SIMPLEX REALTY LTD.

11th August, 2016

BSE Limited
Department of Corporate Services
Phiroz Jeejeebhoy Towers,
Dalal Street,
Mumbai-400001

Dear Sir,

Subject: Annual Report for the Financial Year 2015-16

Ref: Security Code 503229

With reference to captioned subject, please find enclosed herewith the Annual Report for the Financial Year 2015-16 as required under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, duly approved and adopted by the Members at the 103rd Annual General Meeting of the Company as per the provision of the Companies Act, 2013.

Kindly take the note of the same.

Thanking you,

Yours faithfully,
For **Simplex Realty Limited**

Shekhar

Shekhar R Singh
Company Secretary &
Compliance Officer

Encl.: as above

CIN-L17110MH1912PLC000351

Simplex Mills Compound, 30, Keshavrao Khadye Marg,
Sant Gadge Maharaj Chowk, Mahalaxmi [E], Mumbai - 400011.
T : +91 22 2308 2951 | F : +91 22 2307 2773
E : realty@simplex-group.com | W : www.simplex-group.com

SIMPLEX REALTY LTD.

103RD ANNUAL REPORT 2015-2016

SIMPLEX REALTY LIMITED

Board of Directors

Shri Nandan Damani	Chairman & Managing Director
Shri Sanjay N Damani	Executive Director (appointed w.e.f. 01.06.2015)
Shri V.B.Haribhakti	
Shri S.K.Somany	
Smt. Anna Malhotra	
Shri T.C.Suseel Kumar	
Shri Vijay S.Jindal	

Chief Financial Officer
Shri Surendra Kabra

Company Secretary
Shri Shekhar R Singh

Statutory Auditors
M/s. Dayal and Lohia
Chartered Accountants
Mumbai

Secretarial Auditors
M/s. Manish Ghia & Associates
Company Secretaries
Mumbai

Corporate Identification Number (CIN)
L17110MH1912PLC000351

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

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

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

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Annual General Meeting of the Company will be held on Tuesday, the 9th August, 2016 at 11.30 A.M. at M.C Ghia Hall, 4th Floor, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Kala Ghoda, Mumbai 400 001.

NOTICE

NOTICE is hereby given that the Hundred and Third **ANNUAL GENERAL MEETING** of the Members of **SIMPLEX REALTY LIMITED** will be held on Tuesday, the 9th August, 2016 at 11.30 A.M. at M.C. Ghia Hall, 4th Floor, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Kala Ghoda, Mumbai - 400001 to transact the following businesses:-

Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements (including Consolidated Financial Statements) of the Company for the financial year ended 31st March, 2016 and the Reports of the Directors' and Auditors' thereon.

2. To declare dividend for the financial year ended 31st March, 2016 on Equity Shares.

3. To appoint a Director in place of Shri Nandan Damani (DIN 00058396), who retires by rotation for compliance with the requirements of Section 152 of the Companies Act, 2013, and being eligible, offers himself for re-appointment.

4. Ratification of Appointment of Statutory Auditors

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

   "RESOLVED THAT pursuant to the provisions of Section 139 and any other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, the appointment of M/s. Dayal and Lohia, Chartered Accountants, Mumbai (ICAI Regn. No. 102200W), as Auditors of the Company be and is hereby ratified to hold the office from the conclusion of this AGM till the conclusion of the Hundred and Fourth AGM of the Company, on a remuneration as may be fixed by the Board of Directors."

Special Business:

5. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

   "RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted as the Articles of Association of the Company in substitution, and to entire exclusion, of the regulations contained in the existing Articles of Association of the Company;

   RESOLVED FURTHER THAT the Board of Directors of the Company (including a Committee thereof) be and is hereby authorized to do all acts and take all such steps as may be necessary, proper and expedient to give effect to this resolution."

By Order of the Board of Directors

Shekhar R Singh
Company Secretary

Mumbai, 10th May, 2016
CIN: L17110MH1912PLC000351

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

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The proxies, in order to be valid, should be duly completed, stamped and signed and must be lodged at the registered office of the Company not less than 48 hours before the commencement of the meeting. A person can act as a proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.

2. The Explanatory Statement pursuant to the provision of Section 102 of the Companies Act, 2013 (the Act), in respect of **Item number 5** of the Notice dated 10th May, 2016 is appended hereto.

3. The information as required pursuant to the Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) about Directors proposed

to be appointed / re-appointed is given in Annexure to this Notice.

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

5. The Register of Members and Transfer Books of the Company will be remain closed from Tuesday, the 2nd August, 2016 to Tuesday, the 9th August, 2016 (both days inclusive) for the purpose of payment of dividend for the year ended 31st March, 2016, if declared at the meeting and for the purpose of the Hundred and Third Annual General Meeting (AGM) or any adjournment thereof.

6. 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 by the Members at the AGM of the Company.

7. Payment of Dividend, if declared at the meeting, will be paid to the Members, whose names appear on the Register of Members of the Company as on Tuesday, the 9th August, 2016. In respect of the shares held in dematerialized form, the Dividend will be paid to Members whose names are furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as beneficial owners at the close of business hours on Monday, the 1st August, 2016.

8. The Company has transferred unclaimed dividend declared for the financial year 2007-08 to "The Investors Education and Protection Fund" established by the Central Government. Members who have not encashed their dividend warrant(s) for the financial year ended 31st March, 2009 are requested to make their claims to the Company. It may be noted that the unclaimed dividend for the financial year ended 31st March, 2009 is due to transfer to the 'Investor Education and Protection Fund' on 16th September, 2016.

9. The Members who hold shares in physical form are requested to notify any change in their address to the Company's Share Transfer Agent, Freedom Registry Limited, having its office at Plot No. 101/102, 19th Street, MIDC, Satpur, Nashik-422 007. The Members who hold shares in dematerialized form are requested to notify any change in their address to their respective Depository Participants.

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

11. The Draft Articles of Association of the Company will be open for inspection between 10.00 A.M. to 6.00 P.M. on all working days at the Registered Office of the Company up to the date of the AGM of the Company.

12. **Voting through Electronic means**

I In compliance with provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and the Listing Regulations, as amended from time to time the Company is pleased to provide the Members facility of 'remote e-voting' (e-voting from a place other than venue of the AGM) to exercise their right to vote at the AGM. The business may be transacted through e-Voting Services provided by CDSL.

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

The instructions for Members voting electronically are as under:

(i) The voting period begins on Thursday, the 4th August, 2016 (10.00 A.M.) and ends on Monday, the 8th August, 2016 (5.00 P.M.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of the Monday, the 1st August, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) The Members should log on to the e-voting website www.evotingindia.com.

(iii) Click on Members.

(iv) Now Enter your User ID

a. For CDSL: 16 Digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

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

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. If both the details are not recorded with the depository or Company please enter the member id/ folio number in the Dividend Bank details field as mentioned in instruction (iv)

(viii) After entering these details appropriately, click on “SUBMIT” tab.

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

(x) For Members holding shares in physical form, the details can be used only for e-voting on the Resolutions contained in this Notice.

(xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option “YES” or “NO” as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

(xiv) After selecting the Resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

(xv) Once you “CONFIRM” your vote on the Resolution, you will not be allowed to modify your vote.

(xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.

(xvii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on

Forgot Password & enter the details as prompted by the system.

(xviii) Note for Non- Individual Shareholders and Custodians

Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to https://www.evotingindia.com and register themselves as Corporates.

A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

After receiving the login details they should create compliance user using the admin login and password. The Compliance user would be able to link the depository account(s)/folio numbers on which they wish to vote.

The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

II The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of the Monday, the 1st August, 2016.

III Shri Manish L. Ghia of M/s. Manish Ghia & Associates, Practising Company Secretary, Mumbai has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

IV The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make not later than three days of conclusion of the meeting a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.

V The Results shall be declared on or after the AGM of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www. simplex–group.com and on the website of CDSL within two days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.

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

EXPLANATORY STATEMENT

As required by Section 102 of the Companies Act, 2013 (the Act), the following Explanatory Statement sets out all material facts relating to the business mentioned under **Item number 5** of the accompanying Notice dated 10th May, 2016.

Item No. 5

The existing Articles of Association (AoA) of the Company is based on the provision of the Companies Act ,1956, which are no longer in full conformity with the Companies Act, 2013 (New Act). The New Act is now largely in force and substantive sections of the Act which deal with the general working of companies stand notified. With the coming into force of the Act, several regulations of the existing AoA of the Company require alteration/deletions. Given this position, it is considered expedient to wholly replace the existing AoA with a new AoA.

It is thus expedient to adopt a new AoA (primarily based on Table F as set out under the Companies Act, 2013), in place of existing AoA of the Company instead of amending the AoA by alteration/incorporation provisions of the Act.

The copy of proposed new AoA of the Company is being uploaded on Company's website for perusal by the Members.

None of the Directors and Key Managerial Personnel of the Company and/or their relatives is in any way, financial or otherwise, interested or concerned in this Resolution.

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

By Order of the Board of Directors

Shekhar R Singh
Company Secretary

Mumbai, 10th May, 2016
CIN: L17110MH1912PLC000351

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

PROFILE OF SHRI NANDAN DAMANI, DIRECTOR RETIRING BY ROTATION AND SEEKING RE-APPOINTMENT IN TERMS OF THE REGULATION 36(3) SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

As per Article 182 of the Articles of Association of the Company, Shri Nandan Damani, Chairman & Managing Director, whilst holding office as Chairman & Managing Director shall not be subject to retirement by rotation. As per Section 6 of the Companies Act, 2013, the provisions of the Act will have effect notwithstanding anything to the contrary contained in the Articles of Association of the Company.

For the purpose of compliance with Section 152 of the Companies Act, 2013 and for determining the Director liable to retire by rotation, Shri Nandan Damani, Chairman & Managing Director shall be the Director liable to retire by rotation and being eligible, has offered himself for re-appointment.

Shri Nandan Damani shall continue to hold his office of Chairman & Managing Director, and re-appointment as such Director shall not be deemed to constitute a break in his office of the Chairman & Managing Director.

An Industrialist and entrepreneur, Shri Nandan Damani brings with him 38 years of rich experience across businesses and industries as diverse as textiles, real estate, and renewable energy. He completed his Bachelor of Science from University of Mumbai.

He currently serves as an Independent Director on the Boards of Graphite India Limited, Pudumjee Paper Products Limited and Pudumjee Pulp and Paper Mills Limited.

In addition to his role as an Independent Director on the Board of Pudumjee Paper Products Limited, he is also the Chairman of the Stakeholders Relationship Committee and Member of the Audit Committee and Nomination & Remuneration Committee and in Pudumjee Pulp and Paper Mills Limited, he is a Member of the Audit Committee and Nomination & Remuneration Committee.

He has been associated with the Company since 1977, and holds 113409 equity shares in the Company. Shri Nandan Damani and Shri Sanjay N Damani are related to each other.

DIRECTORS' REPORT

To
The Members,

Your Directors are pleased to present the 103rd Annual Report, together with the Audited Accounts for the year ended 31st March, 2016.

FINANCIAL RESULTS

(In ₹)

	2015-16	2014-15
Total Income	**35,43,23,760**	11,84,46,458
Profit before Depreciation, Finance Costs, Extraordinary Item and Taxation	**10,67,33,930**	2,13,08,459
Less: Depreciation	**23,97,855**	27,61,367
Less: Finance Costs	**19,953**	59,40,172
Profit before Extraordinary Item and tax	**10,43,16,122**	1,26,06,920
Less: Extraordinary Item	**8,38,52,198**	-
Profit before Tax	**2,04,63,924**	1,26,06,920
Less: Current tax	**3,81,38,062**	54,71,140
Deferred tax	**(16,81,161)**	(2,46,070)
Taxes of earlier years (net)	**92,349**	(34,215)
Profit for the year	**(1,60,85,326)**	74,16,065
Add: Balance in the statement of Profit and Loss	**46,89,48,876**	46,55,95,801
Less: Appropriations		
Transfer to General Reserve	**-**	-
Proposed Dividend on Equity Shares	**29,91,382**	29,91,382
Tax on Dividend	**6,08,986**	6,08,986
Less: Adjustment relating to Fixed Assets	**-**	4,62,622
Closing Balance	**44,92,63,182**	46,89,48,876

DIVIDEND

The Directors are pleased to recommend Dividend on equity shares for the year ended 31st March, 2016 of ₹1/- (i.e.10%) per equity share of face value of ₹10/-, subject to the approval of the Members at the Hundred and Third Annual General Meeting (AGM). The total cash out flow on account of equity dividend payment, including dividend distribution tax would be ₹ 36,00,368/-for the financial year 2015-16.

OPERATIONS

Your Company has reported total income of ₹ 35,43,23,760/- and the net Loss of ₹ 1,60,85,326/- during the year ended 31st March, 2016. During the year, the Company has written off ₹ 11,33,15,805/- out of this ₹ 2,94,63,607/- was provided as loans and advances in earlier years. As this amount is not recoverable, hence now written off and the net amount of ₹ 8,38,52,198/- has been shown as an extraordinary item.

ASSOCIATE AND JOINT VENTURE COMPANIES

The Company has two associates 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).

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

PROJECT

The Company's project "Simplex KhushAangan" is a cluster of Residential cum Commercial Complex in

western suburbs of Mumbai with the land owner. The Company has booked approximately 59 percent of carpet area in residential wing and booking for shops in commercial wing has been opened and expect to get bookings in the current year. The finishing work is going on in full swing.

PUBLIC DEPOSITS

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

LOANS, GUARANTEES AND INVESTMENTS

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

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Shri Nandan Damani, Chairman & 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 Chairman & Managing Director, and shall not be deemed to constitute a break in his office of the Chairman & Managing Director.

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

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

ADOPTION OF NEW ARTICLES

The Act has necessitated changes in the Articles of Association of the Company. It is accordingly proposed that a new set of Articles of Association be adopted by the Members and a resolution to this effect is included at Item number 5 in the Notice of the ensuing AGM. The Board recommends the resolution for adoption by the Members.

BOARD EVALUATION

Pursuant to the provisions of the Act and the SEBI Regulations, a structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance.

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

NUMBER OF MEETINGS OF THE BOARD

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

REMUNERATION AND NOMINATION POLICY

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

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Company has practice of conducting familiarization programme for Independent Directors of the Company. The details of the said programme are given in the Corporate Governance Report which forms part of this Report.

PARTICULARS OF EMPLOYEES

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

AUDITORS

At the 101st Annual General Meeting held on 6th August, 2014, M/s.Dayal and Lohia, Chartered Accountants,

Mumbai were appointed as the Statutory Auditors of the Company to hold office from the conclusion of that AGM until the conclusion of the 4th consecutive AGM held thereafter (subject to ratification of the appointment by the Members at every AGM held after that AGM).

In terms of the first proviso to Section 139 of the Act read with Rule 3(7) of Companies (Audit and Auditors) Rules, 2014, the appointment of the Auditor shall be subject to ratification by the Members at every AGM till the expiry of his term. Accordingly, the appointment of M/s.Dayal and Lohia, Chartered Accountants, Mumbai, as the Statutory Auditors of the Company, is placed for ratification by the Members.

In this regard, the Company has received a certificate from the Auditors to the effect that if they are re-appointed, it would be in accordance with the provisions of Section 141 of the Act. The Auditors have given an unmodified opinon(s) report on the financial statements for the year under review.

SECRETARIAL AUDIT

A Secretarial Audit was conducted during the year by the Secretarial Auditor, Shri Manish L. Ghia of M/s. Manish Ghia & Associates, Practicing Company Secretaries, Mumbai in accordance with provisions of Section 204 of the Act. The Secretarial Auditor's Report is attached as **Annexure II** and forms part of this Report. There is no secretarial audit qualification, reservation or adverse remark for the year under review.

CORPORATE GOVERNANCE

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

DIRECTOR'S RESPONSIBILITY STATEMENT

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

i. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

ii. appropriate accounting policies have been selected and applied consistently, and the judgments and estimates that have been made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2016 and the Loss of the Company for the said period;

iii. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. the annual accounts have been prepared on a going concern basis;

v. the internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

vi. there is a proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business and that the provisions of Section 188 of the Act are not attracted. Thus disclosure in form AOC-2 is not required. Further, 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.

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 a part of its initiatives under Corporate Social Responsibility (CSR), the Company has undertaken projects in the areas of Education and Skill development and Health care including preventive health care.

These projects are largely in accordance with Schedule VII of the Act. 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.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

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

EXTRACT OF ANNUAL RETURN

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

STOCK EXCHANGE

The Company's equity shares are listed at BSE Limited and the Annual Listing Fees for the year 2016-17 has been paid.

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

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

Foreign Exchange Transactions:

	2015-16	2014-15
Foreign Exchange Earnings (₹)	Nil	Nil
Foreign Exchange Outgo (₹)	**9,82,325/-**	10,04,275/-

DISCLOSURE UNDER THE PREVENTION OF SEXUAL HARRASSMENT ACT, 2013

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

ACKNOWLEDGEMENT

Your Directors place on record their appreciation for the assistance and support extended by all Government Authorities, Financial Institutions, Banks, Consultants, Solicitors and Shareholders 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 & Managing Director

Mumbai, 10th May, 2016

Annexure I

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

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

   Web-link to the CSR Policy:

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

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

   Shri S.K.Somany – Chairman
   Shri Nandan Damani
   Shri Sanjay N Damani

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

   Average net profit: ₹ 6,41,56,303/-

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

   The Company is required to spend ₹ 12,83,126/- towards CSR.

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

   a) **Total amount spent for the year:** ₹ 13,00,000/-

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

   c) **Manner in which the amount spent during the financial year is detailed below:**

	Sr. No.	**1**	**2**	**3**	**Total**
1	**CSR Projects/ Activities identified**	Education and Skill development for differently abled children	Aid for Cancer Patients And Promoting Health care including preventive health care	Aid for Cancer Patients and Promoting Health care including preventive health care	
2	**Sector in which the Project is covered**	Education and Skill development	Health Care	Health Care	
3	**Projects or Programs**				
	a. Local area or other	Local	Local	Local	
	b. Specify the State and District	Mumbai Maharashtra	Mumbai Maharashtra	Mumbai Maharashtra	
4	**Amount outlay (Budget) project or Programmes wise**	₹ 5,00,000/-	₹ 5,00,000/-	₹ 3,00,000/-	₹ 13,00,000/-
5	**Amount spent on the project/ Programmes**	₹ 5,00,000/-	₹ 5,00,000/-	₹ 3,00,000/-	₹ 13,00,000/-
6	**Cumulative expenditure upto the reporting period**	₹ 5,00,000/-	₹ 5,00,000/-	₹ 3,00,000/-	₹ 13,00,000/-
7	**Amount spent: Direct/ through implementing Agency**	Enas Foundation Section 8 Company	Surajratan Fatechand Damani Janhit Nidhi Trust (Registered)	The Rotary Club of Bombay Charities Trust (Registered)	

Annexure II

SECRETARIAL AUDIT REPORT

For the financial year ended on 31st March, 2016
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Simplex Realty Limited
Mumbai

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Simplex Realty Limited (CIN: L17110MH1912PLC000351) and having its registered office at 30, Keshavrao Khadye Marg, Sant Gadge Maharaj Chowk, Mumbai - 400011 (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2016 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (**Not applicable to the Company during the audit period**).

(v) The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (effective up to 14th May, 2015) and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effective from 15th May, 2015)

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (**Not applicable to the Company during the audit period**)

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (**Not applicable to the Company during the audit period**) ;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not applicable to the Company during the audit period**)

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (**Not applicable to the Company during the audit period**)

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**Not applicable to the Company during the audit period**)

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (**Not applicable to the Company during the audit period**)

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 effective from 1st December, 2015.

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

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India (effective from 1st July, 2015);

(ii) The Listing Agreements entered into by the Company with BSE Ltd., Mumbai (effective up to 30th November, 2015);

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

We further report that

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

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

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

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

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

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

For **Manish Ghia & Associates**
Company Secretaries

Manish L. Ghia
Partner
FCS 6252, C.P. No. 3531

Mumbai, 10th May, 2016

Annexure A

To,
The Members,
Simplex Realty Limited
Mumbai

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed, provided a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Account of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulation, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Manish Ghia & Associates**
Company Secretaries

Manish L. Ghia
Partner
FCS 6252, C.P. No. 3531

Mumbai, 10th May, 2016

Annexure III

FORM NO. MGT - 9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March, 2016
[Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12 (1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

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

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	Simplex Papers Ltd. 30, Keshavrao Khadye Marg, Sant Gadge Maharaj Chowk, Mumbai - 400011	L21010MH1994PLC078137	Associate	49.01	2(6)
2	Simplex Mills Company Ltd. 30, Keshavrao Khadye Marg, Sant Gadge Maharaj Chowk, Mumbai - 400011	L65900MH1998PLC16585	Associate	48.99	2(6)

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

i. Category-wise Shareholding:

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01.04.2015)				No. of Shares held at the end of the year (As on 31.03.2016)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	237906	-	237906	7.95	237906	-	237906	7.95	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	1292630	1287	1293917	43.26	1316956	-	1316956	44.03	0.77
e) Banks /FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-Total A(1)	**1530536**	**1287**	**1531823**	**51.21**	**1554862**	**-**	**1554862**	**51.98**	**0.77**
(2) Foreign									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Others – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks/ FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub- Total (A)(2):	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoters (A)=(A)(1) + (A)(2)	**1530536**	**1287**	**1531823**	**51.21**	**1554862**	**-**	**1554862**	**51.98**	**0.77**
B. Public Shareholding									
(1) Institutions									
a) Mutual Fund / UTI	-	400	400	0.01	-	400	400	0.01	-
b) Banks / FI	325	9091	9416	0.32	325	9046	9371	0.32	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	776694	-	776694	25.96	776694	-	776694	25.96	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B)(1):	**777019**	**9491**	**786510**	**26.29**	**777019**	**9446**	**786465**	**26.29**	**-**

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01.04.2015)				No. of Shares held at the end of the year (As on 31.03.2016)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Non – Institutions									
a) Bodies Corporate	28412	4734	33146	1.11	30032	4635	34667	1.16	0.05
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual Shareholders holding nominal share capital upto ₹ 1 lakh	404301	209649	613950	20.52	380544	206061	586605	19.61	-0.91
ii) Individual Shareholders holding nominal share capital in excess of ₹ 1 lakh	12700	-	12700	0.43	14889	-	14889	0.50	0.07
c) Others (HUF, Clearing Members, Foreign National, NRIs, Trusts)	10450	2803	13253	0.44	11785	2109	13894	0.46	0.02
Sub – Total (B)(2)	**455863**	**217186**	**673049**	**22.50**	**437250**	**212805**	**650055**	**21.72**	**-0.77**
Total Public Shareholding (B)=(B)(1)+(B)(2)	**1232882**	**226677**	**1459559**	**48.79**	**1214269**	**222251**	**1436520**	**48.02**	**-0.77**
C. Share held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**2763418**	**227964**	**2991382**	**100**	**2769131**	**222251**	**2991382**	**100**	**-**

ii. Shareholding of Promoters

Shareholders Name	Shareholding at the beginning of the year (As on 01.04.2015)			Shareholding at the end of the year year (As on 31.03.2016)			% Change in Shareholding during the year
	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	
A. Individual							
a. Nandan Damani	113109	3.78	-	113109	3.78	-	-
b. Nandan Damani - HUF	300	0.01	-	300	0.01	-	-
c. Kamladevi Devratan Bagri	33	-	-	33	-	-	-
d. Nalini Somany	511	0.02	-	511	0.02	-	-
e. Sanjay N Damani	61553	2.06	-	61553	2.06	-	-
f. Shashi A. Patodia	10414	0.35	-	10414	0.35	-	-
g. Shreelekha N. Damani	51936	1.74	-	51936	1.74	-	-
h. Sumita Somany	50	-	-	50	-	-	-
B. Bodies Corporate							
a. Lucky Vyapaar and Holdings Pvt. Ltd.	743040	24.84	-	743040	24.84	-	-
b. New Textiles Pvt. Ltd.	550877	18.42	-	573916	19.19	-	0.77
Total (A+B)	**1531823**	**51.21**	**-**	**1554862**	**51.98**	**-**	**0.77**

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

		Shareholding at the beginning of the year (As on 01.04.2015)		Cumulative Shareholding during the year (From 01.04.2015 to 31.03.2016)	
		No. of Shares	**% of total Shares of the Company**	**No. of Shares**	**% of total Shares of the Company**
New Textiles Pvt. Ltd.					
a. At the Beginning of the Year		550877	18.42		
b. Changes during the Year:					
Date	**Reason**				
10.04.2015	Buy	1487	0.05	552364	18.47
01.05.2015	Buy	1000	0.04	553364	18.51
22.05.2015	Buy	868	0.02	554232	18.53
29.05.2015	Buy	1	0.00	554233	18.53
26.06.2015	Buy	3506	0.12	557739	18.65
17.07.2015	Buy	1098	0.04	558837	18.69
24.07.2015	Buy	299	0.01	559136	18.70
30.07.2015	Buy	1000	0.03	560136	18.73
04.09.2015	Buy	1900	0.07	562036	18.80
30.09.2015	Buy	1624	0.05	563660	18.85
09.10.2015	Buy	264	0.01	563924	18.86
16.10.2015	Buy	51	0.00	563975	18.86
18.12.2015	Buy	8290	0.28	572265	19.14
19.02.2016	Buy	1651	0.05	573916	19.19
c. At the end of the year				573916	19.19

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

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (As on 01.04.2015)		Cumulative Shareholding during the year (From 01.04.2015 to 31.03.2016)	
	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1. Life Insurance Corporation of India				
a. At the Beginning of the Year	685741	22.92	-	-
b. Changes during the Year	No change during the year			
c. At the end of the year	-	-	685741	22.92
2. The Oriental Insurance Company Limited				
a. At the Beginning of the Year	90900	3.04	-	-
b. Changes during the Year:	No change during the year			
c. At the end of the year	-	-	90900	3.04
3. Tapan Kumar Dey				
a. At the Beginning of the Year	12700	0.42	-	-
b. Changes during the Year:				
Date **Reason**				
04.09.2015 Buy	115	0.00	12815	0.42
11.09.2015 Buy	425	0.02	13240	0.44
05.02.2016 Buy	100	0.00	13340	0.44
11.03.2016 Buy	992	0.04	14332	0.48
18.03.2016 Buy	500	0.02	14832	0.50
31.03.2016 Buy	57	0.00	14889	0.50
c. At the end of the year	-	-	14889	0.50
4. Laxmi Devi Damani				
a. At the Beginning of the Year	8500	0.28	-	-
b. Changes during the Year	No change during the year			
c. At the end of the year	-	-	8500	0.28
5. VSL Securities Private Limited				
a. At the Beginning of the Year	8000	0.27	-	-
b. Changes during the Year	No change during the year			
c. At the end of the year	-	-	8000	0.27
6. Pratibha Maheshwari				
a. At the Beginning of the Year	7834	0.26	-	-
b. Changes during the Year	No change during the year			
c. At the end of the year	-	-	7834	0.26

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (As on 01.04.2015)		Cumulative Shareholding during the year (From 01.04.2015 to 31.03.2016)	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
7. Veena Vallabhadas Gandhi				
a. At the Beginning of the Year	6955	0.23	-	-
b. Changes during the Year	No change during the year			
c. At the end of the year	-	-	6955	0.23
8. Samanvitha Securities Pvt. Ltd.				
a. At the Beginning of the Year	6459	0.22	-	-
b. Changes during the Year:				
Date Reason				
09.10.2015 Buy	255	0.01	6714	0.23
06.11.2015 Buy	37	0.00	6751	0.23
13.11.2015 Buy	65	0.00	6816	0.23
c. At the end of the year	-	-	6816	0.23
9. Mahendra Girdharilal				
a. At the Beginning of the Year	6266	0.21	-	-
b. Changes during the Year	No change during the year			
c. At the end of the year	-	-	6266	0.21
10. Upendra Kumar Singh*				
a. At the Beginning of the Year	8400	0.28	-	-
b. Changes during the Year:				
Date Reason				
18.12.2015 Sale	8400	0.28	-	-
c. At the end of the year	-	-	-	-

**Ceased to be in the list of Top 10 Shareholders as on 31st March, 2016. The same has been reflected above since the shareholders were one of the Top 10 Shareholders as on 1st April, 2015.*

v. Shareholding of Directors and Key Managerial Personnel

For Each of the Director	Name of Director			
	Shareholding at the beginning of the year (As on 01.04.2015)		Shareholding at the end of the year (As on 31.03.2016)	
	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
Nandan Damani **Chairman & Managing Director**				
At the beginning of the year	113109	3.78	-	-
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/decrease (eg. Allotment/ transfer/ bonus/ sweat equity etc.)	No change during the year			
At the end of the year	-	-	113109	3.78
Sanjay N Damani **Executive Director**				
At the beginning of the year	61553	2.06	-	-
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/decrease (eg. Allotment/ transfer/ bonus/ sweat equity etc.)	No change during the year			
At the end of the year	-	-	61553	2.06
S.K.Somany **Non-Executive Independent Director**				
At the beginning of the year	900	0.03	-	-
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/decrease (eg. Allotment/ transfer/ bonus/ sweat equity etc.)	No change during the year			
At the end of the year	-	-	900	0.03
V.B.Haribhakti **Non-Executive Independent Director**				
At the beginning of the year	300	0.01	-	-
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/decrease (eg. Allotment/ transfer/ bonus/ sweat equity etc.)	No change during the year			
At the end of the year	-	-	300	0.01

For Each of the KMP	Name of Director			
	Shareholding at the beginning of the year (As on 01.04.2015)		Shareholding at the end of the year (As on 31.03.2016)	
	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
Surendra Kabra **Chief Financial Officer**				
At the beginning of the year	-	-	-	-
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/decrease (eg. Allotment/ transfer/ bonus/ sweat equity etc.)	-	-	-	-
At the end of the year	-	-	-	-
Shekhar R Singh **Company Secretary**				
At the beginning of the year	-	-	-	-
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/decrease (eg. Allotment/ transfer/ bonus/ sweat equity etc.)	-	-	-	-
At the end of the year	-	-	-	-

Smt. Anna Malhotra, Shri T.C. Suseel Kumar and Shri Vijay S. Jindal, Directors of the Company did not hold any shares during the year.

V. INDEBTEDNESS

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

(In ₹)

	Secured Loans excluding deposits	Unsecured Loan	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	**3,85,46,115**	-	**3,85,46,115**
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	**3,85,46,115**	-	**3,85,46,115**
Change in Indebtedness during the financial year				
Addition	-	-	-	-
Reduction	-	**10,95,069**	-	**10,95,069**
Net Change	-	**(10,95,069)**	-	**(10,95,069)**
Indebtedness at the end of the financial year				
i) Principal Amount	-	**3,74,51,046**	-	**3,74,51,046**
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	**3,74,51,046**	-	**3,74,51,046**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(In ₹)

Sr. No.	Particulars of Remuneration	Shri Nandan Damani Chairman & Managing Director	*Shri Sanjay N Damani Executive Director
	Gross Salary		
1	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	**50,40,000**	**2,52,928**
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	**3,36,000**	**1,68,619**
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	**-**	**-**
2	Stock Options	**-**	**-**
3	Sweat Equity	**-**	**-**
4	Commission	**-**	**-**
	- as % of profit	**-**	**-**
	- Others, specify	**-**	**-**
5	Others, please specify	**-**	**-**
	Total (A)	**53,76,000**	**4,21,547**

**Appointed as an Executive Director w.e.f.1st June, 2015.*

B. Remuneration to other Directors:

1. Independent Directors

(In ₹)

Sr. No.	Particulars of Remuneration	Name of Director				Total Amount
		Shri. V.B. Haribhakti	Shri S.K. Somany	Smt. Anna Malhotra	Shri. Vijay S. Jindal	
1	Fee for attending Board/ Committee Meetings	**65,000**	**65,000**	**35,000**	**30,000**	**1,95,000**
2	Commission	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**
3	Others, please specify	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**
	Total (B)(1)	**65,000**	**65,000**	**35,000**	**30,000**	**1,95,000**

2. Other Non-Executive Directors

(In ₹)

Sr. No.	Particulars of Remuneration	Name of Director		Total Amount
		Shri Sanjay N Damani	Shri T.C. Suseel Kumar	
1	Fee for attending Board/Committee Meetings	**10,000**	**30,000**	**40,000**
2	Commission	**Nil**	**Nil**	**Nil**
3	Others, please specify	**Nil**	**Nil**	**Nil**
	Total (B)(2)	**10,000**	**30,000**	**40,000**
	Total (B)=(B)(1) + (B)(2)			**2,35,000**

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

(In ₹)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Shri Surendra Kabra	Shri Shekhar R Singh	
		Chief Financial Officer	Company Secretary	
1	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	**34,00,000**	**12,25,000**	**46,25,000**
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	**-**	**39,438**	**39,438**
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	**-**	**-**	**-**
2	Stock Options	**-**	**-**	**-**
3	Sweat Equity	**-**	**-**	**-**
4	Commission	**-**	**-**	**-**
	- as % of profit	**-**	**-**	**-**
	- others, specify	**-**	**-**	**-**
5	Others, please specify	**-**	**-**	**-**
	Total (C)	**34,00,000**	**12,64,438**	**46,64,438**

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

Annexure IV

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 232:11 Shri Sanjay N Damani 18:11
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	**Directors:** Shri Nandan Damani Nil **Key Managerial Personnel:** Shri Surendra Kabra, CFO 10% Shri Shekhar R Singh, CS 17%
iii.	The percentage increase in the median remuneration of employees in the financial year	15%
iv.	The number of permanent employees on the rolls of Company	30 employees as on 31.03.2016
v.	The explanation on the relationship between average increase in remuneration and Company performance	Average increase in remuneration is decided based on the trend in the industry to ensure retention of experienced employees.
vi.	Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company	During the year the Company made a profit before tax and achieved growth of 62.33% over the previous year. The total remuneration of KMP increased by 11.95% from ₹ 41,66,530/- in 2014-15 to ₹ 46,64,438/- in 2015-16, whereas the profit before tax increased by ₹ 78,57,004/- to ₹ 2,04,63,924/- in 2015-16 from ₹ 1,26,06,920/- in 2014-15.
vii.	Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year	<table><tr><th>Particulars</th><th>31st March, 2016</th><th>31st March, 2015</th><th>Variation</th></tr><tr><td>Market Capitilization (₹ Crore)</td><td>**24.38**</td><td>40.32</td><td>-40%</td></tr><tr><td>Price Earnings Ratio</td><td>**-**</td><td>54.36</td><td>-</td></tr><tr><td>Closing rate of Share at BSE (₹)</td><td>**81.50**</td><td>134.80</td><td>-40%</td></tr></table> The Company has not made any Public issue or Rights issue of securities in the last 15 years, so comparison have not been made of current share price with public offer price. The Company's shares are listed on BSE.
viii.	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. 2015-16 was 10.19% whereas there was no increase in the remuneration of managerial personnel in the same financial year.

ix.	Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company	Same as in (vi)
x.	The key parameters for any variable component of remuneration availed by the Directors	The Directors are not getting any variable component during the year.
xi.	The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year and	The Chairman & Managing Director is the highest paid Director. No employee received remuneration higher than the Chairman & Managing Director.
xii.	Affirmation that the remuneration is as per the remuneration policy of the Company	Remuneration paid during the year ended 31st March, 2016 is as per the Remuneration Policy of the Company.

For and on behalf of the Board of Directors

Nandan Damani
Chairman & Managing Director

Mumbai, 10th May, 2016

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. OVERVIEW OF THE ECONOMY

India's Gross Domestic Product (GDP) is expected to grow at 7.5 percent in the financial year 2015-16, as per the World Bank Report.

In the current fiscal year, GDP growth is likely to be supported by an uptick in industry and service sector performance. The industry sector is estimated to grow by 6.5 percent in 2015-16 and the services sector by 10.3 percent.

The improvement in India's economic fundamentals has accelerated in the year 2015 with the combined impact of strong government reforms, RBI's inflation focus supported by global commodity prices.

According to IMF World Economic Outlook April, 2015, India ranks seventh globally in terms of GDP at current prices and is expected to grow at 7.5 per cent in 2016.

According to a Goldman Sachs report released in September 2015, India could grow at a potential 8 per cent on average during from fiscal 2016 to 2020 powered by greater access to banking, technology adoption, urbanization and other structural reforms.

2. INDUSTRY STRUCTURE AND DEVELOPMENTS

The Indian real estate has come a long way and is today one of the fastest markets in the world. Real estate in India is being recognized as an infrastructure service that is driving the economic growth engine of the country. It has a huge multiplier effect on the economy and therefore, is a big driver of economic growth. It is the second-largest employment-generating sector after agriculture. Real estate and Housing sector constituted 8 percent of the India's Gross Value added in 2014-15 and grew by 9.1 percent. However, the construction sector has witnessed a slowdown in last few years due to weakening of both domestic and global growth.

The Indian real estate market is expected to touch US $ 180 billion by 2020. The housing sector alone contributes 5-6 percent to the country's GDP. In the period 2008-2020, the market size of this sector is expected to increase at a Compound Annual Growth Rate (CAGR) of 11.2 percent.

The Indian real estate sector is one of the most globally recognized sectors. The real estate sector has transformed from being unorganized to a dynamic and organized sector over the past decade.

Real estate sector is one of the most critical sector of Indian economy due to its huge multiplier effect on the economy. Any impact on real estate sector has a direct bearing on economic growth. 100 percent FDI was permitted for Indian real estate sector in 2005, which had led to a boom in investment and developmental activities in later years.

The real estate is not only the biggest contributor to GDP of the country but is also the fourth largest sector in terms of Foreign Direct Investment (FDI) inflows in the country.

According to Department of Industrial Policy and Promotion (DIPP), total FDI inflow in construction development sector(including townships, housing, built-up infrastructure) during April 2000 to March 2016 has been around US$ 24,188 million which is about 8 percent of total FDI inflows (in terms of US$) from April 2000 to March 2016.

Moreover, the Indian real estate sector is expected to receive US$ 25 billion as FDI in the next 10 years, according to an Assocham study.

Residential real estate segment

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

It is estimated that Indian cities need to develop at-least two million houses annually for the growing population. The actual number could be much higher as it does not include push in demand from re-development and shrinking size of households. Further, there was a housing shortage of about 18.7 million in 2012. Thus, India needs to develop almost 45-50 million housing units by 2028.

Under the 'Affordable Housing in India', the house for the economically weaker section and lower

income group households. This segment is expected to account for 85-90 percent of the total residential development (number of housing units) i.e. about 40-45 million housing units by 2028. Affordable housing in India ranges from 250-650 square feet (one or two bedroom set) and typically costs between USD 8,000-17,000 per unit. Considering an average housing size of 400 square feet, India requires about 18-20 billion square feet of development in this segment alone.

Early indicators suggest that the residential real estate market may be on the road to improvement. During 2015, interest rates decreased by 0.75 percent and inflation leveled off. Major developers are continuing to expand in developable areas and consumer confidence is rising.

Commercial real estate segment

The commercial real estate segment includes office spaces, IT parks, retail, healthcare, hospitality, industries and Special Economic Zones (SEZ). The growth of this sector is well complemented by the growth of the corporate environment and the demand for office space. India's office space absorption during 2015 stood at 35 million sqft, the second-highest figure in the country's history after 2011. The demand for office space in 2011 came from occupiers taking advantage of low rents after the global financial crisis. This time, however, it was the result of corporates implementing their growth plans.

In 2015, office space demand was mainly driven by IT/ ITeS, e-commerce, start-ups and large consulting firms. Players in many other sectors like FMCG, BFSI (front office), manufacturing, telecom and pharma did not come into the market. However, this should happen in 2016 and 2017.Next year will also see demand for built-to-suit (BTS) properties, especially from the larger IT occupiers. While the absorption in 2015 is similar to 2011, it is distributed across new and old buildings; previously, it was largely in newly completed buildings.

Demand will remain consistent over most of 2016, with occupiers showing a positive bias. Given the low supply and continued demand for commercial spaces, corporate occupiers will continue to firm up their expansion plans. While 2016 will bring continued demand for leased spaces, quality supply will be lower. This means that unmet demand will reflect in higher occupancy of Grade-B office spaces.

This will boost the growth in Information Technology (IT) and Information Technology enabled Services (ITES), Banking Financial Services and Insurance (BFSI) and Manufacturing sectors resulting in significant demand for office space. Together, these three sectors occupy more than 75 per cent of the total office space in India.

Corporate entities have already begun rolling out their expansion plans due to improving sentiments in the country. The anticipated revival of the economy is expected to be a key trigger for the segment. Given that the market has seen oversupply in the last few years, the gap between demand and supply is likely to shorten, leading to a further increase in rentals.

Retail real estate segment

Indian retail sector is continuing to grow despite irregular global economic trends and its importance in the macro economic landscape of the country has been accepted by all. The pace of transformation and growth witnessed in the sector has been phenomenal and the series of steps proactively undertaken during the last few years both by the Government and the industry. The retail sector in India is expected to grow to US$ 1 trillion by 2020, registering a CAGR of 16.7 percent over 2015-20.

The Boston Consulting Group and Retailers Association of India published a report titled, 'Retail 2020- Retrospect, Reinvent, Rewrite', highlighted that India's retail market is expected to nearly double to US$ 1 trillion by 2020 from US$ 600 billion in 2015, driven by income growth, urbanisation and attitudinal shifts.The report adds that while the overall retail market is expected to grow at 12 per cent per annum, modern trade would expand twice as fast at 20 per cent per annum and traditional trade at 10 percent.

Retail spending in the top seven Indian cities amounted to ₹ 3.58 trillion (US$ 53.7 billion), with organized retail penetration at 19 percent as of 2014. Online retail is expected to be at par with the physical stores in the next five years.

Indian retail sector accounts for 22 percent of the GDP and contributes to 8 percent of the total employment.

A significant new trend emerging in retail sector is the increase in sales during discount seasons. It has been observed of late that sales numbers in

discount seasons are significantly higher than at other times. This is prompting retailers to start discounts earlier and have longer than usual sale season. Also, concepts such as online retailing and direct selling are becoming more popular in India thereby boosting growth of retail sector.

E-commerce is probably said to create a revolution in the retail industry in the years to come. With the rapid expansion of e-commerce, there can be seen a trend of ever increasing choice of products at lowest rates. All of this will also lead to a further competition in the industry.

There is also an upward trend seen in modern retailing. Driven by western culture and urbanization, it has become a part of day to day lifestyle. There are more than 500 operational shopping malls in India having thousands of brands across food, fashion and lifestyle which are offering best of national and international brands to better consumers. The current size of modern retail is around US$ 46.5 billion, which is 9 percent of total retail market. As per industry estimates, by 2020, it is likely to see business worth US$ 150 billion.

Increasing participation from foreign and private players has given a boost to Indian retail industry. India's price competitiveness attracts large retail players to use it as a sourcing base. Global retailers such as Walmart, GAP, Tesco and JC Penney are increasing their sourcing from India and are moving from third-party buying offices to establishing their own wholly-owned/wholly-managed sourcing and buying offices.

3. OPPORTUNITIES

The Budget 2016-17 has proposed an additional ₹ 50,000 deduction on interest on loans for first home buyers and 100 percent deduction for profit on development of affordable housing, besides exempting REITs from dividend distribution tax. This will boost both housing demand and supply significantly in the affordable housing space.

- Growing requirements of space from sectors such as education, healthcare and tourism provide opportunities in the real estate sector with IT parks, retail, hospitality, special economic zones, financial services, telecom and other new age sectors taking center stage will continue providing tremendous room for growth in commercial office space.
- Urban population has been increasing and is expected to cross 600 million by 2030. Urbanization and growing household income are some of the major factors that influence demand for residential real estate and growth in the retail sector.
- The Government also amended the rules for FDI in the construction sector by reducing minimum built-up area as well as the capital requirement, while also easing the exit norms. The market expects that these relaxations will go a long way in attracting more investments in the sector.
- The Real Estate (Regulation & Development) Bill, 2015 has been passed and notified on 1st May, 2016 and became the Act which will help to regulate the sector and bring in clarity for both buyers and developers.

4. THREATS

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

ON GOING PROJECT

The Company's project "Simplex KhushAangan" is a cluster of residential and commercial space located on prime location of S.V.Road, Malad (west), Mumbai. Simplex KhushAangan comprises of ground plus two storeys of commercial space on the front side which opens on S.V.Road and the rear side has a 16 storeys residential tower which offers spacious 2, 3 and 3&1/2 BHK flats with modern amenities like swimming pool, club house, gym, garden etc. The Company has received booking for about 59 percent of carpet area till date in residential side of the project and booking for commercial side has been very slow and expect to get bookings in the current year. The finishing work is going on in full swing. During the year the Company has recognized revenue from the project based on percentage completion method as per the guidance note issued by the ICAI.

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

5. OUTLOOK

The real estate and construction sectors as a matter of fact has always been an attractive investment option and with the additional support of the new rules and regulations by the government, it has resulted in significant growth in the residential & commercial Real Estate. The government has always had a major influence on the real estate sentiments of the investor's and now with a stable government at center; we are hopeful that the lost confidence shall be revived.

An initiative taken by the Government for three mega missions which includes Smart Cities, AMRUT cities and Housing for all by 2022, which are expected to develop Indian cities and towns as new engines of growth.

India is an underserved economy in terms of real estate requirements. There is a wedge between demand and supply of housing, largely as a result of information asymmetry. However, with increased market transparency, this demand/ supply mismatch can offer immense opportunities for developers and investors alike.

The real estate industry is maturing. Until 2014, it was unregulated, fragmented and highly inefficient. Though 2016 will bring in regulation, it will remain fragmented and moderately inefficient. We could see it become a well-regulated, consolidated and moderately efficient industry by around 2020. Growth in the Indian economy will definitely see favourable reflection in the real estate sector, as well.

The total revenue of the real estate sector was US $ 66.8 billion during 2010-11 and expected to earn a revenue of US $ 180 billion by 2020.

6. RISKS AND CONCERNS

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

Market price fluctuation:

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

Price risk of the inputs

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 risk

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

Economic risk

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

Health and safety risks

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

7. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

8. FINANCIAL AND OPERATING PERFORMANCE

The total income of the Company for the current year is ₹ 35,43,23,760/- as against ₹ 11,84,46,458/- during the previous year. The Company has incurred a net Loss of ₹ 1,60,85,326/- during the current year as against the Profit of ₹ 74,16,065/-in the previous year. The EPS for the current year is ₹ (5.38) as against ₹ 2.48 in the previous year. During the year, the Company has written off ₹ 8,38,52,198/- of advances given to one of the associate Company which has been shown as an Extraordinary Item.

9. HUMAN RESOURCES

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

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.

10. CAUTIONARY STATEMENT

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

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy of Corporate Governance is aimed to enhance the confidence among 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 SEBI in Chapter IV read with Clause C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) is given below:

2. BOARD OF DIRECTORS

a) Composition

The Board of Directors provides strategic direction and thrust to the operations of the Company. As on 31st March, 2016, the Board comprises of two Executive Director, and five Non-Executive Directors. The composition of the Board is in compliance with the requirements of Regulations 17 of the Listing Regulations as on 31st March, 2016.

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

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

During the year ended 31st March, 2016, 4 (four) Board Meetings were held. The dates on which the said meetings were held are as follows:

11th May, 2015, 5th August, 2015, 4th November, 2015 and 2nd February, 2016.

Attendance of Directors at Board Meetings during 2015-16 and Directorship(s) and Committee Chairmanship(s) / Membership(s) of other companies as on 31st March, 2016

Name of the Director	Category	No. of Board Meetings held - 4	No. of Directorship(s) and Committee Chairmanship(s)/Membership(s)			Attended Last AGM @
		Attended	Other Directorship(s)*	Committee Chairmanship(s)**	Committee Membership(s)**	
Shri Nandan Damani	Executive	4	5	1	2	Yes
Shri Sanjay N Damani	Executive	4	2	-	-	Yes
Shri V.B.Haribhakti	Independent Non-Executive	4	4	1	3	Yes
Shri S.K.Somany	Independent Non-Executive	4	5	3	3	Yes
Smt. Anna Malhotra	Independent Non-Executive	2	1	-	1	Yes
Shri T.C.Suseel Kumar	Non-Executive	4	-	-	-	Yes
Shri Vijay S.Jindal	Independent Non-Executive	3	1	-	-	No

@ Last AGM was held on 5th August, 2015.

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

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

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

3. AUDIT COMMITTEE

During the year ended 31st March, 2016, 4 (four) Audit Committee Meetings were held. The dates on which the said meetings were held are as follows:

11th May, 2015, 5th August, 2015, 4th November, 2015 and 2nd February, 2016.

The composition of the Audit Committee and the number of meetings attended by each member during the year ended 31st March, 2016 is as follows:

Name of the Member	Designation	No. of Meetings held - 4
		Attended
Shri V.B.Haribhakti	Chairman	4
Shri S.K.Somany	Member	4
Smt. Anna Malhotra	Member	2

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

The Company Secretary acts as the Secretary to the Committee.

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

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

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending the appointment/re-appointment/replacement, if required, of Statutory Auditors, fixation of audit fees and approval of payments for any other services.
- Reviewing with management, the annual financial statements before submission to the Board for approval with particular reference to:
  - Matters required to be included in the Directors' Responsibility Statement are included in the Directors' Report in terms of sub-3 (c) of Section 134 of the Act;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment by the management;
  - Significant adjustments made in the financial statements arising out of audit findings;
  - Compliance with listing and other legal requirements relating to financial statements.
  - Disclosure of related party transactions; and
  - Un-modified opinion(s) in draft audit report.
- Reviewing with management, quarterly financial statements before submission to the Board for approval;
- Review and monitor the Auditor's independence and performance and effectiveness of Audit process;
- Reviewing performance of Statutory and Internal Auditors, adequacy of the internal control systems;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern;
- Discussion with Internal Auditors of any significant findings and follow-up thereon and reviewing the reports furnished by them;
- Reviewing the findings of any internal investigations by the internal auditors into

matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

- To look into the reasons for substantial defaults in the payment to the shareholders (in case of non payment of declared dividends) and creditors;
- To grant omnibus approval for related party transactions which are in the ordinary course of business and on an arm length pricing basis and to review and approve such transactions subject to the approval of the Board;
- To review the functioning of the Whistle Blower mechanism;
- Carrying out such other function as may be specifically referred to the Committee by the Board of Directors and/or other Committees of Directors of the Company

4. NOMINATION AND REMUNERATION COMMITTEE

During the year ended 31st March, 2016, 1 (one) Nomination and Remuneration Committee meeting was held on 11th May, 2015.

The composition of the Nomination and Remuneration Committee and the number of meeting attended by each member during the year ended 31st March, 2016 is as follows:

Name of the Member	Designation	No. of Meetings held - 1
		Attended
Shri V.B.Haribhakti	Chairman	1
Shri S.K.Somany	Member	1
Smt. Anna Malhotra	Member	1

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

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

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

The Company Secretary acts as the Secretary to the Committee.

REMUNERATION TO DIRECTORS

The Non –Executive Directors are entitled to sitting fees for every meeting of the Board or Committee thereof attended by them. They are also entitled to commission not exceeding 1% 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 a copy of the Policy is attached as **Annexure –A**.

Details of remuneration paid to Executive/Non-Executive Directors during the year ended 31st March, 2016 are as under:

Name of the Non- Executive Directors	Sitting fees (₹)
Shri V.B.Haribhakti	65,000/-
Shri S.K.Somany	65,000/-
Smt. Anna Malhotra	35,000/-
Shri T.C.Suseel Kumar	30,000/-
Shri Vijay S.Jindal	30,000/-

Remuneration paid to Shri Nandan Damani, Chairman and Managing Director, during the financial year 2015-16 is ₹ 53,76,000/-.

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

Name of Member	No. of Equity Shares held
Shri V.B.Haribhakti	300
Shri S.K.Somany	900

5. STAKEHOLDERS RELATIONSHIP COMMITTEE

During the year ended 31st March, 2016, 4 (four) Stakeholders' Relationship Committee Meetings were held. The dates on which the said meetings were held are as follows:

11th May, 2015, 5th August, 2015, 4th November, 2015 and 2nd February, 2016.

The composition of the Stakeholders' Relationship Committee and the number of meetings attended by each member during the year ended 31st March, 2016 is as follows:

Name of Member	Designation	Number of Meetings held- 4
		Attended
Shri S.K.Somany	Chairman	4
Shri Nandan Damani	Member	4

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

- To allot shares/securities from time to time;
- To consider all matters pertaining to securities, including but not limited to – offer of securities, allotment of securities, issue of securities, crediting of securities in depository system, listing / de-listing of securities on / from stock exchange in India or abroad, transfer of securities, transmission of securities, demat of securities, remat of securities, issue of duplicate securities certificate, consolidation of securities certificates, 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, dividend and issue / redemption of securities and to authorize officials to open, operate and close the said accounts from time to time;
- To consider and resolve the grievances of security holders of the Company;
- To appoint / change and fix the fees and other charges payable to the Share Transfer Agents (STA) for handling the work relating to securities and to delegate powers to the STA as may be deemed fit and to monitor all activities of the STA;
- To consider and resolve the matters/ grievances of shareholders/ investors in regard to the following:
  - transfer of shares
  - non-receipt of dividends
  - non-receipt of shares in demat account
  - non-receipt of annual report
  - any other matter of shareholder / investor grievance
- To delegate any of the aforesaid matters to Director(s) / official(s) and / or the officials of the STA, as the Committee may deem fit.

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

Investor Relations

The total number of complaints received, resolved and pending during the year ended 31st March, 2016 were Nil.

6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

In compliance with Section 135 of the Act, the Board has constituted a Corporate Social Responsibility Committee. The Corporate Social Responsibility Policy, which was approved by the Board is available on the Company's website and a copy of the Policy is attached as **Annexure –B**.

During the year ended 31st March, 2016, 1 (one) Corporate Social Responsibility Committee Meeting was held on 2nd February, 2016.

The composition of the Corporate Social Responsibility Committee and the number of meeting attended by each member during the year ended 31st March, 2016 is as follows:

Name of Member	Designation	Number of Meetings held- 1
		Attended
Shri S.K. Somany	Chairman	1
Shri Nandan Damani	Member	1
Shri Sanjay N Damani	Member	1

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

7. INDEPENDENT DIRECTORS' MEETING

During the year under review, Independent Directors met on 28th March, 2016, inter- alia, to discuss:

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

8. GENERAL BODY MEETINGS

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

Financial Year	Date of AGM	Time	Location of the Meeting
2012 – 2013	07.08.2013	11.30 A. M.	M. C. Ghia Hall, 4th Floor, Bhogilal Hargovindas Building, 18/20, K. D. Marg, Kala Ghoda, Mumbai – 400 001
2013 – 2014	06.08.2014	11.30 A. M.	
2014 – 2015	05.08.2015	11.30 A. M.	

(ii) Special Resolutions passed in previous three AGMs:

AGM	Date of AGM	Special Resolutions
100th	07.08.2013	Re-appointment of M/s. Dayal and Lohia, Chartered Accountants, Mumbai as Statutory Auditors of the Company.
101st	06.08.2014	Ratification of borrowing limit.
102nd	05.08.2015	Nil

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

9. DIRECTORS

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

10. DISCLOSURES

a) Related party transactions

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

The detailed suitable disclosure as required by the Accounting Standards (AS18) on material significant related party transactions has been made in the notes to the Financial Statements.

b) Compliance by the Company

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

imposed on the Company by the Stock Exchange, SEBI or other statutory authorities.

c) Familiarization Programme for Independent Director

At the time of appointment, a formal letter of appointment is given to Independent Directors which inter-alia explain the role, functions, duties and responsibilities expected from them as a Director of the Company. The Company conducts structure orientation programmes for the Independent Directors to understand and get updates on the business and operations of the Company on a continuous basis. Such programmes provide an opportunity to the Independent Directors to interact with Senior Leadership team of the Company and help them to understand the Company's strategy models, operations, services, product-offerings, finance, human resources and such other areas may arise from time to time.

d) Vigil Mechanism / Whistle Blower Policy

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

e) Code of Conduct

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

f) Disclosure of Accounting Treatment

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

g) Disclosure of Risk Management

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

h) CEO / CFO Certification

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

i) Review of Directors' Responsibility Statement

The Board in its report has confirmed that the annual accounts for the year ended 31st March, 2016 have been prepared as per applicable accounting standards and policies and that sufficient care has been taken for maintaining adequate accounting records.

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 has its own website i.e. ***www.simplex-group.com*** and has been uploading financial results and quarterly shareholding pattern of the Company along with other relevant information useful to investors on the website.

c. At present, the Company does not make presentation to Institutional Investors or to the Analysts.

d. The Management Discussion and Analysis is given separately in this Annual Report.

12. CODE FOR PREVENTION OF INSIDER TRADING

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

13. GENERAL INFORMATION FOR MEMBERS

i)	**Date, Time and Venue of forthcoming AGM**	Date : Tuesday, the 9th August, 2016 Time : 11.30 A.M. Venue: M.C. Ghia Hall, 4th Floor, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Kala Ghoda, Mumbai - 400 001
ii)	**Financial Calendar (2016 – 2017)**	i) First Quarterly Results Upto 15th August, 2016 ii) Second Quarterly Results Upto 15th November,2016 iii) Third Quarterly Results Upto 15th February, 2017 iv) Annual Results Upto 30th May, 2017
iii)	**Date of Book Closure**	From Tuesday, the 2nd August 2016 to Tuesday, the 9th August, 2016 (both days inclusive)
iv)	**Dividend payment date**	On or after 9th August, 2016
v)	**Listing on Stock Exchanges**	BSE Limited (BSE) P. J. Towers, Dalal Street, Fort, Mumbai – 400 001
vi)	**Security Code ISIN**	503229 INE167H01014

vii) Market Price Data

The monthly high and low quotations of shares traded on the BSE from April, 2015 to March, 2016 are as follows:

Month	Volume	Price (₹)		BSE Sensex	
	(No. of shares)	High	Low	High	Low
April, 2015	4,750	159.00	124.10	29,094.61	26,897.54
May, 2015	7,647	148.00	120.00	28,071.16	26,423.99
June, 2015	5,173	138.40	113.00	27,968.75	26,307.07
July, 2015	6,295	140.00	120.30	28,578.33	27,416.39
August, 2015	9,981	132.30	116.00	28,417.59	25,298.42
September, 2015	8,166	126.90	102.60	26,471.82	24,833.54
October, 2015	5,451	129.60	110.50	27,618.14	26,168.71
November, 2015	2,769	132.40	112.00	26,824.30	25,451.42
December, 2015	10,865	124.00	112.00	26,256.42	24,867.73
January, 2016	1,317	135.00	119.00	26,197.27	23,839.76
February, 2016	4,151	122.00	83.10	25,002.32	22,494.61
March, 2016	6,598	87.80	74.50	25,479.62	23,133.18

viii) Share Transfer Agent

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

ix) Share Transfer System

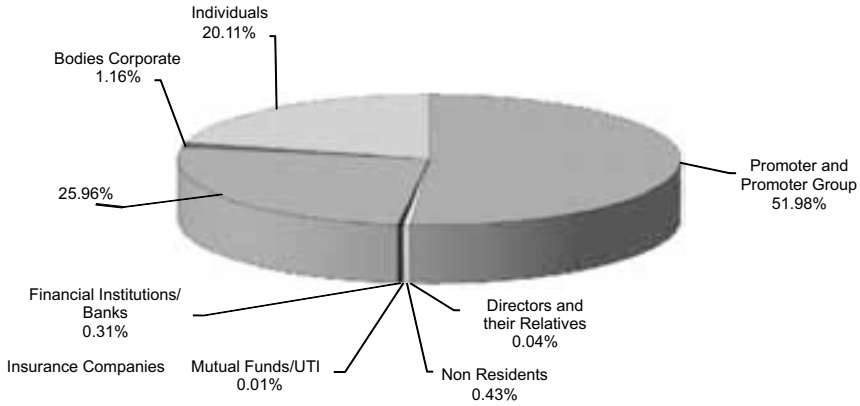
All shares sent or transferred in physical form are registered by the STA within 30 days of the lodgment, if documents, are found in order. Shares under objection are returned within two weeks. All requests for

dematerialization of shares are processed and confirmations are given to the respective Depositories i.e. National Securities Depository Limited and Central Depository Services (India) Limited within 15 days.

x) Shareholding Pattern as at 31st March, 2016.

	Category	Number of shares held	Percentage of Shareholding
(A)	**Shareholding of Promoter and Promoter Group**	**15,54,862**	**51.98**
(B)	**Public shareholding**		
(1)	**Institutions**		
(a)	Mutual Funds/ UTI	400	0.01
(b)	Financial Institutions/ Banks	9,371	0.31
(c)	Insurance Companies	7,76,694	25.96
2)	**Non-Institutions**		
(a)	Bodies Corporate	34,667	1.16
(b)	Individuals -		
	i. holding nominal share capital up to ₹2 lac.	6,01,494	20.11
	ii. holding nominal share capital in excess of ₹2 lac.	-	
(c)	Non Residents	12,694	0.43
(d)	Directors and their Relatives	1,200	0.04
	Total Public Shareholding (B)= (B)(1)+(B)(2)	**14,36,520**	**48.02**
	TOTAL (A)+(B)	**29,91,382**	**100**

Shareholding Pattern as on 31st March, 2016



Distribution of Shareholding as on 31st March, 2016

Category	Number of Shareholders	Percentage of Total number of Shareholders	Total Number of Shares	Percentage of Total Number of Shares
1 to 500	5,267	96.29	3,62,543	12.12
501 to 1,000	116	2.12	84,452	2.82
1,001 to 5,000	64	1.17	1,27,792	4.27
5,001 to 10,000	11	0.20	71,097	2.38
10,001 & above	12	0.22	23,45,498	78.41
Total	**5,470**	**100**	**29,91,382**	**100**

xi) Dematerialization of Shares and Liquidity

About 92.57% shares have been dematerialized as on 31st March, 2016. The Equity shares of the Company are traded on BSE Limited.

The Company has paid the Listing fees for the year 2016 – 2017 to 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 issue in the recent past. Thus, there are no outstanding ADRs, GDRs, Warrants or any convertible instruments till date.

xiii) Corporate Identification Number (CIN):

L17110MH1912PLC000351

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

xiv) Address for Investor Correspondence

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

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

OR

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

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

xv) Compliance with Listing Agreement/ the SEBI Regulations, 2015

The Company has complied with all the mandatory requirements of the SEBI Regulations, 2015. The certificate from Statutory Auditors of the Company on compliance of the conditions of Corporate Governance by the Company is annexed and form part of this Report.

xvi) Dematerialisation of Shares

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

xvii) Revalidation of Dividend Warrants

In respect of members who have either not opted for NECS/ECS mandate or do not have such a facility with their banker and who have not encashed earlier dividends paid by the Company, are requested to write to Company's Share Transfer Agent for revalidation of expired dividend warrants and failing their encashment for a period of seven years, they stand to lose the right to claim such dividend owing to transfer of unclaimed dividends beyond seven years to Investor Education and Protection Fund.

xviii) Update Address/ E-Mail Address/Bank Details

The Companies Act, 2103, as a part of Green Initiative, allows companies to go for paperless compliances by sending Notice, Annual Report and other related documents by e-mail to its shareholders. Many of the shareholders have registered their e-mail address so far, may, as a support to this initiative, registered their email address by sending an e-mail to support@freedomnregistry.in quoting their Name, Folio No./DP ID/Client ID and e-mail address to be registered with us for enabling us to send documents in electronic form.

Annexure -A

NOMINATION AND REMUNERATION POLICY

PREAMBLE

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel and other employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company

The Board of Directors (the Board) of Simplex Realty Limited (the Company) at its meeting held on 10th May, 2014 re-constituted the existing Remuneration Committee by changing its nomenclature as Nomination and Remuneration Committee in order to align with the terms of the provisions of Section 178 of the Companies Act, 2013 read with Rules made thereunder (the Act) and revised Clause 49 (IV) of the Listing Agreement with Stock Exchange now Regulation 19 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) and subsequent amendments thereto from time to time.

The policy on nomination and remuneration of Directors, Key Managerial Personnel, Senior Management and other employees of the Company has been formulated by the Nomination and Remuneration Committee of the Company and approved by the Board of Directors at its meeting held on 12th November, 2014.

OBJECT AND PURPOSE

This policy shall act as a guideline for determining, inter-alia, qualifications, positive attributes and independence of a Director, matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors, Key Managerial Personnel, Senior Management and other employees. The policy is framed with the objective(s):

- That the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the Company;
- That the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- That the remuneration to Directors, Key Managerial Personnel, and other employees of the Company involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;
- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-executive) and persons who may be appointed in Senior Management, Key Managerial positions and to determine their remuneration;
- To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies, in the industry;
- To carry out evaluation of the performance of Directors, as well as Key Managerial Personnel and Senior Management Personnel and to provide for reward(s) linked directly to their effort, performance, dedication and achievement relating to the Company's operations;
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage; and
- To lay down criteria for appointment, removal of Directors, Key Managerial Personnel and Senior Management Personnel and evaluation of their performance.

APPLICABILITY AND GOVERNING LAW

This policy is applicable to all Directors viz: Executive, Non-Executive and Independent, Key Managerial Personnel, Senior Management Personnel and other employees of the Company.

This policy shall be governed by the Act read with Rules made thereunder, as may be in force for the time being as well as the Listing Regulations or such other Rules/ Regulations, as may be notified by SEBI from time to time. Any references to statutory provisions shall be construed as references to those provisions as amended or re-enacted or as their application is modified by other statutory provisions (whether before or after the date hereof) from time to time and shall include any provisions of which they are re-enactments (whether with or without modification).

DEFINITIONS

In this policy unless the context otherwise requires:

"Act" shall mean the Companies Act, 2013 and the Rules and Regulations notified thereunder.

"Board of Directors" or "**Board"** in relation to the Company means the collective body of the Directors of the Company.

"Company" means Simplex Realty Limited.

"Directors" means Directors of the Company.

"Independent Director" means a Director referred to in Section 149 (6) of the Companies Act, 2013.

"Key Managerial Personnel" (KMP) in relation to a Company means

i. the Chief Executive Officer, or the Managing Director or the Manager;
ii. the Company Secretary;
iii. the Whole-time Director;
iv. Chief Financial Officer; and
v. such other officer as may be prescribed under the Act.

"Senior Management Personnel" mean employees of the Company who are members of its core management team excluding Board of Directors including the functional / vertical heads.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee shall have minimum three directors as members and out of which not less than one half shall be Independent Directors. The Nomination and Remuneration Committee comprises of following Directors:

Shri V. B. Haribhakti	Non- Executive Independent Director	Chairman
Smt. Anna Malhotra	Non- Executive Independent Director	Member
Shri S. K. Somany	Non- Executive Independent Director	Member

The Board has the power to re-constitute the Committee consistent with the Company's policy and applicable statutory requirement.

ROLE OF THE NOMINATION AND REMUNERATION COMMITTEE

The role of the Committee,*inter-alia* will be the following:

- Identify person who is qualified to become Director and who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performances;
- Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and Employees;
- Devising a policy on Board diversity;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Ensure that the Board comprises of a balanced combination of Executive Directors and Non-executive Directors and also the Independent Directors; and
- Decide/ approve details of fixed components and performance linked incentives along with criteria.

APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT

i. Appointment criteria and qualifications

- The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board about his / her appointment.
- A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- The Company shall not appoint or continue

the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of the Shareholders of the Company.

ii. Term / Tenure

- The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.
- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.
- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company.

iii. Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

iv. Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, Rules and Regulations.

v. Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

REMUNERATION FOR DIRECTOR, KMP AND SENIOR MANAGEMENT

The general features of Remuneration for Director, KMP and Senior Management Personnel are as under:

- The remuneration/compensation/commission etc. to the Whole-time Director, Managing Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration/ compensation/commission etc. shall be subject to the prior/post approval of the Shareholders of the Company and Central Government, wherever required.
- The remuneration and commission to be paid to the Whole-time Director and Managing Director shall be in accordance with the provisions of the Act and the rules made thereunder.
- Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director and Managing Director.
- This Remuneration Policy shall apply to all future/ continuing employment/engagement(s) with the Company. In other respects, the Remuneration Policy shall be of guidance for the Board. Any departure from the policy shall be recorded and reasoned in the Committee and Board meeting minutes.

i. Remuneration to Whole-time/Executive/ Managing Director

Fixed pay

The Whole-time Director, Managing Director, KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The break- up of the pay scale and quantum of perquisites including, employer's contribution to Provident and Pension Fund, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the Shareholders and Central Government, wherever required.

Minimum Remuneration

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director/ Managing Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

Provisions for excess remuneration

If any Whole-time Director/Managing Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act, or without the prior approval of the Central Government, where required, he/she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

ii. Remuneration / Commission to Non - Executive / Independent Director

Remuneration / Commission

The remuneration/commission shall be in accordance with the provisions of the Act and the Rules made thereunder.

Sitting Fees

The Non- Executive/Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed ₹ One lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time. Further the boarding and lodging expenses shall be reimbursed to the Directors.

Commission

Commission may be paid within the monetary limit approved by Shareholders, subject to the limit not exceeding 1 percentage of the profits of the Company computed as per the applicable provisions of the Act.

Stock Options

An Independent Director shall not be entitled to any stock option of the Company.

Review

This Policy shall be reviewed by the Board of Directors on its own and/or as per the recommendations of the Nomination and Remuneration Committee, as and when deemed fit.

Annexure -B

CORPORATE SOCIAL RESPONSIBILITY POLICY

PREAMBLE

Corporate Social Responsibility (CSR) in India has traditionally been seen as a philanthropic activity and in keeping with the Indian tradition, it was an activity that was performed but not deliberated. India has seen a period of sustained economic growth during the last ten years. The Country however still continues to face major challenges like poverty, illiteracy, malnutrition, health hazards, gender bias, environmental problems etc. These have resulted in a large section of the population remaining as 'un-included' from the mainstream. It is necessary to address these challenges through sustainable efforts, both by Government and Private Sector Organizations. The Indian Business has traditionally been socially responsible. While alot of human and economic resources are available for utilization in the corporate world; a suitable mechanism is necessary to channelize these resources for socio-economic development.

Keeping this in mind, The Ministry of Corporate Affairs had come out with a voluntary CSR Guidelines in 2009. The Companies Act, 2013 (the Act) has made it mandatory for certain class of Companies to adopt a Corporate Social Responsibility Policy and spend every year an amount prescribed in the Act, towards discharging its obligations towards the Society in terms of the CSR Policy adapted by it.

SHORT TITLE AND APPLICABILITY

This Policy may be termed as Simplex Realty Limited (SRL) Corporate Social Responsibility Policy. The Policy shall apply to all CSR initiatives and activities of SRL. The Policy has been framed inline with the provisions of Section 135 of the Act and Rules made thereunder.

OBJECTIVE

The Policy has been formulated in compliance with Section 135 of the Act read with applicable Rules made thereunder.

DEFINITIONS

In this policy unless the context otherwise requires:

"Corporate Social Responsibility (CSR)" means and includes but is not limited to Projects or programmes relating to activities specified in Schedule VII to the Act.

"CSR Committee" means the Corporate Social Responsibility Committee of the Board referred to in Section 135 of the Act

"CSR Policy" relates to the activities to be undertaken by the Company as specified in Schedule VII to the Act and expenditure

"Net Profit" means the net profit of the Company as per its financial statement prepared in accordance with applicable provisions of the Act (Section 198), but shall not include the following viz;

i. Any profit arising from any overseas branch or branches of the Company, whether operated as a separate company or otherwise and

ii. Any dividend received from other companies in India, which are covered under and complying with the provisions of Section 135 of the Act

Provided that net profit in respect of a financial year for which the relevant financial statements were prepared in accordance with the provisions of the Companies Act, 1956 shall not be required to be re-calculated in accordance with the provisions of the Act

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The SRL Corporate Social Responsibility Committee shall consist of three Directors amongst which one shall be an Independent Director. The Committee shall hold meetings as and when required, to discuss various issues on implementation of the CSR Policy of SRL.

The CSR Committee shall:

a) Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by SRL as specified in Schedule VII of the Companies Act 2013;

b) Recommend the amount of expenditure to be incurred on the activities referred to in clause (a) in a financial year;

c) Monitor the Corporate Social Responsibility Policy of SRL from time to time; and

d) Any other matter as may be considered expedient in furtherance of and to comply with the CSR Policy of SRL.

CSR ACTIVITIES

SRL's CSR activities shall primarily include one or more of the items covered under Schedule VII of the Act with special focus on the following:

1. Promoting preventive healthcare and sanitation and making available safe drinking water and other activities contained in Schedule VII (I). The Company may be involved in these activities by way of adoption of one or more villages for overall development and livelihood enhancement.

2. Promoting education and other education related activities and livelihood enhancement projects covered under Schedule VII (ii).

3. Activities relating to environmental sustainability, ecological balance and other activities contained in Schedule VII (iv).

4. Protection of national heritage, art and culture as contained in Schedule VII (V).

5. Training to promote rural sports, nationally recognized sports, Paralympics sports and Olympic sports, covered under Schedule VII (vii).

6. Contribution to various funds contained under Schedule VII.

The Board of Directors shall ensure that SRL spends at least 2 percent of the average net profits of SRL made during the 3 immediately preceding financial years in pursuance of its CSR Policy.

Apart from the CSR projects/programmes taken up by the Company itself, the Board of Directors may decide to undertake its CSR activities recommended by the CSR Committee, through a registered Trust or a registered society or a company established by SRL under Section 8 of the Act. Provided that –

- If such trust, society or company is not established by SRL or its holding or subsidiary or associate company, it shall have an established track record of three years in undertaking similar programmes or projects;

- SRL shall specify the project or programmes to be undertaken through these entities, modalities of utilization of funds on such projects and programmes and the monitoring and reporting mechanism.

SRL may also collaborate with other companies for undertaking projects or programmes for CSR activities in such a manner that the Committees of the respective companies are in a position to report separately on such projects or programmes.

SRL may build CSR capacities of their own personnel as well as of their implementing agencies through Institutions with established track records of at least three financial years but such expenditure shall not exceed 5 (five) percentage of the total CSR expenditure of SRL in a financial year.

CSR EXPENDITURE

For achieving its CSR objectives through implementation of meaningful and sustainable CSR programmes, SRL will allocate 2 percent of its average net profits made during the 3 immediately preceding financial years as its Annual CSR Budget.

The Annual CSR Budget shall be spent on activities laid down as above. CSR projects or programmes or activities undertaken in India only shall amount to CSR Expenditure.

Any unspent/unutilized CSR allocation of a particular year, will be carried forward to the following year, that is, the CSE Budget will be non-lapsable in nature.

CSR expenditure shall include all expenditure including contribution to corpus, for projects or programmes relating to CSR activities approved by the Board on the recommendation of its CSR Committee, but does not include any expenditure on an item not in conformity with the CSR Policy.

EXCLUSIONS

The CSR activities shall be undertaken by SRL, (either new or ongoing), excluding activities undertaken in pursuance of its normal course of business.

Any Contribution of any amount directly or indirectly to any political party under Section 182 of the Act, by SRL shall not be considered as CSR activity.

The CSR projects or programmes or activities that benefit only to the employees of SRL and their families shall not be considered as CSR activities in accordance with Section 135 of the Act. Any surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of SRL.

IMPLEMENTATION

CSR programmes will be undertaken by SRL to the best possible extent within the defined ambit of the identified Project/Programme.

The time period/duration over which a particular programme will be spread, will depend on its nature, extent of coverage and the intended impact of the programme.
By and large, it may be ensured that the CSR programmes shall be executed in and around the areas adjoining Company's workplace and Project sites/ work centres and etc.

POWERS FOR APPROVAL

CSR programmes as may be identified by each work centre/corporate office will be required to be put up to the CSR Committee of the Board at the beginning of each financial year.

MONITORING AND FEEDBACK

To ensure effective implementation of the CSR programmes undertaken, a monitoring mechanism will be put in place by the Company. The progress of CSR programmes will be reported to corporate office on a monthly/quarterly basis.

The CSR Committee at the corporate office may conduct impact studies on a periodic basis, through independent professional third parties/professional institutions, especially on the strategic and high value programmes.

Appropriate documentation of SRL's CSR Policy, annual CSR activities, executing partners, if any and expenditure entailed will be undertaken on a regular basis.

CSR initiatives of SRL will be reported in the Annual Report of SRL and the Board's Report incompliance with Section 135 and rules made thereunder. The CSR policy recommended by the CSR Committee and approved by the Board shall be displayed on the web-site of the Company at www.simplex-group.com .

GENERAL

In case of any doubt with regard to any provision of the policy and also in respect of matters not covered herein, a reference to be made to CSR Committee. In all such matters, the interpretation and decision of the Committee shall be final.

Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the guidelines on the subject as may be issued from Government, from time to time. SRL reserves the right to modify, add, or amend any of this Policy Rules/ Guidelines.

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

It is hereby declared that all the Board Members and Senior Management Personnel of the Company have affirmed adherence to and compliance with the Code of Conduct for the year ended 31st March, 2016.

For **Simplex Realty Limited**

Nandan Damani
Chairman & Managing Director

Mumbai, 10th May, 2016

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Simplex Realty Limited

We have examined the compliance of the conditions of Corporate Governance by Simplex Realty Limited, for the year ended 31st March, 2016 as stipulated in Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations), pursuant to the Listing Agreement with BSE Limited.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our Examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statements of the Company.
In our opinion and based on the information and explanations given to us and the representations made by the management and to the best of our knowledge and belief, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Chapter IV of the Listing Regulations.

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

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

Anil Lohia
Partner
Membership No.31626

Mumbai, 10th May, 2016

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

To
The Board of Directors
Simplex Realty Limited

We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2016 and that to the best of our knowledge and belief:

a) i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

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

d) We have indicated, to the Auditors and the Audit Committee:

i. significant changes in internal control over financial reporting during the year;

ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Surendra Kabra
Chief Financial Officer

Nandan Damani
Chairman &
Managing Director

Mumbai, 10th May, 2016

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SIMPLEX REALTY LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Simplex Realty Limited** ('the Company'), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

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

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

Opinion

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

(a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2016;

(b) in the case of the Statement of Profit and Loss, of the Loss for the year ended on that date; and

(c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraph 3 and 4 of the Order.

2. As required by Section 143 (3) of the Act, we report that:

   a. We have sought and obtained all the information and explanations which to the

best of our knowledge and belief were necessary for the purpose of our audit;

b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

c. The Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

e. On the basis of written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act;

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and operating effectiveness of such controls, refer to our separate report in "Annexure B"; and

g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – (refer note no. 25 of the financial statement).

   ii) The Company did not have any long term contracts including derivatives contract for which there were any material foreseeable losses.; and

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

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

Anil Lohia
Partner
Membership No. 31626

Mumbai, 10th May, 2016

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in our report to the members of Simplex Realty Limited ('the Company') for the year ended on 31st March, 2016. We report that:

i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

b) The Management of the Company has physically verified the fixed assets in accordance with its policy of physical verification at reasonable intervals. The discrepancies, if any noticed during such verification have been suitably adjusted in the books of account. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company

ii) a) According to the information and explanations given to us, the management has conducted physical verification of the inventories at reasonable intervals.

b) In our opinion and according to the information and explanations given to us, the procedures followed by the management for physical verification of inventory are reasonable and adequate in relation to the size of the Company and the nature of the business.

c) No material discrepancies have been noticed on physical verification of the stocks as compared to book records in so far as it appears from our examination of the books.

iii) According to the information and explanations given to us and on the basis of our examination of books of account, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provisions of clauses 3(iii)(a) and (iii)(b) and (iii)(c) of the said order are not applicable to the Company.

iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made; the Company has not given any guarantee or security.

v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public.

vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 148(1) of the Act, and are of the opinion that prima facie the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii) a) According to the records of the Company, undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were outstanding as at 31st March, 2016 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 there are no dues of income tax or 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, during the year, there are no defaults in repayment of dues to financial institutions, banks, Government or debenture holders.

ix) The Company has not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been

noticed or reported during the course of our audit.

xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards

xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

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

Anil Lohia
Partner
Membership No. 31626

Mumbai, 10th May, 2016

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

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

We have audited the internal financial controls over financial reporting of **Simplex Realty Limited** ("the Company") as of 31st March, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about

whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Anil Lohia
Partner
Membership No. 31626

Mumbai, 10th May, 2016

BALANCE SHEET AS AT 31ST MARCH, 2016

		Note	As at 31.03.2016 ₹	As at 31.03.2015 ₹
I	**EQUITY AND LIABILITIES**			
1.	**Shareholders' Funds**			
	Share capital	2	**2,99,36,870**	2,99,36,870
	Reserves and surplus	3	**1,17,05,58,349**	1,19,02,44,043
			1,20,04,95,219	1,22,01,80,913
2.	**Non-Current Liabilities**			
	Long-term borrowings	4	**3,58,21,025**	3,76,20,811
	Long-term provisions	6	**12,69,801**	4,08,677
	Other long-term liability	7	**-**	25,00,000
			3,70,90,826	4,05,29,488
3.	**Current Liabilities**			
	Trade payables		**2,19,72,875**	16,40,255
	Other current liabilities	8	**4,47,88,923**	12,05,00,664
	Short-term provisions	9	**3,23,68,433**	61,79,359
			9,91,30,231	12,83,20,278
		TOTAL	**1,33,67,16,276**	1,38,90,30,679
II	**ASSETS**			
1.	**Non-Current Assets**			
	Fixed assets			
	Tangible assets	10	**1,37,84,301**	1,58,69,293
	Non-current investments	11	**2,93,36,231**	2,93,36,231
	Deferred tax asset (net)	5	**20,39,021**	3,57,860
	Long-term loans and advances	13	**3,11,04,962**	3,10,73,371
			7,62,64,515	7,66,36,755
2.	**Current Assets**			
	Current investments	12	**7,96,970**	8,74,009
	Inventories	14	**45,07,41,272**	48,81,60,983
	Trade receivables	15	**3,66,657**	1,02,41,336
	Cash and cash equivalents	16	**1,14,66,477**	1,90,13,825
	Short-term loans and advances	17	**76,56,80,888**	77,51,58,050
	Other current assets	18	**3,13,99,497**	1,89,45,721
			1,26,04,51,761	1,31,23,93,924
		TOTAL	**1,33,67,16,276**	1,38,90,30,679

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	**1**
NOTES FORMING PART OF FINANCIAL STATEMENTS	**1 to 34**

As per our report of even date attached

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

Anil Lohia
Partner
Membership No. 31626
Mumbai, 10th May, 2016

Surendra Kabra
Chief Financial Officer

Shekhar R Singh
Company Secretary

For and on behalf of the Board

Nandan Damani
Chairman and Managing Director

S.K.Somany
Director

Mumbai, 10th May, 2016

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

		Note	2015-16 ₹	2014-15 ₹
I	**Revenue from operations**	**19**	**28,51,50,975**	4,76,27,220
II	**Other income**	**20**	**6,91,72,785**	7,08,19,238
III	**Total Revenue (I+II)**		**35,43,23,760**	11,84,46,458
IV	**Expenses**			
	Cost of development/sales	**21**	**19,63,28,296**	5,82,62,895
	Employee benefits expense	**22**	**2,07,27,761**	1,71,04,452
	Finance costs	**23**	**19,953**	59,40,172
	Depreciation	**10**	**23,97,855**	27,61,367
	Other expenses	**24**	**3,05,33,773**	2,17,70,652
	Total Expenses		**25,00,07,638**	10,58,39,538
V	**Profit before extraordinary item and tax (III-IV)**		**10,43,16,122**	1,26,06,920
VI	**Extraordinary item** (refer note 32)		**8,38,52,198**	-
VII	**Profit before tax (V-VI)**		**2,04,63,924**	1,26,06,920
	Current tax		**3,81,38,062**	54,71,140
	Deferred tax		**(16,81,161)**	(2,46,070)
	Taxes of earlier years (net)		**92,349**	(34,215)
VIII	**(Loss)/Profit for the period**		**(1,60,85,326)**	74,16,065
	Earnings per equity share (Face value of share ₹ 10/- each)	**29**		
	Basic and Diluted earnings per share		**(5.38)**	2.48

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	**1**
NOTES FORMING PART OF FINANCIAL STATEMENTS	**1 to 34**

As per our report of even date attached

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

Anil Lohia
Partner
Membership No. 31626
Mumbai, 10th May, 2016

Surendra Kabra
Chief Financial Officer

Shekhar R Singh
Company Secretary

For and on behalf of the Board

Nandan Damani
Chairman and Managing Director

S.K.Somany
Director

Mumbai, 10th May, 2016

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

		2015-16		2014-15
	₹	₹	₹	₹
A. CASH FLOW FROM OPERATING ACTIVITIES :				
NET PROFIT BEFORE EXTRAORDINARY ITEM AND TAX		**10,43,16,122**		1,26,06,920
Adjustments for :				
Depreciation	**23,97,855**		27,61,367	
Interest expenses	**19,953**		59,40,172	
Profit on sale of investments (net)	**-**		(14,428)	
Dividend income	**(87,336)**		(1,85,407)	
Interest income	**(5,94,53,409)**		(5,72,85,230)	
Loss on sale of fixed assets	**-**		3,85,844	
Sundry balances written off/(back)-(net)	**4,928**		(15,763)	
Adjustments to the carrying amount of investments	**77,039**	**(5,70,40,970)**	17,670	(4,83,95,775)
OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES		**4,72,75,152**		(3,57,88,855)
(Increase)/Decrease in:				
Inventories	**3,74,19,711**		(5,13,01,994)	
Trade receivables	**98,74,679**		(80,29,821)	
Long-term loans and advances	**(31,591)**		6,99,79,190	
Short-term loans, advances and other assets	**2,51,85,662**		7,20,17,593	
Long-term provisions	**8,61,124**		(2,41,355)	
Trade payables	**2,03,32,620**		(1,15,39,528)	
Other long-term liabilities	**(25,00,000)**			-
Other current liabilities	**(7,57,11,741)**		8,37,44,540	
Short-term provisions	**10,36,706**	**1,64,67,170**	32,10,389	15,78,39,014
CASH GENERATED FROM OPERATIONS		**6,37,42,322**		12,20,50,159
Direct taxes paid		**(1,03,69,180)**		(2,19,94,318)
NET CASH GENERATED FROM OPERATING ACTIVITIES	**(A)**	**5,33,73,142**		10,00,55,841
B. CASH FLOW FROM INVESTING ACTIVITIES :				
Purchase of fixed assets		**(3,12,863)**		(15,64,934)
Sale of fixed assets		**-**		3,65,238
Sale of investments		**-**		14,429
Dividend received		**87,336**		1,85,407
Interest received		**4,96,70,847**		4,90,76,747
Inter corporate deposits (given) - net		**(10,49,45,703)**		(6,86,10,617)
NET CASH USED IN INVESTING ACTIVITIES	**(B)**	**(5,55,00,383)**		(2,05,33,730)

		2015-16 ₹	2014-15 ₹
C. CASH FLOW FROM FINANCING ACTIVITIES :			
Proceeds from/(Repayment) of borrowings (net)		**(17,99,786)**	(5,09,20,883)
Interest paid		**(19,953)**	(59,40,172)
Dividend paid (including dividend distribution tax)		**(36,00,368)**	(1,04,99,302)
NET CASH USED IN FINANCING ACTIVITIES	**(C)**	**(54,20,107)**	(6,73,60,357)
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	**(A+B+C)**	**(75,47,348)**	1,21,61,754
CASH AND CASH EQUIVALENTS - AT THE START OF THE YEAR		**1,90,13,825**	68,52,071
CASH AND CASH EQUIVALENTS - AT THE END OF THE YEAR		**1,14,66,477**	1,90,13,825

Cash and cash equivalents comprise of :	**As on 31.03.16**	As on 31.03.15
Balances with Banks :		
- in Current accounts	**26,23,449**	50,55,499
- in Deposit account as margin money	**-**	1,00,00,000
Cheques on hand	**63,16,000**	10,48,745
Cash on hand	**1,85,522**	58,335
Unclaimed dividend accounts*	**23,41,506**	28,51,246
	1,14,66,477	1,90,13,825

* Unclaimed dividend accounts which are not available for use by the Company.

NOTES FORMING PART OF FINANCIAL STATEMENTS - 1 TO 34

As per our report of even date attached

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

Anil Lohia
Partner
Membership No. 31626
Mumbai, 10th May, 2016

Surendra Kabra
Chief Financial Officer

Shekhar R Singh
Company Secretary

For and on behalf of the Board

Nandan Damani
Chairman and Managing Director

S.K.Somany
Director

Mumbai, 10th May, 2016

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

CORPORATE INFORMATION

Simplex Realty Limited ("the Company") is into real estate development. The Company develops residential as well as commercial properties in and around Mumbai. The Company is a public limited Company and is listed on BSE Limited.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(i) Basis of preparation:

These financial statements are prepared in accordance with the Generally Accepted Accounting Principles (GAAP) on the historical cost convention on the accrual basis. The GAAP comprises mandatory Accounting Standards notified by the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The accounting policies have been consistently applied.

(ii) Revenue Recognition:

The Company is following "Percentage of Completion Method" and revenue is recognized accordingly.

The "Guidance Note on Accounting for Real Estate Transactions (Revised 2012)" has been followed in respect of the Company's on-going project for which revenue is recognized for the first time.

The Company recognizes revenue in respect of sales in proportion to the actual cost incurred as against the total estimated project cost subject to achieving the threshold levels.

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

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

All other income is recognized on accrual basis.

Dividend income is accounted when right to receive is established.

(iii) Tangible Fixed Assets:

All fixed assets are carried at cost less accumulated depreciation and impairment, if any. The cost of fixed assets includes expenses incidental to acquisition and installation. Interest on specific borrowings, obtained for the purposes of acquiring fixed assets is capitalized upto the date of commissioning of the assets.

(iv) Capital work-in-progress:

Capital work-in-progress is carried at cost. Cost comprises direct costs, related incidental expenses and interest on borrowings.

(v) Investments:

Investments are either classified as current or long term based on Management's intention at the time of purchase. Long term investments are carried at cost less provision recorded to recognize any decline, other than of a temporary nature, in the carrying value of each investment. Current investments are valued at cost or fair value whichever is lower and the resultant decline, if any, are charged to Statement of Profit and Loss.

(vi) 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 is valued at lower of cost or net realisable value.

(vii) Borrowing Costs:

Borrowing costs attributable to the acquisition, construction or production of qualifying assets are considered 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 finance charges incurred in connection with borrowing of funds, which are

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

incurred for the development of long term projects are transferred to construction work-in- progress. All other borrowing costs are recognized as expense in the period in which these are incurred.

(viii) Depreciation:

Depreciation is provided on all fixed assets (excluding furniture and office equipments) on straight-line method and on furniture and office equipments on the written down value method based on the useful life of the assets as prescribed in the Schedule II to the Companies Act, 2013 and for the assets acquired prior to 1st April, 2014 the carrying amount as on 1st April, 2014 is depreciated over the remaining useful life based on the useful life of the assets as prescribed in the Schedule II to the Companies Act, 2013.

(ix) Retirement Benefits:

Liabilities on account of gratuity and leave encashment benefit are determined by actuarial valuation at each balance sheet date using the Projected Unit Credit Method. Actuarial gain and losses are recognized immediately in the Statement of Profit and Loss for the period in which they occur. 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.

The Company's contributions to provident fund, family pension fund and superannuation fund are recognised as expenses in the Statement of Profit and Loss in the period in which they are incurred.

(x) Taxation:

Current income tax is determined as the amount of tax payable in respect of taxable income for the period based on applicable tax rate and laws. Deferred tax is recognized on timing difference, being difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. The deferred tax effect is calculated using the tax rates and the tax laws enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognized only to the extent there is a reasonable certainty of realization, except in case of unabsorbed depreciation and business losses in respect of which, deferred tax asset is recognized only if the Company is virtually certain of having sufficient future taxable income against which the losses/depreciation can be set off. Deferred tax assets are reviewed at each Balance Sheet date to re-assess realization.

(xi) Impairment of Assets:

Impairment loss, if any, is provided to the extent, the carrying amount of assets exceeds their recoverable amount. Recoverable amount is higher of an asset's net selling price 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. Assessment is also done at each Balance Sheet date as to whether there is any indication that any impairment loss recognized for an asset in prior years may no longer exist or may have decreased.

(xii) Provisions and Contingent Liabilities:

The Company recognizes a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company.

(xiii) Cash and Cash Equivalents:

Cash and cash equivalents include cash on hand, cheques on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

(xiv) Use of Estimates:

The preparation of financial statements in accordance with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities as at the date of financial statements and the reported amount of income and expenses during the year. Actual results could differ from these estimates. Any revision to such accounting estimates is recognized in the accounting period in which such revision takes place.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

2. SHARE CAPITAL	**31.03.2016** ₹	31.03.2015 ₹
AUTHORISED		
1,00,00,000 Equity Shares of ₹10/- each	**10,00,00,000**	10,00,00,000
ISSUED, SUBSCRIBED AND PAID UP		
29,91,382 (Previous year 29,91,382) Equity shares of ₹10/- each fully paid up (of which 360 (Previous year 360) shares remain to be exchanged for fractional certificates)	**2,99,13,820**	2,99,13,820
Add : Forfeited shares account	**23,050**	23,050
Total issued, subscribed and fully paid up share capital	**2,99,36,870**	2,99,36,870

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

Particulars	**31.03.2016**		31.03.2015	
	Equity Shares		Equity Shares	
	Number	₹	Number	₹
Shares outstanding at the beginning of the year	**29,91,382**	**2,99,13,820**	29,91,382	2,99,13,820
Shares issued during the year	**-**	**-**	-	-
Shares bought back during the year	**-**	**-**	-	-
Shares outstanding at the end of the year	**29,91,382**	**2,99,13,820**	29,91,382	2,99,13,820

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 31 March, 2016**		As at 31 March, 2015	
	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
Life Insurance Corporation of India	**6,85,741**	**22.92**	6,85,741	22.92
New Textiles Pvt. Ltd.	**5,73,916**	**19.19**	5,50,877	18.42

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

3. RESERVES AND SURPLUS	31.03.2016	31.03.2015
	₹	₹
CAPITAL RESERVE	**60,71,263**	60,71,263
SECURITIES PREMIUM ACCOUNT	**1,43,23,904**	1,43,23,904
GENERAL RESERVE		
Opening balance	**70,09,00,000**	70,09,00,000
Add: Amount transferred from surplus balance in Statement of Profit and Loss	**-**	-
Closing Balance	**70,09,00,000**	70,09,00,000
SURPLUS IN THE STATEMENT OF PROFIT AND LOSS		
Opening balance	**46,89,48,876**	46,55,95,801
(Loss) / Profit for the year	**(1,60,85,326)**	74,16,065
Less: Appropriations:		
Proposed dividend*	**29,91,382**	29,91,382
Tax on proposed dividend	**6,08,986**	6,08,986
Less: Adjustment relating to Fixed Assets	**-**	4,62,622
Closing Balance	**44,92,63,182**	46,89,48,876
Total Reserves and Surplus	**1,17,05,58,349**	1,19,02,44,043

*The Board of Directors of the Company has proposed dividend of ₹ 1/- (10%) per equity share for the year 2015-16 amounting to ₹ 29,91,382/- (Previous year ₹ 1/- (10%) amounting to ₹ 29,91,382/-)

4. LONG-TERM BORROWINGS	31.03.2016	31.03.2015
	₹	₹
Unsecured loan from other		
Term loan	**3,58,21,025**	3,76,20,811
	3,58,21,025	3,76,20,811

(Unsecured loan availed against the security of assets given by a company in which Directors are interested and carries interest @ 12.10% per annum and is repayable in equated monthly installment over a period of 11 years)

5. DEFERRED TAX (ASSET) / LIABILITY (NET)	31.03.2016	31.03.2015
	₹	₹
Deferred Tax Liability		
Long term capital gain on conversion of land into stock in trade	**7,51,676**	14,09,392
Gross deferred tax liability	**7,51,676**	14,09,392
Deferred Tax Assets		
1. Provision for gratuity	**7,89,264**	5,10,511
2. Provision for leave benefits	**9,01,510**	4,58,838
3. Property tax payable	**2,43,675**	2,11,357
4. Difference between tax depreciation and depreciation charged for financial reporting	**8,56,248**	5,86,546
Gross deferred tax assets	**27,90,697**	17,67,252
Net deferred tax asset	**(20,39,021)**	(3,57,860)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

6. LONG-TERM PROVISIONS	31.03.2016	31.03.2015
	₹	₹
For employee benefits (refer note 22)		
Gratuity	**12,69,801**	4,08,677
	12,69,801	4,08,677

7. OTHER LONG-TERM LIABILITY	31.03.2016	31.03.2015
	₹	₹
Security deposit	**-**	25,00,000
	-	25,00,000

8. OTHER CURRENT LIABILITIES	31.03.2016	31.03.2015
	₹	₹
Current maturities of long term debt	**16,30,021**	9,25,304
Advance received from customers	**1,26,50,053**	7,57,73,042
Lease rent payable	**36,53,223**	36,53,223
Unclaimed dividends	**23,41,506**	28,51,246
Other liabilities	**1,06,39,216**	3,03,60,042
Other payables		
Statutory dues	**32,68,293**	18,52,668
Liabilities for expenses	**92,04,327**	36,82,855
Others*	**14,02,284**	14,02,284
	4,47,88,923	12,05,00,664

* Others includes ex-employees dues (pending claims)

9. SHORT-TERM PROVISIONS	31.03.2016	31.03.2015
	₹	₹
For employee benefits - (refer note 22)		
Gratuity	**10,10,780**	11,64,790
Leave benefits	**26,04,917**	14,14,201
Others		
For taxation (net of advance payments)	**2,51,52,368**	-
Proposed dividend	**29,91,382**	29,91,382
Tax on proposed dividend	**6,08,986**	6,08,986
	3,23,68,433	61,79,359

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

10. TANGIBLE ASSETS

(In ₹)

	GROSS BLOCK				DEPRECIATION					NET BLOCK	
	As at 1st April, 2015	Additions during the year	Deductions/ Adjustments during the year	**As at 31st March, 2016**	Upto 31st March, 2015	Provided during the year	On Deductions/ Adjustments	Transferred to retained earnings	**Upto 31st March, 2016**	**As at 31st March, 2016**	As at 31st March, 2015
Freehold Land (at cost)	50,00,318	-	-	**50,00,318**	-	-	-	-	**-**	**50,00,318**	50,00,318
Buildings	46,96,512	-	-	**46,96,512**	13,68,575	70,771	-	-	**14,39,346**	**32,57,166**	33,27,937
Plant and Machinery including Computers and Electrical Installations	17,06,029	1,54,250	-	**18,60,279**	14,50,185	1,45,796	-	-	**15,95,981**	**2,64,298**	2,55,844
Furniture and Office Equipments	38,08,031	1,58,613	-	**39,66,644**	29,47,758	3,23,442	-	-	**32,71,200**	**6,95,444**	8,60,273
Vehicles	1,24,16,375	-	-	**1,24,16,375**	59,91,454	18,57,846	-	-	**78,49,300**	**45,67,075**	64,24,921
Total	2,76,27,265	3,12,863	-	**2,79,40,128**	1,17,57,972	23,97,855	-	-	**1,41,55,827**	**1,37,84,301**	1,58,69,293
Previous Year	2,74,43,867	15,64,934	13,81,536	2,76,27,265	89,42,249	27,61,367	6,30,453	6,84,809	1,17,57,972		

11. NON-CURRENT INVESTMENTS

	Details of other Investments - (valued at cost, unless stated otherwise)										
Sr. No.	**Particulars**	**Associate/ Others**	**Face value**	**No. of Shares**		**Quoted / Unquoted**	**Partly/ Fully paid**	**Extent of Holding (%)**		**Value (₹)**	
				31.03.2016	31.03.2015			**31.03.2016**	31.03.2015	**31.03.2016**	31.03.2015
I	**Investments in Equity Instruments**										
(a)	Simplex Mills Company Ltd.	Associate	10	**14,70,000**	14,70,000	Quoted	Fully Paid	**48.99**	48.99	**1,46,10,800**	1,46,10,800
(b)	Simplex Papers Ltd.	Associate	10	**14,71,000**	14,71,000	Quoted	Fully Paid	**49.01**	49.01	**1,47,25,431**	1,47,25,431
(c)	Universal Conveyor Beltings Ltd.	Others	10	**27,500**	27,500	Unquoted	Fully Paid	**-**	-	**-**	-
	Total Non-Current Investments									**2,93,36,231**	2,93,36,231

Particulars	**31.03.2016** ₹	31.03.2015 ₹
Aggregate amount of quoted investments (Market value as on 31.03.2016 ₹ 1,51,58,010/- (31.03.2015 ₹ 2,47,01,000/-)	**2,93,36,231**	2,93,36,231
Aggregate amount of unquoted investments	**-**	-
Aggregate provision for diminution in value of investments	**2,75,000**	2,75,000

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

12. CURRENT INVESTMENTS - (At the lower of cost and fair value)

Sr. No.	Particulars	Associate/ Others	Face value	No. of Shares		Quoted/ Unquoted	Partly/ Fully paid	Value (₹)	
				31.03.2016	31.03.2015			**31.03.2016**	31.03.2015
I	**Investments in Equity Instruments**								
(a)	Peninsula Land Ltd.	Others	2	**10,750**	10,750	Quoted	Fully Paid	**1,84,900**	2,98,312
(b)	Prime Urban Development (I) Ltd.	Others	2	**2,500**	2,500	Quoted	Fully Paid	**36,180**	7,400
(c)	HDFC Ltd.	Others	2	**1,400**	1,400	Quoted	Fully Paid	**4,483**	4,483
(d)	Piramal Enterprises Ltd.	Others	2	**2,832**	2,832	Quoted	Fully Paid	**2,36,224**	2,36,224
(e)	Piramal Phytocare Ltd	Others	10	**276**	276	Quoted	Fully Paid	**19,486**	9,605
(f)	Hindustan Unilever Ltd.	Others	1	**360**	360	Quoted	Fully Paid	**2,38,835**	2,38,835
(g)	Delta Magnets Ltd.	Others	10	**750**	750	Quoted	Fully Paid	**21,862**	24,150
(h)	Morarjee Textiles Ltd.	Others	7	**2,109**	2,109	Quoted	Fully Paid	**55,000**	55,000
(i)	Integra Garments and Textiles Ltd.	Others	3	**2,109**	2,109	Quoted	Fully Paid	**-**	-
	Total Current Investments							**7,96,970**	8,74,009

Particulars	**31.03.2016** ₹	31.03.2015 ₹
Aggregate amount of quoted investments (Market value ₹51,40,680/- (Previous Year ₹50,38,436/-)	**7,96,970**	8,74,009
Aggregate amount of unquoted investments	**-**	-
Aggregate provision for diminution in value of investments	**4,52,818**	3,75,779

13. LONG-TERM LOANS AND ADVANCES

(Unsecured, considered good)

	31.03.2016 ₹	31.03.2015 ₹
Security deposits	**9,78,962**	10,73,371
Deposit towards property development	**3,00,00,000**	3,00,00,000
Loans to employees	**1,26,000**	-
	3,11,04,962	3,10,73,371

14. INVENTORIES

	31.03.2016 ₹	31.03.2015 ₹
Construction work-in-progress	**41,72,91,042**	41,51,70,429
Realty stock	**3,34,50,230**	7,29,90,554
	45,07,41,272	48,81,60,983

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

15. TRADE RECEIVABLES	**31.03.2016**	31.03.2015
(Unsecured, considered good)	₹	₹
Outstanding for a period of six months from the date they are due for payment	**3,66,657**	-
Others	**-**	1,02,41,336
	3,66,657	1,02,41,336

16. CASH AND BANK BALANCES	**31.03.2016**	31.03.2015
	₹	₹
Cash and cash equivalents		
Balances with banks:		
In current accounts	**26,23,449**	50,55,499
In deposit account as margin money	**-**	1,00,00,000
Cheques on hand	**63,16,000**	10,48,745
Cash on hand	**1,85,522**	58,335
Unclaimed dividend accounts	**23,41,506**	28,51,246
	1,14,66,477	1,90,13,825

17. SHORT-TERM LOANS AND ADVANCES		**31.03.2016**	31.03.2015
		₹	₹
Loans and advances to related parties			
Unsecured - considered good		**7,76,71,632**	16,55,47,721
- considered doubtful		**-**	2,94,63,607
		7,76,71,632	19,50,11,328
Provision for doubtful loans and advances		**-**	(2,94,63,607)
	(a)	**7,76,71,632**	16,55,47,721
Other Loans and Advances			
(Unsecured, considered good)			
Advance income tax (net of provisions for taxation)		**-**	27,11,714
Income tax paid against disputed demand		**8,27,17,054**	8,27,17,054
Advance towards land acquisition		**9,81,00,000**	13,00,00,000
Loans to employees*		**5,61,000**	5,11,250
Inter corporate deposits		**40,80,69,467**	30,31,23,764
Service tax receivables		**66,81,451**	37,77,205
Prepaid expenses		**4,55,280**	4,53,933
Advances paid towards project approvals		**8,78,48,927**	8,38,58,047
Other advances		**35,76,077**	24,57,362
	(b)	**68,80,09,256**	60,96,10,329
	Total (a+b)	**76,56,80,888**	77,51,58,050
* includes due from officers of the Company		**3,30,000**	1,50,000

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

18. OTHER CURRENT ASSETS	31.03.2016 ₹	31.03.2015 ₹
Revenue accrued but not due	**79,24,762**	53,15,934
Interest receivable	**2,34,11,757**	1,36,29,787
Others	**62,978**	-
	3,13,99,497	1,89,45,721

19. REVENUE FROM OPERATIONS	2015-16 ₹	2014-15 ₹
Sale of products	**28,51,50,975**	4,76,27,220
	28,51,50,975	4,76,27,220

20. OTHER INCOME	2015-16 ₹	2014-15 ₹
Interest on		
Bank deposits	**3,68,904**	4,63,800
Inter corporate deposits	**5,46,74,964**	3,96,35,073
Other deposits	**44,09,541**	1,08,76,232
Income tax refund	**-**	63,10,125
Dividend on current investments	**87,336**	1,85,407
Net gain on sale of current investments	**-**	14,428
Building rent	**96,32,040**	1,33,22,040
Other non-operating income	**-**	12,133
	6,91,72,785	7,08,19,238

21. COST OF DEVELOPMENT / SALES	2015-16 ₹	2014-15 ₹
Opening stock	**41,51,70,429**	36,92,57,387
Add: Expenditure/Transfers from advances during the year		
Materials, Structural, Labour and contract cost incurred	**10,84,68,540**	8,47,24,118
Rates and taxes	**13,14,652**	9,30,377
Professional charges	**46,38,506**	56,26,435
Other cost	**3,95,08,792**	1,30,19,857
Finance cost	**49,78,095**	52,64,101
Cost of realty stock	**4,57,30,513**	-
	20,46,38,098	10,95,64,888
Less: Transferred to realty stock	**61,90,189**	53,88,951
Less: Closing stock	**41,72,91,042**	41,51,70,429
Cost of sales	**19,63,28,296**	5,82,62,895

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

22. EMPLOYEE BENEFITS EXPENSE

	2015-16 ₹	2014-15 ₹
Salaries and wages	**1,88,41,720**	1,53,49,126
Contribution to provident, superannuation and other funds	**7,18,851**	6,38,090
Staff welfare expenses	**11,67,190**	11,17,236
	2,07,27,761	1,71,04,452

Retirement benefit plans

As per Accounting Standard 15 "Employee benefits", the disclosures as defined in the Accounting Standard are given below:

I) Defined Contribution Plans

a) Provident Fund
b) Superannuation Fund and Pension Scheme,1995

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

Contribution to:	2015-16 ₹	2014-15 ₹
Provident fund	**67,045**	60,928
Superannuation fund	**5,59,809**	5,19,167
Pension fund	**91,997**	57,995

II) Defined Benefit Plans

a) Contribution to Gratuity fund (Non- funded)
b) Leave encashment (Non- funded)

In accordance with the Accounting Standard (AS 15) (Revised 2005) Employee Benefits, actuarial valuation was done in respect of the aforesaid defined benefit plans of gratuity and leave encashment based on the following assumptions:

Actuarial assumptions	2015-16	2014-15
Discount rate	**8.00%**	8.00%
Salary escalation rate	**10.00%**	10.00%
Attrition rate	**0.50%**	0.50%

GRATUITY	2015-16 ₹	2014-15 ₹
A. Changes in value of obligations		
Liability at the beginning of the year	**15,73,467**	20,95,761
Interest cost	**1,19,431**	1,43,045
Current service cost	**16,609**	50,238
Benefit paid	**(1,61,161)**	(6,15,406)
Actuarial (gain)/loss on obligations	**7,32,235**	(1,00,171)
Liability at the end of the year	**22,80,581**	15,73,467

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

		2015-16 ₹	2014-15 ₹
B.	**Amount recognized in the Balance Sheet**		
	Present value of defined benefit obligation as at the year end	**22,80,581**	15,73,467
	Fair value of plan assets as at the year end	**-**	-
	Liability/(Net asset) recognized in the Balance Sheet	**22,80,581**	15,73,467
	- Current liability	**10,10,780**	11,64,790
	- Non-current liability	**12,69,801**	4,08,677
C.	**Expenses recognized in the Statement of Profit and Loss**		
	Interest cost	**1,19,431**	1,43,045
	Current service cost	**16,609**	50,238
	Net Actuarial (gain)/loss recognized	**7,32,235**	(1,00,171)
	Expenses recognized in the Statement of Profit and Loss	**8,68,275**	93,112

LEAVE ENCASHMENT		**2015-16** ₹	2014-15 ₹
A.	**Changes in value of obligations**		
	Liability at the beginning of the year	**14,14,201**	14,41,487
	Interest cost	**1,11,980**	1,06,679
	Current service cost	**1,25,720**	4,68,077
	Benefit paid	**(28,908)**	(2,15,999)
	Actuarial (gain)/loss on obligations	**9,81,924**	(3,86,043)
	Liability at the end of the year	**26,04,917**	14,14,201
B.	**Amount recognized in the Balance Sheet**		
	Present value of defined benefit obligation as at the year end	**26,04,917**	14,14,201
	Fair value of plan assets as at the year end	**-**	-
	Liability/(Net asset) recognized in the Balance Sheet	**26,04,917**	14,14,201
	- Current liability	**26,04,917**	14,14,201
C.	**Expenses recognized in the Statement of Profit and Loss**		
	Interest cost	**1,11,980**	1,06,679
	Current service cost	**1,25,720**	4,68,077
	Actuarial (gain)/loss recognized	**9,81,924**	(3,86,043)
	Expenses recognized in the Statement of Profit and Loss	**12,19,624**	1,88,713

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

23. FINANCE COSTS	**2015-16** ₹	2014-15 ₹
Interest expenses on		
Inter corporate deposit	**-**	24,21,172
Term loan	**49,78,095**	52,64,101
Income tax	**-**	35,18,614
Others	**19,953**	386
Total finance costs	**49,98,048**	1,12,04,273
Less: Transferred to construction work-in-progress	**49,78,095**	52,64,101
Net finance costs	**19,953**	59,40,172

24. OTHER EXPENSES		**2015-16** ₹		2014-15 ₹
Electricity		**4,75,534**		2,71,461
Repairs to				
Buildings		**6,14,222**		9,97,517
Machinery		**1,45,259**		2,06,534
Others		**3,22,831**		3,03,037
Insurance		**1,07,010**		1,03,809
Rent		**50,417**		49,115
Rates and taxes		**5,91,642**		10,90,435
Advertisements		**55,871**		53,036
Business promotion expenses		**1,71,034**		1,26,458
Travelling and conveyance expenses		**29,74,288**		22,70,443
Legal and professional fees		**1,46,49,446**		49,28,741
Retainership fees		**3,09,065**		8,44,784
Printing, stationery and communication expenses		**9,97,194**		10,80,661
Bank charges		**9,482**		15,933
Loss on sale of fixed assets		**-**		3,85,844
Vehicles expenses		**14,28,470**		11,72,940
Flat maintenance expenses		**29,19,280**		20,78,069
Membership and subscription charges		**3,94,574**		2,60,953
Security charges		**14,27,666**		18,74,520
Sundry expenses		**7,32,947**		11,75,105
Directors' sitting fees		**2,35,250**		3,07,500
Corporate social responsibility expenses		**13,00,000**		13,00,000
Auditors' remuneration				
As Auditor				
Audit fee	**2,75,000**		2,25,000	
Tax audit fee	**25,000**		25,000	
For taxation matters	**2,39,624**		5,42,500	
For reimbursement of expenses	**5,628**	**5,45,252**	13,587	8,56,087
Adjustments to the carrying amount of investments		**77,039**		17,670
		3,05,33,773		2,17,70,652

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

25. Contingent Liabilities not provided for

a) Claims against the Company not acknowledged as debt: **(In ₹)**

	2015-16	2014-15
Appeals filed in respect of disputed demands:		
Relating to Income Tax where the Company is in appeal	**7,32,61,149**	7,73,86,149
Relating to Income Tax where Department is in appeal	**54,46,63,110**	54,46,63,110
Labour Matters	**1,35,327**	1,35,327
Legal Cases	**34,05,600**	34,05,600
Letter of Credit	**-**	83,08,929

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

26. The Company has not received any intimation from "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/payable as required under the said Act have not been given.

27. 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.

28. During the year, the Company has recognized ₹ 8,51,50,975/- as revenue from the on-going project "Simplex Khushaangan". The aggregate amount of cost incurred and the profit/(loss) recognized to date is ₹ 77,27,33,202/- and ₹ (12,93,35,495/-) respectively.

29. Earnings per share – EPS is calculated by dividing the profit / (loss) attributable to the equity share holders 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	**2015-16**	2014-15
1	(Loss) / Profit after tax – ₹	**(1,60,85,326)**	74,16,065
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 - ₹	**(5.38)**	2.48

30. 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.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

31. Related party disclosure

(i) Related party relationship during the year

(a) Associates	Simplex Papers Ltd. Simplex Mills Company Ltd.
(b) Key management personnel	Mr. Nandan Damani - Managing Director Mr. Surendra Kabra- Chief Financial Officer Mr. Shekhar R Singh- Company Secretary
(c) Relative of key management personnel	Mr. Sanjay N Damani Mrs. Shashi Patodia Mrs. Shivani Jatia
(d) Where persons mentioned in (b) or (c) exercise significant influence	The Nav Bharat Refrigeration and Industries Ltd. Shreelekha Global Finance Ltd. Lucky Vyapaar and Holdings Pvt. Ltd. Shrinathji Flour Mills Pvt. Ltd.

(ii) Transactions with related parties

(In ₹)

Type of related party	Description of the nature of transaction	Volume of transactions during 2015-16	Volume of transactions during 2014-15	As on 31.03.2016	As on 31.03.2015
(a) Associates					
Simplex Papers Ltd.	Loan given / (repaid) - net	**(1,00,00,000)**	(2,00,17,776)	**-**	-
	Amount written off (Including doubtful loan)	**11,33,15,805**	-	**-**	-
	Receivable	**-**	-	**-**	12,33,15,805
Simplex Mills Company Ltd.	Loan given / (repaid) - net	**5,35,000**	7,06,58,454	**-**	-
	Receivable	**-**	-	**7,76,71,632**	7,16,95,522
	Interest received / accrued	**60,45,678**	46,19,837	**-**	-
(b) Key Management Personnel	Remuneration	**1,00,40,438**	92,33,250	**-**	-
	Sale of products*	**6,38,071**	3,90,373	**-**	-
	Installments received against sale of flat	**4,68,875**	18,75,500	**-**	-
(c) Relative of Key Management Personnel	Salaries	**4,21,547**	-	**-**	-
	Directors sitting fees	**10,000**	35,000	**-**	-
	Sale of products*	**12,50,543**	7,65,084	**-**	-
	Installments received against sale of flat	**9,17,876**	37,56,590	**-**	-
	*To the extent of revenue recognized during the year				

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Type of related party	Description of the nature of transaction	Volume of transactions during 2015-16	Volume of transactions during 2014-15	As on 31.03.2016	As on 31.03.2015
(d) Where persons mentioned in (b) or (c) exercise significant influence					
a) Reimbursement of expenses received					
The Nav Bharat Refrigeration and Industries Ltd.		**5,356**	97,971	**-**	-
b) Inter Corporate Deposits (ICDs)					
The Nav Bharat Refrigeration and Industries Ltd.	ICD taken	**-**	20,00,000	**-**	-
	ICD (repaid)	**-**	(20,00,000)		
c) Interest paid/accrued					
The Nav Bharat Refrigeration and Industries Ltd.		**-**	4,603	**-**	-
d) Security					
Security offered by Lucky Vyapaar and Holdings Pvt. Ltd. for loan availed		**-**	-	**3,74,51,046**	3,85,46,115

32. During the year, the Company has written off advances given to one of its associates amounting to ₹ 11,33,15,805/-. Out of this, ₹ 2,94,63,607/- was provided as doubtful loans and advances in the earlier year. As this amount is not recoverable, hence now written off and the net amount of ₹ 8,38,52,198/- has been shown as an extraordinary item.

33. Expenditure in foreign currency

	2015-16 ₹	2014-15 ₹
Travelling expenses	**9,82,325**	10,04,275

34. Previous year's figures have been reclassified, wherever necessary, to conform current year's presentation.

As per our report of even date attached

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

Anil Lohia
Partner
Membership No. 31626
Mumbai, 10th May, 2016

Surendra Kabra
Chief Financial Officer

Shekhar R Singh
Company Secretary

For and on behalf of the Board

Nandan Damani
Chairman and Managing Director

S.K.Somany
Director

Mumbai, 10th May, 2016

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SIMPLEX REALTY LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Simplex Realty Limited** ('the Company') and its associates (collectively referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31st March, 2016, the consolidated Statement of Profit and Loss, the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

Board of Directors of the Company is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder:

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

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

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

Opinion

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

a) in the case of the Consolidated Balance Sheet, of the consolidated state of affairs of the Group as at 31st March, 2016;

b) in the case of the Consolidated Statement of Profit and Loss, of the consolidated Loss for the year ended on that date; and

c) in the case of the consolidated Cash Flow Statement, of the consolidated cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note 31(iii) and 31(iv) to the Consolidated Financial statements which, indicates that the two associates which have been audited by another auditor has accumulated losses and its net worth has been fully eroded. This situation, along with other matters indicates the existence of an uncertainty that may cast doubt about the two associates ability to continue as a going concern. However, the financial statements of both the associates have been prepared on a going concern basis for the reason stated in the said note.

Other Matters

The consolidated financial statements include the Group's share of net loss of ₹ 54,03,127/- out of the total loss of ₹ 1,79,31,159/- for the year ended 31st March, 2016, as considered in the consolidated financial statements, in respect of associates which are Simplex Mills Company Limited and Simplex Papers Limited, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these associates, and our report in terms of sub-section (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid associates, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143 (3) of the Act, we report, to the extent applicable, that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as appears from our examination of those books and the reports of the other auditors;

c. The consolidated Balance Sheet, consolidated Statement of Profit and Loss, and the consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

e. On the basis of written representations received

from the directors of the Company as on 31st March, 2016 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its associate companies incorporated in India, none of the directors of the Group is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164(2) of the Act;

f. With respect to the adequacy of the internal financial controls over financial reporting of the Group and operating effectiveness of such controls, refer to our separate report in "Annexure A"; and

g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – (refer note no. 25 of the consolidated financial statement).

ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts; and

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

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

Anil Lohia
Partner
Membership No. 31626

Mumbai, 10th May, 2016

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

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

In conjunction with our audit of the consolidated financial statements of the Group as of and for the year ended 31st March 2016, we have audited the internal financial controls over financial reporting of **Simplex Realty Limited** ("the Company") and its associate companies which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A Group's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Group's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Group; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Group are being made only in accordance with authorizations of management and directors of the Group; and (3) provide reasonable assurance regarding prevention or timely detection of

unauthorized acquisition, use, or disposition of the Group's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company and its associate companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

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

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

Anil Lohia
Partner
Membership No. 31626

Mumbai, 10th May, 2016

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2016

		Note	As at 31.03.2016 ₹	As at 31.03.2015 ₹
I	**EQUITY AND LIABILITIES**			
1.	**Shareholders' Funds**			
	Share capital	**2**	**2,99,36,870**	2,99,36,870
	Reserves and surplus	**3**	**1,14,12,22,118**	1,16,63,10,939
			1,17,11,58,988	1,19,62,47,809
2.	**Non-Current Liabilities**			
	Long-term borrowings	**4**	**3,58,21,025**	3,76,20,811
	Long-term provisions	**6**	**12,69,801**	4,08,677
	Other long-term liability	**7**	**-**	25,00,000
			3,70,90,826	4,05,29,488
3.	**Current Liabilities**			
	Trade payables		**2,19,72,875**	16,40,255
	Other current liabilities	**8**	**4,47,88,923**	12,05,00,664
	Short-term provisions	**9**	**3,23,68,433**	61,79,359
			9,91,30,231	12,83,20,278
		TOTAL	**1,30,73,80,045**	1,36,50,97,575
II	**ASSETS**			
1.	**Non-Current Assets**			
	Fixed assets			
	Tangible assets	**10**	**1,37,84,301**	1,58,69,293
	Non-current investments	**11**	**-**	54,03,127
	Deferred tax asset (net)	**5**	**20,39,021**	3,57,860
	Long-term loans and advances	**13**	**3,11,04,962**	3,10,73,371
			4,69,28,284	5,27,03,651
2.	**Current Assets**			
	Current investments	**12**	**7,96,970**	8,74,009
	Inventories	**14**	**45,07,41,272**	48,81,60,983
	Trade receivables	**15**	**3,66,657**	1,02,41,336
	Cash and cash equivalents	**16**	**1,14,66,477**	1,90,13,825
	Short-term loans and advances	**17**	**76,56,80,888**	77,51,58,050
	Other current assets	**18**	**3,13,99,497**	1,89,45,721
			1,26,04,51,761	1,31,23,93,924
		TOTAL	**1,30,73,80,045**	1,36,50,97,575
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES		**1**		
NOTES FORMING PART OF FINANCIAL STATEMENTS		**1 to 36**		

As per our report of even date attached

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

Anil Lohia
Partner
Membership No. 31626
Mumbai, 10th May, 2016

Surendra Kabra
Chief Financial Officer

Shekhar R Singh
Company Secretary

For and on behalf of the Board

Nandan Damani
Chairman and Managing Director

S.K.Somany
Director

Mumbai, 10th May, 2016

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

		Note	2015-16 ₹	2014-15 ₹
I	**Revenue from operations**	**19**	**28,51,50,975**	4,76,27,220
II	**Other income**	**20**	**6,91,72,785**	7,08,19,238
III	**Total Revenue (I+II)**		**35,43,23,760**	11,84,46,458
IV	**Expenses**			
	Cost of development/sales	**21**	**19,63,28,296**	5,82,62,895
	Employee benefits expense	**22**	**2,07,27,761**	1,71,04,452
	Finance costs	**23**	**19,953**	59,40,172
	Depreciation	**10**	**23,97,855**	27,61,367
	Other expenses	**24**	**3,05,33,773**	2,17,70,652
	Total Expenses		**25,00,07,638**	10,58,39,538
V	**Profit before extraordinary item and tax (III-IV)**		**10,43,16,122**	1,26,06,920
VI	**Extraordinary item** (refer note 33)		**8,38,52,198**	-
VII	**Profit before tax (V-VI)**		**2,04,63,924**	1,26,06,920
	Current tax		**3,81,38,062**	54,71,140
	Deferred tax		**(16,81,161)**	(2,46,070)
	Taxes of earlier years (net)		**92,349**	(34,215)
VIII	**(Loss)/Profit for the period**		**(1,60,85,326)**	74,16,065
	Share in losses of associates		**54,03,127**	3,55,26,328
IX	**Net loss after tax**		**(2,14,88,453)**	(2,81,10,263)
	Earnings per equity share (Face value of share ₹ 10/- each)	**29**		
	Basic and Diluted earnings per share		**(7.18)**	(9.40)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	**1**
NOTES FORMING PART OF FINANCIAL STATEMENTS	**1 to 36**

As per our report of even date attached

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

Anil Lohia
Partner
Membership No. 31626
Mumbai, 10th May, 2016

Surendra Kabra
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For and on behalf of the Board

Nandan Damani
Chairman and Managing Director

S.K.Somany
Director

Mumbai, 10th May, 2016

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

		2015-16		2014-15
	₹	₹	₹	₹
A. CASH FLOW FROM OPERATING ACTIVITIES :				
NET PROFIT BEFORE EXTRAORDINARY ITEM AND TAX		**10,43,16,122**		1,26,06,920
Adjustments for :				
Depreciation	**23,97,855**		27,61,367	
Interest expenses	**19,953**		59,40,172	
Profit on sale of investments (net)	**-**		(14,428)	
Dividend income	**(87,336)**		(1,85,407)	
Interest income	**(5,94,53,409)**		(5,72,85,230)	
Loss on sale of fixed assets	**-**		3,85,844	
Sundry balances written off/(back)-(net)	**4,928**		(15,763)	
Adjustments to the carrying amount of investments	**77,039**	**(5,70,40,970)**	17,670	(4,83,95,775)
OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES		**4,72,75,152**		(3,57,88,855)
(Increase)/Decrease in:				
Inventories	**3,74,19,711**		(5,13,01,994)	
Trade receivables	**98,74,679**		(80,29,821)	
Long-term loans and advances	**(31,591)**		6,99,79,190	
Short-term loans, advances and other assets	**2,51,85,662**		7,20,17,593	
Long-term provisions	**8,61,124**		(2,41,355)	
Trade payables	**2,03,32,620**		(1,15,39,528)	
Other long-term liabilities	**(25,00,000)**		-	
Other current liabilities	**(7,57,11,741)**		8,37,44,540	
Short-term provisions	**10,36,706**	**1,64,67,170**	32,10,389	15,78,39,014
CASH GENERATED FROM OPERATIONS		**6,37,42,322**		12,20,50,159
Direct taxes paid		**(1,03,69,180)**		(2,19,94,318)
NET CASH GENERATED FROM OPERATING ACTIVITIES	**(A)**	**5,33,73,142**		10,00,55,841
B. CASH FLOW FROM INVESTING ACTIVITIES :				
Purchase of fixed assets		**(3,12,863)**		(15,64,934)
Sale of fixed assets		**-**		3,65,238
Sale of investments		**-**		14,429
Dividend received		**87,336**		1,85,407
Interest received		**4,96,70,847**		4,90,76,747
Inter corporate deposits (given) - net		**(10,49,45,703)**		(6,86,10,617)
NET CASH USED IN INVESTING ACTIVITIES	**(B)**	**(5,55,00,383)**		(2,05,33,730)

		2015-16	2014-15
		₹	₹
C. CASH FLOW FROM FINANCING ACTIVITIES :			
Proceeds from/(Repayment) of borrowings (net)		**(17,99,786)**	(5,09,20,883)
Interest paid		**(19,953)**	(59,40,172)
Dividend paid (including dividend distribution tax)		**(36,00,368)**	(1,04,99,302)
NET CASH USED IN FINANCING ACTIVITIES	**(C)**	**(54,20,107)**	(6,73,60,357)
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	**(A+B+C)**	**(75,47,348)**	1,21,61,754
CASH AND CASH EQUIVALENTS - AT THE START OF THE YEAR		**1,90,13,825**	68,52,071
CASH AND CASH EQUIVALENTS - AT THE END OF THE YEAR		**1,14,66,477**	1,90,13,825

Cash and cash equivalents comprise of :	**As on 31.03.16**	As on 31.03.15
Balances with Banks :		
- in Current accounts	**26,23,449**	50,55,499
- in Deposit account as margin money	**-**	1,00,00,000
Cheques on hand	**63,16,000**	10,48,745
Cash on hand	**1,85,522**	58,335
Unclaimed dividend accounts*	**23,41,506**	28,51,246
	1,14,66,477	1,90,13,825

* Unclaimed dividend accounts which are not available for use by the Company.

NOTES FORMING PART OF FINANCIAL STATEMENTS - 1 TO 36

As per our report of even date attached

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

Anil Lohia
Partner
Membership No. 31626
Mumbai, 10th May, 2016

Surendra Kabra
Chief Financial Officer

Shekhar R Singh
Company Secretary

For and on behalf of the Board

Nandan Damani
Chairman and Managing Director

S.K.Somany
Director

Mumbai, 10th May, 2016

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

CORPORATE INFORMATION

Simplex Realty Limited ("the Company") is into real estate development. The Company develops residential as well as commercial properties in and around Mumbai. The Company is a public limited Company and is listed on BSE Limited.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(i) Basis of preparation:

These financial statements are prepared in accordance with the Generally Accepted Accounting Principles (GAAP) on the historical cost convention on the accrual basis. The GAAP comprises mandatory Accounting Standards notified by the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The accounting policies have been consistently applied.

(ii) Principles of consolidation :

In the case of Associate Company, the Audited Financial Statements as on 31st March, 2016 have been consolidated as per the Accounting Standard – AS 23 "Accounting for Investments in Associates in Consolidated Financial Statements".

(iii) Revenue Recognition:

The Company is following "Percentage of Completion Method" and revenue is recognized accordingly.

The "Guidance Note on Accounting for Real Estate Transactions (Revised 2012)" has been followed in respect of the Company's on-going project for which revenue is recognized for the first time.

The Company recognizes revenue in respect of sales in proportion to the actual cost incurred as against the total estimated project cost subject to achieving the threshold levels.

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

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

All other income is recognized on accrual basis.

Dividend income is accounted when right to receive is established.

(iv) Tangible Fixed Assets:

All fixed assets are carried at cost less accumulated depreciation and impairment, if any. The cost of fixed assets includes expenses incidental to acquisition and installation. Interest on specific borrowings, obtained for the purposes of acquiring fixed assets is capitalized upto the date of commissioning of the assets.

(v) Capital work-in-progress:

Capital work-in-progress is carried at cost. Cost comprises direct costs, related incidental expenses and interest on borrowings.

(vi) Investments:

Investments are either classified as current or long term based on Management's intention at the time of purchase. Long term investments are carried at cost less provision recorded to recognize any decline, other than of a temporary nature, in the carrying value of each investment. Current investments are valued at cost or fair value whichever is lower and the resultant decline, if any, are charged to Statement of Profit and Loss.

(vii) 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 is valued at lower of cost or net realisable value.

(viii) Borrowing Costs:

Borrowing costs attributable to the acquisition, construction or production of qualifying assets are considered as part

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

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 finance charges incurred in connection with borrowing of funds, which are incurred for the development of long term projects are transferred to construction work-in- progress. All other borrowing costs are recognized as expense in the period in which these are incurred.

(ix) Depreciation:

Depreciation is provided on all fixed assets (excluding furniture and office equipments) on straight-line method and on furniture and office equipments on the written down value method based on the useful life of the assets as prescribed in the Schedule II to the Companies Act, 2013 and for the assets acquired prior to 1st April, 2014, the carrying amount as on 1st April, 2014 is depreciated over the remaining useful life based on the useful life of the assets as prescribed in the Schedule II to the Companies Act, 2013.

(x) Retirement Benefits:

Liabilities on account of gratuity and leave encashment benefit are determined by actuarial valuation at each balance sheet date using the Projected Unit Credit Method. Actuarial gain and losses are recognized immediately in the Statement of Profit and Loss for the period in which they occur. 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.

The Company's contributions to provident fund, family pension fund and superannuation fund are recognised as expenses in the Statement of Profit and Loss in the period in which they are incurred.

(xi) Taxation:

Current income tax is determined as the amount of tax payable in respect of taxable income for the period based on applicable tax rate and laws. Deferred tax is recognized on timing difference, being difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. The deferred tax effect is calculated using the tax rates and the tax laws enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognized only to the extent there is a reasonable certainty of realization, except in case of unabsorbed depreciation and business losses in respect of which, deferred tax asset is recognized only if the Company is virtually certain of having sufficient future taxable income against which the losses/depreciation can be set off. Deferred tax assets are reviewed at each Balance Sheet date to re-assess realization.

(xii) Impairment of Assets:

Impairment loss, if any, is provided to the extent, the carrying amount of assets exceeds their recoverable amount. Recoverable amount is higher of an asset's net selling price 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. Assessment is also done at each Balance Sheet date as to whether there is any indication that any impairment loss recognized for an asset in prior years may no longer exist or may have decreased.

(xiii) Provisions and Contingent Liabilities:

The Company recognizes a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company.

(xiv) Cash and Cash Equivalents:

Cash and cash equivalents include cash on hand, cheques on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

(xv) Use of Estimates:

The preparation of financial statements in accordance with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities as at the date of financial statements and the reported amount of income and expenses during the year. Actual results could differ from these estimates. Any revision to such accounting estimates is recognized in the accounting period in which such revision takes place.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

2. SHARE CAPITAL	**31.03.2016** ₹	31.03.2015 ₹
AUTHORISED		
1,00,00,000 Equity Shares of ₹10/- each	**10,00,00,000**	10,00,00,000
ISSUED, SUBSCRIBED AND PAID UP		
29,91,382 (Previous year 29,91,382) Equity shares of ₹10/- each fully paid up (of which 360 (Previous year 360) shares remain to be exchanged for fractional certificates)	**2,99,13,820**	2,99,13,820
Add : Forfeited shares account	**23,050**	23,050
Total issued, subscribed and fully paid up share capital	**2,99,36,870**	2,99,36,870

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

Particulars	**31.03.2016**		31.03.2015	
	Equity Shares		Equity Shares	
	Number	₹	Number	₹
Shares outstanding at the beginning of the year	**29,91,382**	**2,99,13,820**	29,91,382	2,99,13,820
Shares issued during the year	**-**	**-**	-	-
Shares bought back during the year	**-**	**-**	-	-
Shares outstanding at the end of the year	**29,91,382**	**2,99,13,820**	29,91,382	2,99,13,820

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 31 March, 2016**		As at 31 March, 2015	
	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
Life Insurance Corporation of India	**6,85,741**	**22.92**	6,85,741	22.92
New Textiles Pvt. Ltd.	**5,73,916**	**19.19**	5,50,877	18.42

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

3. RESERVES AND SURPLUS	31.03.2016	31.03.2015
	₹	₹
CAPITAL RESERVE	**60,71,263**	60,71,263
Add: Capital reserve on investments in associates	**13,00,34,532**	13,00,34,532
Closing Balance	**13,61,05,795**	13,61,05,795
SECURITIES PREMIUM ACCOUNT	**1,43,23,904**	1,43,23,904
GENERAL RESERVE		
Opening balance	**70,09,00,000**	70,09,00,000
Add: Amount transferred from surplus balance in Statement of Profit and Loss	**-**	-
Less: Share of loss in associates	**11,84,41,308**	11,84,41,308
Closing Balance	**58,24,58,692**	58,24,58,692
SURPLUS IN THE STATEMENT OF PROFIT AND LOSS		
Opening balance	**43,34,22,548**	46,55,95,801
Loss for the year	**(2,14,88,453)**	(2,81,10,263)
Less: Appropriations:		
Proposed dividend*	**29,91,382**	29,91,382
Tax on proposed dividend	**6,08,986**	6,08,986
Less: Adjustment relating to Fixed Assets	**-**	4,62,622
Closing Balance	**40,83,33,727**	43,34,22,548
Total Reserves and Surplus	**1,14,12,22,118**	1,16,63,10,939

*The Board of Directors of the Company has proposed dividend of ₹ 1/- (10%) per equity share for the year 2015-16 amounting to ₹ 29,91,382/- (Previous year ₹ 1/- (10%) amounting to ₹ 29,91,382/-)

4. LONG-TERM BORROWINGS	31.03.2016	31.03.2015
	₹	₹
Unsecured loan from other		
Term loan	**3,58,21,025**	3,76,20,811
	3,58,21,025	3,76,20,811

(Unsecured loan availed against the security of assets given by a company in which Directors are interested and carries interest @ 12.10% per annum and is repayable in equated monthly installment over a period of 11 years)

5. DEFERRED TAX (ASSET) / LIABILITY (NET)	31.03.2016	31.03.2015
	₹	₹
Deferred Tax Liability		
Long term capital gain on conversion of land into stock in trade	**7,51,676**	14,09,392
Gross deferred tax liability	**7,51,676**	14,09,392
Deferred Tax Assets		
1. Provision for gratuity	**7,89,264**	5,10,511
2. Provision for leave benefits	**9,01,510**	4,58,838
3. Property tax payable	**2,43,675**	2,11,357
4. Difference between tax depreciation and depreciation charged for financial reporting	**8,56,248**	5,86,546
Gross deferred tax assets	**27,90,697**	17,67,252
Net deferred tax asset	**(20,39,021)**	(3,57,860)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

6. LONG-TERM PROVISIONS	31.03.2016	31.03.2015
	₹	₹
For employee benefits (refer note 22)		
Gratuity	**12,69,801**	4,08,677
	12,69,801	4,08,677

7. OTHER LONG-TERM LIABILITY	31.03.2016	31.03.2015
	₹	₹
Security deposit	**-**	25,00,000
	-	25,00,000

8. OTHER CURRENT LIABILITIES	31.03.2016	31.03.2015
	₹	₹
Current maturities of long term debt	**16,30,021**	9,25,304
Advance received from customers	**1,26,50,053**	7,57,73,042
Lease rent payable	**36,53,223**	36,53,223
Unclaimed dividends	**23,41,506**	28,51,246
Other liabilities	**1,06,39,216**	3,03,60,042
Other payables		
Statutory dues	**32,68,293**	18,52,668
Liabilities for expenses	**92,04,327**	36,82,855
Others*	**14,02,284**	14,02,284
	4,47,88,923	12,05,00,664

* Others includes ex-employees dues (pending claims)

9. SHORT-TERM PROVISIONS	31.03.2016	31.03.2015
	₹	₹
For employee benefits - (refer note 22)		
Gratuity	**10,10,780**	11,64,790
Leave benefits	**26,04,917**	14,14,201
Others		
For taxation (net of advance payments)	**2,51,52,368**	-
Proposed dividend	**29,91,382**	29,91,382
Tax on proposed dividend	**6,08,986**	6,08,986
	3,23,68,433	61,79,359

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

10. TANGIBLE ASSETS

(In ₹)

	GROSS BLOCK				DEPRECIATION					NET BLOCK	
	As at 1st April, 2015	Additions during the year	Deductions/ Adjustments during the year	**As at 31st March, 2016**	Upto 31st March, 2015	Provided during the year	On Deductions/ Adjustments	Transferred to retained earnings	**Upto 31st March, 2016**	**As at 31st March, 2016**	As at 31st March, 2015
Freehold Land (at cost)	50,00,318	-	-	**50,00,318**	-	-	-	-	**-**	**50,00,318**	50,00,318
Buildings	46,96,512	-	-	**46,96,512**	13,68,575	70,771	-	-	**14,39,346**	**32,57,166**	33,27,937
Plant and Machinery including Computers and Electrical Installations	17,06,029	1,54,250	-	**18,60,279**	14,50,185	1,45,796	-	-	**15,95,981**	**2,64,298**	2,55,844
Furniture and Office Equipments	38,08,031	1,58,613	-	**39,66,644**	29,47,758	3,23,442	-	-	**32,71,200**	**6,95,444**	8,60,273
Vehicles	1,24,16,375	-	-	**1,24,16,375**	59,91,454	18,57,846	-	-	**78,49,300**	**45,67,075**	64,24,921
Total	2,76,27,265	3,12,863	-	**2,79,40,128**	1,17,57,972	23,97,855	-	-	**1,41,55,827**	**1,37,84,301**	1,58,69,293
Previous Year	2,74,43,867	15,64,934	13,81,536	2,76,27,265	89,42,249	27,61,367	6,30,453	6,84,809	1,17,57,972		

11. NON-CURRENT INVESTMENTS

	Details of other Investments - (valued at cost, unless stated otherwise)										
Sr. No.	**Particulars**	**Associate/ Others**	**Face value**	**No. of Shares**		**Quoted / Unquoted**	**Partly/ Fully paid**	**Extent of Holding (%)**		**Value (₹)**	
				31.03.2016	31.03.2015			**31.03.2016**	31.03.2015	**31.03.2016**	31.03.2015
I	**Investments in Equity Instruments**										
(a)	Simplex Mills Company Ltd.	Associate	10	**14,70,000**	14,70,000	Quoted	Fully Paid	**48.99**	48.99	**-**	54,03,127
(b)	Simplex Papers Ltd.	Associate	10	**14,71,000**	14,71,000	Quoted	Fully Paid	**49.01**	49.01	**-**	-
(c)	Universal Conveyor Beltings Ltd.	Others	10	**27,500**	27,500	Unquoted	Fully Paid	**-**	-	**-**	-
	Total Non-Current Investments									**-**	54,03,127

Particulars	**31.03.2016** ₹	31.03.2015 ₹
Aggregate amount of quoted investments (Market value as on 31.03.2016 ₹ 1,51,58,010/- (31.03.2015 ₹ 2,47,01,000/-)	**-**	54,03,127
Aggregate amount of unquoted investments	**-**	-
Aggregate provision for diminution in value of investments	**2,75,000**	2,75,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

12. CURRENT INVESTMENTS - (At the lower of cost and fair value)

Sr. No.	Particulars	Associate/ Others	Face value	No. of Shares		Quoted/ Unquoted	Partly/ Fully paid	Value (₹)	
				31.03.2016	31.03.2015			**31.03.2016**	31.03.2015
I	**Investments in Equity Instruments**								
(a)	Peninsula Land Ltd.	Others	2	**10,750**	10,750	Quoted	Fully Paid	**1,84,900**	2,98,312
(b)	Prime Urban Development (I) Ltd.	Others	2	**2,500**	2,500	Quoted	Fully Paid	**36,180**	7,400
(c)	HDFC Ltd.	Others	2	**1,400**	1,400	Quoted	Fully Paid	**4,483**	4,483
(d)	Piramal Enterprises Ltd.	Others	2	**2,832**	2,832	Quoted	Fully Paid	**2,36,224**	2,36,224
(e)	Piramal Phytocare Ltd	Others	10	**276**	276	Quoted	Fully Paid	**19,486**	9,605
(f)	Hindustan Unilever Ltd.	Others	1	**360**	360	Quoted	Fully Paid	**2,38,835**	2,38,835
(g)	Delta Magnets Ltd.	Others	10	**750**	750	Quoted	Fully Paid	**21,862**	24,150
(h)	Morarjee Textiles Ltd.	Others	7	**2,109**	2,109	Quoted	Fully Paid	**55,000**	55,000
(i)	Integra Garments and Textiles Ltd.	Others	3	**2,109**	2,109	Quoted	Fully Paid	**-**	-
	Total Current Investments							**7,96,970**	8,74,009

Particulars	**31.03.2016** ₹	31.03.2015 ₹
Aggregate amount of quoted investments (Market value ₹51,40,680/- (Previous Year ₹50,38,436/-)	**7,96,970**	8,74,009
Aggregate amount of unquoted investments	**-**	-
Aggregate provision for diminution in value of investments	**4,52,818**	3,75,779

13. LONG-TERM LOANS AND ADVANCES

(Unsecured, considered good)	**31.03.2016** ₹	31.03.2015 ₹
Security deposits	**9,78,962**	10,73,371
Deposit towards property development	**3,00,00,000**	3,00,00,000
Loans to employees	**1,26,000**	-
	3,11,04,962	3,10,73,371

14. INVENTORIES

	31.03.2016 ₹	31.03.2015 ₹
Construction work-in-progress	**41,72,91,042**	41,51,70,429
Realty stock	**3,34,50,230**	7,29,90,554
	45,07,41,272	48,81,60,983

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

15. TRADE RECEIVABLES

(Unsecured, considered good)	31.03.2016 ₹	31.03.2015 ₹
Outstanding for a period of six months from the date they are due for payment	**3,66,657**	-
Others	**-**	1,02,41,336
	3,66,657	1,02,41,336

16. CASH AND BANK BALANCES

	31.03.2016 ₹	31.03.2015 ₹
Cash and cash equivalents		
Balances with banks:		
In current accounts	**26,23,449**	50,55,499
In deposit account as margin money	**-**	1,00,00,000
Cheques on hand	**63,16,000**	10,48,745
Cash on hand	**1,85,522**	58,335
Unclaimed dividend accounts	**23,41,506**	28,51,246
	1,14,66,477	1,90,13,825

17. SHORT-TERM LOANS AND ADVANCES

		31.03.2016 ₹	31.03.2015 ₹
Loans and advances to related parties			
Unsecured - considered good		**7,76,71,632**	16,55,47,721
- considered doubtful		**-**	2,94,63,607
		7,76,71,632	19,50,11,328
Provision for doubtful loans and advances		**-**	(2,94,63,607)
	(a)	**7,76,71,632**	16,55,47,721
Other Loans and Advances			
(Unsecured, considered good)			
Advance income tax (net of provisions for taxation)		**-**	27,11,714
Income tax paid against disputed demand		**8,27,17,054**	8,27,17,054
Advance towards land acquisition		**9,81,00,000**	13,00,00,000
Loans to employees*		**5,61,000**	5,11,250
Inter corporate deposits		**40,80,69,467**	30,31,23,764
Service tax receivables		**66,81,451**	37,77,205
Prepaid expenses		**4,55,280**	4,53,933
Advances paid towards project approvals		**8,78,48,927**	8,38,58,047
Other advances		**35,76,077**	24,57,362
	(b)	**68,80,09,256**	60,96,10,329
	Total (a+b)	**76,56,80,888**	77,51,58,050
* includes due from officers of the Company		**3,30,000**	1,50,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

18. OTHER CURRENT ASSETS	31.03.2016	31.03.2015
	₹	₹
Revenue accrued but not due	**79,24,762**	53,15,934
Interest receivable	**2,34,11,757**	1,36,29,787
Others	**62,978**	-
	3,13,99,497	1,89,45,721

19. REVENUE FROM OPERATIONS	2015-16	2014-15
	₹	₹
Sale of products	**28,51,50,975**	4,76,27,220
	28,51,50,975	4,76,27,220

20. OTHER INCOME	2015-16	2014-15
	₹	₹
Interest on		
Bank deposits	**3,68,904**	4,63,800
Inter corporate deposits	**5,46,74,964**	3,96,35,073
Other deposits	**44,09,541**	1,08,76,232
Income tax refund	**-**	63,10,125
Dividend on current investments	**87,336**	1,85,407
Net gain on sale of current investments	**-**	14,428
Building rent	**96,32,040**	1,33,22,040
Other non-operating income	**-**	12,133
	6,91,72,785	7,08,19,238

21. COST OF DEVELOPMENT / SALES	2015-16	2014-15
	₹	₹
Opening stock	**41,51,70,429**	36,92,57,387
Add: Expenditure/Transfers from advances during the year		
Materials, Structural, Labour and contract cost incurred	**10,84,68,540**	8,47,24,118
Rates and taxes	**13,14,652**	9,30,377
Professional charges	**46,38,506**	56,26,435
Other cost	**3,95,08,792**	1,30,19,857
Finance cost	**49,78,095**	52,64,101
Cost of realty stock	**4,57,30,513**	-
	20,46,38,098	10,95,64,888
Less: Transferred to realty stock	**61,90,189**	53,88,951
Less: Closing stock	**41,72,91,042**	41,51,70,429
Cost of sales	**19,63,28,296**	5,82,62,895

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

22. EMPLOYEE BENEFITS EXPENSE

	2015-16 ₹	2014-15 ₹
Salaries and wages	**1,88,41,720**	1,53,49,126
Contribution to provident, superannuation and other funds	**7,18,851**	6,38,090
Staff welfare expenses	**11,67,190**	11,17,236
	2,07,27,761	1,71,04,452

Retirement benefit plans

As per Accounting Standard 15 "Employee benefits", the disclosures as defined in the Accounting Standard are given below:

I) Defined Contribution Plans

a) Provident Fund
b) Superannuation Fund and Pension Scheme,1995

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

Contribution to:	2015-16 ₹	2014-15 ₹
Provident fund	**67,045**	60,928
Superannuation fund	**5,59,809**	5,19,167
Pension fund	**91,997**	57,995

II) Defined Benefit Plans

a) Contribution to Gratuity fund (Non- funded)
b) Leave encashment (Non- funded)

In accordance with the Accounting Standard (AS 15) (Revised 2005) Employee Benefits, actuarial valuation was done in respect of the aforesaid defined benefit plans of gratuity and leave encashment based on the following assumptions:

Actuarial assumptions	2015-16	2014-15
Discount rate	**8.00%**	8.00%
Salary escalation rate	**10.00%**	10.00%
Attrition rate	**0.50%**	0.50%

GRATUITY	2015-16 ₹	2014-15 ₹
A. Changes in value of obligations		
Liability at the beginning of the year	**15,73,467**	20,95,761
Interest cost	**1,19,431**	1,43,045
Current service cost	**16,609**	50,238
Benefit paid	**(1,61,161)**	(6,15,406)
Actuarial (gain)/loss on obligations	**7,32,235**	(1,00,171)
Liability at the end of the year	**22,80,581**	15,73,467

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	2015-16 ₹	2014-15 ₹
B. Amount recognized in the Balance Sheet		
Present value of defined benefit obligation as at the year end	**22,80,581**	15,73,467
Fair value of plan assets as at the year end	**-**	-
Liability/(Net asset) recognized in the Balance Sheet	**22,80,581**	15,73,467
- Current liability	**10,10,780**	11,64,790
- Non-current liability	**12,69,801**	4,08,677
C. Expenses recognized in the Statement of Profit and Loss		
Interest cost	**1,19,431**	1,43,045
Current service cost	**16,609**	50,238
Net Actuarial (gain)/loss recognized	**7,32,235**	(1,00,171)
Expenses recognized in the Statement of Profit and Loss	**8,68,275**	93,112

LEAVE ENCASHMENT	2015-16 ₹	2014-15 ₹
A. Changes in value of obligations		
Liability at the beginning of the year	**14,14,201**	14,41,487
Interest cost	**1,11,980**	1,06,679
Current service cost	**1,25,720**	4,68,077
Benefit paid	**(28,908)**	(2,15,999)
Actuarial (gain)/loss on obligations	**9,81,924**	(3,86,043)
Liability at the end of the year	**26,04,917**	14,14,201
B. Amount recognized in the Balance Sheet		
Present value of defined benefit obligation as at the year end	**26,04,917**	14,14,201
Fair value of plan assets as at the year end	**-**	-
Liability/(Net asset) recognized in the Balance Sheet	**26,04,917**	14,14,201
- Current liability	**26,04,917**	14,14,201
C. Expenses recognized in the Statement of Profit and Loss		
Interest cost	**1,11,980**	1,06,679
Current service cost	**1,25,720**	4,68,077
Actuarial (gain)/loss recognized	**9,81,924**	(3,86,043)
Expenses recognized in the Statement of Profit and Loss	**12,19,624**	1,88,713

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

23. FINANCE COSTS

	2015-16 ₹	2014-15 ₹
Interest expenses on		
Inter corporate deposit	-	24,21,172
Term loan	49,78,095	52,64,101
Income tax	-	35,18,614
Others	19,953	386
Total finance costs	49,98,048	1,12,04,273
Less: Transferred to construction work-in-progress	49,78,095	52,64,101
Net finance costs	19,953	59,40,172

24. OTHER EXPENSES

		2015-16 ₹		2014-15 ₹
Electricity		4,75,534		2,71,461
Repairs to				
Buildings		6,14,222		9,97,517
Machinery		1,45,259		2,06,534
Others		3,22,831		3,03,037
Insurance		1,07,010		1,03,809
Rent		50,417		49,115
Rates and taxes		5,91,642		10,90,435
Advertisements		55,871		53,036
Business promotion expenses		1,71,034		1,26,458
Travelling and conveyance expenses		29,74,288		22,70,443
Legal and professional fees		1,46,49,446		49,28,741
Retainership fees		3,09,065		8,44,784
Printing, stationery and communication expenses		9,97,194		10,80,661
Bank charges		9,482		15,933
Loss on sale of fixed assets		-		3,85,844
Vehicles expenses		14,28,470		11,72,940
Flat maintenance expenses		29,19,280		20,78,069
Membership and subscription charges		3,94,574		2,60,953
Security charges		14,27,666		18,74,520
Sundry expenses		7,32,947		11,75,105
Directors' sitting fees		2,35,250		3,07,500
Corporate social responsibility expenses		13,00,000		13,00,000
Auditors' remuneration				
As Auditor				
Audit fee	2,75,000		2,25,000	
Tax audit fee	25,000		25,000	
For taxation matters	2,39,624		5,42,500	
For reimbursement of expenses	5,628	5,45,252	13,587	8,56,087
Adjustments to the carrying amount of investments		77,039		17,670
		3,05,33,773		2,17,70,652

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

25. Contingent Liabilities not provided for

a) Claims against the Company not acknowledged as debt: **(In ₹)**

	2015-16	2014-15
Appeals filed in respect of disputed demands:		
Relating to Income Tax where the Company is in appeal	**7,32,61,149**	7,73,86,149
Relating to Income Tax where Department is in appeal	**54,46,63,110**	54,46,63,110
Labour Matters	**1,35,327**	1,35,327
Legal Cases	**34,05,600**	34,05,600
Letter of Credit	**-**	83,08,929

b) Contingent liabilities of associates, to the extent of Company's holding in associates:

	2015-16	2014-15
a) Appeals filed in respect of disputed demands:		
i) Central Excise	**17,63,80,470**	10,08,31,755
ii) Income Tax	**-**	78,063
iii) Labour Matters	**89,53,592**	52,15,532
b) Other claims	**35,35,926**	43,04,161
c) SICOM/Joint Director of Industries	**83,40,157**	78,15,423

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

26. The Company has not received any intimation from "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/payable as required under the said Act have not been given.

27. 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.

28. During the year, the Company has recognized ₹8,51,50,975/- as revenue from the on-going project "Simplex Khushaangan". The aggregate amount of cost incurred and the profit/(loss) recognized to date is ₹ 77,27,33,202/- and ₹ (12,93,35,495/-) respectively.

29. Earnings per share – EPS is calculated by dividing the profit / (loss) attributable to the equity share holders 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	Particulars	2015-16	2014-15
1	(Loss) / Profit after tax – ₹	**(2,14,88,453)**	(2,81,10,263)
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 - ₹	**(7.18)**	(9.40)

30. Details of Associates:

Name of the Company	Country of Incorporation	% of voting power as at 31.03.2016	% of voting power as at 31.03.2015
Associates			
Simplex Papers Ltd.	India	**49.01%**	49.01%
Simplex Mills Company Ltd.	India	**48.99%**	48.99%

31. Investments in Associates:

(i) During the year, in Consolidated Financial Statements, investments in associates have been recorded as per the equity method of accounting as provided in Accounting Standard AS-23 "Accounting for Investments in Associates in Consolidated Financial Statements", and accordingly Capital Reserve arised at the time when these Companies became associates has been shown under Reserves and Surplus in the Consolidated Financial Statements. Investments in associates are accounted for in Consolidated Financial Statements in accordance with the Accounting Standard AS- 23, the carrying amount of investment in associates has been shown as per the equity method of the accounting and corresponding adjustment in this regard has been made in the retained earnings in Consolidated Financial Statements. Share of loss in Associates for the current year has been shown in Consolidated Statement of Profit and Loss and carrying value of investment has been reduced by this amount.

(ii) Investments in associates includes capital reserve of ₹13,00,34,532/- in respect of associate companies.

(iii) The net worth of the Simplex Mills Company Ltd. (Associate Company) has been fully eroded due to continuous losses. During the year, the Company has trading activity in clothes and fabrics. Further, the Management is in the process of evaluating other viable textile business options and accordingly, the accounts have been prepared on going concern basis.

(iv) The net worth of the Simplex Papers Ltd. (Associate Company) has been fully eroded due to continuous losses. During the year, the Company has trading activity in paper products i.e. Paper board and Craft paper. Further, the Management is in the process of evaluating other viable business options in similar line of activity and accordingly, the accounts have been prepared on going concern basis.

32. 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.

33. During the year, the Company has written off advances given to one of its associates amounting to ₹ 11,33,15,805/-. Out of this, ₹ 2,94,63,607/- was provided as doubtful loans and advances in the earlier year. As this amount is not recoverable, hence now written off and the net amount of ₹ 8,38,52,198/- has been shown as an extraordinary item.

34. Related party disclosure

(i) Related party relationship during the year

(a) Associates — Simplex Papers Ltd.
Simplex Mills Company Ltd.

(b) Key management personnel — Mr. Nandan Damani - Managing Director
Mr. Surendra Kabra- Chief Financial Officer
Mr. Shekhar R Singh- Company Secretary

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

(c)	Relative of key management personnel	Mr. Sanjay N Damani Mrs. Shashi Patodia Mrs. Shivani Jatia
(d)	Where persons mentioned in (b) or (c) exercise significant influence	The Nav Bharat Refrigeration and Industries Ltd. Shreelekha Global Finance Ltd. Lucky Vyapaar and Holdings Pvt. Ltd. Shrinathji Flour Mills Pvt. Ltd.

(ii) Transactions with related parties **(In ₹)**

Type of related party	Description of the nature of transaction	Volume of transactions during 2015-16	Volume of transactions during 2014-15	As on 31.03.2016	As on 31.03.2015
(a) Associates					
Simplex Papers Ltd.	Loan given / (repaid) - net	**(1,00,00,000)**	(2,00,17,776)	**-**	-
	Amount written off (Including doubtful loan)	**11,33,15,805**	-	**-**	-
	Receivable	**-**	-	**-**	12,33,15,805
Simplex Mills Company Ltd.	Loan given / (repaid) - net	**5,35,000**	7,06,58,454	**-**	-
	Receivable	**-**	-	**7,76,71,632**	7,16,95,522
	Interest received / accrued	**60,45,678**	46,19,837	**-**	-
(b) Key Management Personnel	Remuneration	**1,00,40,438**	92,33,250	**-**	-
	Sale of products*	**6,38,071**	3,90,373	**-**	-
	Installments received against sale of flat	**4,68,875**	18,75,500	**-**	-
(c) Relative of Key Management Personnel	Salaries	**4,21,547**	-	**-**	-
	Directors sitting fees	**10,000**	35,000	**-**	-
	Sale of products*	**12,50,543**	7,65,084	**-**	-
	Installments received against sale of flat	**9,17,876**	37,56,590	**-**	-
	*To the extent of revenue recognized during the year				
(d) Where persons mentioned in (b) or (c) exercise significant influence					
a) Reimbursement of expenses received					
The Nav Bharat Refrigeration and Industries Ltd.		**5,356**	97,971	**-**	-
b) Inter Corporate Deposits (ICDs)					
The Nav Bharat Refrigeration and Industries Ltd.	ICD taken	**-**	20,00,000	**-**	-
	ICD (repaid)	**-**	(20,00,000)		
c) Interest paid/accrued					
The Nav Bharat Refrigeration and Industries Ltd.		**-**	4,603	**-**	-
d) Security					
Security offered by Lucky Vyapaar and Holdings Pvt. Ltd. for loan availed		**-**	-	**3,74,51,046**	3,85,46,115

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

35. Expenditure in foreign currency	**2015-16** ₹	2014-15 ₹
Travelling expenses	**9,82,325**	10,04,275

36. The Previous year's figures have been reclassified, wherever necessary, to conform current year's presentation.

As per our report of even date attached

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

Anil Lohia
Partner
Membership No. 31626
Mumbai, 10th May, 2016

Surendra Kabra
Chief Financial Officer

Shekhar R Singh
Company Secretary

For and on behalf of the Board

Nandan Damani
Chairman and Managing Director

S.K.Somany
Director

Mumbai, 10th May, 2016

FINANCIAL REVIEW

(₹ in lacs)

	2015-16	2014-15	2013-14	2012-13	2011-12
FINANCIAL POSITION					
Share Capital	**299**	299	299	299	299
Reserves and Surplus	**11,706**	11,902	11,869	11,059	10,979
Loan Funds	**358**	376	385	-	-
Deferred Tax Liability (Net)	**-**	-	1	19	18
Total Funds Employed	**12,363**	12,577	12,554	11,377	11,296
Gross Block	**279**	276	274	268	270
Depreciation	**141**	117	89	75	65
Net Block	**138**	159	185	193	205
Deferred Tax Asset (Net)	**20**	3	-	-	-
Net Current and Other Assets	**12,205**	12,415	12,369	11,184	11,091
Total Assets	**12,363**	12,577	12,554	11,377	11,296
OPERATING RESULTS					
Revenue and other income	**3,543**	1,184	4,073	568	700
Operating and other expenses	**3,314**	971	2,343	344	462
Depreciation	**24**	28	18	17	15
Finance costs	**-**	59	105	19	11
Profit before tax	**205**	126	1,607	188	212
Current tax	**381**	54	665	55	58
Deferred tax	**(17)**	(2)	(17)	1	(10)
(Loss) / Profit after tax for the year	**(159)**	74	959	132	164
Tax expenses of earlier years	**1**	-	45	-	-
(Loss) / Profit after tax	**(160)**	74	914	132	164
Dividend for the year	**30**	30	90	45	45
Dividend %	**10**	10	30	15	15

Part "B": Associates and Joint Ventures

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

(In ₹)

Sr. No.	Name of Associates/ Joint Ventures	Latest Audited Balance Sheet Date	Shares of Associates/Joint Ventures held by the Company			Description of how there is significant influence	Reason why the associate/ joint venture is not consolidated	Networth attributable to Shareholding as per latest audited Balance Sheet	Profit / (Loss) for the year	
			No	Amount of Investment in Associates/ Joint Venture	Extend of Holding %				Considered in Consolidation	Not Considered in Consolidation
1	Simplex Papers Limited	31.03.2016	14,71,000	1,47,25,431	49.01	Based on shareholding	N.A.	(4,87,66,092)	N.A.	(10,93,517)
2	Simplex Mills Company Limited	31.03.2016	14,70,000	1,46,10,800	48.99	Based on shareholding	N.A.	(2,02,27,723)	(54,03,127)	(1,14,34,515)

For and on behalf of the Board

Nandan Damani
Chairman and Managing Director

Mumbai, 10th May, 2016

NOTES

CIN: L17110MH1912PLC000351
Registered Office: 30, Keshavrao Khadye Marg, Sant Gadge Maharaj Chowk, Mumbai - 400 011

ATTENDANCE SLIP

I hereby record my presence at the 103rd ANNUAL GENERAL MEETING held at M.C. Ghia Hall, 4th Floor, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Kala Ghoda, Mumbai 400 001 at 11.30. A.M. on Tuesday, the 9th day of August, 2016.

DP.ID.No. _____

Client I.D.No. _____

Folio No. _____

_____ _____
Full Name of Member Signature

_____ _____
Full Name of Proxy (in Block Letters) Signature

1) Members/Proxy holders are requested to bring the attendance slip duly completed when they come to the Meeting and hand them over at the entrance after affixing their signatures on them.
2) Members/Proxy holders should bring their copy of the Annual Report for reference at the Meeting.

CIN: L17110MH1912PLC000351
Registered Office: 30, Keshavrao Khadye Marg, Sant Gadge Maharaj Chowk, Mumbai - 400 011

PROXY FORM

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

Name of the Member(s)		e-mail Id:	
Registered address:		Folio No/ *Client Id: *DP ID	

I/We,being the member(s) holding .....shares of the Simplex Realty Limited, hereby appoint:

1. Name :.....Address:.....……

   E.mail ID:.....Signature:..... or failing him

2. Name :.....Address:.....……

   E.mail ID:.....Signature:..... or failing him

3. Name :.....Address:.....……

   E.mail ID:.....Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 103rd Annual General Meeting of the Company, to be held on Tuesday, the 9th day of August, 2016 at 11.30 A.M. at M.C. Ghia Hall, 4th Floor, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Kala Ghoda, Mumbai - 400 001 or at any adjournment thereof in respect of such resolutions as are indicated below:

I/ We wish my above proxy(ies) to vote in the manner as indicated in the box below:

Resolutions	For	Against
Ordinary Business:		
1. Adoption of the Audited Financial Statements (including the Consolidated Financial Statements), the Reports of the Directors' and Auditors.		
2. Declaration of Dividend on Equity Shares.		
3. Appointment of Shri Nandan Damani as a Director, who retires by rotation.		
4. Ratification of the appointment of M/s. Dayal and Lohia as Statutory Auditors of the Company.		
Special Business:		
5. Adoption of New Set of the Articles of Association of the Company.		

Signed this.....day of .....2016.

Affix Revenue Stamp (Signature)

Signature of Member

Signature of Proxy holder(s)

Note:

1. This form duly filled up, stamped and signed by the appointer or his attorney duly authorized in writing or if the appointer is a Body Corporate, under the seal or signed by an attorney duly authorized by it shall be deposited at the Registered Office of the Company alongwith the power of Attorney, if any under which the Proxy Form is signed, not less than 48 hours before the time for holding the meeting. A Proxy need not be a member of the Company.
2. **This is only optional. Please put a "✓" in the appropriate column against the resolutions indicated in the Box. If you leave the " For" or "Against" column blank against any or all the resolutions , your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
3. Appointing a proxy does not prevent a member from attending the meeting in person if he/she so wishes.
4. In the case of Jointholders, the signature of any one holder will be sufficient, but names of all the jointholders should be stated.

SIMPLEX REALTY LTD.
Registered Office: 30, Keshavrao Khadye Marg, Sant Gadge Maharaj Chowk, Mumbai - 400 011

Dear Shareholder(s) 10th May, 2016

Option for NECS Mandate/Bank Mandate

NECS Mandate

As an added service to our shareholders, we are pleased to offer the facility of electronic credit of dividend directly to the respective bank accounts of our shareholders through National Electronic Clearing Service (NECS). This facility is currently available to shareholders located at Ahmedabad, Bangalore, Bhubaneshwar. Chandigarh, Chennai, Guwahati, Jaipur, Hyderabad, Kanpur, Kolkata, Mumbai, Nagpur, New Delhi, Patna, Pune and Thiruvananthapuram, Shareholders in these locations who would like to avail of this facility are requested to fill up the mandate form provided on the reverse of this letter and submit the same so as to reach the Company's Share Transfer Agent latest by 9th August, 2016. This service not only protects a shareholder against fraudulent interception and encashment of dividend warrants but also eliminates dependence on the postal system, loss/damage of dividend warrants in transit and correspondence relating to revalidation/issue of duplicate dividend warrants.

Kindly note that as per directives of Securities and Exchange Board of India (SEBI), in respect of shareholders holding shares in dematerialized form, dividend shall be paid through NECS (where such facility is available) directly into the bank account furnished by the shareholders to their respective Depository Participant. Such shareholders therefore need not submit the mandate form provided on the reverse of this letter. In case it is desired to receive dividend in a bank account other than the one specified while opening the Demat Account, such shareholders may please inform the same to their respective Depository Participant immediately.

Bank Mandate

Shareholders holding shares of the Company in physical form and who, for any reason, would not like to avail of the NECS facility being offered as mentioned above, are requested to furnish (if not done earlier) in the mandate form provided on the reverse of this letter, details of their bank account number and name of the bank and the branch, which would be printed on the dividend warrants to avoid fraudulent encashment thereof.

Kindly note the NECS/ Bank mandate instructions should be under the signature of the shareholder(s) as per specimen lodged with Company.

Thank you,

Yours sincerely,

For **Simplex Realty Limited**

Shekhar R Singh
Company Secretary

To,
Freedom Registry Limited
Plot No. 101/102, 19th Street, MIDC,
Satpur, Nasik - 422 007

Date:

FORM FOR NECS MANDATE / BANK MANDATE

(Not required to be filled by Shareholders holding shares in dematerialized form)

I/We _____
do hereby authorise Simplex Realty Limited to:-

1. Credit my dividend amount directly to my Bank Account as per details furnished below by National Electronic Clearing Service (NECS) - NECS Mandate*
2. Print the details of my Bank Account as furnished below, on my dividend warrant which will be mailed to me - Bank Mandate*

(*Please strike out whichever is not applicable)

Folio No. .....

A.	Bank Name	
B.	Branch	
C.	Bank Address	
D.	Bank Account No.	
E.	Account Type (Saving/Current)	
F.	9 Digit Code number of the bank and branch as appearing on the MICR Cheque (for NECS Mandate only) **Please attach photo copy of the cheque**	
G.	Telephone Number (with STD code) of shareholder (optional)	
H.	Email address of Shareholder (Optional)	

I/We shall not hold the Company responsible if the NECS mandate cannot be implemented for reasons beyond the control of the Company.

_____
Signature of Shareholder
(as per specimen lodged with the Company)

Notes:

1. In case of shares held in dematerialized form, shareholders are requested to intimate the updated bank account details to their Depository Participant (DP).
2. You may contact the Company's Share Transfer Agent, M/s. Freedom Registry Limited, for any clarifications you may need on the NECS/Bank Mandate at : Tel: (0253) - 2354032 Fax: (0253) - 2351126
Email:support@freedomergistry.in

Route map of venue of the AGM Hall

If undelivered, please return to:

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