

4<sup>th</sup> July, 2023

**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 2022-2023**

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 the Annual Report of the Company along with the Notice conveying 110<sup>th</sup> Annual General Meeting to be held on Wednesday, 2<sup>nd</sup> August, 2023 at 12.00 Noon through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") and other Statutory Reports for the financial year 2022-23. The same is also sent through electronic mode to those Members whose e-mail addresses are registered with the Company/ Registrar and Transfer Agent / Depository Participants.

The same is also available on the website of the Company at [https://simplex-group.com/simplex\\_update/Realty\\_Ltd/ANNUAL%20REPORT/Annual%20Report%202022-2023%20-%20SRL%20F.pdf](https://simplex-group.com/simplex_update/Realty_Ltd/ANNUAL%20REPORT/Annual%20Report%202022-2023%20-%20SRL%20F.pdf)

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**



**110<sup>TH</sup>**  
**ANNUAL REPORT**  
**2022-2023**

# 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	Non-Executive Independent Director
Shri Surendra Kumar Somany	Non-Executive Independent Director
Shri Vijay S.Jindal	Non-Executive Independent Director
Shri Sabhapati G.Shukla	Non-Executive Independent Director
Shri Praveen Kumar	Non-Executive Non-Independent Director

## Chief Financial Officer

Mr. Surendra Kabra

## Company Secretary

Mrs. Kinjal P Shah

## Statutory Auditors

Khandelwal and Mehta LLP  
Chartered Accountants  
Mumbai

## Secretarial Auditors

M/s. Taher Sapatwala & Associates  
Company Secretaries  
Mumbai

## Corporate Identification Number (CIN)

L17110MH1912PLC000351

## Bankers

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

## Registered Office

30, Keshavrao Khadye Marg,  
Sant Gadge Maharaj Chowk,  
Mumbai-400 011  
Tel.: 022-23082951

## Registrar and Transfer Agent

Purva Sharegistry (India) Private Limited  
Unit No.9, Shiv Shakti Industrial Estate,  
J.R. Boricha Marg, Lower Parel (East),  
Mumbai - 400011  
Tel.:(022) 49614132/ 31998810  
Email: support@purvashare.com

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110<sup>th</sup> Annual General Meeting of the Company will be held on Wednesday, the 2<sup>nd</sup> August, 2023 at 12:00 Noon through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")

## NOTICE

NOTICE is hereby given that the Hundred and Tenth **ANNUAL GENERAL MEETING** of the Members of **SIMPLEX REALTY LIMITED** ("the Company") will be held on Wednesday, the 2<sup>nd</sup> day of August, 2023 at 12:00 noon 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, 2023 and the Reports of the Directors' and Auditors' thereon.

**2. To declare dividend on Equity Shares for the financial year 2022-23**

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

To appoint a Director in place of Shri Nandan Damani (DIN:00058396), who retires by rotation and being eligible, offers himself for re-appointment.

**4. Re-appointment of Statutory Auditors 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 Sections 139, 142 and any other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 as amended from time to time and all other applicable rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and pursuant to recommendation of the Audit Committee and Board of Directors of the Company, Khandelwal and Mehta LLP, Chartered Accountants, (ICAI Firm Registration No. W100084) be and are hereby re-appointed as the Statutory Auditors of the Company, for a second term of five consecutive years commencing from the conclusion of this Annual General Meeting till the conclusion of the Hundred and Fifteenth Annual General Meeting to be held for the Financial Year 2027-28, at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors;

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof), be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution."

### SPECIAL BUSINESS

**5. Re-appointment of Shri Nandan Damani (DIN: 00058396), Managing Director of the Company**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 152, 196, 197, 203 and any other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule V of the Act and pursuant to Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Article 186 of the Articles of Association of the Company and based on the recommendation of the Nomination and Remuneration Committee, Board of Directors and subject to such other approvals, permissions and sanctions as may be necessary, the consent of the Members of the Company be and is hereby accorded to the re-appointment of Shri Nandan Damani (DIN:00058396) as the Managing Director, designated as the Chairman and Managing Director of the Company, aged 70 years, for a period of three years commencing from 29<sup>th</sup> June, 2023 to 28<sup>th</sup> June, 2026, liable to retire by rotation, upon the terms and conditions including remuneration, as set out in the draft Agreement (the Agreement) to be executed between the Company and Shri Nandan Damani, as laid before this Meeting and initialed by the Company Secretary for the purpose of identification;

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

# SIMPLEX REALTY LIMITED

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**RESOLVED FURTHER THAT** in case the Company, during the currency of tenure of Shri Nandan Damani as referred above, has no profits or its profits are inadequate, the remuneration as may be approved by the Board of Directors of the Company from time to time shall be paid as minimum remuneration;

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

**6. Re-appointment of Shri Sanjay N Damani (DIN:03078104), Whole-time Director of the Company**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197 and any other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule V of the Act and pursuant to Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Article 189 of the Articles of Association of the Company and based on the recommendation of the Nomination and Remuneration Committee, Board of Directors and subject to such other approvals, permissions and sanctions as may be necessary, the consent of the Members of the Company be and is hereby accorded to the re-appointment of Shri Sanjay N Damani (DIN: 03078104) as the Whole-time Director, designated as an Executive Director of the Company, for a period of three years commencing from 1<sup>st</sup> June, 2023 to 31<sup>st</sup> May, 2026, liable to retire by rotation, upon the terms and conditions including remuneration, as set out in the draft Agreement

(the Agreement) to be executed between the Company and Shri Sanjay N Damani, as laid before this Meeting and initiated by the Company Secretary for the purpose of identification;

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

**RESOLVED FURTHER THAT** in case the Company, during the currency of tenure of Shri Sanjay N Damani as referred above, has no profits or its profits are inadequate, the remuneration as may be approved by the Board of Directors of the Company from time to time shall be paid as minimum remuneration;

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

By Order of the Board of Directors

**Kinjal P Shah**  
Company Secretary

Mumbai, 16<sup>th</sup> May, 2023  
CIN: L17110MH1912PLC000351

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

**NOTES:**

1. The Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 (“the Act”), in respect of the Special Business under **Item number 5 and 6** of the Notice dated 16<sup>th</sup> May, 2023 is appended hereto. The relevant details of the Directors seeking re-appointment pursuant to the Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and Secretarial Standard-2 is given in Annexure to this Notice.
2. The Ministry of Corporate Affairs (“MCA”) allowed conducting the Annual General Meeting (“AGM”) through VC/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, Circular No. 20/2021 dated 14<sup>th</sup> December, 2021, Circular No. 02/2022 dated 05<sup>th</sup> May, 2022 and Circular No. 10/2022 dated 28<sup>th</sup> December, 2022 (hereinafter collectively referred to as “MCA Circulars”) and Securities and Exchange Board of India (“SEBI”) vide Circular Nos. SEBI/HO/CFD/CMD1/CIR/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, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13<sup>th</sup> May, 2022 and SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 5<sup>th</sup> January, 2023 (hereinafter collectively referred to as “SEBI Circulars”) providing certain relaxations from compliance with certain provisions of the SEBI Listing Regulations. In terms of the said Circulars, this 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.
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 [saptaher@gmail.com](mailto:saptaher@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 in this Notice.
6. Pursuant to Regulation 46 of the SEBI Listing Regulations and in line with the MCA Circulars, the Notice calling the AGM and Annual Report has been uploaded 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, [www.bseindia.com](http://www.bseindia.com) and is also available on the website of E-voting agency i.e 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 27<sup>th</sup> day of July, 2023 to Wednesday, the 2<sup>nd</sup> day of August, 2023 (both days inclusive) for the purpose of the Hundred and Tenth Annual General Meeting (the AGM) and dividend, subject to approval of the members.

The dividend of ₹ 1 per share (i.e. 10%) on the equity shares of the Company of the face value of ₹ 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 AGM:

**For Shares held in electronic form:** To all the Beneficial Owners as of the close of business hours on Wednesday, 26<sup>th</sup> July, 2023 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 of the close of business hours on Wednesday, 26<sup>th</sup> July, 2023.
  - 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's Registrar and Transfer Agent (RTA) and by sending documents through email by Tuesday, 25<sup>th</sup> July, 2023. 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, 2023 is being sent 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 RTA latest by Tuesday, 25<sup>th</sup> July, 2023:

- 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> and is also appended at the end of the Annual Report.
- 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, same bank account number and type as on the cheque leaf and the full address of the Bank branch.

- c. self-attested photocopy of the PAN Card 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 by Tuesday, 25<sup>th</sup> July, 2023.

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.

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. 2<sup>nd</sup> August, 2023. 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 ₹ 2,57,373/- pertaining to the financial year 2014-2015 has been transferred to IEPF on 22<sup>nd</sup> September, 2022.

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 years 2015-16, 2016-17 and 2021-22 is requested to approach the Company/the Registrar and Transfer Agent (RTA) of the Company for claiming the same.

### (b) Details of Unclaimed Dividends:

In order to help the Members to ascertain the status of their Unclaimed Dividends, the Company has uploaded the information in respect for the financial years 2015-16, 2016-17 and 2021-22 on the website of the Company at [www.simplex-group.com](http://www.simplex-group.com) under "Investor Relations" section. Further, member are requested to note that the unclaimed dividend pertaining to financial year 2015-16, is due for transfer to IEPF on 14<sup>th</sup> September, 2023.

### (c) Transfer of "Underlying Share" to IEPF:

In terms of Section 124(6) of the Act read with IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, the Company is required to transfer the shares in respect of dividends remained unclaimed for a period of seven consecutive years to the IEPF established by the Central Government. As required under the said Rules, the Company has published a Notice in the newspapers inviting the Members attention to the aforesaid Rules. The Company has also sent individual communication to the concerned Members whose shares are liable to be transferred to

IEPF Suspense Account, pursuant to the said Rules.

The Company has also uploaded full details of such shares due for transfer as well as unclaimed dividends under "Investor Relations" section on the website of the Company i.e. [www.simplex-group.com](http://www.simplex-group.com)

## 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 forms 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 RTA, 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/RTA 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 Registrar and 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:

The SEBI, vide its circular dated 16<sup>th</sup> March, 2023 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> October, 2023, any service requests or complaints received from the Members, will not be processed by RTA till the aforesaid details/documents are provided by the Shareholders. On or after 1<sup>st</sup> October, 2023, in case any of the above cited documents/ details are not available in the Folio(s), RTA shall be constrained to freeze such Folio(s).



Further, Shareholders holding shares in physical form are requested to ensure that their PAN is linked to Aadhaar to avoid freezing of folios. Such frozen folios shall be referred by RTA/ Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and or Prevention of Money Laundering Act, 2002, after 31<sup>st</sup> December, 2025.

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 <https://simplex-group.com/report.php>.

13. To support the “Green Initiative”, Members who have not registered their email addresses are requested to register the same with the Company’s RTA /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 while processing any service requests viz. issue of duplicate securities certificate; claim from Unclaimed Suspense 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, as amended, Secretarial Standard-2 on General Meetings issued by ICSI and Regulation 44 of the SEBI 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 in respect of business to be transacted as mentioned in the Notice of 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 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 30<sup>th</sup> July, 2023 at 9:00 A.M. and ends on Tuesday, the 1<sup>st</sup> August, 2023 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 26<sup>th</sup> July, 2023, 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 26<sup>th</sup> July, 2023.
- (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 contact

Ms. Snehal Bhame at 022-48867000 / 022-24997000. 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. 26<sup>th</sup> July, 2023 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 9th 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:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<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 &amp; voting during the meeting.</li> <li>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 for IDeAS Portal</b>” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.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 hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <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.</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; margin-top: 10px;"> <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;">  </div> <div style="text-align: center;">  </div> </div> <div style="display: flex; justify-content: space-around; margin-top: 10px;"> <div style="text-align: center;">  </div> <div style="text-align: center;">  </div> </div> </div>

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Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li> <li>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility upon logging 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 e-Voting service provider i.e. NSDL 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 & voting during the meeting..

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

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

Login type	Helpdesk details
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 toll free no. 1800 22 5533

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 contact Ms. Snehal Bhame at 022-48867000 / 022-24997000

**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 Log-in 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 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 log-in at <https://eservices.nsdl.com> / with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in 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 101456 then user ID is 101456001***

**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’.
  - (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.

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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 for which you wish 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 of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [saptaher@gmail.com](mailto:saptaher@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 contact Ms. Snehal Bhamre at 022-48867000/022-24997000 or send a request 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 email addresses 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@purvashare.com](mailto:support@purvashare.com)
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@purvashare.com](mailto:support@purvashare.com) 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 shareholders/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.

**THE 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 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 ARE AS 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 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 before Tuesday, 25<sup>th</sup> July, 2023. 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 Ms. Snehal Bhambe at 022-48867000/022-24997000, or send an email at 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, 26<sup>th</sup> July, 2023.
  - III Taher Sapatwala & Associates, Practicing Company Secretaries 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.

# SIMPLEX REALTY 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 5 and 6** of the accompanying Notice dated 16<sup>th</sup> May, 2023.

The Explanatory Statement for **Item No. 4** of the accompanying Notice dated 16<sup>th</sup> May, 2023, is provided pursuant to Regulation 36(5) of the SEBI Listing Regulations. However, the same is strictly not required as per Section 102 of the Act.

### Item No.4

The Shareholders of the Company at the 105<sup>th</sup> Annual General Meeting ('AGM') held on 1<sup>st</sup> August, 2018, approved the appointment of Khandelwal & Mehta LLP, Chartered Accountants, Mumbai (ICAI Firm Registration No. W100084), as the Statutory Auditors of the Company for a period of five consecutive years from the conclusion of the 105<sup>th</sup> AGM till the conclusion of the 110<sup>th</sup> AGM. The said Statutory Auditors will complete their term on conclusion of the 110<sup>th</sup> AGM in terms of the said approval and Section 139 of the Act read with the Companies (Audit and Auditors) Rules, 2014.

The Board of Directors of the Company at its meeting held on 16<sup>th</sup> May, 2023, on the recommendation of the Audit Committee, has approved the re-appointment of Khandelwal and Mehta LLP, Chartered Accountants, (ICAI Firm Registration No. W100084) as the Statutory Auditors of the Company for a second term of five consecutive years from the conclusion of 110<sup>th</sup> AGM till the conclusion of the 115<sup>th</sup> AGM to be held for the financial year 2027-28.

Khandelwal and Mehta LLP, have given their consent to act as the Statutory Auditors of the Company and have confirmed that the said re-appointment, if made, will be in accordance with the conditions prescribed under Sections 139 and 141 of the Act.

None of the Directors or Key Managerial Personnel of the Company, or their relatives, are concerned or interested, financially or otherwise in this Resolution.

The Board recommends the Resolution at item No. 4 of the Notice, as an Ordinary Resolution for your approval.

### Item No. 5

Shri Nandan Damani was appointed as the Chairman and Managing Director of the Company for a period of three years with effect from 29<sup>th</sup> June, 2020. The term of his office expires on 28<sup>th</sup> June, 2023. Shri Nandan Damani have provided dedicated and meritorious services and significant contribution to the overall growth of the Company.

Accordingly, the Board of Directors at its meeting held on 16<sup>th</sup> May, 2023, on the recommendation of Nomination and Remuneration Committee, approved the re-appointment of Shri Nandan Damani as Managing Director designated as the Chairman and Managing Director of the Company for a further period of three years with effect from 29<sup>th</sup> June, 2023, upon the terms and conditions, including as to remuneration as set out in the draft Agreement, subject to the necessary approvals.

Shri Nandan Damani, aged 70 years, has been associated with the Company since 1977 and holds 1,25,316 equity shares in the Company and is also a Member of the Stakeholder Relationship Committee and Corporate Social Responsibility Committee of the Company. He is a bachelor of science from University of Mumbai and has completed business management studies. He has 46 years of experience in business and industry. Shri Nandan Damani and Shri Sanjay N Damani are related to each other.

**The Members of the Company are requested to note the following:**

- (i) Pursuant to Section 196(3)(a) of the Act, no Company shall appoint or continue the employment of any person as managing director who has attained the age of 70 years, unless Special Resolution is passed along with the explanatory statement indicating the justification for such appointment. Hence, the approval of the Members is sought by passing special resolution in this regard.
- (ii) Pursuant to Regulation 17(6)(e) of the SEBI Listing Regulations, the fees or compensation payable to Executive Directors who are promoters or members of the promoters group, shall be subject to the approval of the shareholders by special resolution if the aggregate annual remuneration to such Directors exceeds 5% of the net profits of the listed entity. Accordingly, Members approval is sought by passing special resolution for re-appointment of Shri Nandan Damani as Managing Director and for payment of remuneration to him for the period of three years i.e. from 29<sup>th</sup> June, 2023 to 28<sup>th</sup> June, 2026.

He currently serves as an Independent Director on the Boards of Graphite India Limited and Pudumjee Paper Products Limited. He is also the Chairman of the Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Member of the Audit Committee and Nomination and Remuneration Committee of Pudumjee Paper Products Limited.

The Agreement to be executed between the Company and Shri Nandan Damani contains, inter-alia, the following terms and conditions:

- (i) Salary:
  - a. Basic Salary – ₹ 3,08,667/- per month
  - b. House Rent Allowance– ₹ 1,54,333/- per month
- (ii) (A) In addition to the salary, as mentioned above, he shall also be entitled to the following perquisites:
  - a. Reimbursement of expenses on electricity, gas, water, repairs, maintenance and property tax of the residential accommodation,
  - b. Medical benefits-payment/ reimbursement of medical expenses incurred for self and family including premium paid on Mediciam / health insurance policies / life insurance policies, personal accident insurance and expenses incurred for hospitalization, nursing home charges, surgical charges in India and/or abroad and travelling expenses.
  - c. Leave Travel Assistance to cover air or first-class air-conditioned railway fare for self and his family once in a year to and from any place in India and abroad.
  - d. Membership fees including entrance and other fees for clubs.
  - e. Other Perquisites, benefits and allowances: He shall be entitled to other perquisites and allowances as may be decided by the Board of Directors from time to time, based on the recommendation of the Nomination and Remuneration Committee.
- (B) The Managing Director shall also be eligible to the following perquisites which shall not be included in the computation of the ceiling on remuneration specified above:
  - a. Contribution to Superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-Tax Act, 1961;
  - b. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service;
  - c. Annual leave with full pay and other allowances for a period of one month with benefit of encashment of unutilized leave at the end of the tenure.
  - d. Use and maintenance of phone, internet connection and internet infrastructure including Video Conferencing facility and such other facility(ies) related to that etc, at his place of work and residence at the entire cost of the Company.
  - e. Exclusive use of motor car for the business of the Company as well as for his personal use with maintenance charges in respect thereof such as driver's salary, garage, rent, fuel, repairs, insurance, taxes, overhauling charges, etc, at the entire cost of the Company.
  - f. The Managing Director shall not be paid any sitting fees for attending the meetings of the Board or Committees thereof.
- (iii) Commission: Such remuneration as calculated with reference to the net profits of the Company in particular financial year, if any, as may be determined by the Nomination and Remuneration Committee and / or by the Board at the end of each financial year, subject to overall ceiling stipulated in Section 198 of the Act.
- (iv) Minimum Remuneration: Provided that where in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay the above remuneration and allowances and provide the perquisites and other amenities as aforesaid to Shri Nandan Damani as and by way of minimum remuneration, subject to the applicable provisions of Schedule V of the Act or any other approvals as may be required under the law.
- (v) The remuneration and other terms and conditions mentioned in the agreement may be altered/revised and varied from time to time



by the Board as it may, in its discretion deem fit, subject to the limits stipulated under Schedule V to the Act or any amendments made hereafter in this regard, in such manner as may be agreed to between the Board and the Managing Director.

- (vi) Other terms and conditions:
- a. The tenure of the Managing Director shall be for a period of three years commencing from 29<sup>th</sup> June, 2023 to 28<sup>th</sup> June, 2026.
  - b. The Managing Director shall be vested with substantial powers of the Management for day-to-day affairs of the Company subject to the supervision and direction of the Board of Directors of the Company.
  - c. The Managing Director shall devote his time and efforts for the business of the Company.
  - d. The Managing Director undertakes to employ the best of the skill and ability to make his utmost endeavors to promote the interests and welfare of the Company and to conform to and comply with the directions and regulations of the Company and all such orders and directions as may be given to him from time to time by the Board.
  - e. The personnel policies of the Company and the related Rules which are applicable to other employees of the Company will also be applicable to the Managing Director, unless specifically provided otherwise.
  - f. The said Agreement may be terminated by either party giving to other party by Ninety days' notice in writing.

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

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

The appointment of Shri Nandan Damani as the Managing Director and remuneration payable to him are in line with provisions, Schedule V to the Act and subject to the approval of the Members to

be obtained at the AGM and to the extent any of the provisions herein are inconsistent or contrary to terms of such approval, the latter will prevail.

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

A scanned copy of the Agreement will be available for inspection without any fee by the Members by sending a request through e-mail at [company-secretary@simplex-group.com](mailto:company-secretary@simplex-group.com) during normal business hours on any working day upto and including the date of the AGM.

Except Shri Nandan Damani and Shri Sanjay N Damani, none of the Directors, Key Managerial Personnel of the Company and their relatives is/ are interested in the said re-appointment and remuneration payable to Shri Nandan Damani as the Managing Director of the Company.

The Explanatory Statement together with the accompanying Notice may also be regarded as an abstract of the Agreement and Memorandum of interest under Section 190 of the Act and also as disclosure under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India.

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

## **Item No. 6**

Shri Sanjay N Damani was appointed as a Whole-time Director, designated as an Executive Director of the Company for a period of five years with effect from 1<sup>st</sup> June, 2018. The term of his office expires on 31<sup>st</sup> May, 2023. The Board of Directors at its meeting held on 16<sup>th</sup> May, 2023, on the recommendation of Nomination and Remuneration Committee approved the reappointment of Shri Sanjay N Damani, Whole-time Director, designated as an Executive Director of the Company for a period of three years with effect from 1<sup>st</sup> June, 2023, upon the terms and conditions, including remuneration as set out in the Agreement, subject to the necessary approvals.

Shri Sanjay N Damani, aged 33 years has been associated with the Company since 2012 and holds 77,230 equity shares in the Company. He has also been appointed as a member of Corporate Social Responsibility Committee of the Company. Shri Nandan Damani and Shri Sanjay N Damani are related to each other.

Shri Sanjay N Damani is an MBA from Bryant University, Rhode Island, USA having experience in the area of Marketing, Finance and General Management. The Board considers that the re-appointment of Shri Sanjay N Damani as the Executive Director of the Company would be of immense benefit to the Company.

The Members are requested to note that pursuant to Regulation 17(6)(e) of the SEBI Listing Regulations, the fees or compensation payable to Executive Directors who are promoters or members of the promoters group, shall be subject to the approval of the shareholders by special resolution if the aggregate annual remuneration to such Directors exceeds 5% of the net profits of the listed entity. Accordingly, Members approval is sought by passing special resolution for Shri Sanjay N Damani's re-appointment as Executive Director and for payment of remuneration to him for the period of three years i.e. from 1<sup>st</sup> June, 2023 to 31<sup>st</sup> May, 2026.

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

The Agreement to be executed between the Company and Shri Sanjay N Damani contains, inter-alia, the following terms and conditions:

(i) Salary:

- a) Basic Salary: ₹66,667/- per month
- b) House Rent Allowance: ₹ 33,333/- per month

(ii) (A) In addition to the salary as mentioned above, he shall also be entitled to the following perquisites:

- a. Reimbursement of expenses on electricity, gas, waters, repairs and maintenance and property tax of the residential accommodation.
- b. Medical benefits-payment / reimbursement of medical expenses incurred for self and family including premium paid on Medicaclaim / health insurance policies / life insurance policies including personal accident

insurance and expenses incurred for hospitalization, nursing home charges, surgical charges in India and/or abroad and travelling expenses.

- c. Leave Travel Assistance to cover air or first-class air-conditioned railway fare for self and family once in a year to and from any place in India and abroad.
- d. Membership fees including entrance and other fees for clubs.
- e. Other Perquisites, benefits and allowances: He shall be entitled to other perquisites and allowances as may be decided by the Board of Directors from time to time, based on the recommendation of the Nomination and Remuneration Committee.

(B) Shri Sanjay N Damani shall also be eligible to the following perquisites which shall not be included in the computation of the ceiling on remuneration specified above:

- a. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service;
- b. Annual leave with full pay and other allowances for a period of one month with benefit of encashment of unutilized leave at the end of the tenure.
- c. Use and maintenance of phone, internet connection and internet infrastructure including Video Conferencing facility and such other facility(ies) related to that etc, at his place of work and residence at the entire cost of the Company.
- d. Exclusive use of motor car for the business of the Company as well as for his personal use with maintenance charges in respect thereof such as driver's salary, garage, rent, fuel, repairs, insurance, taxes, overhauling charges, etc, at the entire cost of the Company.
- e. The Executive Director shall not be paid any sitting fees for attending the meetings of the Board or Committees thereof.

(iii) Commission: Such remuneration as calculated with reference to the net profits of the Company in particular financial year, if any, as may be determined by the Nomination and Remuneration Committee and/or the Board at the end of each

# SIMPLEX REALTY LIMITED

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financial year, subject to overall ceiling stipulated in Section 198 of the Companies Act, 2013.

- (iv) Minimum Remuneration: Provided that where in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay the above remuneration and allowances and provide the perquisites and other amenities as aforesaid to Shri Sanjay N Damani as and by way of minimum remuneration, subject to the applicable provisions of Schedule V of the Act or any other approvals as may be required under law.
- (v) The remuneration and terms and conditions with respect to his re-appointment may be altered / revised and varied from time to time by the Board as it may, in its discretion deem fit, within the limits stipulated under Schedule V to the Companies Act, 2013, or any amendments made hereafter in this regard, in such manner as may be agreed to between the Board and the Executive Director.
- (vi) Other terms and conditions:
  - a. The tenure of the Executive Director shall be for a period of three years commencing from 1<sup>st</sup> June, 2023 to 31<sup>st</sup> May, 2026.
  - b. The Executive Director shall devote his whole time and attention to the business of the Company and carry out such duties, as may be entrusted to him by the Board of Directors from time to time and exercise such powers as may be assigned to him, subject to superintendence, control and directions of the Board of Directors in connection with and in the best interests of the business of the Company.
  - c. The Executive Director undertakes to employ the best of the skill and ability to make his utmost endeavors to promote the interests and welfare of the Company and to conform to and comply with the directions and regulations of the Company and all such orders and directions as may be given to him from time to time by the Board of Directors.
  - d. The personnel policies of the Company and the related Rules which are applicable to other employees of the Company will also be applicable to the Executive Director, unless specifically provided otherwise.
  - e. The said Agreement may be terminated by either party giving to other party by Ninety days' notice in writing.

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

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

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

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

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

Except Shri Nandan Damani and Shri Sanjay N Damani, none of the Directors, Key Managerial Personnel or their relatives is/are interested in the said re-appointment and remuneration payable to Shri Sanjay N Damani as the Executive Director of the Company.

The Explanatory Statement together with the accompanying Notice may also be regarded as an abstract of the Agreement and Memorandum of interest under Section 190 of the Act and also as disclosure under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India.

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

**Information for the Members pursuant to Section II of Part II of Schedule V to the Companies Act, 2013 (for Item No. 5 and 6)**

**I. General Information:**

- a. Nature of Industry: The Company is engaged in the Real Estate Development.
- b. Date or expected date of commencement of commercial production: The Company is in operation since 1912 and entered into the real estate segment in 2002.
- c. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable.
- d. Financial Performance based on given indicators:

(₹ in Lakhs)

Particulars	2022-2023	2021-2022
<b>Total Income</b>	<b>767.90</b>	878.88
Profit before Depreciation, Finance Costs, Exceptional Item and Taxation	<b>190.39</b>	339.59
Less: Depreciation	<b>14.92</b>	16.35
Less: Finance Costs	<b>2.98</b>	9.80
<b>Profit before Exceptional Item and Tax</b>	<b>172.49</b>	313.44
Less: Exceptional Item	-	-
<b>Profit before Tax</b>	<b>172.49</b>	313.44
Less: Current Tax	<b>31.48</b>	29.31
Deferred Tax	<b>10.90</b>	34.55
Taxes of earlier years	<b>0.11</b>	2.77
<b>Profit for the year</b>	<b>130.00</b>	246.81
Other Comprehensive Income/(Expense) for the year, net of tax	<b>(53.03)</b>	18.14
<b>Total Comprehensive Income/(Expense) for the year</b>	<b>76.97</b>	264.95

- e. Foreign Investments and Collaborations:  
The Company has not made any Foreign Investments and neither entered into any collaborations during the last year.

**II Information about the Appointees:**

- a. Background Details:

The details for re-appointment of Shri Nandan Damani and Shri Sanjay N Damani are given in Item No. 5 and 6 respectively in the explanatory statement.

- b. Past Remuneration:

During the financial year ended 31<sup>st</sup> March, 2022, the remuneration paid to Shri Nandan Damani and Shri Sanjay N Damani was ₹ 59.77 Lakhs and ₹ 10.88 Lakhs respectively.

- c. Recognition and Awards: None

- d. Job Profile and suitability:

**Shri Nandan Damani** : He has been associated with the Company since 1977. He is a bachelor of science from University of Mumbai and has completed business management studies. He has 46 years of experience in business and industry. His responsibilities are to direct and control the Company's operations and to give strategic guidance and direction to the Board to ensure that the Company achieves its mission and objectives.

**Shri Sanjay N Damani**: He is an MBA from Bryant University, Rhode Island, USA having experience in the area of Marketing, Finance and General Management. He is associated with the Company since 2012. He is responsible for overall growth of the Company. Since his association, with the Company, he is involved in the Company's project, thereby completing it successfully and enhancing the brand value of the Company through his various initiatives.

- e. Remuneration proposed:

The details of the proposed remuneration for Shri Nandan Damani and Shri Sanjay N Damani are given in the Item No. 5 and 6 respectively in the explanatory statement in the accompanying Notice.

- f. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:

Taking into consideration the size of the Company, the profile, knowledge, skills and responsibilities shouldered on Shri Nandan Damani and Shri Sanjay N Damani, the remuneration proposed to be paid is

# SIMPLEX REALTY LIMITED

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commensurate with the remuneration packages paid to their similar counterparts in other companies.

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

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

### III. Other Information:

- a. Reasons for inadequate profits:

The Company is a profit-making entity and does not envisage any loss for the financial year under review.

- b. Steps taken or proposed to be taken for improvement and expected increase in productivity and profits in measurable terms:

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

### IV. Disclosures:

The information and disclosures of the remuneration paid to the managerial personnel during the year ended 31<sup>st</sup> March, 2023 have been mentioned under the heading "Remuneration to Directors" in the Corporate Governance Report which is annexed to the Annual Report.

By Order of the Board of Directors

**Kinjal P Shah**  
Company Secretary

Mumbai, 16<sup>th</sup> May, 2023  
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 REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD-2

### Re-Appointment of Shri Nandan Damani (DIN: 00058396) (Item No.5)

By Order of the Board of Directors

The details for the re-appointment of Shri Nandan Damani as the Managing Director of the Company is given in the Explanatory Statement in respect to Special Business set out at Item No. 5 of the Notice of the AGM pursuant to the Companies Act, 2013.

**Kinjal P Shah**  
Company Secretary

Mumbai, 16<sup>th</sup> May, 2023  
CIN: L17110MH1912PLC000351

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

### Re-Appointment of Shri Sanjay N Damani (DIN: 03078104) (Item No. 6)

The details for the re-appointment of Shri Sanjay N Damani as the Executive Director of the Company is given in the Explanatory Statement in respect to Special Business set out at Item No. 6 of the Notice of the AGM pursuant to the Companies Act, 2013.

## DIRECTORS' REPORT

To  
The Members,

Your Directors are pleased to present the Hundred and Tenth Annual Report, together with the Audited Accounts for the year ended 31<sup>st</sup> March, 2023.

### FINANCIAL RESULTS

(₹ in Lakhs)

Particulars	2022-2023	2021-2022
<b>Total Income</b>	<b>767.90</b>	878.88
Profit before Depreciation, Finance Costs, Exceptional Item and Taxation	<b>190.39</b>	339.59
Less: Depreciation	<b>14.92</b>	16.35
Less: Finance Costs	<b>2.98</b>	9.80
<b>Profit before Exceptional Item and Tax</b>	<b>172.49</b>	313.44
Less: Exceptional Item	-	-
<b>Profit before Tax</b>	<b>172.49</b>	313.44
Less: Current Tax	<b>31.48</b>	29.31
Deferred Tax	<b>10.90</b>	34.55
Taxes of earlier years	<b>0.11</b>	2.77
<b>Profit for the year</b>	<b>130.00</b>	246.81
Other Comprehensive Income/(Expense) for the year, net of tax	<b>(53.03)</b>	18.14
<b>Total Comprehensive Income/(Expense) for the year</b>	<b>76.97</b>	264.95

### 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, 2023. 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 ₹ 767.90 Lakhs as against ₹ 878.88 Lakhs during the previous year. The Company has made a net profit of ₹ 130.00 Lakhs during the current year as against the net profit of ₹ 246.81 Lakhs in the previous year. The EPS for the current year is ₹ 4.35 as against ₹ 8.25 in the previous year after the exceptional item.

### 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's project at Nachinolla, Goa having 4 villa's is completed and ready for sale.

The Company has inventory (i.e. commercial units) in the project "Simplex KhushAangan" situated at S. V. Road, Malad (West), Mumbai and efforts are being made to sale the same.

# SIMPLEX REALTY LIMITED

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

In accordance with the provisions of Section 149 of the Companies Act, 2013, read with Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("SEBI Listing Regulations"), as amended from time to time, as on 31<sup>st</sup> March, 2023, the Board of Directors comprises of Eight Directors (with 3 Executive Directors and 4 Independent Directors and 1 Non-Executive Director).

Shri Nandan Damani (DIN:00058396) Chairman and Managing Director, retires by rotation in compliance with Section 152 of the Act, at the ensuing AGM of the Company and being eligible, offers himself for re-appointment. The Board of Directors are also of the opinion that Shri Nandan Damani fulfills all the conditions as mentioned in the Act. Upon his re-appointment as a Director, Shri Nandan Damani shall continue to hold his office of the Chairman and Managing Director, and shall not be deemed to constitute a break in his office.

The Board of Directors at its Meeting held on 16<sup>th</sup> May, 2023, subject to approval of Members, approved the re-appointment of Shri Nandan Damani (DIN:00058396) as the Managing Director, designated as the Chairman and Managing Director of the Company and Shri Sanjay N Damani (DIN:03078104), as the Whole-time Director, designated as the Executive Director of the Company, for a period of three years with effect from 29<sup>th</sup> June, 2023 and 1<sup>st</sup> June, 2023 respectively.

Pursuant to Regulation 36 of the SEBI Listing Regulations and Secretarial Standard-2 on General Meeting, a brief profile of the Directors proposed to be

re-appointed is contained in the accompanying Notice of the AGM.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI 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 databank maintained by The Indian Institute of Corporate Affairs ('IICA').

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.

## **BOARD EVALUATION**

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

## **NUMBER OF MEETINGS OF THE BOARD**

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

## **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 forms part of this Report.

## STATUTORY AUDITORS

In accordance with the provisions of Section 139 of the Act, Khandelwal and Mehta LLP, Chartered Accountants, Mumbai (ICAI Firm Registration No. W100084) will be completing their first term of five consecutive years on conclusion of the ensuing Annual General Meeting.

In view of the above, the Board of Directors at its Meeting held on 16<sup>th</sup> May, 2023, based on the recommendation of the Audit Committee, re-appointed Khandelwal & Mehta LLP, for a second term of five consecutive years commencing from the conclusion of the Hundred and Tenth Annual General Meeting till the conclusion of Hundred and Fifteenth Annual General Meeting to be held for the financial year 2027-28.

The Company has received their written consent along with the eligibility certificate confirming that they satisfy the criteria provided under Section 141 of the Act and that the appointment, if made, shall be in accordance with the applicable provisions of the Act and rules framed thereunder.

Accordingly, an Ordinary Resolution proposing the re-appointment of Khandelwal & Mehta LLP, Chartered Accountants, Mumbai as the Statutory Auditors of the Company, is set out as an Item No. 4 in the accompanying AGM Notice forming part of the Annual Report.

The Auditors have submitted their Independent Auditors Report on the Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2023 and they have given an unmodified opinion(s) report on the Financial Statements for the year under review. There were no qualifications, reservations or adverse remarks or disclaimer made by the Auditors in their report. No frauds have been reported by the Auditors under Section 143(12) of the Act.

## SECRETARIAL AUDIT

The Board has appointed Taher Sapatwala & Associates, Practicing Company Secretaries to undertake the Secretarial Audit of the Company.

Accordingly, 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 an integral part of this Report. There is no secretarial audit qualification, reservation or adverse remark for the year under review.

## REGISTRAR AND TRANSFER AGENT

During the year under review, the Company had initiated change of existing Share Transfer Agent (the STA) from "Freedom Registry Limited" to "Purva Shareregistry (India) Private Limited" having SEBI Registration number INR000001112 as Registrar and Transfer Agent (RTA). The applications submitted with National Securities Depository Limited and Central Depository Services (India) Limited have been duly approved and accordingly the effective date for change of RTA is 3<sup>rd</sup> May, 2023.

## 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 Certificate is annexed and forms part of this Report.

## DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)© 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



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- 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, 2023 and of the profit of the Company for the said period;
  - iii. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the 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 the Act, 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, 2022 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 as on 31<sup>st</sup> March, 2022.

Accordingly, the Company is not required to form Corporate Social Responsibility (CSR) Committee and to spend any amount towards the CSR activities for the financial year 2022-23 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 Company has appointed Vijay Rungta & Co., Chartered Accountants, Mumbai (ICAI Registration No. 111427W) as an Internal Auditor of the Company. Internal Financial Controls are evaluated and Internal Auditor's Reports are regularly reviewed by the Audit Committee of the Board.

## 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/simplex\\_update/Realty\\_Ltd/COMPANY%20CODE%20%20POLICIES/Whistle%20Blower%20Policy\\_SRL.pdf](https://simplex-group.com/simplex_update/Realty_Ltd/COMPANY%20CODE%20%20POLICIES/Whistle%20Blower%20Policy_SRL.pdf)

## ANNUAL RETURN

In terms of Section 92(3) of the Act, 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/simplex\\_update/Realty\\_Ltd/ANNUAL%20RETURN/SRL%20Form\\_MGT\\_7.pdf](https://simplex-group.com/simplex_update/Realty_Ltd/ANNUAL%20RETURN/SRL%20Form_MGT_7.pdf)

## STOCK EXCHANGE

The Company's equity shares are listed at BSE Limited and the Annual Listing Fees for the year 2023-24 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	( $\text{₹}$ in Lakhs)	
	2022-23	2021-22
Foreign Exchange Earnings	NIL	Nil
Foreign Exchange Outgo	11.79	0.42

## DISCLOSURE UNDER THE PREVENTION OF SEXUAL HARRASSMENT 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 Regulations is attached and forms 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  
DIN:00058396

Mumbai, 16<sup>th</sup> May, 2023

### 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 as per Section 135(5): ₹ **83.42 Lakhs**

7. (₹ 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

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	-

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

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

# SIMPLEX REALTY LIMITED

(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): **Not Applicable**

- Date of creation or acquisition of the capital asset(s)
- Amount of CSR spent for creation or acquisition of capital asset.
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

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 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, 2022) 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 2022.**

**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 2022-2023 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  
DIN: 00058396

**Surendra Kumar Somany**  
Chairman of CSR Committee  
DIN: 00001131

**FORM NO. MR-3**

**SECRETARIAL AUDIT REPORT**

For the Financial Year ended on 31<sup>st</sup> March, 2023  
[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**  
(CIN: L17110MH1912PLC000351)  
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** (hereinafter called as 'the Company') and having its registered office at 30, Keshavrao Khadye Marg, Sant Gadge Maharaj Chowk, Jacob Circle, Mumbai 400011. 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, and subject to my letter annexed herewith, 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, 2023 ("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, 2023 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') to the extent applicable:
  - 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**); and
  - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (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 its sector/industry.

I have also examined compliance with the applicable clauses of the Secretarial Standards pursuant to section

# SIMPLEX REALTY LIMITED

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118(10) of the Act, 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. mentioned above.

## **I further report that:**

I further report that the Board of Directors of the Company is duly constituted with proper balance of executive directors, non-executive directors and independent directors including one-woman director. There were no changes in the composition of the Board of Directors during the period under review.

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.

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 and guidelines.

I further report that during the audit period, there was no event/action having major bearing on affairs of the Company other than the following:

1. During the year under review, the Company had initiated change of existing Share Transfer Agent (the STA) from "Freedom Registry Limited" to "Purva Shareregistry (India) Private Limited" having SEBI Registration number INR000001112 as Registrar and Transfer Agent (RTA). The applications submitted with National Securities Depository Limited and Central Depository Services (India) Limited have been duly approved and accordingly the effective date for change of RTA is 3<sup>rd</sup> May, 2023.

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 & Associates**

Company Secretaries  
FCS:8029|C.P.No.16149  
Peer Review Cert.No.2703/2022  
UDIN:F008029E000292984

Mumbai, 16<sup>th</sup> May, 2023

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## **Annexure A**

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

My Secretarial Audit Report for Financial Year ended on 31<sup>st</sup> March, 2023 of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. 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 Account of the Company.

4. Where ever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulation, standards is the responsibility of management. 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 the efficiency or effectiveness with which the management has conducted the affairs of the Company.

## **Taher Sapatwala & Associates**

Company Secretaries  
FCS:8029|C.P.No.16149  
Peer Review Cert.No.2703/2022  
UDIN:F008029E000292984

Mumbai, 16<sup>th</sup> May, 2023

**Annexure III**
**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 : 217 : 14 Shri Sanjay N Damani : 41 : 14 Smt. Sandhya R. Kini : 23 : 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 Nandan S Damani - Director : 3.06% Shri Sanjay N Damani - Director : 5.56% Smt. Sandhya R. Kini - Director : 6.86% Shri Surendra Kabra - CFO : 7.87%
iii	The percentage increase in the median remuneration of employees in the financial year	7.48%
iv	The number of permanent employees on the rolls of Company	28 employees as on 31.03.2023
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. 2022-2023 was 7.21% whereas the percentage increase made in the remuneration of managerial personnel in the last financial year i.e. 2022-2023 was 4.67%.
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, 2023 is as per the Remuneration Policy of the Company.

For and on behalf of the Board of Directors

Mumbai, 16<sup>th</sup> May, 2023

**Nandan Damani**  
Chairman and Managing Director  
DIN: 00058396



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### 1. OVERVIEW OF THE ECONOMY

The Indian economy has proven to be remarkably resilient in the face of deteriorating global situation. India will be the fastest-growing economy among the seven largest emerging markets and developing economies, despite a challenging external environment, said the World Bank in its global economic prospects report. The World Bank stated in its "Navigating the Storm" report in November 2022 that India's economy is relatively insulated from global spillovers compared to other emerging markets. This is partly because India has a large domestic market and is relatively less exposed to international trade flows."

Indian economy is expected to be the fastest growing major economy worldwide at 6.5-7% for the year ending March 2023. India's growth continues to resilient despite some signs of moderation in growth, says World Bank in its latest India Development Update, the update notes that although significant challenges remain in the global environment, India was one of the fast-growing economies in the world. The World Bank has forecasted GDP growth at 6.3% for the Financial Year 2023-24.

### 2. INDUSTRY STRUCTURE AND DEVELOPMENTS

Real estate sector is one of the highest employment generators after agriculture sector in India. It comprises Residential, Office, Retail, Hospitality and Industrial. Real estate sector in India is expected to reach US\$ 1 trillion in market size by 2030, up from US\$ 200 billion in 2021. It will contribute 18-20% to country's GDP by 2030 according to a joint report by NAREDCO and E&Y. The report further states that there is a favorable demand-supply gap which will propel the growth of this sector. Additional 25 million units of affordable housing are required by 2030, highlights the Naredco and EY joint report.

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. Emergence of nuclear families, rapid urbanization and inflating disposable income of individuals are attributable to the higher demand for residential properties, expanding e-commerce sector in the country is catalyzing demand for warehousing facilities. According to Savills India, real estate demand for

data centers is expected to increase by 15-18 million sq. ft. by 2025. With fractional ownership becoming more widespread, Non-Resident Indians (NRIs) and millennials wanting to invest in residential property will fuel the 2023 real estate market. Infrastructure spending on the roads, metro railway and other amenities have sustained realty growth in India.

The industry has faced a series of challenges like rising construction costs, skyrocketing inflation, successive rate hikes by RBI etc but despite these obstacles, the sector managed to achieve substantial growth in recent. According to a report, India's real estate market is expected to exhibit a growth of rate (CAGR) of 9.2% during 2023-28.

### 3. OPPORTUNITIES

The residential real estate market continued its upward trajectory in FY23 (sales growth of 15% year-on-year for the top eight real estate clusters) despite pressure from higher input costs, increasing mortgage rates, and the domestic and global recession," according to India Ratings and Research (Ind-Ra). Ind-Ra expects the sales momentum to continue and housing sales to increase by 9% year over year, supported by a steady, healthy demand. Affordable housing continues to remain a significant opportunity for developers and key focus area of the Government. The Government continues focus on the affordable housing and the budget 2023-24 includes ₹79,000 crores for PM Awas Yojana (PMAY) houses. This represents a 66% increase over the previous year. This will provide opportunities to developers to enter in this segment. Demand for leasing space from IT, ITes and retail business is expected to increase. E-commerce and third party logistic will continue to invest in warehousing, making it one of the fastest growing commercial real estate segment providing more opportunities for developments. Redevelopment of existing society buildings is also providing huge opportunities in the sector particularly in Mumbai.

### 4. THREATS

- The Indian real estate sector is still highly unorganized with lots of middle men and, 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 costs escalation and any amendments in various rules and regulations can adversely impact new launches and increase in the cost of the projects. Retrospective applicability of policy changes may impact the profitability.
- 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.
- Acute shortage of skilled workforce at all levels.
- Increase in supply due to various incentives provided by the Government, leads to increased competition amongst the sellers, which drives down the property prices.

## 5. ON GOING PROJECT

The Company's project at Nachinolla, Goa having 4 villa's is completed and ready for sale.

The Company has inventory (i.e. commercial units) in the project "Simplex KhushAangan" situated at S. V. Road, Malad (West), Mumbai and efforts are being made to sale the same.

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

## 6. OUTLOOK

The rising demand for residential properties, along with the growing infrastructural development that provides enhanced connectivity via roads, air, and railways, is primarily driving the India real estate market.

The Indian real estate market is expected to exhibit a CAGR of 9.2% during 2023-2028. Moreover, the increasing need for contemporary office spaces and the emerging trend of urban and semi-urban lodging are acting as other significant growth-inducing factors. Furthermore, the expanding e-commerce sector in the country is catalyzing the demand for warehousing facilities, which is providing a positive thrust to the market. Besides

this, with the growing use of telecommunication services and the implementation of 5G and data localization norms, there is a rise in the need for data storage facilities. This, in turn, is positively influencing the demand for resilient data center infrastructure and consequently bolstering the market growth.

## 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 & regulatory risk

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

### Economic risk

Any adverse change in any macroeconomic variables like GDP growth, interest rates, inflation, changes in tax, trade, fiscal and monetary policies etc. may adversely impact the Company's business, profitability and financial condition.

### Health and safety risks

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

## 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 ₹ 767.90 Lakhs as against ₹ 878.88 Lakhs during the previous year. The Company has made a net profit of ₹ 130.00 Lakhs during the current year as against the net profit of ₹ 246.81 Lakhs in the previous year. The EPS for the current year is ₹ 4.35 as against ₹ 8.25 in the previous year after the exceptional item.

## 10. KEY FINANCIAL RATIOS

The Key Financial Ratios for the financial year 31<sup>st</sup> March, 2023 are as under:

Particulars	2022-2023	2021-2022
Debtors Turnover	-	-
Inventory Turnover	0.02	0.03
Interest Coverage Ratio	58.88	32.97
Current Ratio	13.77	32.87
Debt Equity Ratio	0.00	0.00
EBITDA Margin (%)	24.79	38.64
Net Profit Margin (%)	16.93	28.08
Return on Net worth	1.14	2.19

During the Financial Year 2022-23, there was lower sales compared to the previous year which has reduced inventory turnover ratio. Debt-equity ratio is nil due to full repayment of loan during the year. Current ratio is lower due to increase in current liability on account of capital advance received, which is shown under current liability. Interest coverage ratio has improved due to lower interest cost during the year. In the Financial Year 2021-22, EBITDA margin, net profit margin and return of Net worth were higher due to reversal of impairment loss on investments which had major impact on the profit of that 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.

The industrial relations remained cordial during the year.

## 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 CODE OF GOVERNANCE

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

A Report on compliance with the principles of Corporate Governance as prescribed by the SEBI in Chapter IV read with Clause C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") as amended, 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, 2023, 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 SEBI Listing Regulations as on 31<sup>st</sup> March, 2023.

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, 2023, 4 (four) Board Meetings were held. The dates on which the said meetings were held are as follows:

25<sup>th</sup> May, 2022, 8<sup>th</sup> August, 2022, 12<sup>th</sup> November, 2022 and 30<sup>th</sup> January, 2023.

Attendance of Directors at Board Meetings during 2022-2023 and Directorship(s) and Committee Chairmanship(s)/Membership(s) of other companies as on 31<sup>st</sup> March, 2023

Name of the Director	Category	No. of Board Meetings held - 4	No. of Directorship(s) and Committee Chairmanship(s)/Membership(s)			Attended Last AGM held on 3 <sup>rd</sup> August, 2022
		Attended	Other Directorship(s)*	Committee Chairmanship(s)**	Committee Membership(s)**	
Shri Nandan Damani	Executive	3	5	1	2	Yes
Shri Sanjay N Damani	Executive	3	2	-	-	Yes
Smt. Sandhya R. Kini	Executive	4	-	-	-	Yes
Shri Vishnubhai B. Haribhakti	Independent Non-Executive	4	1	1	1	Yes
Shri Surendra Kumar Somany	Independent Non-Executive	4	5	2	1	Yes
Shri Praveen Kumar	Non-Executive	3	-	-	-	Yes
Shri Vijay S.Jindal	Independent Non-Executive	2	-	-	-	Yes
Shri Sabhapti G.Shukla	Independent Non-Executive	4	2	2	-	Yes

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

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

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

# 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
Shri Praveen Kumar	Nil	Nil

*\*Resigned w.e.f. closing business hours of 15<sup>th</sup> May, 2023.*

## 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	
Industry	<ul style="list-style-type: none"> <li>Experience in and knowledge of the industry in which the Company operates</li> <li>Experience in and knowledge of broader industry environment and business planning</li> </ul>
Professional	Expertise in professional areas such as Technical, Accounting, Finance, Taxation, Legal, Management, Human Resources, Marketing and 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	-	✓	✓	-
Shri Praveen Kumar	-	✓	-	✓

## f) Other Disclosures

- The Board confirms that the Independent Directors fulfill the conditions specified in the SEBI 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, 2023, 4 (four) Audit Committee Meetings were held. The dates on which the said meetings were held are as follows:

25<sup>th</sup> May, 2022, 8<sup>th</sup> August, 2022, 12<sup>th</sup> November, 2022 and 30<sup>th</sup> January, 2023.

The composition of the Audit Committee and the number of meetings attended by each Member during the year ended 31<sup>st</sup> March, 2023 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 SEBI Listing Regulations in consonance with the provisions of Section 177 of the Companies Act, 2013 (the Act). The brief descriptions of terms of reference are as follows:

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the Financial Statement is correct, sufficient and credible.
- Recommending the appointment / re-appointment / replacement, if required, of Statutory Auditors, fixation of audit fees and approval of payments for any other services.
- Reviewing with management, the annual Financial Statements before submission to the Board for approval with particular reference to:
  - Matters required to be included in the Directors' Responsibility Statement are included in the Directors' Report in terms of sub-section 3(c) of Section 134 of the Act;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment by the management;
  - Significant adjustments made in the financial statements arising out of audit findings;
  - Compliance with listing and other legal requirements relating to Financial Statements;
  - Disclosure of related party transactions; and
  - Un-modified opinion(s) in draft audit report.
- Reviewing with management, quarterly Financial Statements before submission to the Board for approval;
- Review and monitor the Auditor's independence and performance and effectiveness of Audit process;
- Reviewing performance of Statutory and Internal Auditors, adequacy of the internal control systems;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern;
- Discussion with Internal Auditors of any significant findings and follow-up thereon and reviewing the reports furnished by them;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- To look into the reasons for substantial defaults in the payment to the shareholders (in case of non payment of declared dividends) and creditors;
- To grant omnibus approval for related party transactions which are in the ordinary course of business and on an arm length pricing basis and to review and approve such transactions subject to the approval of the Board;
- To review the functioning of the Whistle Blower mechanism;
- Carrying out such other function as may be specifically referred to the Committee by the Board of Directors and/or other Committees of Directors of the Company.

#### 4. NOMINATION AND REMUNERATION COMMITTEE

During the year ended 31<sup>st</sup> March, 2023, 1 (one) Nomination and Remuneration Committee Meeting was held on 25<sup>th</sup> May, 2022.

The composition of the Nomination and Remuneration Committee and the number of meeting attended by each Member during the year ended 31<sup>st</sup> March, 2023 is as follows:

Name of the Member	Designation	No. of Meetings held - 1
		Attended
Shri Vishnubhai B. Haribhakti	Chairman	1
Shri Surendra Kumar Somany	Member	1
Shri Sabhapati G. Shukla	Member	1

The terms of reference of this Committee includes those specified under Regulation 19 read with Part D of Schedule II of the SEBI 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 Human Resource Policies.

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/simplex\\_update/Realty\\_Ltd/COMPANY%20CODE%20%20POLIC](https://simplex-group.com/simplex_update/Realty_Ltd/COMPANY%20CODE%20%20POLIC)

IES/Nomination%20and%20Reumenration%20Policy.pdf

**Details of remuneration and sitting fees paid to Directors during the year ended 31<sup>st</sup> March, 2023 are as under:**

(₹ in Lakhs)

Name of the Director	Designation	Remuneration
Shri Nandan Damani	Chairman and Managing Director	60.60
Shri Sanjay N Damani	Executive Director	11.40
Smt.Sandhya R. Kini	Executive Director	6.54

(₹ in Lakhs)

Name of the Non-Executive Director	Sitting fees
Shri Vishnubhai B.Haribhakti	0.90
Shri Surendra Kumar Somany	0.90
Shri Praveen Kumar	0.30
Shri Vijay S.Jindal	0.20
Shri Sabhapati G.Shukla	0.90

**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, 2023, 1 (one) Stakeholders' Relationship Committee Meetings was held on 8<sup>th</sup> August, 2022.

The composition of the Stakeholders' Relationship Committee and the number of meeting attended by each Member during the year ended 31<sup>st</sup> March, 2023 is as follows:

Name of the Member	Designation	No. 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 Registrar & Transfer Agent (RTA) for handling the work related to securities and to delegate powers to the RTA as may be deemed fit and to monitor all activities of the RTA;
- 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.

Kinjal P Shah is the Compliance Officer of the Company.

## INVESTOR RELATIONS

During the year ended 31<sup>st</sup> March, 2023, 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/simplex\\_update/Realty\\_Ltd/COMPANY%20CODE%20%20POLICIES/CSR%20Policy.pdf](https://simplex-group.com/simplex_update/Realty_Ltd/COMPANY%20CODE%20%20POLICIES/CSR%20Policy.pdf)

During the year ended 31<sup>st</sup> March, 2023, Corporate Social Responsibility Committee Meeting was held on 30<sup>th</sup> January, 2023.

The composition of the Corporate Social Responsibility Committee and the number of meeting attended by each Member during the year ended 31<sup>st</sup> March, 2023 is as follows:

Name of the Member	Designation	No. 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 30<sup>th</sup> January, 2023, 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

Location, day, date and time of the AGMs held during the last three years and special resolutions passed:

Financial Year	Day, Date and Time of AGM	Location of the Meeting	Special Resolutions passed
2019-20	Tuesday, 18 <sup>th</sup> August, 2020 at 11:00 A.M.	Through VC/OAVM Venue of the Meeting shall be deemed to be the Registered office of the Company situated at 30, Keshavrao Khadye Marg, Sant Gadge Maharaj Chowk, Mahalaxmi – East, Mumbai - 400011	Nil
2020-21	Wednesday, 4 <sup>th</sup> August, 2021, at 11:30 A.M.	Through VC/OAVM Venue of the Meeting shall be deemed to be the Registered office of the Company situated at 30, Keshavrao Khadye Marg, Sant Gadge Maharaj Chowk, Mahalaxmi – East, Mumbai - 400011	<ul style="list-style-type: none"> <li>• Re-appointment of Shri Sabhapati G Shukla (DIN: 02799713) as an Independent Director of the Company.</li> <li>• Re-appointment of Smt. Sandhya R Kini (DIN: 03346789) as a Whole Time Director for a period of three years w.e.f 21st October, 2021.</li> <li>• Revision in terms of remuneration of Shri Sanjay N Damani (DIN: 03078104) Executive Director of the Company.</li> </ul>

Financial Year	Day, Date and Time of AGM	Location of the Meeting	Special Resolutions Passed
2021-22	Wednesday, 3 <sup>rd</sup> August, 2022 at 11:30 A.M.	Through VC/OAVM Venue of the Meeting shall be deemed to be the Registered office of the Company situated at 30, Keshavrao Khadye Marg, Sant Gadge Maharaj Chowk, Mahalaxmi – East, Mumbai - 400011	Nil

## 9. DIRECTORS

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

## 10. DISCLOSURES

### a) Related party transactions

All transactions entered into with Related Parties as defined under the Act and the Listing Regulations during the financial year were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Act. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. The Board has approved a policy for related party transactions which has been uploaded on the Company's website and the web-link for the same is [https://simplex-group.com/simplex\\_update/ Realty\\_Ltd/COMPANY%20CODE%20%20POLICIES/SRL%20Related%20Party%20Policy.pdf](https://simplex-group.com/simplex_update/Realty_Ltd/COMPANY%20CODE%20%20POLICIES/SRL%20Related%20Party%20Policy.pdf)

The detailed disclosure as required by the Indian Accounting Standards (Ind AS) 24 on Related Party Disclosure 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 programmes for the Independent Directors to understand and get updates on the business and operations of the Company on a continuous basis. Such programmes provide an opportunity to the Independent Directors to interact with Senior Leadership team of the Company and help them to understand the Company's strategy models, operations, services, product-offerings, finance, human resources and such other areas may arise from time to time. The Familiarization Programmes are available on the Company's website and the web-link for the same is [https://simplex-group.com/simplex\\_update/Realty\\_Ltd/COMPANY%20CODE%20%20POLICIES/Familiarization-Programm-for-Independent-Direcotrs-of-SRL.pdf](https://simplex-group.com/simplex_update/Realty_Ltd/COMPANY%20CODE%20%20POLICIES/Familiarization-Programm-for-Independent-Direcotrs-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 SEBI Listing Regulations and they have also given quarterly certifications 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 31<sup>st</sup> March, 2023 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 2022-2023, 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 its website, i.e. [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.

## SIMPLEX REALTY LIMITED

### 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/simplex\\_update/Realty\\_Ltd/COMPANY%20CODE%20%20POLICIES/Final%20Policy%20Insider%20Trading%202015.pdf](https://simplex-group.com/simplex_update/Realty_Ltd/COMPANY%20CODE%20%20POLICIES/Final%20Policy%20Insider%20Trading%202015.pdf)

### 13. GENERAL INFORMATION FOR SHAREHOLDERS

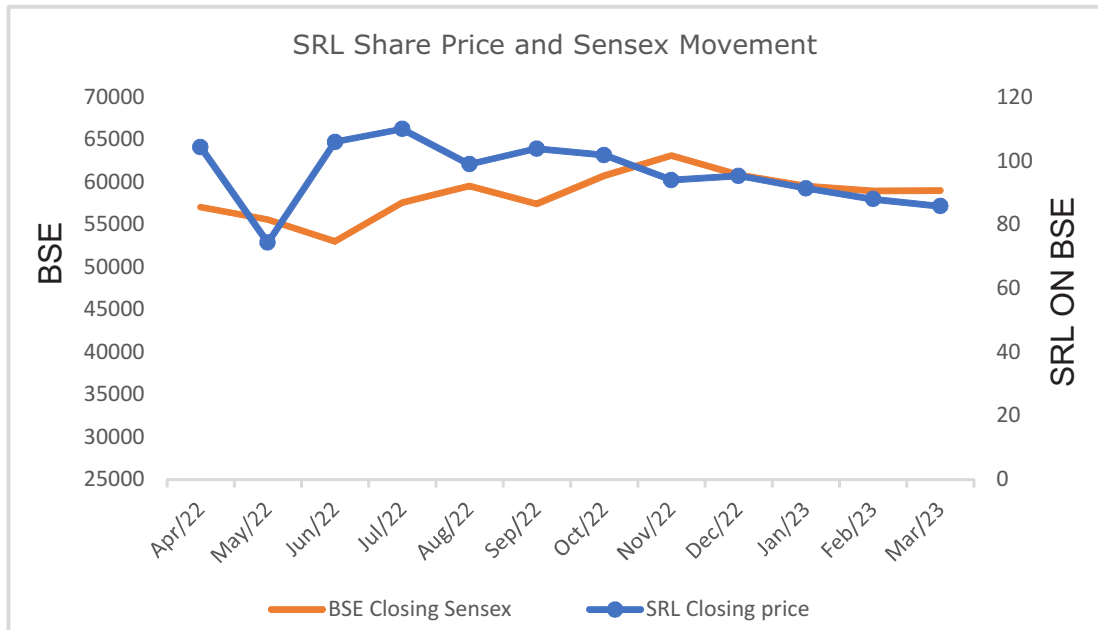
i)	<b>Date, Time and Venue of forthcoming AGM</b>	Date : Wednesday, 2 <sup>nd</sup> August, 2023 Time : 12:00 A.M. Through Video Conferencing (VC) / Other Audio Video Means (OAVM)
ii)	<b>Financial Calendar (2023-24)</b>	i) First Quarterly Results - Upto 14 <sup>th</sup> August, 2023 ii) Second Quarterly Results - Upto 14 <sup>th</sup> November, 2023 iii) Third Quarterly Results - Upto 14 <sup>th</sup> February, 2024 iv) Annual Results - Upto 30 <sup>th</sup> May, 2024
iii)	<b>Date of Book Closure</b>	Thursday, the 27 <sup>th</sup> July, 2023 to Wednesday, the 2 <sup>nd</sup> August, 2023 (both days inclusive)
iv)	<b>Dividend payment date</b>	within 30 days from date of declaration i.e., 2 <sup>nd</sup> August, 2023
v)	<b>Listing on Stock Exchange</b>	BSE Limited (BSE) P. J. Towers, Dalal Street, Fort, Mumbai – 400 001
vi)	<b>Security Code ISIN</b>	503229 INE167H01014

#### vii) Market Price Data

The monthly high and low quotations of shares traded on the BSE from April, 2022 to March, 2023 are as follows:

Month	Volume	Price (₹)		BSE Sensex	
	(No. of shares)	High	Low	High	Low
April, 2022	196	117.00	88.00	60,845.10	56,009.07
May, 2022	159	110.00	74.35	57,184.21	52,632.48
June, 2022	209	105.95	75.00	56,432.65	50,921.22
July, 2022	134	110.00	81.25	57,619.27	52,094.25
August, 2022	174	98.95	85.00	60,411.20	57,367.47
September, 2022	104	103.85	86.05	60,676.12	56,147.23
October, 2022	103	101.80	85.00	60,786.70	56,683.40
November, 2022	115	94.00	80.60	63,303.01	60,425.47
December, 2022	117	95.30	80.10	63,583.07	59,754.10
January, 2023	103	91.35	80.50	61,343.96	58,699.20
February, 2023	90	88.00	75.30	61,682.25	58,795.97
March, 2023	176	85.80	66.38	60,498.48	57,084.91

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



**viii) Change in Registrar and Transfer Agent**

The Company’s Registrar and Transfer Agent has been changed from “Freedom Registry Limited” to “Purva Shareregistry (India) Pvt Ltd” from 3<sup>rd</sup> May, 2023. Following are the contact details for investors:

**Purva Shareregistry (India) Pvt. Ltd.**  
 Unit No.9, Shiv Shakti Industrial Estate  
 J.R. Boricha Marg, Lower Parel (East),  
 Mumbai – 400011  
 Tel. (022) 49614132 / (022) 31998810  
 E-mail: support@purvashare.com  
 Website: www.purvashare.com

**ix) Share Transfer System**

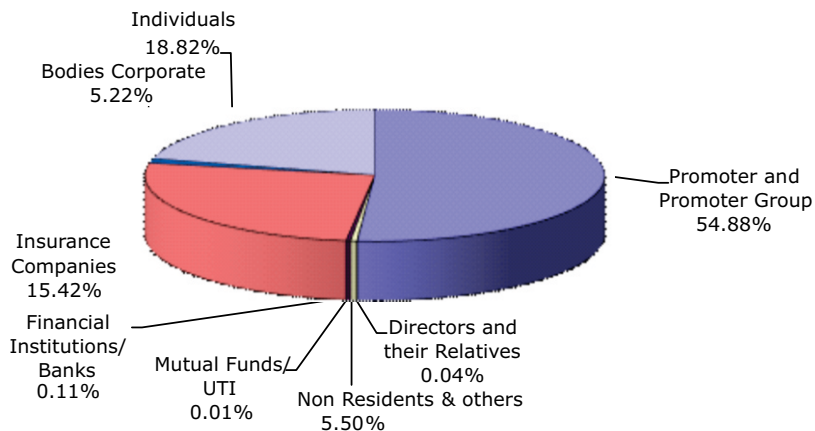
In terms of Regulation 40(1) of SEBI Listing Regulations, as amended from time to time, request for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository. Further, transmission or transposition of securities held in physical 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, 2023

	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	4,61,301	15.42
(2)	<b>Non-Institutions</b>		
(a)	Bodies Corporate	1,56,185	5.22
(b)	Individuals -		
i.	holding nominal share capital up to ₹2 lac.	4,35,367	14.55
ii.	holding nominal share capital in excess of ₹2 lac.	1,27,593	4.27
(c)	Non Residents Indians	10,370	0.35
(d)	Directors and their Relatives	1,185	0.04
(e)	Others	1,53,959	5.15
	<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 March, 2023



## Distribution of Shareholding as on 31<sup>st</sup> March, 2023

Category	Number of Shareholders	Percentage of Total Number of Shareholders	Total Number of Shares	Percentage of Total Number of Shares
1 to 500	2,996	94.33	2,18,023	7.29
501 to 1,000	84	2.64	59,095	1.97
1,001 to 5,000	68	2.14	1,46,564	4.90
5,001 to 10,000	11	0.35	69,287	2.32
10,001 & above	17	0.54	24,98,413	83.52
<b>Total</b>	<b>3,176</b>	<b>100.00</b>	<b>29,91,382</b>	<b>100.00</b>

**xi) Dematerialization of Shares and Liquidity**

About 97.18 percent shares have been dematerialized as on 31<sup>st</sup> March, 2023. The Equity shares of the Company are traded on BSE Limited.

The Company has paid the Listing fees for the year 2023-24 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,

**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:

**Simplex Realty Limited**

Registered Office:-  
30, Keshavrao Khadye Marg,  
Sant Gadge Maharaj Chowk,  
Mumbai – 400 011  
Tel. : (022) 2308 2951  
Fax : (022) 2307 2773  
E-mail: investors@simplex-group.com  
Website: www.simplex-group.com

**OR**

**Purva Sharegistry (India) Pvt. Ltd.**

Registered Office:-  
Unit No.9, Shiv Shakti Industrial Estate,  
J.R. Boricha Marg, Lower Parel (East ),  
Mumbai – 400011  
Tel. (022) 49614132 / (022) 31998810  
E-mail: support@purvashare.com  
Website: www.purvashare.com

**xv) Compliance with the Listing Regulations**

The Company has complied with all the mandatory requirements of the Listing Regulations. The certificate from Secretarial Auditor on compliance of the conditions of Corporate Governance by the Company is annexed and forms 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 listed companies to issue its securities in demat form only while processing various service requests such as issue of duplicate share certificates, subdivision, 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 <https://simplex-group.com/report.php>.

**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 Registrar and Transfer Agent for revalidation of expired dividend warrants and failing their encashment for a period of seven years, their unclaimed dividends will be transferred to Investor Education and Protection Fund.

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

As part of the Green Initiative, the Act allows companies to go for paperless compliances by sending Notices, Annual Reports and other related documents by e-mail to its Members. Members, who have not registered their e-mail addresses so far, may, as a support to

# SIMPLEX REALTY LIMITED

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this initiative, register their email address by sending an email to support@purvashare.com quoting their Name, Folio No./DP ID/Client ID, E-mail address 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 companies 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-imburement of expenses	0.04
<b>Total</b>	<b>3.69</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, 2023, 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, 2023.

For **Simplex Realty Limited**

Mumbai, 16<sup>th</sup> May, 2023

**Nandan Damani**  
Chairman and Managing Director  
DIN:00058396

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## 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.1619/2021  
UDIN: F010859E000307980

Date: 16<sup>th</sup> May, 2023  
Place: Kolkatta

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**CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members,  
**SIMPLEX REALTY LIMITED**  
(CIN: L17110MH1912PLC000351)  
Mumbai

I have examined the compliance of the conditions of Corporate Governance by Simplex Realty Limited for the year ended 31<sup>st</sup> March 2023 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. My 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 my opinion and based on the information and according to explanations given to me and the representations made by the management and to the best of my knowledge and belief, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Chapter IV of the Listing Regulations.

I 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.

**Taher Sapatwala & Associates**  
Company Secretaries  
FCS: 8029|C.P.No.16149  
Peer Review Cert. No.2703/2022  
UDIN: F008029E000292995

Mumbai, 16<sup>th</sup> May, 2023



# SIMPLEX REALTY LIMITED

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## 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 31st March, 2023 and that to the best of our knowledge and belief:

- a) i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) They 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  
DIN:00058396

## 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 31<sup>st</sup> March, 2023 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 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 Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2023;
- (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, 2023.	<p><b>Principal Audit Procedures:</b> 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, 2023.</li> <li>ii) 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>iii) 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> The assessment of procedures adopted by management, includes;</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) Reconciling the 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> Obtained details of completed tax assessments and demands for the year ended upto 31<sup>st</sup> March, 2023 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>

# SIMPLEX REALTY LIMITED

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## **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, Corporate Governance 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 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, changes in equity and cash flows in accordance with the Ind AS including the Accounting Standards specified under Section 133 of the Act 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 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 statements 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)(I) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- 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 of the aforesaid standalone financial statements.
- (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 Companies (Indian Accounting Standards) Rules, 2015, as amended.
- (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 31<sup>st</sup> March, 2023 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 during the current year by the Company to its directors is in accordance with the provisions of Section 197 read with Schedule V to 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 38 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, 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, 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 Company declared and paid dividend for the year ended 31<sup>st</sup> March, 2022 amounting to ₹ 29.91 lakhs during the year in accordance to Section 123 of the Act. 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's Registration No.W100084

**Sunil Khandelwal**  
Partner  
Membership No.101388  
UDIN:23101388BGXLKB2554

Date: 16<sup>th</sup> May, 2023  
Place: Mumbai

## 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 31<sup>st</sup> March, 2023. 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 ₹1,243.10 lakhs and the balance outstanding of Loans to employees and ICDs as at 31<sup>st</sup> March, 2023 is ₹ 4,363.53 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 ₹1,240 lakhs which are about 28.42% 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.

## SIMPLEX REALTY LIMITED

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- 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, 2023 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 its 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.
- 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 sub-section (6) of Section 135 of the said Act.

- xxi) There are no qualifications or adverse remarks in the Companies (Auditor's Report) Order, 2020 of the companies included in the consolidated financial statements. Accordingly, paragraph 3(xx) of the Order is not applicable.

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

**Sunil Khandelwal**  
Partner  
Membership No.101388  
UDIN : 23101388BGXLKB2554

Date : 16<sup>th</sup> May, 2023  
Place : Mumbai



# SIMPLEX REALTY LIMITED

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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 31<sup>st</sup> March, 2023 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 31<sup>st</sup> March, 2023, 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's Registration No.W100084

**Sunil Khandelwal**  
Partner  
Membership No.101388  
UDIN:23101388BGXLKB2554

Date: 16<sup>th</sup> May, 2023  
Place: Mumbai

# SIMPLEX REALTY LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2023

	Note	As at 31st March, 2023	(₹ in Lakhs) As at 31st March, 2022
<b>A ASSETS</b>			
<b>I Non-Current Assets</b>			
Property, Plant and Equipment	2a	108.60	158.87
Capital Work-In-Progress	2b	-	11.39
Financial Assets:			
Investments	3a	2,163.91	2,356.80
Loans	4	1.69	6.04
Other Financial Assets	5	5.13	15.91
Deferred Tax Assets (Net)	6	385.88	390.00
Other Non-Current Assets	7	98.66	103.22
<b>Total Non-Current Assets</b>		<u>2,763.87</u>	<u>3,042.23</u>
<b>II Current Assets</b>			
Inventories	8	3,435.32	3,356.68
Financial Assets:			
Investments	3b	611.62	640.44
Cash and Cash Equivalents	9	30.04	318.21
Bank Balances other than above	10	3.64	5.62
Loans	11	4,361.84	3,397.82
Other Financial Assets	12	101.87	91.45
Other Current Assets	13	815.17	856.72
Assets Held for Sale (refer note 41)		73.42	-
<b>Total Current Assets</b>		<u>9,432.92</u>	<u>8,666.94</u>
<b>TOTAL ASSETS</b>		<u>12,196.79</u>	<u>11,709.17</u>
<b>B EQUITY AND LIABILITIES</b>			
<b>I Equity</b>			
Equity Share Capital	14	299.37	299.37
Other Equity	15	11,173.53	11,126.47
<b>Total Equity</b>		<u>11,472.90</u>	<u>11,425.84</u>
<b>II Liabilities</b>			
<b>Non-Current Liabilities</b>			
Financial Liabilities:			
Other Financial Liabilities	16	13.97	-
Provisions	17	19.59	19.62
Other Non-Current Liabilities	18	5.53	-
<b>Total Non-Current Liabilities</b>		<u>39.09</u>	<u>19.62</u>
<b>III Current Liabilities</b>			
Financial Liabilities :			
Borrowings	19	-	35.36
Trade Payables	20	-	5.78
Total outstanding dues of Micro and Small Enterprises		7.67	8.21
Others		100.60	145.64
Other Financial Liabilities	21	516.66	6.69
Other Current Liabilities	22	59.87	62.03
Provisions	23	684.80	263.71
<b>Total Current Liabilities</b>		<u>723.89</u>	<u>283.33</u>
<b>Total Liabilities</b>		<u>12,196.79</u>	<u>11,709.17</u>

### 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  
DIN: 00058396

**Sunil Khandelwal**  
Partner  
Membership No. 101388  
Mumbai, 16<sup>th</sup> May, 2023

**Kinjal Shah**  
Company Secretary and  
Compliance Officer

**Surendra Kumar Somany**  
Independent Director  
DIN: 00001131  
Mumbai, 16<sup>th</sup> May, 2023

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2023

	Note	2022-23	(₹ in Lakhs) 2021-22	
<b>Income</b>				
I	Revenue from Operations	24	158.19	198.49
II	Other Income	25	609.71	680.39
III	<b>Total Income (I+II)</b>		<b>767.90</b>	878.88
<b>IV Expenses</b>				
	Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	26	69.01	102.36
	Employee Benefits Expense	27	294.89	271.28
	Finance Costs	28	2.98	9.80
	Depreciation	2	14.92	16.35
	Other Expenses	29	213.61	165.65
	<b>Total Expenses (IV)</b>		<b>595.41</b>	565.44
V	<b>Profit before Exceptional Item and Tax (III-IV)</b>		<b>172.49</b>	313.44
VI	<b>Exceptional Item</b>		-	-
VII	<b>Profit before Tax (V+VI)</b>		<b>172.49</b>	313.44
<b>VIII Tax Expense:</b>				
	1. Current tax		31.48	29.31
	2. Deferred tax		10.90	34.55
	3. Earlier year taxes		0.11	2.77
IX	<b>Profit for the year (VII-VIII)</b>		<b>130.00</b>	246.81
<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		1.61	1.95
	2. Changes in fair values of equity instruments through OCI		(31.90)	10.13
	3. Income tax effect on above		3.14	(1.54)
			<b>(27.15)</b>	10.54
<b>Items that will be reclassified to Statement of Profit and Loss</b>				
	1. Changes in fair values of debt instruments through OCI		(29.52)	9.30
	2. Income tax effect on above		3.64	(1.70)
			<b>(25.88)</b>	7.60
	<b>Total Other Comprehensive Income/(Expense) for the year, net of tax</b>		<b>(53.03)</b>	18.14
	<b>Total Comprehensive Income / (Expense) for the year (IX+X)</b>		<b>76.97</b>	264.95
	Earnings per Equity Share (Face Value of ₹10/- each)			
	<b>Basic and Diluted Earnings Per Share (in ₹)</b>		<b>4.35</b>	8.25

### 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  
DIN: 00058396

**Sunil Khandelwal**  
Partner  
Membership No. 101388  
Mumbai, 16<sup>th</sup> May, 2023

**Kinjal Shah**  
Company Secretary and  
Compliance Officer

**Surendra Kumar Somany**  
Independent Director  
DIN: 00001131  
Mumbai, 16<sup>th</sup> May, 2023

# SIMPLEX REALTY LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2023

### 1. EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<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, 2023

(₹ in Lakhs)

Particulars	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, 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>
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-	-	-
Profit for the year	-	-	-	130.00	-	-	<b>130.00</b>
Other comprehensive income / (expense)	-	-	-	1.20	(28.35)	(25.88)	<b>(53.03)</b>
Total comprehensive income / (expense)	-	-	-	131.20	(28.35)	(25.88)	<b>76.97</b>
Dividend paid on equity shares*	-	-	-	(29.91)	-	-	<b>(29.91)</b>
<b>Balance as at 31st March, 2023</b>	<b>60.71</b>	<b>143.24</b>	<b>7,009.00</b>	<b>3,932.58</b>	<b>10.69</b>	<b>17.31</b>	<b>11,173.53</b>

\*Dividend of ₹1/- per share (total dividend ₹ 29.91 Lakhs) was paid to the equity shareholders for the year ended 31st March, 2022.

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2023

For the year ended 31st March, 2022

(₹ in Lakhs)

Particulars	Reserves and Surplus				Other Comprehensive Income		Total Other Equity
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Equity instruments - FVTOCI	Debt instruments - FVTOCI	
Balance as at 1st April, 2021	60.71	143.24	7,009.00	3,583.02	29.96	35.59	10,861.52
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
Balance as at 31st March, 2022	60.71	143.24	7,009.00	3,831.29	39.04	43.19	11,126.47

### 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, 16<sup>th</sup> May, 2023

**Surendra Kabra**  
Chief Financial Officer

**Kinjal Shah**  
Company Secretary and  
Compliance Officer

For and on behalf of the Board

**Nandan Damani**  
Chairman and Managing Director  
DIN: 00058396

**Surendra Kumar Somany**  
Independent Director  
DIN: 00001131  
Mumbai, 16<sup>th</sup> May, 2023

# SIMPLEX REALTY LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023

	(₹ in Lakhs)	
	2022-23	2021-22
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
<b>PROFIT BEFORE TAX</b>	<b>172.49</b>	313.44
<b>Adjustments for :</b>		
Depreciation on property, plant and equipment	14.92	16.35
Interest expenses	2.98	9.80
(Profit) / Loss on sale of investments (net)	1.05	(1.76)
Dividend income	(16.54)	(16.43)
Interest income	(546.23)	(519.67)
Profit on sale of fixed assets	-	(6.48)
Sundry balances written off / (back) - (net)	(14.02)	(4.49)
Changes in fair value of financial assets at fair value through profit or loss	(0.14)	0.62
Unwinding of discount on security deposit	(1.67)	(1.74)
Sundry assets written off	-	0.02
Impairment on non-current investment	-	(103.86)
<b>OPERATING LOSS BEFORE EXCEPTIONAL ITEM AND WORKING CAPITAL CHANGES</b>	<b>(387.16)</b>	(314.20)
<b>Adjustment for changes in working capital</b>		
Adjustment for (increase) / decrease in operating assets:		
Inventories	(78.64)	(193.14)
Financial assets	4.62	5.69
Other current assets	17.05	(15.98)
Other bank balances	1.98	3.75
Adjustment for increase / (decrease) in operating liabilities:		
Other financial liabilities	(18.55)	5.76
Trade payables	(6.32)	(1.50)
Long-term provisions	1.59	3.34
Short-term provisions	(2.16)	2.97
Other liabilities	10.17	2.48
<b>CASH GENERATED FROM / (USED IN) OPERATIONS</b>	<b>(457.42)</b>	(500.83)
Direct taxes (paid) / refund received	(29.62)	37.63
<b>NET CASH GENERATED FROM / (USED IN) OPERATING ACTIVITIES (A)</b>	<b>(487.04)</b>	(463.20)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of fixed assets / capital work-in-progress	(2.18)	(12.10)
Sale of fixed assets	-	8.90
Purchase of investments	(368.00)	(122.00)
Sale / Redemption of investments	526.35	668.18
Dividend received	16.54	16.43
Interest received	548.01	722.18
Capital advances received	507.00	-
Loans / Inter corporate deposits refund / (given) - net	(962.10)	(437.29)
<b>NET CASH (USED IN) / GENERATED FROM INVESTING ACTIVITIES (B)</b>	<b>265.62</b>	844.30

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in Lakhs)

	<u>2022-23</u>	<u>2021-22</u>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Proceeds from / (repayment) of borrowings (net)	(35.36)	(79.87)
Interest paid	(1.48)	(7.91)
Dividend paid	(29.91)	-
<b>NET CASH (USED IN) FINANCING ACTIVITIES</b>	<b>(66.75)</b>	<b>(87.78)</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>(288.17)</b>	<b>293.32</b>
<b>CASH AND CASH EQUIVALENTS - AT THE START OF THE YEAR</b>	<b>318.21</b>	<b>24.89</b>
<b>CASH AND CASH EQUIVALENTS - AT THE END OF THE YEAR</b>	<b>30.04</b>	<b>318.21</b>
<b>Cash and cash equivalents comprise of :</b>	<b>As on</b>	<b>As on</b>
	<b>31.03.23</b>	<b>31.03.22</b>
Balances with Banks :		
- in Current accounts	<b>29.76</b>	318.16
Cash on hand	<b>0.28</b>	0.05
Cash and cash equivalents (Note no. 9)	<b>30.04</b>	318.21

### 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, 16<sup>th</sup> May, 2023

**Surendra Kabra**  
Chief Financial Officer

**Kinjal Shah**  
Company Secretary and  
Compliance Officer

For and on behalf of the Board

**Nandan Damani**  
Chairman and Managing Director  
DIN: 00058396

**Surendra Kumar Somany**  
Independent Director  
DIN: 00001131  
Mumbai, 16<sup>th</sup> May, 2023



# SIMPLEX REALTY LIMITED

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## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

### 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:

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, 2023

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).

Costs incurred is being used to measure progress towards completion as there is a direct relationship between input and productivity. Determination of revenue under over time 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 Company's right to receive the payment 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, 2023

**(v) (a) Non-Current Assets held for sale:**

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and sale is considered highly probable. A sale is considered as highly probable when decision has been made to sell, assets are available for immediate sale in its present condition, assets are being actively marketed and sale has been agreed or is expected to be concluded within 12 months of the date of classification. Non-current assets held for sale are neither depreciated nor amortised. Assets and liabilities classified as held for sale are measured at the lower of their carrying amount and fair value less cost of disposal and are presented separately in the Balance Sheet.

**(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.

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## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

### 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 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.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

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 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.

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## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

### i. Current Tax

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

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

### ii. Deferred Tax

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

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

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

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

### (xii) Employee benefits:

#### Short term employee benefits

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

#### Defined contribution plans

The Company's contribution to Provident Fund, Pension, 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.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

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

**(xiii) Borrowing Costs:**

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

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

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

**(xiv) Cash and Cash Equivalents:**

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

**(xv) Provisions and Contingent Liabilities:**

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

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

**(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 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.

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## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

### **i. Evaluation of percentage completion**

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

### **ii. Recognition and measurement of defined benefit obligations**

The cost of defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuations using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of discount rate, future salary increase and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

### **iii. Fair value measurement of financial instruments**

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

### **iv. Deferred taxes**

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



# SIMPLEX REALTY LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

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

(₹ in Lakhs)

	GROSS CARRYING AMOUNT				DEPRECIATION				NET CARRYING AMOUNT	
	As at 1st April, 2022	Additions during the year	Deductions/ Adjustments during the year	As at 31st March, 2023	Upto 31st March, 2022	Provided during the year	On Deductions/ Adjustments	Upto 31st March, 2023	As at 31st March, 2023	As at 31st March, 2022
Freehold Land	48.93	-	48.92*	0.01	-	-	-	-	0.01	48.93
Buildings	37.95	-	-	37.95	4.48	0.79	-	5.27	32.68	33.47
Computers	15.14	2.18	-	17.32	12.79	1.14	-	13.93	3.39	2.35
Electrical Installations	25.98	11.39	-	37.37	10.43	3.54	-	13.97	23.40	15.55
Furniture and Fixtures	6.85	-	-	6.85	4.59	0.37	-	4.96	1.89	2.26
Vehicles	83.06	-	-	83.06	27.82	8.79	-	36.61	46.45	55.24
Office Equipments	4.92	-	-	4.92	3.85	0.29	-	4.14	0.78	1.07
<b>Total</b>	<b>222.83</b>	<b>13.57</b>	<b>48.92</b>	<b>187.48</b>	<b>63.96</b>	<b>14.92</b>	<b>-</b>	<b>78.88</b>	<b>108.60</b>	<b>158.87</b>

\*Transferred to assets held for sale

(₹ in Lakhs)

	GROSS CARRYING AMOUNT				DEPRECIATION				NET CARRYING AMOUNT	
	As at 1st April, 2021	Additions during the year	Deductions/ Adjustments during the year	As at 31st March, 2022	Upto 31st March, 2021	Provided during the year	On Deductions/ Adjustments	Upto 31st March, 2022	As at 31st March, 2022	As at 31st March, 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>	<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>

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

As at 31st March, 2023

(₹ 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>

As at 31st March, 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>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

### 3 (a) NON-CURRENT INVESTMENTS

(₹ in Lakhs)

Sr. No.	Particulars	Associate / Others	Face value - fully paid ₹	No. of Shares/Units		Amount	
				31.03.2023	31.03.2022	31.03.2023	31.03.2022
	<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
<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 (At FVTOCI)</b>						
	7.50% Tata Capital Limited - Non Convertible Redeemable Preference shares	Others	1000	-	20,000	-	201.60
<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>99.52</b>	106.32
	8.50% BOB Perpetual Series XIII (call date 28/07/2025)	Others	1000000	<b>10</b>	10	<b>100.41</b>	101.75
	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>318.30</b>	327.75
	7.74% SBI AT1 Bonds in the nature of Debentures Series I (call date 09/09/2025)	Others	1000000	<b>10</b>	10	<b>99.23</b>	100.66
	10.15% UP Power Corporation Limited-Non Convertible Bonds Series II- 2017-18 (20/01/2028)	Others	1000000	<b>20</b>	20	<b>205.58</b>	208.50
<b>III</b>	<b>Investments in Bonds/Debentures- Quoted (At Amortised cost)</b>						
	9.72% Tamilnadu Generation and Distribution Corp Ltd-Series 2 (call date 16/07/2024)	Others	700000	<b>4</b>	-	<b>28.06</b>	-
<b>IV</b>	<b>Investments in Alternate Investment Fund - Unquoted - (At FVTPL)</b>						
	India Realty Excellence Fund IV					<b>100.00</b>	72.00
	Walton Street Blacksoil Real Estate Fund					<b>19.45</b>	44.85
	<b>Total Non-Current Investments</b>					<b>2,163.91</b>	2,356.80

<b>Details of total investments:</b>	<b>31.03.2023</b>	<b>31.03.2022</b>
Financial assets measured at cost	<b>1,193.36</b>	1,193.36
Financial assets measured at Fair Value through Other Comprehensive Income (FVTOCI)	<b>823.04</b>	1,046.58
Financial assets measured at Fair Value through Profit or Loss (FVTPL)	<b>119.45</b>	116.85
Financial assets measured at amortised cost	<b>28.06</b>	-

# SIMPLEX REALTY LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

### 3 (b) CURRENT INVESTMENTS

(₹ in Lakhs)

Sr. No.	Particulars	Associate / Others	Face value - fully paid ₹	No. of Shares/Units		Amount	
				31.03.2023	31.03.2022	31.03.2023	31.03.2022
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	36.79	33.44
(b)	Piramal Enterprises Ltd.	Others	2	3,000	3,000	20.33	65.61
(c)	Piramal Pharma Ltd.*	Others	10	12,000	-	8.21	-
(d)	Hindustan Unilever Ltd.	Others	1	360	360	9.21	7.38
	<b>Total quoted current investments in equity instruments</b>					<b>74.54</b>	<b>106.43</b>
	<b>Unquoted - fully paid up</b>						
(i)	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
	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
	10.75% The Tata Power Company Limited-NCD perpetual 2072 (call date 21/08/2022)	Others	1000000	-	10	-	101.85
	<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>Investment in Preference Shares - Unquoted (At FVTOCI)</b>						
	7.50% Tata Capital Limited - Non Convertible Redeemable Preference shares	Others	1000	20,000	-	196.94	-
IV	<b>Investments in Bonds/Debentures- Quoted (At Amortised cost)</b>						
	9.72% Tamilnadu Generation and Distribution Corp.Ltd. - Series 2 (call date 16/07/2024)	Others	700000	-	4	-	40.14
	<b>Total current investments in bonds/debentures/ preference shares</b>					<b>196.94</b>	<b>534.01</b>
V	<b>Investments in Mutual Funds-Unquoted (at FVTPL) Tata Liquid Fund - Direct Plan-Growth</b>	Others	1000	9,577.626	-	340.14	-
	<b>Total current investments in mutual funds</b>					<b>340.14</b>	<b>-</b>
	<b>Total Current Investments</b>					<b>611.62</b>	<b>640.44</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

	(₹ in Lakhs)	
Details of total investments:	31.03.2023	31.03.2022
Financial assets measured at fair value through Other Comprehensive Income (FVTOCI)	271.48	600.30
Financial assets measured at fair value through Profit or Loss (FVTPL)	340.14	-
Financial assets measured at amortised cost	-	40.14

	(₹ in Lakhs)	
	Amount	
	31.03.2023	31.03.2022
<b>Aggregate market value of quoted investments</b>		
Non-Current	1,451.58	1,991.29
Current	74.54	549.20
<b>Aggregate carrying value of unquoted investments</b>		
Non-Current	1,019.45	1,218.45
Current	537.08	91.55
<b>Aggregate amount of impairment in value of investments</b>		
Non-Current	-	-

\*On demerger of pharma business from Piramal Enterprises Ltd. (PEL), shares of Piramal Pharma Ltd. (PPL) were issued to the shareholder's of PEL in the ratio of 4 shares of PPL for every share of PEL held.

	(₹ in Lakhs)	
4. LOANS - NON-CURRENT (Considered good-Unsecured)	31.03.2023	31.03.2022
Loans to employees	1.69	6.04
	<b>1.69</b>	<b>6.04</b>

	(₹ in Lakhs)	
5. OTHER FINANCIAL ASSETS - NON-CURRENT	31.03.2023	31.03.2022
Unbilled revenue	1.85	-
Security deposits	3.28	3.41
Bank deposit with more than 12 months maturity	-	12.50
	<b>5.13</b>	<b>15.91</b>

# SIMPLEX REALTY LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

6. DEFERRED TAX ASSET (NET)	31.03.2023	(₹ in Lakhs) 31.03.2022
<b>Deferred Tax Liability:</b>		
Long term capital gain on conversion of land into stock-in-trade	(7.46)	(6.78)
Property, plant and equipment	(1.08)	(0.31)
Others	(0.53)	(0.02)
<b>Deferred Tax Assets:</b>		
Expenses that are allowed on payment basis	25.52	25.71
Unused tax losses	368.58	377.55
Others	0.85	(6.15)
<b>Net deferred tax asset</b>	<b>385.88</b>	<b>390.00</b>

### a) Movement in deferred tax balances

#### Movement in deferred tax during the year ended 31st March, 2023

	Opening balance as at 01.04.2022	Recognised in profit or loss	Recognised in OCI	(₹ in Lakhs) Closing balance as at 31.03.2023
Property, plant and equipment	(0.31)	(0.77)	-	(1.08)
Expenses that are allowed on payment basis	5.16	0.36	-	5.52
Unused tax losses	377.55	(8.97)	-	368.58
Long term capital gain on conversion of land into stock-in-trade	(6.78)	(0.68)	-	(7.46)
Provision for employee benefits	20.55	(0.14)	(0.41)	20.00
Income on unwinding of financial liability	(0.02)	(0.51)	-	(0.53)
Others	(6.15)	(0.19)	7.19	0.85
<b>Net deferred tax asset</b>	<b>390.00</b>	<b>(10.90)</b>	<b>6.78</b>	<b>385.88</b>

#### 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	(₹ in Lakhs) 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
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, 2023

	(₹ in Lakhs)	
	<u>31.03.2023</u>	<u>31.03.2022</u>
<b>b) Income tax recognised in profit and loss</b>		
<b>Current tax</b>		
In respect of current year	31.48	29.31
In respect of earlier years	0.11	2.77
<b>Deferred tax</b>		
Relating to origination and reversal of temporary differences	10.90	34.55
<b>Total income tax recognised for the year</b>	<u>42.49</u>	<u>66.63</u>

	(₹ in Lakhs)	
	<u>31.03.2023</u>	<u>31.03.2022</u>
<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	(0.41)	(0.49)
Changes in fair value of equity instruments through FVTOCI	3.55	(1.05)
Changes in fair value of debt instruments through FVTOCI	3.64	(1.70)
<b>Total income tax recognised in other comprehensive income</b>	<u>6.78</u>	<u>(3.24)</u>

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

	(₹ in Lakhs)	
	<u>31.03.2023</u>	<u>31.03.2022</u>
<b>Profit before tax</b>	172.49	313.44
Tax expense calculated at 25.168% (2021-22: 25.168%)	43.41	78.89
Effect of expenses that are not deductible or deductible on payment basis	5.46	7.25
Effect of expenses that are deductible under Income tax act	(10.44)	(9.28)
Others	12.95	9.97
Utilisation of brought forward business losses set off during the year	(9.00)	(22.97)
	<u>42.38</u>	<u>63.86</u>
Adjustments recognised in the current year in relation to the current tax of earlier years	0.11	2.77
<b>Income tax expense recognised in profit and loss</b>	<u>42.49</u>	<u>66.63</u>

The tax rate used for the above reconciliations is the corporate tax rate of 25.168% for the year 2022-23 and 2021-22 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.

# SIMPLEX REALTY LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

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

As at 31st March, 2023, the Company has recognized deferred tax asset of ₹ 368.58 Lakhs ( as at 31st March, 2022 ₹ 377.55 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.

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	<b>31.03.2023</b>	(₹ in Lakhs) 31.03.2022
<b>7. OTHER NON-CURRENT ASSETS</b>		
Advance income tax (net of provisions)	<b>98.66</b>	103.22
(net of provision of ₹ 1,141.77 Lakhs as at 31st March, 2023, ₹ 1,132.69 Lakhs as at 31st March, 2022)	<b>98.66</b>	103.22

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	<b>31.03.2023</b>	(₹ in Lakhs) 31.03.2022
<b>8. INVENTORIES</b>		
Construction work-in-progress	<b>2,296.85</b>	2,148.65
Realty stock-in-trade	<b>1,138.47</b>	1,208.03
	<b>3,435.32</b>	3,356.68

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	<b>31.03.2023</b>	(₹ in Lakhs) 31.03.2022
<b>9. CASH AND CASH EQUIVALENTS</b>		
Balances with banks:		
In current accounts	<b>29.76</b>	318.16
Cash on hand	<b>0.28</b>	0.05
	<b>30.04</b>	318.21

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	<b>31.03.2023</b>	(₹ in Lakhs) 31.03.2022
<b>10. OTHER BANK BALANCES</b>		
Unclaimed dividend accounts	<b>3.64</b>	5.62
	<b>3.64</b>	5.62

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## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

	(₹ in Lakhs)	
<b>11. LOANS-CURRENT</b>	<b>31.03.2023</b>	<b>31.03.2022</b>
<b>Loans receivable considered good - Unsecured</b>		
Inter corporate deposits	4,356.00	3,393.90
Loans to employees*	5.84	3.92
	<b>4,361.84</b>	<b>3,397.82</b>

\* includes due from officers of the Company

	(₹ in Lakhs)	
<b>12. OTHER CURRENT FINANCIAL ASSETS</b>	<b>31.03.2023</b>	<b>31.03.2022</b>
Bank deposit*	15.53	-
Interest receivable	83.47	81.96
Others	2.87	9.49
	<b>101.87</b>	<b>91.45</b>

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

	(₹ in Lakhs)	
<b>13. OTHER CURRENT ASSETS</b>	<b>31.03.2023</b>	<b>31.03.2022</b>
Income tax paid against disputed demand	687.03	687.03
Balances with government authorities	109.19	103.51
Prepaid expenses	8.58	13.41
Other advances	10.37	52.77
	<b>815.17</b>	<b>856.72</b>

	(₹ in Lakhs)	
<b>14. EQUITY SHARE CAPITAL</b>	<b>31.03.2023</b>	<b>31.03.2022</b>
<b>AUTHORISED</b>		
1,00,00,000 (31st March, 2022 - 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, 2022- 29,91,382) Equity Shares of ₹10/- each fully paid up (of which 360 (31st March, 2022 - 360) Shares remain to be exchanged for fractional certificates)	299.14	299.14
Add : Forfeited shares account	0.23	0.23
<b>Total issued, subscribed and fully paid up share capital</b>	<b>299.37</b>	<b>299.37</b>



# SIMPLEX REALTY LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

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

Particulars	31.03.2023		31.03.2022	
	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.

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

Name of Shareholder	As at 31st March, 2023		As at 31st March, 2022	
	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	3,70,401	12.38	3,74,574	12.52

### d. Details of the shareholding of Promoters

Name of Promoters	As at 31st March, 2023		As at 31st March, 2022		% 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>	16,41,815	54.88	-

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

15. OTHER EQUITY	31.03.2023	(₹ in Lakhs) 31.03.2022
<b>CAPITAL RESERVE</b>		
Opening balance	60.71	60.71
Addition/(utilisation) during the year	-	-
Closing balance	<u>60.71</u>	<u>60.71</u>
<b>SECURITIES PREMIUM ACCOUNT</b>		
Opening balance	143.24	143.24
Addition/(utilisation) during the year	-	-
Closing balance	<u>143.24</u>	<u>143.24</u>
<b>GENERAL RESERVE</b>		
Opening balance	7,009.00	7,009.00
Addition/(utilisation) during the year	-	-
Closing balance	<u>7,009.00</u>	<u>7,009.00</u>
<b>OTHER COMPREHENSIVE INCOME- EQUITY INSTRUMENTS (FVTOCI)</b>		
Opening balance	39.04	29.96
Add/(less): Changes in fair value during the year of FVTOCI equity instruments (net of tax)	<u>(28.35)</u>	9.08
Closing balance	<u>10.69</u>	<u>39.04</u>
<b>OTHER COMPREHENSIVE INCOME- DEBT INSTRUMENTS (FVTOCI)</b>		
Opening balance	43.19	35.59
Add/(less): Changes in fair value during the year of FVTOCI debt instruments (net of tax)	<u>(25.88)</u>	7.60
Closing balance	<u>17.31</u>	<u>43.19</u>
<b>RETAINED EARNINGS</b>		
Opening balance	3,831.29	3,583.02
Add: Profit for the year	130.00	246.81
<u>Items of other comprehensive income recognised directly in retained earnings:</u>		
Remeasurement of defined benefit obligation (net of tax)	1.20	1.46
Dividend paid on equity shares	<u>(29.91)</u>	-
Closing balance	<u>3,932.58</u>	<u>3,831.29</u>
<b>Total other equity</b>	<u>11,173.53</u>	<u>11,126.47</u>

# SIMPLEX REALTY LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

### 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>31.03.2023</u>	(₹ in Lakhs) 31.03.2022
<b>16. OTHER FINANCIAL LIABILITIES - NON-CURRENT</b>		
Security deposit	<u>13.97</u>	-
	<u>13.97</u>	-

	<u>31.03.2023</u>	(₹ in Lakhs) 31.03.2022
<b>17. PROVISIONS-NON-CURRENT</b>		
For employee benefits- Gratuity (refer note 30)	<u>19.59</u>	19.62
	<u>19.59</u>	19.62

	<u>31.03.2023</u>	(₹ in Lakhs) 31.03.2022
<b>18. OTHER LIABILITIES-NON-CURRENT</b>		
Deferred income	<u>5.53</u>	-
	<u>5.53</u>	-

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

		(₹ in Lakhs)
<b>19. BORROWINGS-CURRENT</b>	<b>31.03.2023</b>	<b>31.03.2022</b>
Unsecured loan from other		
Current maturities of term debt	-	35.36
	-	35.36

### 20. TRADE PAYABLES

Trade payable ageing as at 31st March, 2023

(₹ 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	7.67	-	-	-	7.67
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-
	7.67	-	-	-	7.67

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	-	-	-	-	-
	13.99	-	-	-	13.99

### 21. OTHER FINANCIAL LIABILITIES-CURRENT

		(₹ in Lakhs)
	<b>31.03.2023</b>	<b>31.03.2022</b>
Unpaid dividends	3.65	5.62
Security deposit	1.76	19.49
Other liabilities	81.53	103.07
Retention money	13.66	17.46
	<b>100.60</b>	<b>145.64</b>

# SIMPLEX REALTY LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

<b>22. OTHER CURRENT LIABILITIES</b>	<b>31.03.2023</b>	(₹ in Lakhs) 31.03.2022
Statutory dues	7.90	6.26
Deferred income	1.76	0.43
Capital advances	507.00	-
	<b>516.66</b>	<b>6.69</b>

<b>23. PROVISIONS-CURRENT</b>	<b>31.03.2023</b>	(₹ in Lakhs) 31.03.2022
<b>For employee benefits - (refer note 30)</b>		
Gratuity	26.58	23.74
Leave benefits	33.29	38.29
	<b>59.87</b>	<b>62.03</b>

<b>24. REVENUE FROM OPERATIONS</b>	<b>2022-23</b>	(₹ in Lakhs) 2021-22
Sale of products	74.53	118.32
Rental income	83.66	80.17
	<b>158.19</b>	<b>198.49</b>

<b>25. OTHER INCOME</b>	<b>2022-23</b>	(₹ in Lakhs) 2021-22
<b>Interest income on financial assets</b>		
Bank deposits	0.80	0.74
Inter corporate deposits	427.11	350.90
Interest income on financial assets fair valued through other comprehensive income	93.64	138.60
Interest income on financial assets carried at amortised cost	2.98	8.74
Interest income on financial assets carried at fair value through profit or loss	17.16	16.99
Other interest	0.97	1.83
Interest on income tax refund	3.57	1.26
Dividend income from equity instruments designated at FVTOCI	1.54	1.43
Dividend income on other investments	15.00	15.00
Building rent	42.64	32.80
Changes in fair value of financial assets at fair value through profit or loss (FVTPL)	0.14	-
Profit on sale/redemption of investments (designated at fair value through profit or loss)	-	1.76
Profit on sale of fixed assets	-	6.48
Other receipts	4.16	-
Reversal of impairment loss on non-current investment	-	103.86
	<b>609.71</b>	<b>680.39</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

	(₹ in Lakhs)	
	<u>2022-23</u>	<u>2021-22</u>
<b>26. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE</b>		
<b>Opening stock</b>		
Construction work-in-progress	2,148.65	1,979.17
Finished stock	1,208.03	1,184.37
<b>Add: Expenses incurred during the year</b>		
Materials, structural, labour and contract cost incurred	67.44	80.20
Rates and taxes	0.08	0.08
Professional charges	73.56	64.34
Other cost (net)	6.57	23.48
Finished unit purchased	-	127.40
	<u>147.65</u>	<u>295.50</u>
<b>Less: Closing stock</b>		
Construction work-in-progress	2,296.85	2,148.65
Finished stock	1,138.47	1,208.03
<b>Changes in inventories of finished goods, work-in-progress and stock-in-trade</b>	<u>69.01</u>	<u>102.36</u>

	(₹ in Lakhs)	
	<u>2022-23</u>	<u>2021-22</u>
<b>27. EMPLOYEE BENEFITS EXPENSE</b>		
Salaries and wages	272.63	254.20
Contribution to provident and other funds	7.70	7.78
Staff welfare expenses	14.56	9.30
	<u>294.89</u>	<u>271.28</u>

	(₹ in Lakhs)	
	<u>2022-23</u>	<u>2021-22</u>
<b>28. FINANCE COSTS</b>		
Interest on		
Term loan	1.48	7.86
Others	1.50	1.94
	<u>2.98</u>	<u>9.80</u>

# SIMPLEX REALTY LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

	(₹ in Lakhs)	
29. OTHER EXPENSES	2022-23	2021-22
Electricity	6.01	6.25
Repairs to		
Buildings	11.62	26.24
Machinery	1.00	0.96
Others	2.11	1.77
Insurance	1.17	1.07
Rent	0.69	0.67
Rates and taxes	9.44	9.44
Advertisements	0.61	0.64
Business promotion expenses	0.53	1.66
Travelling and conveyance expenses	28.63	11.78
Legal and professional fees	65.48	11.43
Retainership fees	10.03	8.75
Printing, stationery and communication expenses	6.76	6.43
Bank charges	0.17	0.15
Vehicles expenses	4.23	5.50
Flat maintenance expenses	10.38	16.69
Membership and subscription charges	6.88	6.50
Security charges	12.25	10.50
Sundry assets written off	-	0.02
Goods and Service tax paid	-	6.70
Changes in fair value of financial assets at fair value through profit or loss (FVTPL)	-	0.62
Loss on sale/redemption of investments (designated at fair value through profit or loss)	1.05	-
Sundry expenses	16.50	13.27
Directors' sitting fees	3.20	4.50
Society maintenance charges	11.18	10.45
<b>Auditors' remuneration</b>		
As Auditor		
Audit fee	3.65	3.65
For reimbursement of expenses	0.04	0.01
	213.61	165.65

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

### 30. 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;

	2022-23	2021-22
Contribution to:		(₹ in Lakhs)
Provident fund	1.31	1.11
Superannuation fund	5.04	5.04
Pension fund	0.73	0.90
Employees State Insurance fund	0.62	0.73

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

#### II) Defined Benefit Plan

##### GRATUITY

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

	2022-23	2021-22
Present value of defined benefit obligation as at the beginning of the year	43.36	41.18
Interest cost	2.20	1.99
Current service cost	2.22	2.14
Past service cost- vested benefits	-	-
Benefit paid	-	-
Actuarial (gain) / loss due to changes in demographic assumption	(0.16)	0.27
Actuarial (gain) / loss due to changes in financial assumption	(0.38)	(0.56)
Actuarial (gain) / loss due to changes in experience adjustments	(1.07)	(1.66)
Present value of defined benefit obligation as at the end of the year	46.17	43.36

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

Present value of defined benefit obligation as at the end of the year	46.17	43.36
Fair value of plan assets at end of the year	-	-
Net liability recognized in the Balance Sheet	46.17	43.36
- Current provision	26.58	23.74
- Non-current provision	19.59	19.62



# SIMPLEX REALTY LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

	<u>2022-23</u>	<u>(₹ in Lakhs)</u> <u>2021-22</u>
<b>C. Expenses recognized in the Statement of Profit and Loss</b>		
Interest cost	2.20	1.99
Current service cost	2.22	2.14
Past service cost - vested benefits	-	-
Expenses recognized in the Statement of Profit and Loss	4.42	4.13

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

Remeasurement (gain) / loss	(1.61)	(1.95)
Actuarial (gain) / loss due to changes in demographic assumption	(0.16)	0.27
Actuarial (gain) / loss due to changes in financial assumptions	(0.38)	(0.56)
Actuarial (gain) / loss due to changes in experience adjustments	(1.07)	(1.66)

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

Opening net liability	43.36	41.18
Expenses recognised in Statement of Profit and Loss	4.42	4.13
Expenses recognised in OCI	(1.61)	(1.95)
Contributions paid	-	-
Closing net liability	46.17	43.36

### Maturity profile of defined benefit obligation

	<u>Estimated for</u> <u>the year ended</u> <u>31st March, 2023</u>	<u>(₹ in Lakhs)</u> <u>Estimated for</u> <u>the year ended</u> <u>31st March, 2022</u>
1st following year	26.58	23.74
2nd following year	0.47	2.76
3rd following year	0.52	0.45
4th following year	0.36	0.48
5th following year	0.20	0.34
Sum of years 6 to 10	10.57	9.99

### Sensitivity analysis

	<u>2022-23</u>	<u>(₹ in Lakhs)</u> <u>2021-22</u>
Impact of +1% change in discount rate	44.20	41.55
Impact of -1% change in discount rate	48.47	45.48
Impact of +1% change in salary escalation rate	47.48	44.45
Impact of -1% change in salary escalation rate	44.51	41.72

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

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, 2023</b>	<b>As at 31st March, 2022</b>
Discount rate	<b>7.16%</b>	6.98%
Salary escalation rate	<b>5.00%</b>	5.00%
Attrition rate:		
0 to 5 years	<b>20.83%</b>	16.67%
6 to 10 years	<b>5.00%</b>	6.67%
11 to 60 years	<b>0.00%</b>	0.00%

### 31. RELATED PARTY DISCLOSURES

(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>Shri Sabhapati G.Shukla<br>Shri Praveen Kumar*<br>Shri Vijay S. Jindal<br>Smt. Renu Jain**   |
| (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, 2023

### (ii) Transactions with related parties

(₹ in Lakhs)

Type of related party	Description of the nature of transactions	Volume of transactions during 2022-23	Volume of transactions during 2021-22	Balance as on 31.03.23 Receivable/ (Payable)	Balance as on 31.03.22 Receivable/ (Payable)
(a) Associates					
Simplex Mills Co.Ltd.	Reimbursement of expenses (paid) / received	(0.52)	(0.51)	-	-
	Investment in Redeemable Preference Shares	-	-	900.00	900.00
(b) Key management personnel and their relatives	Remuneration#	81.38	76.78	-	-
(c) Non-Executive/ Independent Directors	<b>Sitting fees</b>				
	Shri V.B.Haribhakti	0.90	1.20	-	-
	Shri S.K.Somany	0.90	1.20	-	-
	Shri Sabhapati G.Shukla	0.90	1.20	-	-
	Shri Praveen Kumar	0.30	-	-	-
	Shri Vijay S. Jindal	0.20	0.40	-	-
	Smt. Renu Jain	-	0.50	-	-
(d) Where persons mentioned in (b) exercise significant influence					
<b>a) Reimbursement of expenses</b>					
The Nav Bharat Refrigeration and Industries Ltd.	Reimbursement of expenses (paid)/ received - net	1.03	0.90	-	-
	Receivable / (Payable)	-	-	(0.10)	-
Lucky Vyapaar and Holdings Pvt.Ltd.	Reimbursement of expenses (paid) / received - net	0.43	0.23	-	-
	Receivable / (Payable)	-	-	0.03	-
<b>b) Security</b>					
Security offered by Lucky Vyapaar and Holdings Pvt.Ltd.	for loan availed	-	-	-	35.36

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

\* Appointed as Non-Executive Director w.e.f. 25<sup>th</sup> May, 2022

\*\* Ceased to be Non-Executive Director w.e.f. 18<sup>th</sup> May, 2022

### Terms and conditions of transactions with related parties

The transactions with related parties are made on terms, equivalent to those that prevail in arm's length transactions. Outstanding balance at the year end are unsecured and settlement occurs in cash.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

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

#### a) Financial instruments by category

(₹ in Lakhs)

Particulars	31.03.2023			31.03.2022		
	At FVTOCI	At FVTPL	At Amortised cost	At FVTOCI	At FVTPL	At Amortised cost
<b>Financial Assets</b>						
Investments	1,094.52	459.59	28.06	1,646.88	116.85	40.14
Loans	-	-	4,363.53	-	-	3,403.86
Trade receivables	-	-	-	-	-	-
Cash and cash equivalents	-	-	30.04	-	-	318.21
Other bank balances	-	-	3.64	-	-	5.62
Other financial assets	-	-	107.00	-	-	107.36
	1,094.52	459.59	4,532.27	1,646.88	116.85	3,875.19
<b>Financial Liabilities</b>						
Borrowings	-	-	-	-	-	35.36
Trade payables	-	-	7.67	-	-	13.99
Other financial liabilities	-	-	114.57	-	-	145.64
	-	-	122.24	-	-	194.99

#### 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	As at 31.03.2023			As at 31.03.2022		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Measured at Amortised Cost</b>						
Investments in bonds/debentures	-	28.06	-	-	40.14	-
<b>Measured at FVTOCI</b>						
Investments in equity instruments	74.54	-	-	106.43	-	-
Investments in preference shares	-	196.94	-	-	201.60	-
Investments in bonds/debentures	-	823.04	-	-	1,338.85	-
<b>Measured at FVTPL</b>						
Investments in mutual funds	-	340.14	-	-	-	-
Investments in alternate investment funds	-	119.45	-	-	116.85	-

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.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

### 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:

#### 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.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in Lakhs)

As at 31st March, 2023	Carrying amount	Contractual cash flows				
		Total	Within 1 year	1-2 years	2-5 years	More than 5 years
<b>Financial Liabilities</b>						
Trade Payables	7.67	7.67	7.67	-	-	-
Other Financial Liabilities	114.57	114.57	100.60	-	13.97	-
	<b>122.24</b>	<b>122.24</b>	<b>108.27</b>	-	<b>13.97</b>	-

(₹ in Lakhs)

As at 31st 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>	-	-	-

### 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 31st March, 2023	As at 31st March, 2022
Floating rate borrowing	-	35.36
	-	35.36

# SIMPLEX REALTY LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

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	2022-23	2021-22
Interest rate - Increase by 100 basis points	-	(0.35)
Interest rate - Decrease by 100 basis points	-	0.35

### 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.

### 33. 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 31st March, 2023	As at 31st March, 2022
Borrowings	-	35.36
Less: Cash and cash equivalents	(30.04)	(318.21)
<b>Net Debt</b>	<b>(30.04)</b>	<b>(282.85)</b>
<b>Total equity</b>	<b>11,472.90</b>	<b>11,425.84</b>
<b>Debt/Equity ratio</b>	<b>-</b>	<b>(0.02)</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

**34. 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	2022-23	2021-22
1. Profit after tax - (₹ in Lakhs)	130.00	246.81
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 - ₹	4.35	8.25

### 35. 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 31st March, 2023	As at 31st March, 2022
Future minimum lease rental receivable under operating leases are as follows:		
Not later than 1 year	163.16	57.65
Later than 1 year not later than 5 years	28.74	-
Later than 5 years	-	-

### 36. 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).



# SIMPLEX REALTY LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

### 37. ANALYTICAL RATIOS

The following are analytical ratios for the year ended 31st March, 2023 and 31st March, 2022

Ratio	Numerator	Denominator	As at 31 March, 2023	As at 31 March, 2022	% change during the year	Explanation for change by more than 25%
Current ratio	Current assets	Current liabilities	13.77	32.87	-58.09%	Due to increase in current liability on account of capital advances received.
Debt-equity ratio	Total debt	Shareholder's equity	-	0.00	-100.00%	Debts have been fully repaid during the current year.
Debt service coverage ratio	Net profit after tax +/- Non-cash operating items + Interest	Interest + Principal repayment	3.86	1.89	104.55%	Due to reduced interest expense.
Return on equity (ROE)	Net profit after tax	Average shareholder's equity	1.14%	2.19%	-48.05%	Previous year PAT was higher due to reversal of impairment loss on investments.
Inventory turnover ratio	Cost of goods sold	Average inventory	0.02	0.03	-31.80%	Due to lower sales in the current year.
Trade payables turnover ratio	Purchases for services and other expenses	Average trade payables	32.05	21.11	51.81%	Due to higher expenses in the current year (including professional fees etc).
Net capital turnover ratio	Net sales	Average working capital	0.87%	1.47%	-40.84%	Due to lower sales in current year.
Net profit ratio	Net profit after tax	Total revenue	16.93%	28.08%	-39.71%	Higher expenses in the current year (including professional fees etc) and previous year PAT was higher due to reversal of impairment loss on investments.
Return on capital employed (ROCE)	Earning before interest and tax	Tangible net worth + Total debt + Deferred tax liability	1.53%	2.82%	-45.77%	
Return on Investment (ROI)	Income generated from investment	Time weighted average investment	8.95%	9.12%	-1.88%	

Trade receivables turnover ratio is not provided as there were no trade receivables.

### 38. CONTINGENT LIABILITIES NOT PROVIDED FOR

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

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Appeals filed in respect of disputed demands:		
Relating to income tax where the Company is in appeal	725.18	725.18
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

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

### b) Others

- i. The Company had received a demand notice of ₹ 1,715.65 Lakhs (as at 31st March, 2022 ₹ 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.
  - ii. Municipal Corporation of Greater Mumbai (MCGM) has raised a demand of ₹ 5,065.50 Lakhs upto the period 31.03.2022 vide Demand notice received by us on 11.08.2022 towards property tax assessment for potential FSI of open land. The said Notice have been replied by us challenging the demand inter alia on the ground that the notices are issued on basis of Rule 20, 21 and 22 of the capital value rules 2010 and 2015 which have been struck down by the Hon'ble Bombay High Court vide its order dated 24.04.2019 as being ultra vires the Mumbai Municipal Corporation Act. The Hon'ble Supreme Court by its order dated 07.11.2022 has upheld the order of the Hon'ble Bombay High Court. We have placed these facts before the Additional Municipal Commissioner (Projects) before whom we were called for a personal hearing with respect to the demand notices which were issued to us. Recently, the Hon'ble Supreme Court has also dismissed the review petition filed by MCGM for review of the above order. In view of our submissions and the orders passed by the Hon'ble Supreme Court, we are awaiting the final order to be passed by the Additional Municipal Commissioner (Projects) as regards the personal hearing granted to us.
39. Based on the intimations received from "suppliers" regarding their status under as Micro, Small and Medium Enterprises Development Act, 2006 (MSMED), no outstanding to MSME as at 31st March, 2023.
  40. 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.
  41. The Company has decided to sale its land situated at Gondia and accordingly, the carrying value of the land and other cost incurred from other advances have been transferred and shown under assets held for sale as per Ind AS 105.
  42. There are no transactions and balances with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.
  43. 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.
  44. The Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2023 were approved by the Board of Directors on 16th May, 2023.
  45. Previous year's figures have been reclassified, wherever necessary, to conform current year's presentation.

As per our report of even date attached

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

**Surendra Kabra**  
Chief Financial Officer

For and on behalf of the Board

**Nandan Damani**  
Chairman and Managing Director  
DIN: 00058396

**Sunil Khandelwal**  
Partner  
Membership No. 101388  
Mumbai, 16<sup>th</sup> May, 2023

**Kinjal Shah**  
Company Secretary and  
Compliance Officer

**Surendra Kumar Somany**  
Independent Director  
DIN: 00001131  
Mumbai, 16<sup>th</sup> May, 2023

**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	31.03.2023	14,71,000	147.25	49.01	Based on shareholding	N.A.	(588.58)	-	(22.17)
2	Simplex Mills Company Limited	31.03.2023	14,70,000	146.11	48.99	Based on shareholding	N.A.	(161.95)	(3.26)	(3.40)

For and on behalf of the Board of Directors

**Nandan Damani**  
Chairman and Managing Director  
DIN:00058396

Mumbai, 16<sup>th</sup> May, 2023

## 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, 2023, 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, 2023;
- 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 Group 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 38 to the Consolidated Financial statements which, indicates that the two associates, which 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 for the reason stated in said note.

##### Our Opinion is not modified

##### 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, 2023	<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, 2023.</li> <li>ii) 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>iii) 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, includes;</p> <ul style="list-style-type: none"> <li>i) Obtaining the latest audited Consolidated 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) Reconciling the 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 upto 31st March, 2023 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 of the Group, changes in equity and cash flows of the Group in accordance with the Ind AS including the Accounting Standards specified under section 133 of the Act 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 Group 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 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, management is responsible for assessing the Group's 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 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 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)(l) 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

# SIMPLEX REALTY LIMITED

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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. 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 sub-section (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 for Associate Companies included in the consolidated financial statements of the Group 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.
- (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 Ind AS specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
- (e) On the basis of the written representations received from the directors of the Company and its Associate Companies as on 31st March, 2023 taken on record by the Board of Directors of the Company and its Associate Companies incorporated in India, none of the directors of the Group, is disqualified as on

31st March, 2023 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 Company to its directors is in accordance with the provisions of Section 197 read with Schedule V to 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. 41 of the consolidated financial statement),
  - ii. The Group 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 of the Company and its Associate Companies has represented that, to the best of its knowledge and belief, 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 or its Associate Companies 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 and its Associate Companies or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The management of the Company and its Associate Companies has represented that, to the best of its knowledge and belief, no funds have been received by the Company or its Associate Companies 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 that were 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 Company declared and paid dividend for the year ended 31st March 2022 amounting to Rs.29.91 lakhs during the year in accordance to section 123 of the Act. 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’s Registration No.W100084

**Sunil Khandelwal**  
Partner  
Membership No.101388  
UDIN: 23101388BGXLKC6181

Date: 16<sup>th</sup> May, 2023  
Place: Mumbai



## **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, 2023, 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 in terms of the audit reports 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 Group'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 Group's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Group;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Group are being made only in accordance with authorizations of management and directors of the Group; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Group's assets that could have a material effect on the 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 Associate Companies, 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 31st March, 2023, based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

**Sunil Khandelwal**  
Partner  
Membership No.101388  
UDIN: 23101388BGXLKC6181

Date: 16<sup>th</sup> May, 2023  
Place: Mumbai

# SIMPLEX REALTY LIMITED

## CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2023

			(₹ in Lakhs)	
		Note	As at 31st March, 2023	As at 31st March, 2022
<b>A</b>	<b>ASSETS</b>			
	<b>I Non-Current Assets</b>			
	Property, Plant and Equipment	2a	108.60	158.87
	Capital Work-In-Progress	2b	-	11.39
	Financial Assets:			
	Investments accounted for using the Equity Method	3a	738.06	741.32
	Investments - others	3b	970.54	1,163.43
	Loans	4	1.69	6.04
	Other Financial Assets	5	5.13	15.91
	Deferred Tax Assets (Net)	6	385.88	390.00
	Other Non-Current Assets	7	98.66	103.22
	<b>Total Non-Current Assets</b>		<b>2,308.56</b>	<b>2,590.18</b>
	<b>II Current Assets</b>			
	Inventories	8	3,435.32	3,356.68
	Financial Assets:			
	Investments	3c	611.62	640.44
	Cash and Cash Equivalents	9	30.04	318.21
	Bank Balances other than above	10	3.64	5.62
	Loans	11	4,361.84	3,397.82
	Other Financial Assets	12	101.87	91.45
	Other Current Assets	13	815.17	856.72
	Assets Held for Sale (refer note 44)		73.42	-
	<b>Total Current Assets</b>		<b>9,432.92</b>	<b>8,666.94</b>
	<b>TOTAL ASSETS</b>		<b>11,741.48</b>	<b>11,257.12</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>			
	<b>I Equity</b>			
	Equity Share Capital	14	299.37	299.37
	Other Equity	15	10,718.22	10,674.42
	<b>Total Equity</b>		<b>11,017.59</b>	<b>10,973.79</b>
	<b>II Liabilities</b>			
	<b>Non-Current Liabilities</b>			
	Financial Liabilities:			
	Other Financial Liabilities	16	13.97	-
	Provisions	17	19.59	19.62
	Other Non-Current Liabilities	18	5.53	-
	<b>Total Non-Current Liabilities</b>		<b>39.09</b>	<b>19.62</b>
	<b>III Current Liabilities</b>			
	Financial Liabilities :			
	Borrowings	19	-	35.36
	Trade Payables	20	-	5.78
	Total outstanding dues of Micro and Small Enterprises		-	5.78
	Others		7.67	8.21
	Other Financial Liabilities	21	100.60	145.64
	Other Current Liabilities	22	516.66	6.69
	Provisions	23	59.87	62.03
	<b>Total Current Liabilities</b>		<b>684.80</b>	<b>263.71</b>
	<b>Total Liabilities</b>		<b>723.89</b>	<b>283.33</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>11,741.48</b>	<b>11,257.12</b>
	<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  
DIN:00058396

**Sunil Khandelwal**  
Partner  
Membership No. 101388  
Mumbai, 16<sup>th</sup> May, 2023

**Kinjal Shah**  
Company Secretary and  
Compliance Officer

**Surendra Kumar Somany**  
Independent Director  
DIN:00001131  
Mumbai, 16<sup>th</sup> May, 2023

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2023

	Note	2022-23	2021-22
(₹ in Lakhs)			
<b>Income</b>			
I Revenue from Operations	24	158.19	198.49
II Other Income	25	609.71	576.53
<b>III Total Income (I+II)</b>		<b>767.90</b>	<b>775.02</b>
<b>IV Expenses</b>			
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	26	69.01	102.36
Employee Benefits Expense	27	294.89	271.28
Finance Costs	28	2.98	9.80
Depreciation	2	14.92	16.35
Other Expenses	29	213.61	165.65
<b>Total Expenses (IV)</b>		<b>595.41</b>	<b>565.44</b>
<b>V Profit before share of profit of associate, exceptional item and tax (III-IV)</b>		<b>172.49</b>	<b>209.58</b>
<b>VI Share of Profit of associate accounted for using equity method (refer note 40)</b>		<b>(3.26)</b>	<b>34.32</b>
<b>VII Profit before exceptional item and tax (V+VI)</b>		<b>169.23</b>	<b>243.90</b>
<b>VIII Exceptional Item</b>		<b>-</b>	<b>-</b>
<b>IX Profit before Tax (VII+VIII)</b>		<b>169.23</b>	<b>243.90</b>
<b>X Tax Expense:</b>			
1. Current tax		31.48	29.31
2. Deferred tax		10.90	34.55
3. Earlier year taxes		0.11	2.77
<b>XI Profit for the year (IX-X)</b>		<b>126.74</b>	<b>177.27</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		1.61	1.95
2. Changes in fair values of equity instruments through OCI		(31.90)	10.13
3. Income tax effect on above		3.14	(1.54)
		<b>(27.15)</b>	<b>10.54</b>
<b>Items that will be reclassified to Statement of Profit and Loss</b>			
1. Changes in fair values of debt instruments through OCI		(29.52)	9.30
2. Income tax effect on above		3.64	(1.70)
		<b>(25.88)</b>	<b>7.60</b>
<b>Total Other Comprehensive Income/(Expense) for the year, net of tax</b>		<b>(53.03)</b>	<b>18.14</b>
<b>Total Comprehensive Income / (Expense) for the year (XI+XII)</b>		<b>73.71</b>	<b>195.41</b>
Earnings per Equity Share (Face Value of ₹10/- each)			
Basic and Diluted Earnings Per Share (in ₹)		4.24	5.93

### 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  
DIN:00058396

**Sunil Khandelwal**  
Partner  
Membership No. 101388  
Mumbai, 16<sup>th</sup> May, 2023

**Kinjal Shah**  
Company Secretary and  
Compliance Officer

**Surendra Kumar Somany**  
Independent Director  
DIN:00001131  
Mumbai, 16<sup>th</sup> May, 2023

# SIMPLEX REALTY LIMITED

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2023

### 1. EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<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, 2023

(₹ 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 1st April, 2022</b>	1,361.05	143.24	5,824.59	3,263.31	39.04	43.19	10,674.42	-
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	126.74	-	-	126.74	-
Other comprehensive income / (expense)	-	-	-	1.20	(28.35)	(25.88)	(53.03)	-
Total comprehensive income / (expense)	-	-	-	127.94	(28.35)	(25.88)	73.71	-
Dividend paid on equity shares*	-	-	-	(29.91)	-	-	(29.91)	-
<b>Balance as at 31st March, 2023</b>	<b>1,361.05</b>	<b>143.24</b>	<b>5,824.59</b>	<b>3,361.34</b>	<b>10.69</b>	<b>17.31</b>	<b>10,718.22</b>	-

\*Dividend of ₹ 1/- per share (total dividend ₹ 29.91 Lakhs) was paid to the equity shareholders for the year ended 31st March, 2022.

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2023

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		
Balance as at 1st April, 2021	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	-
Balance as at 31st March, 2022	1,361.05	143.24	5,824.59	3,263.31	39.04	43.19	10,674.42	-

### 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, 16<sup>th</sup> May, 2023

**Surendra Kabra**  
Chief Financial Officer

**Kinjal Shah**  
Company Secretary and  
Compliance Officer

For and on behalf of the Board

**Nandan Damani**  
Chairman and Managing Director  
DIN:00058396

**Surendra Kumar Somany**  
Independent Director  
DIN:00001131  
Mumbai, 16<sup>th</sup> May, 2023

# SIMPLEX REALTY LIMITED

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023

	(₹ in Lakhs)	
	2022-23	2021-22
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
<b>PROFIT BEFORE TAX</b>	<b>169.23</b>	243.90
<b>Adjustments for :</b>		
Depreciation on property, plant and equipment	14.92	16.35
Interest expenses	2.98	9.80
(Profit)/Loss on sale of investments (net)	1.05	(1.76)
Dividend income	(16.54)	(16.43)
Interest income	(546.23)	(519.67)
Profit on sale of fixed assets	-	(6.48)
Sundry balances written off / (back) - (net)	(14.02)	(4.49)
Share of (profit) / loss of associate	3.26	(34.32)
Changes in fair value of financial assets at fair value through profit or loss	(0.14)	0.62
Unwinding of discount on security deposit	(1.67)	(1.74)
Sundry assets written off	-	0.02
<b>OPERATING LOSS BEFORE EXCEPTIONAL ITEM AND WORKING CAPITAL CHANGES</b>	<b>(387.16)</b>	(314.20)
<b>Adjustment for changes in working capital</b>		
Adjustment for (increase) / decrease in operating assets:		
Inventories	(78.64)	(193.14)
Other financial assets	4.62	5.69
Other current assets	17.05	(15.98)
Other bank balances	1.98	3.75
Adjustment for increase / (decrease) in operating liabilities:		
Other financial liabilities	(18.55)	5.76
Trade payables	(6.32)	(1.50)
Long-term provisions	1.59	3.34
Short-term provisions	(2.16)	2.97
Other liabilities	10.17	2.48
<b>CASH GENERATED FROM / (USED IN) OPERATIONS</b>	<b>(457.42)</b>	(500.83)
Direct taxes (paid) / refund received	(29.62)	37.63
<b>NET CASH GENERATED FROM / (USED IN) OPERATING ACTIVITIES (A)</b>	<b>(487.04)</b>	(463.20)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of fixed assets / capital work-in-progress	(2.18)	(12.10)
Sale of fixed assets	-	8.90
Purchase of investments	(368.00)	(122.00)
Sale / Redemption of investments	526.35	668.18
Dividend received	16.54	16.43
Interest received	548.01	722.18
Capital advances received	507.00	-
Loans / Inter corporate deposits refund / (given) - net	(962.10)	(437.29)
<b>NET CASH (USED IN) / GENERATED FROM INVESTING ACTIVITIES (B)</b>	<b>265.62</b>	844.30

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023

	(₹ in Lakhs)	
	2022-23	2021-22
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Proceeds from / (repayment) of borrowings (net)	(35.36)	(79.87)
Interest paid	(1.48)	(7.91)
Dividend paid	(29.91)	-
<b>NET CASH (USED IN) FINANCING ACTIVITIES</b>	<b>(66.75)</b>	<b>(87.78)</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>(288.17)</b>	<b>293.32</b>
<b>CASH AND CASH EQUIVALENTS - AT THE START OF THE YEAR</b>	<b>318.21</b>	<b>24.89</b>
<b>CASH AND CASH EQUIVALENTS - AT THE END OF THE YEAR</b>	<b>30.04</b>	<b>318.21</b>
<b>Cash and cash equivalents comprise of :</b>	<b>As on</b>	<b>As on</b>
	<b>31.03.23</b>	<b>31.03.22</b>
Balances with Banks :		
- in Current accounts	29.76	318.16
Cash on hand	0.28	0.05
Cash and cash equivalents (Note no. 9)	<b>30.04</b>	<b>318.21</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 **Khandelwal and Mehta LLP**  
Chartered Accountants  
Firm's Registration No. W100084

**Sunil Khandelwal**  
Partner  
Membership No. 101388  
Mumbai, 16<sup>th</sup> May, 2023

**Surendra Kabra**  
Chief Financial Officer

**Kinjal Shah**  
Company Secretary and  
Compliance Officer

For and on behalf of the Board

**Nandan Damani**  
Chairman and Managing Director  
DIN: 00058396

**Surendra Kumar Somany**  
Independent Director  
DIN: 00001131  
Mumbai, 16<sup>th</sup> May, 2023



# SIMPLEX REALTY LIMITED

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

### 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, 2023

### (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:

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).

Costs incurred is being used to measure progress towards completion as there is a direct relationship between input and productivity. Determination of revenue under over time 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 Company's right to receive the payment is established.

# SIMPLEX REALTY LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

### (vi) Property, Plant and Equipment:

#### Recognition and measurement

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

#### Subsequent expenditures

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

#### Depreciation

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

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

### (vi) (a) Non-Current Assets held for sale:

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and sale is considered highly probable. A sale is considered as highly probable when decision has been made to sell, assets are available for immediate sale in its present condition, assets are being actively marketed and sale has been agreed or is expected to be concluded within 12 months of the date of classification. Non-current assets held for sale are neither depreciated nor amortised. Assets and liabilities classified as held for sale are measured at the lower of their carrying amount and fair value less cost of disposal and are presented separately in the Balance Sheet.

### (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

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

Consolidated Statement of Profit and Loss. If at the Balance Sheet date, there is any indication that any impairment loss recognized for an asset in prior years may no longer exist or may have decreased, the recoverable amount is reassessed and such reversal of impairment loss is recognized in the Consolidated Statement of Profit and Loss, to the extent the amount was previously charged to the Consolidated Statement of Profit and Loss.

### **(viii) Leases:**

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

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

### **(ix) Financial Instruments :**

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

#### **Financial Assets**

##### **Initial recognition and measurement**

The 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

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

- 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 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.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

- **Subsequent measurement**

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

- **Loans and borrowings**

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

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

- **Derecognition**

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

- **Offsetting financial instruments**

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

**(x) Inventories:**

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

**(xi) Taxes:**

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

**i. Current Tax**

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

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

**ii. Deferred Tax**

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

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which those deductible temporary

# SIMPLEX REALTY LIMITED

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

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

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

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

### **(xii) Employee benefits:**

#### **Short term employee benefits**

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

#### **Defined contribution plans**

The Company's contribution to Provident Fund, Pension, 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

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

the project upto the time all the activities necessary to prepare these projects for its intended use or sale are complete.

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

### **(xiv) Cash and Cash Equivalents:**

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

### **(xv) Provisions & 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 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 over time necessarily involves making estimates, some of which are of a technical nature, concerning, where relevant, the percentage of completion, cost to completion, the expected revenue from the project or activity and the foreseeable losses to completion. Estimates of project income, as well as project costs, are reviewed periodically. The effect of changes, if any, to estimates is recognised in the consolidated financial statements for the period in which such changes are determined.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

### ii. Recognition and measurement of defined benefit obligations

The cost of defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuations using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of discount rate, future salary increase and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

### iii. Fair value measurement of financial instruments

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

### iv. Deferred taxes

Deferred tax is recorded on temporary differences between tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profit during the periods in which those temporary differences and the tax loss carry forwards become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of deferred tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward periods are reduced.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

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

(₹ in Lakhs)

	GROSS CARRYING AMOUNT				DEPRECIATION				NET CARRYING AMOUNT	
	As at 1st April, 2022	Additions during the year	Deductions/ Adjustments during the year	As at 31st March, 2023	Upto 31st March, 2022	Provided during the year	On Deductions/ Adjustments	Upto 31st March, 2023	As at 31st March, 2023	As at 31st March, 2022
Freehold Land	48.93	-	48.92*	0.01	-	-	-	-	0.01	48.93
Buildings	37.95	-	-	37.95	4.48	0.79	-	5.27	32.68	33.47
Computers	15.14	2.18	-	17.32	12.79	1.14	-	13.93	3.39	2.35
Electrical Installations	25.98	11.39	-	37.37	10.43	3.54	-	13.97	23.40	15.55
Furniture and Fixtures	6.85	-	-	6.85	4.59	0.37	-	4.96	1.89	2.26
Vehicles	83.06	-	-	83.06	27.82	8.79	-	36.61	46.45	55.24
Office Equipments	4.92	-	-	4.92	3.85	0.29	-	4.14	0.78	1.07
<b>Total</b>	<b>222.83</b>	<b>13.57</b>	<b>48.92</b>	<b>187.48</b>	<b>63.96</b>	<b>14.92</b>	<b>-</b>	<b>78.88</b>	<b>108.60</b>	<b>158.87</b>

\*Transferred to assets held for sale

(₹ in Lakhs)

	GROSS CARRYING AMOUNT				DEPRECIATION				NET CARRYING AMOUNT	
	As at 1st April, 2021	Additions during the year	Deductions/ Adjustments during the year	As at 31st March, 2022	Upto 31st March, 2021	Provided during the year	On Deductions/ Adjustments	Upto 31st March, 2022	As at 31st March, 2022	As at 31st March, 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>	<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>

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

**As at 31st March, 2023**

(₹ 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>

**As at 31st March, 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>

# SIMPLEX REALTY LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

### 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	
				31.03.2023	31.03.2022	31.03.2023	31.03.2022
	<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>738.06</b>	741.32
	<b>Total Equity Accounted Investments</b>					<b>738.06</b>	741.32

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

(₹ in Lakhs)

Sr. No.	Particulars	Associate / Others	Face value - fully paid ₹	No. of Shares/Units		Amount	
				31.03.2023	31.03.2022	31.03.2023	31.03.2022
<b>I</b>	<b>Investment in Preference Shares - Unquoted (At FVTOCI)</b>						
	7.50% Tata Capital Limited - Non Convertible Redeemable Preference shares	Others	1000	-	20,000	-	201.60
<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>99.52</b>	106.32
	8.50% BOB Perpetual Series XIII (call date 28/07/2025)	Others	1000000	<b>10</b>	10	<b>100.41</b>	101.75
	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>318.30</b>	327.75
	7.74% SBI AT1 Bonds in the nature of Debentures Series I (call date 09/09/2025)	Others	1000000	<b>10</b>	10	<b>99.23</b>	100.66
	10.15% UP Power Corporation Limited-Non Convertible Bonds Series II- 2017-18 (20/01/2028)	Others	1000000	<b>20</b>	20	<b>205.58</b>	208.50
<b>III</b>	<b>Investments in Bonds/Debentures - Quoted (At Amortised cost)</b>						
	9.72% Tamilnadu Generation and Distribution Corp Ltd -Series 2 (call date 16/07/2024)	Others	700000	<b>4</b>	-	<b>28.06</b>	-
<b>IV</b>	<b>Investments in Alternate Investment Fund - Unquoted - (At FVTPL)</b>						
	India Realty Excellence Fund IV					<b>100.00</b>	72.00
	Walton Street Blacksoil Real Estate Fund					<b>19.45</b>	44.85
	<b>Total Non-Current Investments</b>					<b>970.54</b>	1,163.43

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in Lakhs)

Details of total investments:	31.03.2023	31.03.2022
Financial assets measured at cost	738.06	741.32
Financial assets measured at Fair Value through Other Comprehensive Income (FVTOCI)	823.04	1,046.58
Financial assets measured at Fair Value through Profit or Loss (FVTPL)	119.45	116.85
Financial assets measured at amortised cost	28.06	-

### 3 (c) CURRENT INVESTMENTS

(₹ in Lakhs)

Sr. No.	Particulars	Associate / Others	Face value - fully paid (₹)	No. of Shares/Units		Amount	
				31.03.2023	31.03.2022	31.03.2023	31.03.2022
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	36.79	33.44
(b)	Piramal Enterprises Ltd.	Others	2	3,000	3,000	20.33	65.61
(c)	Piramal Pharma Ltd.*	Others	10	12,000	-	8.21	-
(d)	Hindustan Unilever Ltd.	Others	1	360	360	9.21	7.38
	<b>Total quoted current investments in equity instruments</b>					<b>74.54</b>	106.43
	<b>Unquoted - fully paid up</b>						
(i)	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
	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
	10.75% The Tata Power Company Limited-NCD perpetual 2072 (call date 21/08/2022)	Others	1000000	-	10	-	101.85
	<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>Investment in Preference Shares - Unquoted (At FVTOCI)</b>						
	7.50% Tata Capital Limited - Non Convertible Redeemable Preference shares	Others	1000	20,000	-	196.94	-
IV	<b>Investments in Bonds/Debentures- Quoted (At Amortised cost)</b>						
	9.72% Tamilnadu Generation and Distribution Corp Ltd-Series 2 (call date 16/07/2024)	Others	700000	-	4	-	40.14
	<b>Total current investments in bonds/debentures/ preference shares</b>					<b>196.94</b>	534.01

# SIMPLEX REALTY LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in Lakhs)

Sr. No.	Particulars	Associate / Others	Face value - fully paid (₹)	No. of Shares/Units		Amount	
				31.03.2023	31.03.2022	31.03.2023	31.03.2022
<b>V</b>	<b>Investments in Mutual Funds-Unquoted (at FVTPL)</b>						
	Tata Liquid Fund - Direct Plan-Growth	Others	1000	<b>9,577.626</b>	-	340.14	-
	<b>Total current investments in mutual funds</b>					<b>340.14</b>	-
	<b>Total Current Investments</b>					<b>611.62</b>	640.44

(₹ in Lakhs)

<b>Details of total investments:</b>	<b>31.03.2023</b>	31.03.2022
Financial assets measured at fair value through Other Comprehensive Income (FVTOCI)	<b>271.48</b>	600.30
Financial assets measured at fair value through Profit or Loss (FVTPL)	<b>340.14</b>	-
Financial assets measured at amortised cost	-	40.14

(₹ in Lakhs)

	Amount	
	31.03.2023	31.03.2022
<b>Aggregate market value of quoted investments</b>		
Non-Current	<b>1,451.58</b>	1,991.29
Current	<b>74.54</b>	549.20
<b>Aggregate carrying value of unquoted investments</b>		
Non-Current	<b>857.51</b>	1,059.77
Current	<b>537.08</b>	91.55

\*On demerger of pharma business from Piramal Enterprises Ltd.(PEL), shares of Piramal Pharma Ltd. (PPL) were issued to the shareholder's of PEL in the ratio of 4 shares of PPL for every share of PEL held.

(₹ in Lakhs)

<b>4. LOANS - NON-CURRENT</b> (Consolidated good- Unsecured)	<b>31.03.2023</b>	31.03.2022
Loans to employees	<b>1.69</b>	6.04
	<b>1.69</b>	6.04

(₹ in Lakhs)

<b>5. OTHER FINANCIAL ASSETS - NON-CURRENT</b>	<b>31.03.2023</b>	31.03.2022
Unbilled revenue	<b>1.85</b>	-
Security deposits	<b>3.28</b>	3.41
Bank deposit with more than 12 months maturity	-	12.50
	<b>5.13</b>	15.91

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

<b>6. DEFERRED TAX ASSET (NET)</b>	<b>31.03.2023</b>	(₹ in Lakhs) 31.03.2022
<b>Deferred Tax Liability:</b>		
Long term capital gain on conversion of land into stock-in-trade	<b>(7.46)</b>	(6.78)
Property, plant and equipment	<b>(1.08)</b>	(0.31)
Others	<b>(0.53)</b>	(0.02)
<b>Deferred Tax Assets:</b>		
Expenses that are allowed on payment basis	<b>25.52</b>	25.71
Unused tax losses	<b>368.58</b>	377.55
Others	<b>0.85</b>	(6.15)
<b>Net deferred tax asset</b>	<b>385.88</b>	390.00

**a) Movement in deferred tax balances**

**Movement in deferred tax during the year ended 31st March, 2023**

	<b>Opening balance as at 01.04.2022</b>	Recognised in profit or loss	Recognised in OCI	(₹ in Lakhs) <b>Closing balance as at 31.03.2023</b>
Property, plant and equipment	<b>(0.31)</b>	(0.77)	-	<b>(1.08)</b>
Expenses that are allowed on payment basis	<b>5.16</b>	0.36	-	<b>5.52</b>
Unused tax losses	<b>377.55</b>	(8.97)	-	<b>368.58</b>
Long term capital gain on conversion of land into stock-in-trade	<b>(6.78)</b>	(0.68)	-	<b>(7.46)</b>
Provision for employee benefits	<b>20.55</b>	(0.14)	(0.41)	<b>20.00</b>
Income on unwinding of financial liability	<b>(0.02)</b>	(0.51)	-	<b>(0.53)</b>
Others	<b>(6.15)</b>	(0.19)	7.19	<b>0.85</b>
<b>Net deferred tax asset</b>	<b>390.00</b>	(10.90)	6.78	<b>385.88</b>

# SIMPLEX REALTY LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

### 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	(₹ in Lakhs) 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
Income on unwinding of financial liability	(0.06)	0.04	-	(0.02)
Others	8.08	(11.48)	(2.75)	(6.15)
Net deferred tax asset	427.80	(34.55)	(3.24)	390.00

	31.03.2023	31.03.2022
<b>b) Income tax recognised in profit and loss</b>		
<b>Current tax</b>		
In respect of current year	31.48	29.31
In respect of earlier years	0.11	2.77
<b>Deferred tax</b>		
Relating to origination and reversal of temporary differences	10.90	34.55
<b>Total income tax recognised for the year</b>	<b>42.49</b>	<b>66.63</b>

	31.03.2023	31.03.2022
<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	(0.41)	(0.49)
Changes in fair value of equity instruments through FVTOCI	3.55	(1.05)
Changes in fair value of debt instruments through FVTOCI	3.64	(1.70)
<b>Total income tax recognised in other comprehensive income</b>	<b>6.78</b>	<b>(3.24)</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

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

	<b>31.03.2023</b>	(₹ in Lakhs) 31.03.2022
<b>Profit before share of profit / (loss) of associate and tax</b>	<b>172.49</b>	209.58
Tax expense calculated at 25.168% (2021-22: 25.168%)	<b>43.41</b>	52.75
Effect of expenses that are not deductible or deductible on payment basis	<b>5.46</b>	7.25
Effect of expenses that are deductible under Income tax act	<b>(10.44)</b>	(9.28)
Others	<b>12.95</b>	36.11
Utilisation of brought forward business losses set off during the year	<b>(9.00)</b>	(22.97)
	<b>42.38</b>	63.86
Adjustments recognised in the current year in relation to the current tax of earlier years	<b>0.11</b>	2.77
<b>Income tax expense recognised in profit and loss</b>	<b>42.49</b>	66.63

The tax rate used for the above reconciliations is the corporate tax rate of 25.168% for the year 2022-23 and 2021-22 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 31st March, 2023, the Company has recognized deferred tax asset of ₹ 368.58 Lakhs ( as at 31st March, 2022 ₹ 377.55 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.

<b>7. OTHER NON-CURRENT ASSETS</b>	<b>31.03.2023</b>	( ₹ in Lakhs ) 31.03.2022
Advance income tax (net of provisions)	<b>98.66</b>	103.22
(net of provision of ₹ 1,141.77 Lakhs as at 31st March, 2023, ₹ 1,132.69 Lakhs as at 31st March, 2022)	<b>98.66</b>	103.22



# SIMPLEX REALTY LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

	<u>31.03.2023</u>	(₹ in Lakhs) <u>31.03.2022</u>
<b>8. INVENTORIES</b>		
Construction work-in-progress	2,296.85	2,148.65
Realty stock-in-trade	1,138.47	1,208.03
	<u>3,435.32</u>	<u>3,356.68</u>

	<u>31.03.2023</u>	(₹ in Lakhs) <u>31.03.2022</u>
<b>9. CASH AND CASH EQUIVALENTS</b>		
<b>Balances with banks:</b>		
In current accounts	29.76	318.16
Cash on hand	0.28	0.05
	<u>30.04</u>	<u>318.21</u>

	<u>31.03.2023</u>	(₹ in Lakhs) <u>31.03.2022</u>
<b>10. OTHER BANK BALANCES</b>		
Unclaimed dividend accounts	3.64	5.62
	<u>3.64</u>	<u>5.62</u>

	<u>31.03.2023</u>	(₹ in Lakhs) <u>31.03.2022</u>
<b>11. LOANS-CURRENT</b>		
<b>Loans receivable considered good - Unsecured</b>		
Inter corporate deposits	4,356.00	3,393.90
Loans to employees*	5.84	3.92
	<u>4,361.84</u>	<u>3,397.82</u>

\* includes due from officers of the Company

	<u>31.03.2023</u>	(₹ in Lakhs) <u>31.03.2022</u>
<b>12. OTHER CURRENT FINANCIAL ASSETS</b>		
Bank deposit*	15.53	-
Interest receivable	83.47	81.96
Others	2.87	9.49
	<u>101.87</u>	<u>91.45</u>

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

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

	31.03.2023	31.03.2022
<b>13. OTHER CURRENT ASSETS</b>		
Income tax paid against disputed demand	687.03	687.03
Balances with government authorities	109.19	103.51
Prepaid expenses	8.58	13.41
Other advances	10.37	52.77
	<b>815.17</b>	<b>856.72</b>

	31.03.2023	31.03.2022
<b>14. EQUITY SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
1,00,00,000 (31st March, 2022 - 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, 2022- 29,91,382) Equity Shares of ₹ 10/- each fully paid up (of which 360 (31st March, 2022 - 360) shares remain to be exchanged for fractional certificates)	299.14	299.14
Add : Forfeited shares account	0.23	0.23
<b>Total issued, subscribed and fully paid up share capital</b>	<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	31.03.2023		31.03.2022	
	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, 2023

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

Name of Shareholder	As at 31st March, 2023		As at 31st March, 2022	
	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	3,70,401	12.38	3,74,574	12.52

### d. Details of the shareholding of Promoters

Name of Promoter	As at 31.03.2023		As at 31.03.2022		% 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	-
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	-
Nandan Damani HUF	300	0.01	300	0.01	-
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, 2023**

	<b>31.03.2023</b>	(₹ in Lakhs) 31.03.2022
<b>15. OTHER EQUITY</b>		
<b>CAPITAL RESERVE</b>		
Opening balance	60.71	60.71
Add: Capital reserve on investments in associates	1,300.34	1,300.34
Closing balance	<u>1,361.05</u>	<u>1,361.05</u>
<b>SECURITIES PREMIUM ACCOUNT</b>		
Opening balance	143.24	143.24
Addition/(utilisation) during the year	-	-
Closing balance	<u>143.24</u>	<u>143.24</u>
<b>GENERAL RESERVE</b>		
Opening balance	7,009.00	7,009.00
Less: Share of loss in associates	1,184.41	1,184.41
Closing balance	<u>5,824.59</u>	<u>5,824.59</u>
<b>OTHER COMPREHENSIVE INCOME- EQUITY INSTRUMENTS (FVTOCI)</b>		
Opening balance	39.04	29.96
Add/(less): Changes in fair value during the year of FVTOCI instruments (net of tax)	(28.35)	9.08
Closing balance	<u>10.69</u>	<u>39.04</u>
<b>OTHER COMPREHENSIVE INCOME- DEBT INSTRUMENTS (FVTOCI)</b>		
Opening balance	43.19	35.59
Add/(less): Changes in fair value during the year of FVTOCI debt instruments (net of tax)	(25.88)	7.60
Closing balance	<u>17.31</u>	<u>43.19</u>
<b>RETAINED EARNINGS</b>		
Opening balance	3,263.31	3,084.58
Add: Profit for the year	126.74	177.27
<u>Items of other comprehensive income recognised directly in retained earnings:</u>		
Remeasurement of defined benefit obligation (net of tax)	1.20	1.46
Dividend paid on equity shares	(29.91)	-
Closing balance	<u>3,361.34</u>	<u>3,263.31</u>
<b>Total other equity</b>	<u>10,718.22</u>	<u>10,674.42</u>

# SIMPLEX REALTY LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

### 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.

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	<b>31.03.2023</b>	(₹ in Lakhs) 31.03.2022
<b>16. OTHER FINANCIAL LIABILITIES-NON-CURRENT</b>		
Security deposit	<b>13.97</b>	-
	<b>13.97</b>	-

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	<b>31.03.2023</b>	(₹ in Lakhs) 31.03.2022
<b>17. PROVISIONS-NON-CURRENT</b>		
For employee benefits- Gratuity (refer note 30)	<b>19.59</b>	19.62
	<b>19.59</b>	19.62

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	<b>31.03.2023</b>	(₹ in Lakhs) 31.03.2022
<b>18. OTHER LIABILITIES-NON-CURRENT</b>		
Deferred income	<b>5.53</b>	-
	<b>5.53</b>	-

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

		(₹ in Lakhs)
<b>19. BORROWINGS-CURRENT</b>	<b>31.03.2023</b>	<b>31.03.2022</b>
Unsecured loan from other	-	35.36
Current maturities of term debt	-	35.36
	<u>                    </u>	<u>                    </u>

**20. TRADE PAYABLES**

Trade payable ageing as at 31st March, 2023

(₹ 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	7.67	-	-	-	7.67
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-
	<b>7.67</b>	-	-	-	<b>7.67</b>

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>

**21. OTHER FINANCIAL LIABILITIES-CURRENT**

		(₹ in Lakhs)
	<b>31.03.2023</b>	<b>31.03.2022</b>
Unpaid dividends	3.65	5.62
Security deposit	1.76	19.49
Other liabilities	81.53	103.07
Retention money	13.66	17.46
	<u>100.60</u>	<u>145.64</u>

# SIMPLEX REALTY LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

<b>22. OTHER CURRENT LIABILITIES</b>	(₹ in Lakhs)	
	<b>31.03.2023</b>	31.03.2022
Statutory dues	7.90	6.26
Deferred income	1.76	0.43
Capital advances	507.00	-
	<b>516.66</b>	6.69

<b>23. PROVISIONS-CURRENT</b>	(₹ in Lakhs)	
	<b>31.03.2023</b>	31.03.2022
For employee benefits - (refer note 30)		
Gratuity	26.58	23.74
Leave benefits	33.29	38.29
	<b>59.87</b>	62.03

<b>24. REVENUE FROM OPERATIONS</b>	(₹ in Lakhs)	
	<b>2022-23</b>	2021-22
Sale of products	74.53	118.32
Rental income	83.66	80.17
	<b>158.19</b>	198.49

<b>25. OTHER INCOME</b>	(₹ in Lakhs)	
	<b>2022-23</b>	2021-22
<b>Interest income on financial assets</b>		
Bank deposits	0.80	0.74
Inter corporate deposits	427.11	350.90
Interest income on financial assets fair valued through other comprehensive income	93.64	138.60
Interest income on financial assets carried at amortised cost	2.98	8.74
Interest income on financial assets carried at fair value through profit or loss	17.16	16.99
Other interest	0.97	1.83
Interest on income tax refund	3.57	1.26
Dividend income from equity instruments designated at FVTOCI	1.54	1.43
Dividend income on other investments	15.00	15.00
Building rent	42.64	32.80
Changes in fair value of financial assets at fair value through profit or loss (FVTPL)	0.14	-
Profit on sale/redemption of investments (designated at fair value through profit or loss)	-	1.76
Profit on sale of fixed assets	-	6.48
Other receipts	4.16	-
	<b>609.71</b>	576.53

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

(₹ in Lakhs)

<b>26. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE</b>	<b>2022-23</b>	<b>2021-22</b>
<b>Opening stock</b>		
Construction work-in-progress	2,148.65	1,979.17
Finished stock	1,208.03	1,184.37
<b>Add: Expenses incurred during the year</b>		
Materials, structural, labour and contract cost incurred	67.44	80.20
Rates and taxes	0.08	0.08
Professional charges	73.56	64.34
Other cost (net)	6.57	23.48
Finished unit purchased	-	127.40
	<b>147.65</b>	<b>295.50</b>
<b>Less: Closing stock</b>		
Construction work-in-progress	2,296.85	2,148.65
Finished stock	1,138.47	1,208.03
<b>Changes in inventories of finished goods, work-in-progress and stock-in-trade</b>	<b>69.01</b>	<b>102.36</b>

(₹ in Lakhs)

<b>27. EMPLOYEE BENEFITS EXPENSE</b>	<b>2022-23</b>	<b>2021-22</b>
Salaries and wages	272.63	254.20
Contribution to provident and other funds	7.70	7.78
Staff welfare expenses	14.56	9.30
	<b>294.89</b>	<b>271.28</b>

(₹ in Lakhs)

<b>28. FINANCE COSTS</b>	<b>2022-23</b>	<b>2021-22</b>
<b>Interest on</b>		
Term loan	1.48	7.86
Others	1.50	1.94
	<b>2.98</b>	<b>9.80</b>



# SIMPLEX REALTY LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

	(₹ in Lakhs)	
<b>29. OTHER EXPENSES</b>	<b>2022-23</b>	<b>2021-22</b>
Electricity	6.01	6.25
Repairs to		
Buildings	11.62	26.24
Machinery	1.00	0.96
Others	2.11	1.77
Insurance	1.17	1.07
Rent	0.69	0.67
Rates and taxes	9.44	9.44
Advertisements	0.61	0.64
Business promotion expenses	0.53	1.66
Travelling and conveyance expenses	28.63	11.78
Legal and professional fees	65.48	11.43
Retainership fees	10.03	8.75
Printing, stationery and communication expenses	6.76	6.43
Bank charges	0.17	0.15
Vehicles expenses	4.23	5.50
Flat maintenance expenses	10.38	16.69
Membership and subscription charges	6.88	6.50
Security charges	12.25	10.50
Sundry assets written off	-	0.02
Goods and Service tax paid	-	6.70
Changes in fair value of financial assets at fair value through profit or loss (FVTPL)	-	0.62
Loss on sale/redemption of investments (designated at fair value through profit or loss)	1.05	-
Sundry expenses	16.50	13.27
Directors' sitting fees	3.20	4.50
Society maintenance charges	11.18	10.45
<b>Auditors' remuneration</b>		
As Auditor		
Audit fee	3.65	3.65
For reimbursement of expenses	0.04	0.01
	<b>213.61</b>	<b>165.65</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

**30. 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;

<b>Contribution to:</b>	<b>2022-23</b>	<b>2021-22</b>
Provident fund	1.31	1.11
Superannuation fund	5.04	5.04
Pension fund	0.73	0.90
Employees State Insurance fund	0.62	0.73

Disclosures for defined benefit plan based on actuarial valuation report:

**II) Defined Benefit Plan**

**GRATUITY**

**A. Changes in defined benefit obligations**

	<b>2022-23</b>	<b>2021-22</b>
Present value of defined benefit obligation as at the beginning of the year	43.36	41.18
Interest cost	2.20	1.99
Current service cost	2.22	2.14
Past service cost- vested benefits	-	-
Benefit paid	-	-
Actuarial (gain) / loss due to changes in demographic assumption	(0.16)	0.27
Actuarial (gain) / loss due to changes in financial assumption	(0.38)	(0.56)
Actuarial (gain) / loss due to changes in experience adjustments	(1.07)	(1.66)
Present value of defined benefit obligation as at the end of the year	46.17	43.36

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

Present value of defined benefit obligation as at the end of the year	46.17	43.36
Fair value of plan assets at end of the year	-	-
Net liability recognized in the Balance Sheet	46.17	43.36
- Current provision	26.58	23.74
- Non-current provision	19.59	19.62

# SIMPLEX REALTY LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

	2022-23	(₹ in Lakhs) 2021-22
<b>C. Expenses recognized in the Statement of Profit and Loss</b>		
Interest cost	2.20	1.99
Current service cost	2.22	2.14
Past service cost-vested benefits	-	-
Expenses recognized in the Statement of Profit and Loss	4.42	4.13
<b>D. Expenses recognized in the Other Comprehensive Income (OCI)</b>		
Remeasurement (gain) / loss	(1.61)	(1.95)
Actuarial (gain) / loss due to changes in demographic assumption	(0.16)	0.27
Actuarial (gain) / loss due to changes in financial assumptions	(0.38)	(0.56)
Actuarial (gain) / loss due to changes in experience adjustments	(1.07)	(1.66)
<b>E. Movement in the present value of net defined benefit obligation are as follows</b>		
Opening net liability	43.36	41.18
Expenses recognised in Statement of Profit and Loss	4.42	4.13
Expenses recognised in OCI	(1.61)	(1.95)
Contributions paid	-	-
Closing net liability	46.17	43.36
<b>Maturity profile of defined benefit obligation</b>		
	Estimated for the year ended 31st March, 2023	(₹ in Lakhs) Estimated for the year ended 31st March, 2022
1st following year	26.58	23.74
2nd following year	0.47	2.76
3rd following year	0.52	0.45
4th following year	0.36	0.48
5th following year	0.20	0.34
Sum of years 6 to 10	10.57	9.99
<b>Sensitivity analysis</b>		
	2022-23	(₹ in Lakhs) 2021-22
Impact of +1% change in discount rate	44.20	41.55
Impact of -1% change in discount rate	48.47	45.48
Impact of +1% change in salary escalation rate	47.48	44.45
Impact of -1% change in salary escalation rate	44.51	41.72

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

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, 2023</b>	<b>As at 31st March, 2022</b>
Discount rate	<b>7.16%</b>	6.98%
Salary escalation rate	<b>5.00%</b>	5.00%
Attrition rate:		
0 to 5 years	<b>20.83%</b>	16.67%
6 to 10 years	<b>5.00%</b>	6.67%
11 to 60 years	<b>0.00%</b>	0.00%

### 31. RELATED PARTY DISCLOSURES

(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>Shri Sabhapati G.Shukla<br>Shri Praveen Kumar*<br>Shri Vijay S. Jindal<br>Smt. Renu Jain**   |
| (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 THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

### (ii) Transactions with related parties

(₹ in Lakhs)

Type of related party	Description of the nature of transactions	Volume of transactions during 2022-23	Volume of transactions during 2021-22	Balance as on 31.03.23 Receivable/ (Payable)	Balance as on 31.03.22 Receivable/ (Payable)
(a) Associates					
Simplex Mills Co.Ltd.	Reimbursement of expenses (paid) / received	(0.52)	(0.51)	-	-
	Investment in Redeemable Preference Shares	-	-	900.00	900.00
(b) Key management personnel and their relatives	Remuneration#	81.38	76.78	-	-
(c) Non-Executive/ Independent Directors	<b>Sitting fees</b>				
	Shri V.B.Haribhakti	0.90	1.20	-	-
	Shri S.K.Somany	0.90	1.20	-	-
	Shri Sabhapati G.Shukla	0.90	1.20	-	-
	Shri Praveen Kumar	0.30	-	-	-
	Shri Vijay S. Jindal	0.20	0.40	-	-
	Smt. Renu Jain	-	0.50	-	-
(d) Where persons mentioned in (b) exercise significant influence					
<b>a) Reimbursement of expenses</b>					
The Nav Bharat Refrigeration and Industries Ltd.	Reimbursement of expenses (paid) / received - net	1.03	0.90	-	-
	Receivable / (Payable)	-	-	(0.10)	-
Lucky Vyapaar and Holdings Pvt.Ltd.	Reimbursement of expenses (paid) / received - net	0.43	0.23	-	-
	Receivable / (Payable)	-	-	0.03	-
<b>b) Security</b>					
Security offered by Lucky Vyapaar and Holdings Pvt. Ltd.	for loan availed	-	-	-	35.36

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

\* Appointed as Non-Executive Director w.e.f. 25<sup>th</sup> May, 2022

\*\* Ceased to be Non-Executive Director w.e.f. 18<sup>th</sup> May, 2022

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

The transactions with related parties are made on terms, equivalent to those that prevail in arm's length transactions. Outstanding balance at the year end are unsecured and settlement occurs in cash.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

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

**a) Financial instruments by category**

(₹ in Lakhs)

Particulars	31.03.2023			31.03.2022		
	At FVTOCI	At FVTPL	At Amortised cost	At FVTOCI	At FVTPL	At Amortised cost
<b>Financial Assets</b>						
Investments	1,094.52	459.59	28.06	1,646.88	116.85	40.14
Loans	-	-	4,363.53	-	-	3,403.86
Cash and cash equivalents	-	-	30.04	-	-	318.21
Other bank balances	-	-	3.64	-	-	5.62
Other financial assets	-	-	107.00	-	-	107.36
	1,094.52	459.59	4,532.27	1,646.88	116.85	3,875.19
<b>Financial Liabilities</b>						
Borrowings	-	-	-	-	-	35.36
Trade payables	-	-	7.67	-	-	13.99
Other financial liabilities	-	-	114.57	-	-	145.64
	-	-	122.24	-	-	194.99

**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	31.03.2023			31.03.2022		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Measured at Amortised Cost</b>						
Investments in bonds/debentures	-	28.06	-	-	40.14	-
<b>Measured at FVTOCI</b>						
Investments in equity instruments	74.54	-	-	106.43	-	-
Investments in preference shares	-	196.94	-	-	201.60	-
Investments in bonds/debentures	-	823.04	-	-	1,338.85	-
<b>Measured at FVTPL</b>						
Investments in mutual funds	-	340.14	-	-	-	-
Investments in alternate investment funds	-	119.45	-	-	116.85	-

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.

# SIMPLEX REALTY LIMITED

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

### 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:

#### 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.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

### Exposure to liquidity risk

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

(₹ in Lakhs)

As at 31st March, 2023	Carrying amount	Contractual cash flows				
		Total	Within 1 year	1-2 years	2-5 years	More than 5 years
<b>Financial Liabilities</b>						
Trade Payables	7.67	7.67	7.67	-	-	-
Other Financial Liabilities	114.57	114.57	100.60	-	13.97	-
	<b>122.24</b>	<b>122.24</b>	<b>108.27</b>	-	<b>13.97</b>	-

(₹ in Lakhs)

As at 31st 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>	-	-	-

### 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:



# SIMPLEX REALTY LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Floating rate borrowing	-	35.36
	-	35.36

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	2022-23	2021-22
Interest rate - Increase by 100 basis points	-	(0.35)
Interest rate - Decrease by 100 basis points	-	0.35

### 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.

### 33. 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 31st March, 2023	As at 31st March, 2022
Borrowings	-	35.36
Less: Cash and cash equivalents	(30.04)	(318.21)
<b>Net Debt</b>	<b>(30.04)</b>	<b>(282.85)</b>
<b>Total equity</b>	<b>11,017.59</b>	<b>10,973.79</b>
<b>Debt/Equity ratio</b>	<b>-</b>	<b>(0.03)</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

**34. 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	2022-23	2021-22
1. Profit after tax - (₹ in Lakhs)	126.74	177.27
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 - ₹	4.24	5.93

### 35. 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 31st March, 2023	As at 31st March, 2022
Future minimum lease rental receivable under operating leases are as follows:		
Not later than 1 year	163.16	57.65
Later than 1 year not later than 5 years	28.74	-
Later than 5 years	-	-

### 36. 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)

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

Information on Associates

Name of Company	Country of Incorporation	Percentage of holding	
		As at 31st March, 2023	As at 31st March, 2022
Simplex Mills Company Ltd.	India	48.99	48.99
Simplex Papers Ltd.	India	49.01	49.01

# SIMPLEX REALTY LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

### 38. 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 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 associates 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 31st March, 2023	As at 31st March, 2022	% of ownership interest
Simplex Mills Company Ltd.	Equity Shares	India	-	-	48.99%
Simplex Mills Company Ltd.	Redeemable Preference Shares	India	738.06	741.32	-
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 31st March, 2023	As at 31st March, 2022
Current assets	321.17	241.34
Non-current assets	402.03	421.13
Current liabilities	288.54	203.32
Non-current liabilities	765.23	783.06
Equity	(330.57)	(323.91)

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

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Revenue (including other income)	63.07	61.96
Profit/(Loss) for the year	(6.66)	70.05
Other comprehensive income	-	-
Total comprehensive income/(expense)	(6.66)	70.05

#### Summarised Balance Sheet of Simplex Papers Limited

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Current assets	142.72	138.10
Non-current assets	2.25	9.44
Current liabilities	1,345.90	1,326.30
Non-current liabilities	-	-
Equity	(1,200.93)	(1,178.76)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

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

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Revenue (including other income)	-	-
Profit/(Loss) for the year	(22.17)	(16.54)
Other comprehensive income	-	-
Total comprehensive income/(expense)	(22.17)	(16.54)

**39. 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
<b>Simplex Realty Limited</b>								
Balance as at March 31,2023	104%	11,472.90	103%	130.00	100%	(53.03)	104%	76.97
Balance as at March 31,2022	104%	11,425.84	139%	246.81	100%	18.14	136%	264.95
<b>Associates*</b>								
<b>Simplex Mills Company Limited</b>								
Balance as at March 31,2023	-	-	(3%)	(3.26)	-	-	(4%)	(3.26)
Balance as at March 31,2022	-	-	19%	34.32	-	-	18%	34.32
<b>Simplex Papers Limited</b>								
Balance as at March 31,2023	-	-	-	-	-	-	-	-
Balance as at March 31,2022	-	-	-	-	-	-	-	-
<b>Adjustments arising out of consolidation</b>								
March 31,2023	4%	455.31	-	-	-	-	-	-
March 31,2022	4%	452.05	(59%)	(103.86)	-	-	(53%)	(103.86)
<b>Total for March 31, 2023</b>	<b>100%</b>	<b>11,017.59</b>	<b>100%</b>	<b>126.74</b>	<b>100%</b>	<b>(53.03)</b>	<b>100%</b>	<b>73.71</b>
Total for March 31, 2022	100%	10,973.79	100%	177.27	100%	18.14	100%	195.41

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

**40.** 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 loss for the period ended 31st March, 2023 amounting to ₹ (3.26 Lakhs) has been recognized in the consolidated financial statements and for the previous year ended 31st March, 2022 profit amounting to ₹ 34.32 Lakhs was recognized.

# SIMPLEX REALTY LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

### 41. CONTINGENT LIABILITIES NOT PROVIDED FOR

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

(₹ in Lakhs)

Particulars	As at 31.03.2023	As at 31.03.2022
a) Appeals filed in respect of disputed demands:		
Relating to income tax where the Company is in appeal	725.18	725.18
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 31.03.2023	As at 31.03.2022
a) Appeals filed in respect of disputed demands:		
i) Central Excise	1,685.37	1,685.37
ii) Labour Matters	33.19	21.87
b) SICOM/Joint Director of Industries	120.13	114.89

#### c) Others

- i. The Company had received a demand notice of ₹ 1,715.65 Lakhs (as at 31st March, 2022 ₹ 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.
- ii. Municipal Corporation of Greater Mumbai (MCGM) has raised a demand of ₹ 5,065.50 Lakhs upto the period 31.03.2022 vide Demand notice received by us on 11.08.2022 towards property tax assessment for potential FSI of open land. The said Notice have been replied by us challenging the demand inter alia on the ground that the notices are issued on basis of Rule 20, 21 and 22 of the capital value rules 2010 and 2015 which have been struck down by the Hon'ble Bombay High Court vide its order dated 24.04.2019 as being ultra vires the Mumbai Municipal Corporation Act. The Hon'ble Supreme Court by its order dated 07.11.2022 has upheld the order of the Hon'ble Bombay High Court. We have placed these facts before the Additional Municipal Commissioner (Projects) before whom we were called for a personal hearing with respect to the demand notices which were issued to us. Recently, the Hon'ble Supreme Court has also dismissed the review petition filed by MCGM for review of the above order. In view of our submissions and the orders passed by the Hon'ble Supreme Court, we are awaiting the final order to be passed by the Additional Municipal Commissioner (Projects) as regards the personal hearing granted to us.

### 42. Based on the intimations received from "suppliers" regarding their status under as Micro, Small and Medium Enterprises Development Act, 2006 (MSMED), no outstanding to MSME as at 31st March, 2023.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

43. The lease of the land at Mumbai has expired and it is yet to be renewed by the Collector of Mumbai (“the Collector”). Pending renewal of the lease, the previously agreed lease rent continues to be paid by the Company on the basis of the expired lease agreement. The demands previously raised by the Collector have been set aside by the Honb’le High Court of Bombay (“the Court”), and the Court has directed the Collector to re-assess the lease rent. As of the Balance Sheet date, no revised demand is received.
44. The Company has decided to sale its land situated at Gondia and accordingly, the carrying value of the land and other cost incurred from other advances have been transferred and shown under assets held for sale as per Ind AS 105.
45. The Company’s main business activity constitutes developing real estate, which is the only reporting segment. The Company does not have any reportable geographical segment.
46. The Consolidated Financial Statements of the Company for the year ended 31st March, 2023 were approved by the Board of Director on 16th May, 2023.
47. 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, 16<sup>th</sup> May, 2023

**Surendra Kabra**  
Chief Financial Officer

**Kinjal Shah**  
Company Secretary and  
Compliance Officer

For and on behalf of the Board

**Nandan Damani**  
Chairman and Managing Director  
DIN: 00058396

**Surendra Kumar Somany**  
Independent Director  
DIN: 00001131  
Mumbai, 16<sup>th</sup> May, 2023

# SIMPLEX REALTY LIMITED

## Form ISR – 1

(see SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023 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):

	✓	Document / Information / Details	Instruction / Remark
1		PAN of (all) the (joint) holder(s)	
		PAN Whether it is Valid (linked to Aadhaar): <input type="checkbox"/> Yes <input type="checkbox"/> No	□□□□□□□□□□, □□□□□□□□□□ □□□□□□□□□□ PAN shall be valid only if it is linked to Aadhaar by March 31, 2023* For Exemptions / Clarifications on PAN, please refer to Objection Memo
2		Demat Account Number	□□□□□□□□□□, □□□□□□□□□□ 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"/> Unique Identification Number (UID) (Aadhaar)</p> <p><input type="checkbox"/> Valid Passport/ Registered Lease or Sale Agreement of Residence /Driving License</p> <p><input type="checkbox"/> Flat Maintenance bill accompanied with additional self-attested copy of identity Proof of the holder/claimant.</p> <p><input type="checkbox"/> Utility bills like Telephone Bill (only land line)/ Electricity bill / 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 duly attested by the employer with date and organisation stamp</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"/> Proof of address in the name of the spouse accompanied with self-attested copy of Identity Proof of the spouse.</p> <p><input type="checkbox"/> Client Master List (CML) of the Demat Account of the holder / claimant, provided by the Depository Participant.</p>
4	Bank details (to be updated for first holder in case of joint holding)	<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"/> Original cancelled cheque bearing the name of the security holder; <b>OR</b></p> <p><input type="checkbox"/> Bank passbook/statement attested by the Bank;</p>
5	E-mail address	_____ #
6	Mobile	_____ #

\*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



# SIMPLEX REALTY LIMITED

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**Authorization:** I/ We authorise you (RTA) to update the above PAN and KYC details in following additional folio(s) held in my / our name (use Separate Annexure if extra space is required):

S. No.	Name of the Issuer Company	Folio No.	Quantity of securities	Face value of securities	Distinctive number of securities (Optional)

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	✓ □□□□□□	□□□□□□	□□□□□□

## 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**  
RTA 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	<p><b>Option A</b></p> <p>i. Security holder shall provide the following documents: (a) Original cancelled cheque with name of the security holder printed on it; or (b) Self-attested copy of Bank Passbook/Bank Statement;</p> <p style="text-align: center;"><b>and</b></p> <p>ii. Banker's attestation of the signature of the same bank account as mentioned in (i) above as per Form ISR - 2</p> <p style="text-align: center;"><b>OR</b></p> <p><b>Option B</b></p> <p>The investor may get his or her signature changed or updated by visiting the Office of the RTA in person. In such a case, the investor shall sign before the authorized personnel of the RTA, along with PAN card and any one additional document mentioned at Serial Nos.1-4 of Annexure – E of SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023, in original for verification by the RTA, and submit self-attested copies of the same.</p>
4	Mismatch in Name	<p>Furnish any one of the following documents, explaining the difference in names;</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Unique Identification Number (UID) (Aadhaar)</li> <li><input type="checkbox"/> Valid Passport</li> <li><input type="checkbox"/> Driving license in Smart Card form, Book form or copy of digital form</li> <li><input type="checkbox"/> 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><input type="checkbox"/> PAN card with photograph</li> <li><input type="checkbox"/> Marriage certificate</li> <li><input type="checkbox"/> Divorce decree</li> </ul>
5	Present address of the holder is not matching with the address available in the folio	<p>In case the signature of the holder matches with the record available with the RTA, the request for change in address may be processed within the prescribed timelines.</p> <p>In case there is a difference in signature, the RTA shall follow the procedure as prescribed for mismatch in signature as laid down at Para – 1 of Annexure C of SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/ 2023/37 dated March 16, 2023</p>

:

**Simplex Realty Limited**

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