(b)	Piramal Enterprises Ltd.	Others	2	<b>3,000</b>	3,000	<b>65.61</b>	52.56
(c)	Hindustan Unilever Ltd.	Others	1	<b>360</b>	360	<b>7.38</b>	8.75
	<b>Total quoted current investments in equity instruments</b>					<b>106.43</b>	96.30
	<b>Unquoted - fully paid up</b>						
(i)	Universal Conveyor Beltings Ltd.	Others	10	<b>27,500</b>	27,500	-	-
	<b>Total unquoted current investments in equity instruments</b>					-	-
<b>II</b>	<b>Investments in Bonds/Debentures- Quoted (At FVTOCI)</b>						
	8.75% Axis Bank Limited unsecured perpetual, additional tier I, Basel III, Non Convertible Debenture - Series 28 (with first call option 28/06/2022)	Others	1000000	<b>20</b>	-	<b>200.42</b>	-
	9.95% Future Consumers Ltd secured Non Convertible Debenture series III	Others	100000	-	100	-	100.00
	9.50% Indusind Bank Ltd perpetual bond	Others	1000000	-	5	-	49.55
	8.15% State Bank of India perpetual series IV additional tier I bonds under Basel III (with first call option 02/08/2022)	Others	1000000	<b>10</b>	-	<b>100.05</b>	-
	11.40% The Tata Power Company Ltd unsecured perpetual Non Convertible Debenture	Others	1000000	-	10	-	100.68
	10.75% The Tata Power Company Limited-NCD perpetual 2072 (call date 21/08/2022)	Others	1000000	<b>10</b>	-	<b>101.85</b>	-
	8.97% UP Power Corporation Limited- Non Convertible Bonds Series III	Others	1000000	-	10	-	100.65
	<b>Investments in Bonds/Debentures- Unquoted (At FVTOCI)</b>						
	9.67% Tata Sons Pvt Ltd NCD 13SP22 (13/09/2022)	Others	1000000	<b>9</b>	-	<b>91.55</b>	-



# SIMPLEX REALTY LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ in Lakhs)

Sr. No.	Particulars	Associate / Others	Face value - fully paid (₹)	No. of Shares/Units		Amount	
				31.03.2022	31.03.2021	31.03.2022	31.03.2021
<b>III</b>	<b>Investments in Bonds/Debentures- Quoted (At Amortised cost)</b>						
	9.56% Tamilnadu Power Finance and Infra Development Corp Ltd-Series 2	Others	1000000	-	6	-	42.32
	9.72% Tamilnadu Generation and Distribution Corp Ltd-Series 2 (call date 16/07/2024)	Others	1000000	4	4	40.14	40.08
	9.75% UP Power Corporation Ltd	Others	1000000	-	10	-	75.22
	<b>Total current investments in bonds/debentures</b>					<b>534.01</b>	<b>508.50</b>
<b>IV</b>	<b>Investments in Mutual Funds-Unquoted (at FVTPL)</b>						
	DSP Overnight Fund - Regular-Growth	Others	1000	-	649.419	-	7.14
	Tata Money Market Fund - Direct Plan -Growth	Others	1000	-	1,344.461	-	49.34
	<b>Total investments in mutual funds</b>					<b>-</b>	<b>56.48</b>
	<b>Total Current Investments</b>					<b>640.44</b>	<b>661.28</b>

(₹ in Lakhs)

Details of total investments:	31.03.2022	31.03.2021
Financial assets measured at fair value through Other Comprehensive Income (FVTOCI)	600.30	447.18
Financial assets measured at fair value through Profit or Loss (FVTPL)	-	56.48
Financial assets measured at amortised cost	40.14	157.62

	(₹ in Lakhs)	
	31.03.2022	31.03.2021
<b>Aggregate market value of quoted investments</b>		
Non-Current	1,991.29	1,241.91
Current	549.20	603.86
<b>Aggregate carrying value of unquoted investments</b>		
Non-Current	1,059.77	1,135.15
Current	91.55	56.48
<b>Aggregate amount of impairment in value of investments</b>	-	-

(₹ in Lakhs)

### 4. LOANS - NON-CURRENT (Consolidated good- Unsecured)

Loans to employees

31.03.2022	31.03.2021
6.04	2.58
<b>6.04</b>	<b>2.58</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022**

<b>5. OTHER FINANCIAL ASSETS - NON-CURRENT</b>	<b>31.03.2022</b>	(₹ in Lakhs) 31.03.2021
Security deposits	<b>3.41</b>	3.34
Bank deposit with more than 12 months maturity	<b>12.50</b>	12.50
	<b>15.91</b>	15.84

The above bank deposit is given to the bank as security for issuing bank guarantee.

<b>6. DEFERRED TAX ASSET (NET)</b>	<b>31.03.2022</b>	(₹ in Lakhs) 31.03.2021
<b>Deferred Tax Liability</b>		
Long term capital gain on conversion of land into stock-in-trade	<b>(6.78)</b>	(6.78)
Others	<b>(0.02)</b>	(0.06)
<b>Deferred Tax Assets</b>		
Property, plant and equipment	<b>(0.31)</b>	1.78
Expenses that are allowed on payment basis	<b>25.71</b>	24.25
Unused tax losses	<b>377.55</b>	400.52
Others	<b>(6.15)</b>	8.08
<b>Net deferred tax asset</b>	<b>390.00</b>	427.80

**a) Movement in deferred tax balances**

**Movement in deferred tax during the year ended 31st March, 2022**

	<b>Opening balance as at 01.04.2021</b>	Recognised in profit or loss	Recognised in OCI	(₹ in Lakhs) <b>Closing balance as at 31.03.2022</b>
Property, plant and equipment	1.78	(2.09)	-	<b>(0.31)</b>
Expenses that are allowed on payment basis	4.80	0.36	-	<b>5.16</b>
Unused tax losses	400.52	(22.97)	-	<b>377.55</b>
Long term capital gain on conversion of land into stock-in-trade	<b>(6.78)</b>	-	-	<b>(6.78)</b>
Provision for employee benefits	19.45	1.59	(0.49)	<b>20.55</b>
Interest income on unwinding of financial liability	<b>(0.06)</b>	0.04	-	<b>(0.02)</b>
Others	8.08	(11.48)	(2.75)	<b>(6.15)</b>
<b>Net deferred tax asset</b>	<b>427.80</b>	<b>(34.55)</b>	<b>(3.24)</b>	<b>390.00</b>

# SIMPLEX REALTY LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

### Movement in deferred tax during the year ended 31st March, 2021

	Opening balance as at 01.04.2020	Recognised in profit or loss	Recognised in OCI	(₹ in Lakhs) Closing balance as at 31.03.2021
Property, plant and equipment	3.40	(1.62)	-	1.78
Expenses that are allowed on payment basis	4.44	0.36	-	4.80
Unused tax losses	400.52	-	-	400.52
Long term capital gain on conversion of land into stock-in trade	(6.78)	-	-	(6.78)
Provision for employee benefits	18.13	1.37	(0.05)	19.45
Interest income on unwinding of financial liability	(0.05)	(0.01)	-	(0.06)
Others	12.03	12.62	(16.57)	8.08
<b>Net deferred tax asset</b>	<b>431.69</b>	<b>12.72</b>	<b>(16.62)</b>	<b>427.80</b>

	31.03.2022	31.03.2021
<b>b) Income tax recognised in profit and loss</b>		
<b>Current tax</b>		
In respect of current year	<b>29.31</b>	7.01
In respect of earlier years	<b>2.77</b>	0.02
<b>Deferred tax</b>		
Relating to origination and reversal of temporary differences	<b>34.55</b>	(12.72)
<b>Total income tax recognised for the year</b>	<b>66.63</b>	(5.69)

	31.03.2022	31.03.2021
<b>c) Income tax recognised in other comprehensive income</b>		
Deferred tax arising on income and expenses recognised in other comprehensive income:		
Remeasurement of defined benefit obligations	<b>(0.49)</b>	(0.05)
Changes in fair value of equity instruments through FVTOCI	<b>(1.05)</b>	(10.73)
Changes in fair value of debt instruments through FVTOCI	<b>(1.70)</b>	(5.84)
<b>Total income tax recognised in other comprehensive income</b>	<b>(3.24)</b>	(16.62)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

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

	31.03.2022	(₹ in Lakhs) 31.03.2021
<b>Profit before tax</b>	<b>209.58</b>	40.81
Tax expense calculated at 25.168% (2021-22: 25.168%)	<b>52.75</b>	10.27
Effect of expenses that are not deductible or deductible on payment basis	<b>7.25</b>	6.51
Effect of expenses that are deductible under Income tax act	<b>(9.28)</b>	(9.23)
Others	<b>36.11</b>	(13.26)
Utilisation of brought forward business losses set off during the year	<b>(22.97)</b>	-
	<b>63.86</b>	(5.71)
Adjustments recognised in the current year in relation to the current tax of earlier years	<b>2.77</b>	0.02
<b>Income tax expense recognised in profit and loss</b>	<b>66.63</b>	(5.69)

The tax rate used for the above reconciliations is the corporate tax rate of 25.168% for the year 2021-22 and 2020-21 payable by the Company.

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 31<sup>st</sup> March, 2022, the Company has recognized deferred tax asset of ₹ 377.55 Lakhs ( as at 31<sup>st</sup> March, 2021 ₹ 400.52 Lakhs) on unused 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 reasonable certainty that the Company will generate sufficient taxable income to utilise such tax losses.

	31.03.2022	(₹ in Lakhs ) 31.03.2021
<b>7. OTHER NON-CURRENT ASSETS</b>		
Advance income tax (net of provisions)	<b>103.22</b>	174.17
(net of provision of ₹ 1132.69 Lakhs as at 31st March, 2022, ₹ 1100.61 Lakhs as at 31st March, 2021)	<b>103.22</b>	174.17

# SIMPLEX REALTY LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

		(₹ in Lakhs)
<b>8. INVENTORIES</b>	<b>31.03.2022</b>	<b>31.03.2021</b>
Construction work-in-progress	<b>2,148.65</b>	1,979.17
Realty stock-in-trade	<b>1,208.03</b>	1,184.36
	<b>3,356.68</b>	3,163.53

		(₹ in Lakhs)
<b>9. CASH AND CASH EQUIVALENTS</b>	<b>31.03.2022</b>	<b>31.03.2021</b>
Balances with banks:		
In current accounts	<b>318.16</b>	24.76
Cash on hand	<b>0.05</b>	0.13
	<b>318.21</b>	24.89

		(₹ in Lakhs)
<b>10. OTHER BANK BALANCES</b>	<b>31.03.2022</b>	<b>31.03.2021</b>
Unclaimed dividend accounts	<b>5.62</b>	9.36
	<b>5.62</b>	9.36

		(₹ in Lakhs)
<b>11. LOANS - CURRENT</b>	<b>31.03.2022</b>	<b>31.03.2021</b>
<b>Loans receivable considered good - Unsecured</b>		
Inter corporate deposits	<b>3,393.90</b>	2,956.61
Loans to employees*	<b>3.92</b>	1.74
	<b>3,397.82</b>	2,958.35

\* includes due from officers of the Company

		(₹ in Lakhs)
<b>12. OTHER CURRENT FINANCIAL ASSETS</b>	<b>31.03.2022</b>	<b>31.03.2021</b>
Interest receivable	<b>81.96</b>	281.96
Others	<b>9.49</b>	20.28
	<b>91.45</b>	302.24

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022**

13. OTHER CURRENT ASSETS	(₹ in Lakhs)	
	31.03.2022	31.03.2021
Income tax paid against disputed demand	687.03	687.03
Balances with government authorities	103.51	99.53
Prepaid expenses	13.41	3.02
Other advances	52.77	51.16
	<b>856.72</b>	<b>840.74</b>

14. EQUITY SHARE CAPITAL	(₹ in Lakhs)	
	31.03.2022	31.03.2021
<b>AUTHORISED</b>		
1,00,00,000 (31st March, 2021 - 1,00,00,000) Equity Shares of ₹ 10/- each	1,000.00	1,000.00
<b>ISSUED, SUBSCRIBED AND PAID UP</b>		
29,91,382 (31st March, 2021- 29,91,382) Equity shares of ₹ 10/- each fully paid up (of which 360 (31st March, 2021 - 360) shares remain to be exchanged for fractional certificates)	299.14	299.14
Add : Forfeited shares account	0.23	0.23
Total issued, subscribed and fully paid up share capital	<b>299.37</b>	<b>299.37</b>

**a. Reconciliation of the shares outstanding at the beginning and at the end of the year** (₹ in Lakhs)

Particulars	31.03.2022		31.03.2021	
	Equity Shares		Equity Shares	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	29,91,382	299.14	29,91,382	299.14
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>29,91,382</b>	<b>299.14</b>	29,91,382	299.14

**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.

# SIMPLEX REALTY LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

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

Name of Shareholder	As at 31st March, 2022		As at 31st March, 2021	
	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
New Textiles LLP	5,99,123	20.03	5,99,123	20.03
Life Insurance Corporation of India	3,74,574	12.52	4,15,903	13.90

### d. Details of the shareholding of Promoters

Name of Promoter	As at 31.03.2022		As at 31.03.2021		% change during the year
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	
<b>Individual</b>					
Nandan Damani	1,25,316	4.19	1,25,316	4.19	-
Nandan Damani HUF	300	0.01	300	0.01	-
Sanjay N Damani	77,230	2.58	77,230	2.58	-
Shreelekha N Damani	51,936	1.73	51,936	1.73	-
Shashi Patodia	44,276	1.48	44,276	1.48	-
Nalini Somany	511	0.02	511	0.02	-
Sumita Somany	50	0.00	50	0.00	-
Kamladevi Bagri	33	0.00	33	0.00	-
<b>Bodies Corporate</b>					
Lucky Vyapaar and Holdings Pvt Ltd	7,43,040	24.84	7,43,040	24.84	-
New Textiles LLP	5,99,123	20.03	5,99,123	20.03	-
<b>Total</b>	<b>16,41,815</b>	<b>54.88</b>	<b>16,41,815</b>	<b>54.88</b>	<b>-</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022**

<b>15. OTHER EQUITY</b>	<b>31.03.2022</b>	(₹ in Lakhs) <b>31.03.2021</b>
<b>CAPITAL RESERVE</b>		
Opening balance	<b>60.71</b>	60.71
Add: Capital reserve on investments in associates	<b>1,300.34</b>	1,300.34
Closing balance	<b>1,361.05</b>	1,361.05
<b>SECURITIES PREMIUM ACCOUNT</b>		
Opening balance	<b>143.24</b>	143.24
Closing balance	<b>143.24</b>	143.24
<b>GENERAL RESERVE</b>		
Opening balance	<b>7,009.00</b>	7,009.00
Less: Share of loss in associates	<b>1,184.41</b>	1,184.41
Closing balance	<b>5,824.59</b>	5,824.59
<b>OTHER COMPREHENSIVE INCOME- EQUITY INSTRUMENTS (FVTOCI)</b>		
Opening balance	<b>29.96</b>	15.00
Add/(less): Changes in fair value during the year of FVTOCI equity instruments (net of tax)	<b>9.08</b>	54.28
Less: Transfer on sale of FVTOCI -designated instruments	<b>-</b>	(39.32)
Closing balance	<b>39.04</b>	29.96
<b>OTHER COMPREHENSIVE INCOME- DEBT INSTRUMENTS (FVTOCI)</b>		
Opening balance	<b>35.59</b>	(8.64)
Add/(less): Changes in fair value during the year of FVTOCI debt instruments (net of tax)	<b>7.60</b>	44.23
Closing balance	<b>43.19</b>	35.59
<b>RETAINED EARNINGS</b>		
Opening balance	<b>3,084.58</b>	2,989.78
Add: Transfer on sale of FVTOCI -designated instruments	<b>-</b>	39.32
Profit for the year	<b>177.27</b>	55.33
<u>Items of other comprehensive income recognised directly in retained earnings:</u>		
Remeasurement of defined benefit obligation (net of tax)	<b>1.46</b>	0.15
<b>Closing balance</b>	<b>3,263.31</b>	3,084.58
<b>Total other equity</b>	<b>10,674.42</b>	10,479.01



# SIMPLEX REALTY LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

### 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.

### 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.

### OTHER COMPREHENSIVE INCOME - EQUITY INSTRUMENTS (FVTOCI)

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.

### OTHER COMPREHENSIVE INCOME- DEBT INSTRUMENTS (FVTOCI)

This reserve represents the cumulative gains (net of losses) arising on revaluation of debt instruments measured at fair value through Other Comprehensive Income. When the financial asset is derecognised, the cumulative gains or losses previously recognised in this reserve is reclassified from equity to Profit or Loss.

	<u>31.03.2022</u>	(₹ in Lakhs) 31.03.2021
<b>16. BORROWINGS - NON-CURRENT</b>		
Unsecured loan from other		
Term loan	-	65.21
	-	65.21

(Unsecured loan availed against the security of assets given by a company in which Directors are interested and carries interest @ 11.55% per annum (previous year 11.55% p.a.) and is repayable in equated monthly installment over a period of 1 years (previous year 2 years) last installment is in November 2022).

	<u>31.03.2022</u>	(₹ in Lakhs) 31.03.2021
<b>17. OTHER FINANCIAL LIABILITIES - NON-CURRENT</b>		
Security deposit	-	17.60
	-	17.60

	<u>31.03.2022</u>	(₹ in Lakhs) 31.03.2021
<b>18. PROVISIONS - NON-CURRENT</b>		
For employee benefits- Gratuity (refer note 31)	19.62	18.23
	19.62	18.23

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022**

<b>19. OTHER LIABILITIES - NON-CURRENT</b>	(₹ in Lakhs)	
	<b>31.03.2022</b>	<b>31.03.2021</b>
Deferred income	-	0.43
	-	0.43

<b>20. BORROWINGS-CURRENT</b>	(₹ in Lakhs)	
	<b>31.03.2022</b>	<b>31.03.2021</b>
Unsecured loan from other		
Current maturities of term debt	<b>35.36</b>	50.01
	<b>35.36</b>	50.01

(Unsecured loan availed against the security of assets given by a company in which Directors are interested and carries interest @ 11.55% per annum (previous year 11.55% p.a.) and is repayable in equated monthly installment over a period of 1 years (previous year 2 years) last installment is in November 2022).

**21. TRADE PAYABLES**

**Trade payable ageing as at 31st March, 2022**

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment/transaction				Total
	< 1 years	1-2 years	2-3 years	> 3 years	
(i) MSME	5.78	-	-	-	5.78
(ii) Others	8.21	-	-	-	8.21
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-
	<b>13.99</b>	-	-	-	<b>13.99</b>

**Trade payable ageing as at 31st March, 2021**

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment/transaction				Total
	< 1 years	1-2 years	2-3 years	> 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	12.61	1.41	1.20	0.27	15.49
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-
	12.61	1.41	1.20	0.27	15.49

# SIMPLEX REALTY LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

	<b>31.03.2022</b>	(₹ in Lakhs) 31.03.2021
<b>22. OTHER FINANCIAL LIABILITIES-CURRENT</b>		
Unpaid dividends	<b>5.62</b>	9.36
Security deposit	<b>19.49</b>	-
Other liabilities	<b>103.07</b>	86.64
Retention money	<b>17.46</b>	28.88
	<b>145.64</b>	124.88

	<b>31.03.2022</b>	(₹ in Lakhs) 31.03.2021
<b>23. OTHER CURRENT LIABILITIES</b>		
Statutory dues	<b>6.26</b>	3.77
Deferred income	<b>0.43</b>	1.74
	<b>6.69</b>	5.51

	<b>31.03.2022</b>	(₹ in Lakhs) 31.03.2021
<b>24. PROVISIONS-CURRENT</b>		
<b>For employee benefits - (refer note 31)</b>		
Gratuity	<b>23.74</b>	22.95
Leave benefits	<b>38.29</b>	36.11
	<b>62.03</b>	59.06

	<b>2021-22</b>	(₹ in Lakhs) 2020-21
<b>25. REVENUE FROM OPERATIONS</b>		
Sale of products	<b>118.32</b>	344.56
Rental income	<b>80.17</b>	71.04
	<b>198.49</b>	415.60

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022**

<b>26. OTHER INCOME</b>	<b>2021-22</b>	(₹ in Lakhs) <b>2020-21</b>
<b>Interest income on financial assets</b>		
Bank deposits	0.74	0.82
Inter corporate deposits	350.90	206.87
Interest income on financial assets fair valued through other comprehensive income	138.60	144.79
Interest income on financial assets carried at amortised cost	8.74	33.32
Interest income on financial assets carried at fair value through profit or loss	16.99	21.61
Interest on deposits	-	13.57
Others	1.83	0.10
Interest on income tax refund	1.26	-
Dividend income from equity instruments designated at FVTOCI	1.43	1.30
Dividend income on other investments	15.00	15.09
Building rent	32.80	25.80
Profit on sale/redemption of investments (designated at fair value through profit or loss)	1.76	25.22
Profit on sale/redemption of investments carried at FVTOCI	-	0.13
Profit on sale of fixed assets	6.48	19.93
	<b>576.53</b>	<b>508.55</b>

<b>27. COST OF SALES</b>	<b>2021-22</b>	(₹ in Lakhs) <b>2020-21</b>
<b>Opening stock</b>		
Construction work in progress	1,979.17	1,884.22
Finished stock	1,184.37	1,629.93
Add: Expenses incurred during the year		
Materials, structural, labour and contract cost incurred	80.20	49.61
Rates and taxes	0.08	0.18
Professional charges	64.34	39.13
Other cost-net	23.48	2.61
Finished unit purchased	127.40	-
	<b>295.50</b>	<b>91.53</b>
<b>Less: Closing stock</b>		
Construction work-in-progress	2,148.65	1,979.17
Finished stock	1,208.03	1,184.37
<b>Cost of sales</b>	<b>102.36</b>	<b>442.14</b>

# SIMPLEX REALTY LIMITED

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

		(₹ in Lakhs)
<b>28. EMPLOYEE BENEFITS EXPENSE</b>	<b>2021-22</b>	<b>2020-21</b>
Salaries and wages	<b>254.20</b>	253.33
Contribution to provident and other funds	<b>7.78</b>	7.59
Staff welfare expenses	<b>9.30</b>	9.27
	<b>271.28</b>	270.19

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		(₹ in Lakhs)
<b>29. FINANCE COSTS</b>	<b>2021-22</b>	<b>2020-21</b>
<b>Interest on</b>		
Term loan	<b>7.86</b>	18.52
Income tax	-	0.40
Others	<b>1.94</b>	1.71
	<b>9.80</b>	20.63

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022**

	(₹ in Lakhs)	
<b>30. OTHER EXPENSES</b>	<b>2021-22</b>	<b>2020-21</b>
Electricity	6.25	4.93
Repairs to		
Buildings	26.24	0.14
Machinery	0.96	1.47
Others	1.77	1.25
Insurance	1.07	0.73
Rent	0.67	0.65
Rates and taxes	9.44	9.44
Advertisements	0.64	0.30
Business promotion expenses	1.66	1.10
Travelling and conveyance expenses	11.78	5.63
Legal and professional fees	11.43	6.60
Retainership fees	8.75	11.14
Printing, stationery and communication expenses	6.43	5.20
Bank charges	0.15	0.05
Vehicles expenses	5.50	5.02
Flat maintenance expenses	16.69	10.15
Commission and brokerage	-	4.30
Membership and subscription charges	6.50	6.75
Security charges	10.50	11.03
Sundry assets written off	0.02	-
Goods and Service tax paid	6.70	6.81
Changes in fair value of financial assets at fair value through profit or loss (FVTPL)	0.62	3.31
Sundry expenses	13.27	14.24
Directors' sitting fees	4.50	3.80
Society maintenance charges	10.45	19.84
<b>Auditors' remuneration</b>		
As Auditor		
Audit fee	3.65	3.65
Tax audit fee	-	0.50
For reimbursement of expenses	0.01	0.00
	<b>165.65</b>	<b>138.03</b>

# SIMPLEX REALTY LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

### 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:	2021-22	2020-21
Provident fund	1.11	1.04
Superannuation fund	5.04	5.04
Pension fund	0.90	0.87
Employees State Insurance fund	0.73	0.64

(₹ in Lakhs)

#### Disclosures for defined benefit plan based on actuarial valuation report:

#### II) Defined Benefit Plan

GRATUITY	2021-22	2020-21
<b>A. Changes in defined benefit obligations</b>		
Present value of defined benefit obligation as at the beginning of the year	41.18	40.52
Interest cost	1.99	2.03
Current service cost	2.14	2.89
Past service cost- vested benefits	-	-
Benefit paid	-	(4.06)
Actuarial (gain) / loss due to changes in demographic assumption	0.27	-
Actuarial (gain) / loss due to changes in financial assumption	(0.56)	(1.19)
Actuarial (gain) / loss due to changes in experience adjustments	(1.66)	0.99
Present value of defined benefit obligation as at the end of the year	43.36	41.18
<b>B. Amount recognized in the Balance Sheet</b>		
Present value of defined benefit obligation as at the end of the year	43.36	41.18
Fair value of plan assets at end of the year	-	-
Net liability recognized in the Balance Sheet	43.36	41.18
- Current provision	23.74	22.95
- Non-current provision	19.62	18.23

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022**

	2021-22	(₹ in Lakhs) 2020-21
<b>C. Expenses recognized in the Statement of Profit and Loss</b>		
Interest cost	1.99	2.03
Current service cost	2.14	2.89
Past service cost- vested benefits	-	-
Expenses recognized in the Statement of Profit and Loss	4.13	4.92

**D. Expenses recognized in the Other Comprehensive Income (OCI)**

Remeasurement (gain)/loss	(1.95)	(0.20)
Actuarial (gain) / loss due to changes in demographic assumption	0.27	-
Actuarial (gain) / loss due to changes in financial assumptions	(0.56)	(1.19)
Actuarial (gain) / loss due to changes in experience adjustments	(1.66)	0.99

**E. Movement in the present value of net defined benefit obligation are as follows**

Opening net liability	41.18	40.52
Expenses recognised in Statement of Profit and Loss	4.13	4.92
Expenses recognised in OCI	(1.95)	(0.20)
Contributions paid	-	(4.06)
Closing net liability	43.36	41.18

	Estimated for the year ended 31.03.2022	(₹ in Lakhs) Estimated for the year ended 31.03.2021
<b>Maturity profile of defined benefit obligation</b>		
1st following year	23.74	22.95
2nd following year	2.76	0.10
3rd following year	0.45	2.27
4th following year	0.48	0.10
5th following year	0.34	0.12
Sum of years 6 to 10	9.99	9.23

	2021-22	(₹ in Lakhs) 2020-21
<b>Sensitivity analysis</b>		
Impact of +1% change in discount rate	41.55	39.14
Impact of -1% change in discount rate	45.48	43.60
Impact of +1% change in salary escalation rate	44.45	42.54
Impact of -1% change in salary escalation rate	41.72	39.15



# SIMPLEX REALTY LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

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 benefits 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.

<b>Actuarial assumptions</b>	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>
Discount rate	<b>6.98%</b>	6.70%
Salary escalation rate	<b>5.00%</b>	5.00%
Attrition rate:		
0 to 5 years	<b>16.67%</b>	0.50%
6 to 10 years	<b>6.67%</b>	0.00%
11 to 60 years	<b>0.00%</b>	0.00%

### 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.<br>Simplex Mills Company Ltd.  |
| (b) Key management personnel and their relatives                  | Shri Nandan Damani - Managing Director<br>Shri Sanjay N Damani - Executive Director<br>Smt. Sandhya R Kini - Executive Director<br>Smt. Shivani V Jatia<br>Smt. Shashi A Patodia<br>Smt. Shreelekha N Damani |
| (c) Non Executive/Independent Directors                           | Shri V.B.Haribhakti<br>Shri S.K.Somany<br>Smt. Renu Jain<br>Shri Vijay S Jindal<br>Shri Sabhapati G. Shukla  |
| (d) Where persons mentioned in (b) exercise significant influence | The Nav Bharat Refrigeration And Industries Ltd.<br>Shreelekha Global Finance Ltd.<br>New Textiles LLP<br>Lucky Vyapaar and Holdings Pvt. Ltd.   |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022**

**(ii) Transactions with related parties**

(₹ in Lakhs)

Type of related party	Description of the nature of transactions	Volume of transactions during 2021-22	Volume of transactions during 2020-21	Balance as on 31.03.22 Receivable/ (Payable)	Balance as on 31.03.21 Receivable/ (Payable)
(a) Simplex Mills Company Ltd.	Reimbursement of expenses	(0.51)	(0.52)	-	-
(b) Key management personnel and their relatives	Remuneration#	76.78	74.16	-	-
(c) Non Executive/ Independent Directors	<b>Sitting fees</b>				
	Shri V.B.Haribhakti	1.20	1.00	-	-
	Shri S.K.Somany	1.20	1.00	-	-
	Smt Renu Jain	0.50	0.40	-	-
	Shri Vijay S Jindal	0.40	0.40	-	-
	Shri Sabhapati G Shukla	1.20	1.00	-	-
(d) Where persons mentioned in (b) exercise significant influence					
<b>a) Reimbursement of expenses-net</b>					
	The Nav Bharat Refrigeration and Industries Ltd.	0.90	0.23	-	-
	Lucky Vyapaar and Holdings Pvt. Ltd.	0.23	1.79	-	-
<b>b) Security</b>					
	Security offered by Lucky Vyapaar and Holdings Pvt. Ltd for loan availed	-	-	35.36	115.22

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

Terms and conditions of transactions with related parties

Transactions with 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.

**33. FINANCIAL INSTRUMENTS-FAIR VALUE AND RISK MANAGEMENT**

**a) Financial instruments by category**

(₹ in Lakhs)

Particulars	31.03.2022			31.03.2021		
	At FVTOCI	At FVTPL	At Amortised cost	At FVTOCI	At FVTPL	At Amortised cost
<b>Financial Assets</b>						
Investments	1,646.88	116.85	40.14	1,978.84	194.89	157.62
Loans	-	-	3,403.86	-	-	2,960.93
Cash and cash equivalents	-	-	318.21	-	-	24.89
Other bank balances	-	-	5.62	-	-	9.36
Other financial assets	-	-	107.36	-	-	318.08
	1,646.88	116.85	3,875.19	1,978.84	194.89	3,470.88
<b>Financial Liabilities</b>						
Borrowings	-	-	35.36	-	-	115.22
Trade payables	-	-	13.99	-	-	15.49
Other financial liabilities	-	-	145.64	-	-	142.48
	-	-	194.99	-	-	273.19

# SIMPLEX REALTY LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

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

The following table shows fair value hierarchy of financial assets measured at fair value on a recurring basis. 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 Lakhs)

Financial assets	31.03.2022			31.03.2021		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Measured at Amortised Cost</b>						
Investments in bonds/debentures	-	40.14	-	-	157.62	-
<b>Measured at FVTOCI</b>						
Investments in equity instruments	106.43	-	-	96.30	-	-
Investments in preference shares	-	201.60	-	-	195.34	-
Investments in bonds/debentures	-	1,338.85	-	-	1,687.20	-
<b>Measured at FVTPL</b>						
Investments in mutual funds	-	-	-	-	56.48	-
Investments in alternate investment funds	-	116.85	-	-	138.41	-

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities. 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.

Level 2: Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

The fair value of financial instruments that are not traded in active market is determined using market approach and valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

The fair value of investments in bonds, debentures and mutual funds is measured at quoted price, dealer quotes or NAV.

### c) Risk management framework

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

### d) Financial Risk Management

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

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

#### i) Credit Risk

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

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

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

### 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 and investments is managed by Company's finance department. Investments of surplus funds are primarily made in fixed deposits, with banks and companies; bonds or debentures of investment grade issued by government institutions, public sector undertakings, corporates. These counter parties are shortlisted and exposure limits determined on the basis of their credit rating, financial statements and other relevant informations. As these counter parties are government institutions, public sector undertaking and corporates with investment grade credit ratings, the counter party risk attached to such assets is considered to be insignificant. Impairment in the value of investments in associates is recognised, if required, 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 in 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.

### Exposure to liquidity risk

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

(₹ in Lakhs)

As at 31.03.2022	Carrying amount	Contractual cash flows				
		Total	Within 1 year	1-2 years	2-5 years	More than 5 years
Borrowings	35.36	35.36	35.36	-	-	-
Trade Payables	13.99	13.99	13.99	-	-	-
Other Financial Liabilities	145.64	145.64	145.64	-	-	-
	<b>194.99</b>	<b>194.99</b>	<b>194.99</b>	-	-	-

(₹ in Lakhs)

As at 31.03.2021	Carrying amount	Contractual cash flows				
		Total	Within 1 year	1-2 years	2-5 years	More than 5 years
Borrowings	115.22	115.22	50.01	56.11	9.10	-
Trade Payables	15.49	15.49	15.49	-	-	-
Other Financial Liabilities	142.48	142.48	124.88	17.60	-	-
	<b>273.19</b>	<b>273.19</b>	<b>190.38</b>	<b>73.71</b>	<b>9.10</b>	-

# SIMPLEX REALTY LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

### 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. The Company's investments are held in bonds/debentures, fixed deposits and debt mutual funds. Investments in bonds/debenture are measured either fair valued through other comprehensive income or fair valued through profit or loss to recognise market volatility, which is not considered to be significant. Fixed deposits are held with highly rated banks and companies and are not subject to interest rate volatility.

The Company invests in mutual funds. Mutual fund investments are susceptible to market price risks that arise mainly from change in interest rate which may impact the return and value of such investments.

### Currency risk

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

### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The 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 Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Floating rate borrowing	35.36	115.22
	35.36	115.22

The sensitivity analysis 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. The amount indicated below may have an impact on reported profit / (loss) for the year.

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 Lakhs)

Particulars	2021-22	2020-21
Interest rate - Increase by 100 basis points	(0.35)	(1.15)
Interest rate - Decrease by 100 basis points	0.35	1.15

### 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.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

### 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.

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

(₹ in Lakhs)

	<b>As at 31.03.2022</b>	As at 31.03.2021
Borrowings	<b>35.36</b>	115.22
Less: Cash and cash equivalents	<b>(318.21)</b>	(24.89)
<b>Net Debt</b>	<b>(282.85)</b>	90.33
<b>Total Equity</b>	<b>10,973.79</b>	10,778.38
<b>Debt/Equity ratio</b>	<b>(0.03)</b>	0.01

**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	2021-22	2020-21
1. Profit after tax (₹ in Lakhs)	<b>177.27</b>	55.33
2. Weighted average number of shares outstanding during the year	<b>29,91,382</b>	29,91,382
3. Face value of shares – ₹	<b>10/-</b>	10/-
4. Basic / Diluted EPS - ₹	<b>5.93</b>	1.85

### 36. INFORMATION ON SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

Information on Associates

Name of Company	Country of Incorporation	Percentage of holding	
		As at 31st March, 2022	As at 31st March, 2021
Simplex Mills Company Ltd.	India	<b>48.99</b>	48.99
Simplex Papers Ltd.	India	<b>49.01</b>	49.01

# SIMPLEX REALTY LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

### 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 Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Future minimum lease rental receivable under operating leases are as follows:		
Not later than 1 year	57.65	104.24
Later than 1 year not later than 5 years	-	19.85
Later than 5 years	-	-

### 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 ₹ Nil).

### 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 in SPL had already exceeded its interest in the associates, hence no further losses are being recognized.

(₹ in Lakhs)

Name of the Company	Investment in	Principal place of business	Carrying amount		
			As at 31.03.2022	As at 31.03.2021	% of ownership interest
Simplex Mills Company Ltd.	Equity Shares	India	-	-	48.99%
Simplex Mills Company Ltd.	Redeemable Preference Shares	India	741.32	706.99	-
Simplex Papers Ltd.	Equity Shares	India	-	-	49.01%

### Significant financial information for associates

#### Summarised Balance Sheet of Simplex Mills Company Limited

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Current assets	241.34	241.52
Non-current assets	421.13	429.69
Current liabilities	203.32	263.33
Non-current liabilities	783.06	801.84
Equity	(323.91)	(393.96)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022**

**Summarised Statement of Profit and Loss of Simplex Mills Company Limited**

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Revenue (including other income)	61.96	72.12
Profit/(Loss) for the year	70.05	18.02
Other comprehensive income	-	-
Total comprehensive income/(expense)	70.05	18.02

**Summarised Balance Sheet of Simplex Papers Limited**

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Current assets	138.10	137.58
Non-current assets	9.44	9.44
Current liabilities	1,326.30	1,309.24
Non-current liabilities	-	-
Equity	(1,178.76)	(1,162.22)

**Summarised Statement of Profit and Loss of Simplex Papers Limited**

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Revenue (including other income)	-	-
Profit/(Loss) for the year	(16.54)	2.51
Other comprehensive income	-	-
Total comprehensive income/(expense)	(16.54)	2.51

**40. DISCLOSURE MANDATED BY SCHEDULE III BY WAY OF ADDITIONAL INFORMATION**

(₹ in Lakhs)

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	Amount	As % of consolidated	Amount	As % of consolidated	Amount	As % of consolidated	Amount
Simplex Realty Limited								
<b>Balance as at March 31,2022</b>	104%	11,425.84	139%	246.81	100%	18.14	136%	264.95
Balance as at March 31,2021	104%	11,160.89	84%	46.50	100%	98.66	94%	145.16
<b>Associates*</b>								
Simplex Mills Company Limited								
<b>Balance as at March 31,2022</b>	-	-	19%	34.32	-	-	18%	34.32
Balance as at March 31,2021	-	-	16%	8.83	-	-	6%	8.83
Simplex Papers Limited								
<b>Balance as at March 31,2022</b>	-	-	-	-	-	-	-	-
Balance as at March 31,2021	-	-	-	-	-	-	-	-
Adjustments arising out of consolidation								
<b>March 31,2022</b>	4%	452.05	-59%	(103.86)	-	-	-53%	(103.86)
March 31,2021	4%	382.51	-	-	-	-	-	-
<b>Total for March 31, 2022</b>	100%	10,973.79	100%	177.27	100%	18.14	100%	195.41
Total for March 31, 2021	100%	10,778.38	100%	55.33	100%	98.66	100%	153.99

\* The net assets of these entities have not been consolidated under the equity method.



# SIMPLEX REALTY LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

41 Investments in associates are accounted for using the equity method of accounting. Under the equity method, an investor needs to recognize its share of profit or loss in the investee to the extent of its interest in the associates. The interest in an associate is the carrying amount of the investment in the associate determined using equity method together with any long term interest. Losses recognized using the equity method in excess of the entity's investment in ordinary shares are applied to the other components of the entity's interest in an associate. The Company's share in profit for the period ended 31st March, 2022 amounting to ₹ 34.32 Lakhs has been recognized in the consolidated financial statements and for the previous year ended 31st March, 2021 profit amounting to ₹ 8.83 Lakhs was recognized.

### 42. CONTINGENT LIABILITIES NOT PROVIDED FOR

#### a) Claims against the Company not acknowledged as debt:

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
a) Appeals filed in respect of disputed demands:		
Relating to income tax where the Company is in appeal	725.18	477.38
Relating to income tax where Department is in appeal	2,804.25	2,804.25
b) Labour matters	1.35	1.35
c) Legal cases	34.06	34.06
d) Bank guarantee	12.50	12.50

#### b) Contingent liabilities of associates, to the extent of Company's holding in associates:

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
a) Appeals filed in respect of disputed demands:		
i) Central Excise	1,685.37	1,685.37
ii) Labour Matters	21.87	21.51
b) SICOM/Joint Director of Industries	114.89	109.64

#### c) Others

The Company had received a demand notice of ₹ 1,715.65 Lakhs (as at 31st March, 2021 ₹ 1,715.65 Lakhs) 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 Hon'ble 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 Hon'ble High Court of Bombay for amending the present order.

43 Based on the intimations received from "suppliers" regarding their status under as Micro, Small and Medium Enterprises Development Act, 2006 (MSMED), ₹ 5.78 Lakhs is outstanding to MSME as at 31st March, 2022 and no amounts were overdue during the year for which disclosure requirements under MSMED are applicable.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022**

- 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 Hon’ble 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** 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** No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”) with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 47** The Consolidated Financial statements of the Company for the year ended 31<sup>st</sup> March, 2022 were approved by the Board of Directors on 25<sup>th</sup> May, 2022.
- 48** Previous year’s figures have been reclassified, wherever necessary, to conform current year’s presentation.

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As per our report of even date attached

**For Khandelwal and Mehta LLP**  
Chartered Accountants  
Firm’s Registration No. W100084

**Sunil Khandelwal**  
Partner  
Membership No. 101388  
Mumbai, 25<sup>th</sup> May, 2022

**Surendra Kabra**  
Chief Financial Officer

**Kinjal Shah**  
Company Secretary &  
Compliance Officer

For and on behalf of the Board

**Nandan Damani**  
Chairman and Managing Director

**Surendra Kumar Somany**  
Independent Director

Mumbai, 25<sup>th</sup> May, 2022

# SIMPLEX REALTY LIMITED

## Form ISR – 1

(see SEBI circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 03, 2021 on Common and Simplified Norms for processing investor's service request by RTAs and norms for furnishing PAN, KYC details and Nomination)

### REQUEST FOR REGISTERING PAN, KYC DETAILS OR CHANGES / UPDATION THEREOF

[For Securities (Shares / Debentures / Bonds, etc.) of listed companies held in physical form]

Date: \_\_\_ / \_\_\_ / \_\_\_\_\_

A. I / We request you to Register / Change / Update the following (Tick ✓ relevant box)

<input type="checkbox"/> PAN	<input type="checkbox"/> Bank details	<input type="checkbox"/> Signature
<input type="checkbox"/> Mobile number	<input type="checkbox"/> E-mail ID	<input type="checkbox"/> Address

### B. Security Details:

Name of the Issuer Company		Folio No.:
Name(s) of the Security holder(s) as per the Certificate(s)	1. 2. 3.	
Number & Face value of securities		
Distinctive number of securities (Optional)	From	To

C. I / We are submitting documents as per Table below (tick ✓ as relevant, refer to the instructions):

	✓	Document / Information / Details	Instruction / Remark
1		PAN of (all) the (joint) holder(s)	
		PAN <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Whether it is Valid (linked to Aadhaar): <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes <input type="checkbox"/> No	PAN shall be valid only if it is linked to Aadhaar by March 31, 2022* For Exemptions / Clarifications on PAN, please refer to Objection Memo in page 4
2		Demat Account Number	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Also provide Client Master List (CML) of your Demat Account, provided by the Depository Participant.

3	Proof of Address of the first holder	<p>Any one of the documents, only if there is change in the address;</p> <p><input type="checkbox"/> Client Master List (<b>CML</b>) of your Demat Account, provided by DP.</p> <p><input type="checkbox"/> Valid Passport/ Registered Lease or Sale Agreement of Residence / Driving License / Flat Maintenance bill.</p> <p><input type="checkbox"/> Utility bills like Telephone Bill (only land line), Electricity bill or Gas bill - Not more than 3 months old.</p> <p><input type="checkbox"/> Identity card / document with address, issued by any of the following: Central/State Government and its Departments, Statutory / Regulatory Authorities, Public Sector Undertakings, Scheduled Commercial Banks, Public Financial Institutions.</p> <p><input type="checkbox"/> For FII / sub account, Power of Attorney given by FII / sub-account to the Custodians (which are duly notarized and / or apostilled or consularised) that gives the registered address should be taken.</p> <p><input type="checkbox"/> The proof of address in the name of the spouse</p>
4	Bank details	<p>Account Number: _____</p> <p>Bank Name: _____</p> <p>Branch Name: _____</p> <p>IFS Code: _____</p> <p style="text-align: center;">Provide the following:</p> <p><input type="checkbox"/> <u>original cancelled cheque</u> with name of security holder printed on it or <u>Bank Passbook or Bank Statement attested by the Bank #</u></p>
5	E-mail address <sup>#</sup>	_____
6	Mobile <sup>#</sup>	_____

\* or any date as may be specified by the CBDT (DP: Depository Participant)

# In case it is not provided, the details available in the CML will be updated in the folio

**Authorization:** I / We authorise you (RTA) to update the above PAN and KYC details in my / our folio (s) \_\_\_\_\_, \_\_\_\_\_, (use Separate Annexure if extra space is required) in which I / We are the holder(s) (strike off what is not applicable).

**Declaration:** All the above facts stated are true and correct.

	Holder 1	Holder 2	Holder 3
Signature	✓		
Name	✓		
Full address	✓		
PIN	✓ □□□□□□	□□□□□□	□□□□□□

# SIMPLEX REALTY LIMITED

## Mode of submission of documents to the RTA

Please use any one of the following mode;

1. In Person Verification (**IPV**): by producing the originals to the authorized person of the RTA, who will retain copy(ies) of the document(s)
2. In hard copy: by furnishing self-attested photocopy(ies) of the relevant document, with date
3. Through e-mail address already registered with the RTA, with e-sign of scanned copies of documents
4. Service portal of the RTA with e-sign with scanned copies of documents, if the RTA is providing such facility

## Note

<ul style="list-style-type: none"><li>• It is mandatory for holders of physical securities in listed company to furnish PAN, full KYC details (address proof, bank details, e-mail address, mobile number) and Nomination (for all the eligible folios).</li></ul>	
<ul style="list-style-type: none"><li>• Upon receipt or up-dation of bank details, the RTA will automatically, pay electronically, all the moneys of / payments to the holder that were previous unclaimed / unsuccessful.</li></ul>	
<ul style="list-style-type: none"><li>• RTA shall update the folio with PAN, KYC details and Nominee, within seven working days of its receipt. However, cancellation of nomination, shall take effect from the date on which this intimation is received by the Company / RTA.</li></ul>	
<ul style="list-style-type: none"><li>• RTA shall not insist on Affidavits or Attestation / Notarization or indemnity for registering / up-dating / changing PAN, KYC details and Nomination.</li></ul>	
<ul style="list-style-type: none"><li>• Specimen Signature</li></ul>	<ul style="list-style-type: none"><li>• Provide banker's attestation of the signature of the holder(s) as per <u>Form ISR – 2 in SEBI circular SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 03, 2021</u> and</li><li>• <u>original cancelled cheque with name of security holder printed on it or Bank Passbook or Bank Statement attested by the Bank</u></li></ul>
<ul style="list-style-type: none"><li>• Nomination**</li></ul>	<ul style="list-style-type: none"><li>• <b>Providing Nomination:</b> Please submit the duly filled up Nomination Form (SH-13) or 'Declaration to Opt out of Nomination' as per <u>Form ISR-3</u>, in SEBI circular SEBI/HO/MIRSD/MIRSD_RTAMB/P/ CIR/2021/655 dated November 03, 2021</li><li>• <b>Change in Existing Nomination:</b> Please use <u>Form SH-14 in SEBI circular SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655</u></li><li>• <b>Cancellation of Existing Nomination:</b> use <u>Form SH-14 &amp; Form ISR – 3</u></li></ul>

\*\* Nomination (**Form SH-13 or SH-14**) / 'Declaration to Opt-Out of nomination' (Form ISR – 3), has to be furnished by the holder(s) separately for each listed company.

(Page No. 3 and 4 is for information to investors; print out of the same is not required)

## Objection Memo that can be raised by the RTA

(only if the relevant document / details is / are not available in the folio or if there is a mismatch / discrepancy in the same or change thereof)

### Note

RTAs shall raise all objections, if any / at all, in one instance only; the RTA shall not raise further objections on the same issue again and again, after the holder / claimant furnishes all the prescribed documents and details, unless there is any deficiency / discrepancy in the same.

No.	Item	Documents / Details to be provided to the RTA by the holder(s) / claimant(s)
1	PAN – Exceptions and Clarification	‘Exemptions/clarifications to PAN’, as provided in clause D to ‘Instructions/Check List for Filing KYC Forms’ in Annexure – 1 to SEBI circular No. MIRSD/SE/Cir-21/2011 dated October 05, 2011 on Uniform Know Your Client (KYC) Requirements for the Securities Market, shall also applicable for holder(s) / claimant(s) of securities held in physical mode.
2	Minor mismatch in Signature - minor	The RTA shall intimate the holder at the existing address, seeking objection, if any, within 15 days
3	Major mismatch in Signature or its non availability with the RTA	<ul style="list-style-type: none"> <li>• Banker’s attestation of the signature of the holder(s) as per Form ISR – 2</li> <li>• Original cancelled cheque with name of security holder printed on it or Bank Passbook or Bank Statement attested by the Bank</li> </ul>
4	Mismatch in Name	Furnish any one of the following documents, explaining the difference in names; <ul style="list-style-type: none"> <li>• Unique Identification Number (UID) (Aadhaar)</li> <li>• Valid Passport</li> <li>• Driving license</li> <li>• PAN card with photograph</li> <li>• Identity card / document with applicant’s Photo, issued by any of the following: Central / State Government and its Departments, Statutory / Regulatory Authorities, Public Sector Undertakings, Scheduled Commercial Banks, Public Financial Institutions</li> <li>• Marriage certificate</li> <li>• Divorce decree</li> </ul>
5	Present address of the holder is not matching with the address available in the folio	RTA shall issue intimation to both the old and new addresses. <ul style="list-style-type: none"> <li>• In case where the letter is undelivered at the old address, RTA shall not insist for any proof of the old address provided the current address proof is in the form of an address proof issued by a Government Authority.</li> </ul> The above procedure will be applicable for request for change in address of the holder also

(Page No. 3 and 4 is for information to investors; print out of the same is not required)

:

**Simplex Realty Limited**

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