

**SIMPLEX**  
PROJECTS LIMITED



ANNUAL REPORT  
**2016-2017**





Construction of Boys' Hostel at IIT, Guwahati



Police Station, Kuwait

## BOARD OF DIRECTORS

### ***Chairman & Managing Director***

Sri Balkrishandas Mundhra

### ***Whole Time Directors***

Sri Jai Kishan Bagri

Sri Sudarshan Das Mundhra

### ***Independent Directors***

Sri Anand Chopra

Smt. Nandini Jhanwar

Sri Keshava Das Mundhra

### ***Chief Financial Officer***

Sri Sudarshan Das Mundhra

(From 30th May, 2017)

### ***Company Secretary***

Sri Vikram Kumar Mishra

(From 29th May, 2017)

### ***Auditors***

Chaturvedi & Company

Chartered Accountants

### ***Bankers***

Axis Bank Ltd.

Bank of Baroda

DBS Bank Ltd.

Development Credit Bank Ltd.

ICICI Bank Ltd.

IDBI Bank Ltd.

State Bank of India

State Bank of Travancore

UCO Bank

Yes Bank Ltd.

### ***Registrar and Share Transfer Agents***

Cameo Corporate Services Limited

Subramanian Building, V - Floor

1, Club House Road

Chennai - 600 002

### ***Registered Office***

12/1, Nellie Sengupta Sarani

Kolkata - 700 087

Phone : +91 33 2252 7231/7232

### ***Corporate Office***

11/1C/2, East Topsia Road

Kolkata - 700 046, India

Phone : +91 33 2285 4125, 6634 1200

Telefax : +91 33 2285 2105

E-mail : [info@simplexprojects.com](mailto:info@simplexprojects.com)

Website : [www.simplexprojects.com](http://www.simplexprojects.com)





	Page
DIRECTORS' REPORT	3
CORPORATE GOVERNANCE REPORT	23
MANAGEMENT DISCUSSION & ANALYSIS	39
INDEPENDENT AUDITORS' REPORT	42
STANDALONE FINANCIAL STATEMENTS	49
CONSOLIDATED FINANCIAL STATEMENTS	74

Dear Members,

It is our pleasure to present the 27<sup>th</sup> Annual Report of your Company together with the Audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2017.

## 1. FINANCIAL RESULTS

The performance of the Company for the financial year ended 31<sup>st</sup> March, 2017, compared with the previous financial year, is summarized below:

	Year ended 31st March, 2017	Year ended 31st March, 2016
Total Income	49,718.64	42,671.30
Less: Expenses	49,686.41	51,022.68
Profit / (Loss) before exceptional and extra-ordinary items	32.23	(8,531.38)
Exceptional Items	0	(400.50)
Profit before extra-ordinary items & tax	32.23	(8,751.88)
Less: Provisions for Taxation	(241.42)	(218.37)
Profit After Tax	273.65	(8,533.51)
Add: Balance brought forward from last year	(4,107.72)	4,425.79
Profit Available For Appropriation	3,834.07	(4,107.72)
Less: Proposed Dividend (including tax on dividend)	NIL	NIL
Tax thereon	NIL	NIL
Transfer to General Reserve	NIL	NIL
Balance Profit after appropriation	(3,834.07)	(4,107.72)

## 2. OPERATIONAL PERFORMANCE :

On Consolidated basis, for the financial year ended March 31, 2017, your Company has achieved a Gross Turnover of ₹49,996.12 Lacs as against ₹43,227.12 Lacs for the previous period. The turnover of the Company has thus shown an increment of 15.66%.

On Standalone basis, your Company has achieved a Gross Turnover of ₹49,718.64 Lacs for the financial year 2016-17 which has shown an increment by 16.52% over last year (₹ 42,671.30 Lacs in financial year 2015-16). The Company has incurred a profit of ₹273.65 Lacs (after interest and depreciation charges) as against a loss of ₹ 8,533.51 Lacs for the previous year, thus showing an increase of ₹8,807.16 Lacs.

The financial year under review witnessed increase in cost of Subcontracting and Other Site Expenses and also Administrative Expenses resulting in escalation in total cost. Moreover, due to competitive pressure Infrastructure development in India has been going through a very difficult phase over the last few years, affecting the overall performance. Consequently players in the construction space, especially those in business of building large infrastructure for the state and central governments, have had to face severe financial,

operational and regulatory challenges, such as very tight liquidity conditions, serious stress on cash flows, as well as other sundry issues.

The operations of the company's branch at Libya, was stopped due to prevailing political situation. However, in view of the prolonged uncertainty of resumption, the company is proceeding with Arbitration. The overseas order for construction work at Kuwait is going on smoothly.

Our focus area continues to be the execution of civil engineering projects with specialization in piling, building, bridge and flyovers. Further your Company had been successful in bagging various contracts for execution of Infrastructure Projects. The Company expects substantial increase in the order book position.

## 3. DIVIDEND :

With a view to conserve the resources for the future development of the Company the Board of Directors of the Company did not recommend any dividend during the year.

During the year under review, no amount which remained unclaimed and unpaid dividend for a period of seven years was transferred to Investor Education & Protection Fund.

#### 4. RESERVES

There is no amount available for transfer to Reserves for the year ended March 31, 2017.

#### 5. SUBSIDIARY, ASSOCIATES & JOINT VENTURES

As on 31<sup>st</sup> March, 2017, Your Company has one Subsidiary, namely Simplex Agri-Infra Services Pvt. Ltd., two Associates namely, (i) Simpark Infrastructure Pvt Ltd. (ii) Simplexprojects Road & Highway Construction Pvt Ltd and two Joint Ventures i.e. (i) Simplex Projects (Netherlands) Cooperative U.A. (ii) Triveni Engicon Pvt Ltd – Simplex Projects Limited.

Simplex Agri-Infra Services Pvt. Ltd. which had been awarded contracts by FCI to construct and maintain warehouses at different parts of Jammu & Kashmir and Himachal Pradesh on Build, own and Operate/ Lease basis is running its commercial operation.

The Consolidated Financial Statements comprises the financial statements of the Company and its subsidiary, Joint Ventures and its Associate Companies. Pursuant to provisions of section 129(3) of the Act, a statement containing salient features of the financial statements of the Company's subsidiaries in Form AOC-1 is appended to this Report as Annexure I. The Consolidated Financial Statements of your Company are prepared in accordance with the Accounting Standard 21, issued by the Institute of Chartered Accountants of India.

#### 6. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements under Section 134(3)(c) read with Section 134(5) of the Act with respect to Directors' Responsibility Statement, the Directors hereby confirm that:-

- In the preparation of the annual accounts for the financial year ended March 31, 2017, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the profit and loss of the Company for the year ended on that date;
- The Directors have taken proper and sufficient care 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;

- The Directors have prepared the annual accounts on a going concern basis;
- The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Based on the framework of Internal Financial Controls and compliance systems established by the Company, work performed by the Internal, Statutory and Secretarial Auditors and the reviews performed by management and the audit committee of the Company, the board is of the opinion that the Internal Financial Controls of the Company were adequate and effective during FY 2016-17.

#### 7. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of your Company consists of six directors as on 31<sup>st</sup> March, 2017, with an optimum mix of Executive and Non-executive Directors. Details of the composition of the Board have been disclosed in details in the Corporate Governance Report, which forms an integral part of this report.

Mr. Sudarshan Das Mundhra, Whole-time Director of the Company retires by rotation, in terms of Section 152(6) of the Act, read with the Articles of the Company, at the forthcoming Annual General Meeting and being eligible, offers himself for reappointment.

During the year under review Mr. Pradeep Kumar Mishra, and Mr. Abirlal Das Gupta resigned from the post of Chief Financial Officer and Company Secretary as on 13th November, 2016 and 17th March, 2017 respectively.

As on the date of this report Mr. Sudarshan Das Mundhra, and Mr. Vikram Kumar Mishra, has been appointed as the Chief Financial Officer and Company Secretary of the Company respectively.

All the directors of the Company, including the Independent Directors, have disclosed their concern and interest in other companies, bodies corporate, firms, and other association of individuals, including the shareholding, in Form MBP-1. Further, all the Independent Directors have confirmed that they meet the criteria of independence, as laid down under Section 149(6) of the Act, read with the Regulation 16(1)(b) of the SEBI Listing Regulations.

Pursuant to SEBI Listing Regulations, your Company has framed and adopted a Policy on Familiarization of the Independent Directors. Accordingly, the Company

had arranged a familiarization program for the Independent Directors of your Company on 31<sup>st</sup> December, 2016. The Independent Directors met with some of the Senior Technical Team members and discuss over the existing projects of the Company and working conditions at various sites of the Company. The details of the familiarization program as required under Regulation 46 of SEBI (LODR) Regulations, 2015 is available on the website of the Company.

## **8. BOARD EVALUATION**

The Nomination & Remuneration Committee of the Company has framed a Policy on evaluation of the Board, evaluation of Board Committees, their functioning and evaluation of individual Director. The Company believes that it is the collective effectiveness of the Board and the senior management that determines the Company performance.

The Board of Directors had carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by SEBI Listing Regulations. The performance of the Board was evaluated after seeking inputs from all the directors and the senior management of the Company, on the parameters derived from Board's core role of trusteeship to protect and enhance shareholder value as well as fulfill expectations of other stakeholders through strategic supervision. Board performance is assessed against the role and responsibilities of the Board as provided in the Act and the SEBI Listing Regulations.

The performance of the various committees of the Board was evaluated after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, flow of information, etc. Reports on functioning of Committees were placed by the respective Committee before the Board.

The Board as well as the Nomination and Remuneration Committee of the Company reviewed the performance of the individual directors on the basis of the role played by each Director as a member of the Board, contribution to the Company, relationship with the stakeholders, peer evaluation, etc. In addition, the Chairman and Managing Director was also evaluated on the key aspects of his role.

Pursuant to Clause VII of the Schedule IV to the Act, in a separate meeting, the Independent Directors of the Company evaluated the performance of non-independent directors, performance of the board as a whole and performance of the Chairman, taking into account the views of the Non-independent Directors and the senior management. The same was discussed in the board meeting that followed the meeting of the independent directors, at which the performance of the

board, its committees and individual directors was also discussed. Performance evaluation of Independent Directors was done by the entire board, excluding the director being evaluated.

## **9. REMUNERATION POLICY**

Pursuant to Section 178(1) of the Act, the Company had constituted Nomination and Remuneration Committee to perform such functions as enumerated in the Act and the SEBI Listing Regulations. Your Company follows the Policy on Remuneration of Directors and Senior Management Employees, as approved by the Nomination and Remuneration Committee. A detailed report on the same is given in the Corporate Governance Report, which forms an integral part of this report.

## **10. MEETINGS OF THE BOARD**

The Board of Directors met 7 (Seven) times during the financial year 2016-17, in accordance with the provisions of the Act and the rules made there under. The details of the Board meetings and the attendance of Directors are provided in the Corporate Governance Report, which forms a part of this report.

The intervening gap between the Meetings was within the stipulated period prescribed under the Act and the principles & guidelines prescribed by the Secretarial Standard-1, issued by The Institute of Company Secretaries of India, has also been followed by the Company.

## **11. AUDIT COMMITTEE**

Pursuant to Section 177 of the Act and the SEBI Listing Regulations, the Audit Committee of your Company consists of majority of Independent Directors and the details pertaining to composition and meetings of the committee are included in the Corporate Governance Report, which forms part of this report. The Board has accepted all the recommendations made by the Audit Committee during the financial year 2016-17.

## **12. AUDITORS & AUDIT REPORTS:**

### **Statutory Auditors**

In terms of the provisions of Section 139 of the Act read with the Companies (Audit and Auditors) Rules, 2014 an audit firm can hold office as statutory auditors for two terms of five consecutive years each i.e. for a maximum period of ten years. They can be re-appointed after a cooling period of five years thereafter. In computing the period of ten years, the period for which the statutory auditors would have held office before the commencement of the Act i.e. before April 1, 2014 is also to be taken into account.

M/s. Chaturvedi & Company, has been acting as the statutory auditors of the Company for more than ten

years and to comply with the provisions of the Act, a new auditor must be appointed in their place to act as Statutory Auditors after the conclusion of 27th AGM. The Board has recommended the appointment of M/s. H.S. Bhattacharjee & Co., Chartered Accountants, Kolkata as the Statutory Auditors of the Company in place of M/s. Chaturvedi & Company, to hold office from the conclusion of the ensuing Annual General Meeting until the conclusion of the 32<sup>nd</sup> Annual General Meeting of the Company, subject to ratification by the members at every AGM. The resolution seeking shareholders' approval on this item is included in the Notice convening the AGM.

The Company has received a confirmation from M/s. H.S. Bhattacharjee & Co., Chartered Accountants, that their appointment, if made, at the 27<sup>th</sup> AGM will be in accordance with Sections 139 and 141 of the Act and Rules made thereunder. Accordingly, the Members are requested to approve the appointment of the Statutory Auditors at the 27<sup>th</sup> AGM.

The qualifications in the Auditors' Report read with Annexure referred to in Paragraph 7 of the Auditors' Report are repetitive and not significant in nature. Comments under Annexure to the Auditors' Report are self-explanatory and, therefore, require no further comments from the Board of directors.

#### **Cost Auditors**

In terms of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, on recommendation of the Audit Committee, the Board of Directors have appointed M/s. S. Chhaparia & Associates, Cost Accountants, Kolkata (Firm Registration No. 101591) as Cost Auditors of the Company to conduct the audit of cost records of your Company for the financial year 2017-18. The remuneration of the Cost Auditors has been approved by the Board, on the recommendation of the Audit Committee, and the requisite resolution for ratification of remuneration of Cost Auditors by the members has been set out in the Notice of the 27<sup>th</sup> Annual General Meeting of the Company.

#### **Secretarial Auditor**

Pursuant to Section 204 of the Act, the Board of Directors had appointed Mr. Asit Kumar Labh of M/s. A.K. Labh & Co., Company Secretaries, Kolkata to conduct the secretarial audit of the Company for the financial year 2016-17. The Secretarial Audit Report for the financial year 2016-17 is appended to this Report and the matter on which the emphasis has been laid down in the Report has been duly taken care of.

### **13. LOANS, GUARANTEES OR INVESTMENTS**

The particulars of loans, guarantees and investments covered under the provisions of Section 186 of the Act

have been disclosed in the notes to the Financial Statements.

### **14. RELATED PARTY TRANSACTIONS**

None of the transactions with the Related Parties fall under the ambit of Section 188(1) of the Act since all the agreement and transactions were in the ordinary course of business and on an arm's length basis. None of the transactions could be considered as material in accordance with the policy of your Company on Materiality of Related Party Transactions, which is available on the Company's website. Further, none of the transactions with related parties required approval of the shareholders as the same were within the prescribed limits, under Section 188(1) of the Act and the Rules framed there under, as amended from time to time.

Information on transactions with related parties pursuant to section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 are given in Annexure II in Form AOC-2 and the same forms part of this report.

### **15. DEPOSITS**

The Company, during the year under review, has not accepted any deposit from public and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the Balance Sheet.

### **16. INTERNAL FINANCIAL CONTROLS**

Your Company has adequate Internal Control Systems and Procedures in place for effective and smooth conduct of business and to meet exigencies of operation and growth. The Financial Statements of the Company are prepared through the process which has automated as well as manual controls to ensure accuracy of recording all transactions which have taken place during any accounting period, and the resultant financial position at period end. Management Information System has been established which ensures that adequate and accurate information is available for reporting and facilitating decision making.

The Company has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of fraud and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial disclosures.

Internal Audit, pursuant to Section 138 of the Act, is conducted by independent firm of auditors. Internal Auditors regularly checked the adequacy of the system and their observations were reviewed by the management and remedial measures, as necessary,



were undertaken. Internal Auditors directly report to the Chairman of the Audit Committee of the Company to maintain its objectivity and independence.

#### **17. MATERIAL CHANGES & COMMITMENTS**

Except as disclosed elsewhere in this report, there have been no material changes or commitments which could affect the financial position of your Company, between the end of Financial Year 2016-17 and the date of this report.

#### **18. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS.**

There are no significant material orders passed by any Regulator / Court which would impact the going concern status of your Company and its future operations.

#### **19 HUMAN RESOURCE**

Your Company treats its "Human Resource" as one of its most important assets. It has always provided a congenial atmosphere for work to all its employees that are free from discrimination and harassment. During the year under review, it invested in attraction, retention and development of talent on an ongoing basis.

Your Company has zero tolerance towards sexual harassment at the workplace. To strengthen the security against sexual harassment, as required under Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013, the Company has adopted "Anti-Sexual Harassment Policy" and also constituted an Internal Complaints Committee (ICC). No complaints with allegation of any sexual harassment were reported during the year under review.

Particulars of employees as required under Section 197(12) of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as Annexure III

#### **20. CHANGES IN THE SHARE CAPITAL OF THE COMPANY**

During the financial year 2016-17, the Company has not issued any Equity Shares. Accordingly, the details of Shares issued with Differential Voting Rights, Issue of Sweat Equity Shares and Issue of Employee Stock Option Scheme are not applicable on your Company.

#### **21. VIGIL MECHANISM :**

In terms of Section 177(9) & (10) of the Act, Vigil Mechanism for directors and employees to report genuine concerns has been established by your Company. The Board has adopted a Whistle Blower policy to promote reporting of any unethical or improper practice or violation of the company's Code of Conduct or complaints regarding accounting, auditing, internal controls or disclosure practices of the company. It

gives a platform to the whistle blower to report any unethical or improper practice (not necessarily violation of law) and provides a formal process for all directors, employees and vendors to approach the Chairman of the Audit Committee and make protective disclosures about any concern. The Vigil Mechanism Policy has been uploaded on the website of the Company and is reviewed by the Audit Committee as well as the Board at regular intervals.

#### **22. CORPORATE GOVERNANCE**

Your Company is committed to maintain the highest standards of Corporate Governance and adheres to the Corporate Governance requirements as stipulated by the Act and SEBI Listing Regulations. The report on Corporate Governance as stipulated under Regulation 34(3) read with the Schedule V of the SEBI Listing Regulations, together with the Certificate received from Mr. A K Labh, Practising Company Secretary (FCS-4848/ CP-3238) is attached and forms an integral part of this Annual Report.

#### **23. MANAGEMENT DISCUSSION AND ANALYSIS**

In terms of the provisions of Regulation 34(2) of the SEBI Listing Regulations, the Management Discussion and Analysis for the year ended 31<sup>st</sup> March, 2017 is attached and forms an integral part of this report.

#### **24. RISK MANAGEMENT**

The Company is exposed to uncertainties, owing to the sectors in which it operates. These uncertainties create new business opportunities with inherent risks. The Company has been proactive in adopting new and effective tools to protect the interests of its stakeholders. The Company's Risk Management processes focus on ensuring that the risks are identified on a timely basis and reasonably addressed.

The Directors of your Company has formed a Risk Management Committee and also adopted a policy on the same which enables the Company to proactively manage uncertainties from changes in the internal and external environment and also capitalize on the opportunities. The Audit Committee has additional oversight in the area of financial risk and controls. The Risk management Policy of the Company is published in the Company's website.

#### **25. EXTRACT OF ANNUAL RETURN:**

As required under Section 92(3) of the Act, the extract of annual return in MGT 9 is attached as a part of this Report as Annexure IV.

#### **26. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

##### **A. CONSERVATION OF ENERGY:**

##### **a) Energy Conservation measures taken:**

All efforts are made to conserve and optimize use of energy, continuous monitoring, and improvement in

maintenance and distribution systems and through improved operational techniques. Energy conservation continues to receive priority attention at all levels.

Company is continuing with energy saving measures initiated earlier like usage of more sophisticated Machinery which can do more work in lesser time and thereby reducing the requirement of equipment that programmes to maximize saving in two specific areas:

- i) Electric Energy
- ii) Fuel oil consumption

In this industry 99% equipments are powered by either electrical motor or by fuel oil powered engines. The scope of energy efficiency in our industry will be energy conservation through well planned actions such as quality preventive maintenance, machinery up-gradation, modernization and introduction of sophisticated control system. Fuel oil consumption has been reduced by implementing vigorous preventive maintenance measures and introducing new fuel efficient engines coupled with newer machinery and reducing idle running of equipments.

**b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy:**

Continuous additional investments are made in phases to replace old machinery with newer more sophisticated and more fuel efficient ones. The replacement theory is applied in repairs and renewals.

**c) Impact of the measures at (a) and (b) for reduction of energy consumption and consequent impact on the cost of the production of goods:**

Energy conservation measures continue to reduce the production cost.

**d) Total energy consumption and energy consumption as per unit of production as per prescribed Form A of the annexure in respect of industries specified in Schedule thereto:**

Not applicable as the Company is not covered under the list of specified industries.

**B. TECHNOLOGY ABSORPTION:**

**i. Research and Development:-**

The Company is not having any Research and Development activity at present.

**ii. Technology Absorption, Adoption and Innovation: - Efforts, in brief, made towards technology absorption, adoption and innovation:**

The Company has absorbed advanced technology and technical know-how in the field of automated car parking systems.

**Benefit derived as a result of the above efforts:**

The technology implemented in parking projects has been economical and more effective in terms of ground coverage in comparison to conventional method of construction.

**Technology imported during the last five years:**

- a) Technology imported : Nil
- b) Year of import : Not applicable
- c) Has the technology been fully absorbed : Not applicable

**C. Foreign Exchange Earnings (₹ in lacs)**

Particulars	As on 31st March, 2017	As on 31st March, 2016
On Contract Work (Gross Billing at Overseas Branch)	16,773.04	12,318.12

**D. Foreign exchange outgo (₹ in lacs)**

Particulars	As on 31st March, 2017	As on 31st March, 2016
Travelling	147.45	157.88
Contract Expenses (Overseas Branch)	17,028.44	13,228.50

**27. CORPORATE SOCIAL RESPONSIBILITY**

The provisions of Corporate Social Responsibility are not applicable to your Company.

**28. LISTING WITH STOCK EXCHANGES:**

Your Company is presently listed with BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The details of trading, listing fees etc. are given in the Corporate Governance Report.

**29. ACKNOWLEDGEMENTS**

Your Directors like to express their sincere appreciation for the co-operation the Company has received from the Statutory Authorities, Banks, Other Financial Institutions, Stakeholders and Customers during the year under review. Your Directors also wish to thank and place on record their deep appreciation for the committed services by the Company's executives, employees and workers.

For and on behalf of the Board of Directors

**B.K.Mundhra**  
Chairman & Managing Director  
(DIN-00013125)

Registered Office :  
12/1, Nellie Sengupta Sarani  
Kolkata - 700 087  
Date: 14th August, 2017

**ANNEXURE - I****FORM AOC-I**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies

(Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures****Part "A" : Subsidiaries****(₹ in Lacs)**

1	No. of Subsidiaries	1
2	Name of the subsidiary	<b>Simplex Agri- Infra Services Pvt Ltd</b>
3	The date since when subsidiary was acquired	<b>27<sup>th</sup> September 2010</b>
4	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as Holding Company
5	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Same as Holding Company
6	Share capital	
	a) Authorized Capital	300.00
	b) Paid-up Capital	151.00
7	Reserves & surplus	6.16
8	Total assets	5,513.33
9	Total Liabilities	5,513.33
10	Investments	NIL
11	Turnover	277.48
12	Profit before taxation	7.71
13	Provision for taxation	7.21
14	Profit after taxation	6.44
15	Proposed Dividend	NIL
16	% of shareholding	66.56

1. Names of subsidiaries which are yet to commence operations- Nil

2. Names of subsidiaries which have been liquidated or sold during the year – Nil



**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 Lacs)

Sr. No.	Name of Associates/Joint ventures	Simpark Infrastructure Pvt. Ltd.	Simplexprojects Road & Highway Construction Pvt. Ltd.	Triveni Engicons-Simplex Projects JV
1.	Latest audited Balance Sheet Date	March 31, 2017	March 31, 2017	March 31, 2017
2.	Date on which the Associate or Joint Venture was associated or acquired	March 31, 2016	April 20, 2006	January 19, 2008
3.	Shares of Associate/Joint Ventures held by the company on the year end			
	No.	15,53,800	5000	N/A
	Amount of Investment in Associates/Joint Venture	586.13	0.50	-
	Extent of Holding (in percentage)	48.78%	50%	98%
4.	Description of how there is significant influence	Because of controlling stake	Because of controlling stake	Because of controlling stake
5.	Reason why the associate/joint venture is not consolidated	Consolidated	No Operations	Project Completed and no further operations
6.	Net worth attributable to shareholding as per latest audited Balance Sheet	77.53	-	-
7.	Profit/Loss for the year			
	i. Considered in Consolidation	(117.62)	Nil	Nil
	ii. Not Considered in Consolidation	Nil	Nil	Nil

1. Names of associates or joint ventures which are yet to commence operations- Nil

2. Names of associates or joint ventures which have been liquidated or sold during the year- Nil

For and on behalf of the Board of Directors

**B. K. MUNDHRA**  
*Chairman & Managing Director*  
(DIN : 00013125)

**Sudarshan Das Mundhra**  
*Chief Financial Officer*  
(PAN-AIIPM7003M)

**J. K. Bagri**  
*Director*  
(DIN : 00268722)

**Vikram Kumar Mishra**  
*Company Secretary*  
(Membership No. A36568)

**Annexure – II**  
**FORM NO. AOC - 2**

Pursuant to Clause (h) of sub-section 134 of the Companies Act, 2013, and rule 8(2) of the Companies (Accounts) Rule, 2014

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

**1. Details of contracts or arrangements or transactions not at arm's length basis :**

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2017, which were not at arm's length basis.

**2. Details of material contracts or arrangements or transactions at arm's length basis for the year ended March 31, 2017 are as follows:** (₹ in Lacs)

Name of Related party	Nature of transaction	Description of relationship	Salient Terms	Duration	March 31st, 2017
Kirti Vinimay Pvt. Ltd.	Rent and maintenance charges	Other related party	Payment of rent and maintenance as per agreement	One year	12.00
	Loan and advance given		Non-interest bearing unsecured loan	One year subject to renewal	1,251.00
	Loans and advances taken				821.00
Datson Exports Ltd.	Rent and maintenance charges	Other related party	Payment of rent and maintenance as per agreement	Five year	0.88
Jemtec Engineering Pvt. Ltd.	Interest paid	Other related party	Interest on unsecured loan	One year	18.94
	Payment to creditors		Payment of Creditors as per contract basis	One year	22.50
	Loans and advance given		Interest bearing unsecured loan	One Year subject to renewal	28.89
Simpark Infrastructure Pvt. Ltd.	Loans and advances given	Associate	Non-interest bearing unsecured loan	One year subject to renewal	269.36
	Loans and advances taken				408.47
Balkrishna Das Mundhra	Loans and advances given	Key Management Personnel	Non-interest bearing unsecured loan	One year subject to renewal	51.50
	Loans and advance taken				948.50
Simplex Agri-Infra Services Pvt. Ltd.	Loans and advances taken	Subsidiary	Non-interest bearing unsecured loan	One year subject to renewal	3.50

### ANNEXURE – III

#### INFORMATION PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULES MADE THEREUNDER

1. Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- (i) The ratio of the remuneration of each Director to the Median Remuneration of the Employees of the Company for the Financial Year 2016-17 and
- (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.

(₹ in Lacs)

Sr. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for Financial Year 2016-17	Percentage increase in Remuneration for the Financial Year 2016-17	Ration of Remuneration of each Director to the Median Remuneration of Employees
1.	Mr. B.K Mundhra Chairman & Managing Director	64.00	NIL	23.19:1
2.	Mr. Jaikishan Bagri Whole Time Director	23.26	NIL	8.43:1
3.	Mr. Sudarshan Das Mundhra Whole Time Director	20.65	NIL	7.48:1
4.	Mr. Anand Chopra Independent Director	0.23	NIL	0.08:1
5.	Mrs. Nandini Jhanwar Independent Director	0.18	NIL	0.06:1
6.	Mr. Keshava Das Mundhra Independent Director	0.15	NIL	0.05:1
7.	Mr. Pradeep Kumar Mishra * CFO	13.08	NIL	--
8.	Mr. Abirlal Dasgupta, Company Secretary **	0.19	NIL	--

\* Resigned w.e.f 13.11.2016 and received remuneration for the part of the financial year 2016-17, hence not comparable.

\*\* Resigned w.e.f. 17.03.2017 and received remuneration for part of financial year 2016-17, hence not comparable.

Remuneration for the Executive Directors and Key Managerial Personnel (KMP) in the table above is based on Cost To Company (CTC).

(iii) The Median Remuneration of Employees (MRE) of the Company is ₹ 2,76,000/- for the financial year 2016-17. The MRE for the year increased by ₹ 6,000/- as compared to the previous financial year.

(iv) The number of permanent employees on the rolls of the Company is 196 for the year ended March 31, 2017.

(v) Average percentage increase made in the salaries of employees other than the managerial personnel in the last Financial Year was NIL. The percentage increase in the salary of managerial staff was NIL. The increase in remuneration, if any, is determined based on the performance by the employees of the Company.

(vi) It is hereby affirmed that the remuneration paid during the year ended 31.03.2017 is as per the Remuneration Policy of the Company.

2. Statement pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

(A) Employed throughout the Financial Year under review and in receipt of remuneration for the financial year in aggregate of not less than Rupees One Crore and Two Lakh per annum. - NIL

(B) Employed for the part of the Financial Year under review and in receipt of remuneration at the rate of not less than Rupees Eight Lakhs and Fifty Thousand per month - NIL



**ANNEXURE - IV**  
**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**  
**as on the financial year ended 31st March, 2017**  
**[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:**

i.	CIN	L45201WB1990PLC050101
ii.	Registration Date	31st October, 1990
iii.	Name of the Company	Simplex Projects Limited
iv.	Category/ Sub-Category of the Company	Construction and Infrastructure Development Company
v.	Address of the Registered Office and Contact Details	12/1, Nellie Sengupta Sarani, 4th Floor, Kolkata 700 087 Tel. No. 033-2252 7231 Fax No. 033-2252 8103
vi.	Whether listed company	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Cameo Corporate Services Limited "Subramanian Building" 1, Club House Road, Chennai 600 002 Tel. No. 044-2846 0390

**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)

S.No.	Name and Description of main Products / services	NIC Code of the Product/service	% to total turnover of the company
1.	Construction	42101, 42904, 43309	64.97
2.	Trading of Construction Materials	46639	35.03

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -**

S.No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1.	Simplex Agri-Infra Services Private Limited House No. 6, Sector 9 Trikuta Nagar, Jammu- 180012, Jammu & Kashmir, India	U63000JK2010PTC003219	Subsidiary	66.56 %	2 (87)
2.	Simplexprojects Road & Highway Constructions Private Limited 12/1, Nellie Sengupta Sarani, 4th Floor, Kolkata-700087, W.B.India	U45203WB2006PTC109010	Associate	50%	2 (6)
3.	Simpark Infrastructure Private Limited, 12/1B, Nellie Sengupta Sarani, 4th Floor, Kolkata- 700087, West Bengal, India	U51909WB1995PTC076031	Associate	48.78%	2 (6)

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

##### A. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year i.e. 31st March, 2016				No. of Shares held at the end of the year i.e. 31st March, 2017				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A.Promoter</b>									
1.Indian									
a.Individual/ HUF	668187	0	668187	5.30	764187	0	764187	6.06	0.76
b.Central Govt.	0	0	0	--	0	0	0	--	--
c.State Govt.(s)	0	0	0	--	0	0	0	--	--
d.Bodies Corp.	6324604	0	6324604	50.19	6324604	0	6324604	50.19	--
e.Banks / FI	0	0	0	--	0	0	0	--	--
f.Any Other	0	0	0	--	0	0	0	--	--
<b>Sub-total (A)(1):-</b>	<b>6992791</b>	<b>0</b>	<b>6992791</b>	<b>55.50</b>	<b>7088791</b>	<b>0</b>	<b>7088791</b>	<b>56.26</b>	<b>0.76</b>
2.Foreign									
a.NRIs-Individuals	0	0	0	--	0	0	0	--	--
b.Other-Individuals	0	0	0	--	0	0	0	--	--
c.Bodies Corp.	0	0	0	--	0	0	0	--	--
d.Banks / FI	0	0	0	--	0	0	0	--	--
e.Any Other	0	0	0	--	0	0	0	--	--
<b>Sub-total (A)(2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>--</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>--</b>	<b>--</b>
<b>Total Shareholding of Promoter (A) = (A)(1) + (A)(2)</b>	<b>6992791</b>	<b>0</b>	<b>6992791</b>	<b>55.50</b>	<b>7088791</b>	<b>0</b>	<b>7088791</b>	<b>56.26</b>	<b>0.76</b>
<b>B.Public Shareholding</b>									
1.Institutions									
a.Mutual Funds	0	0	0	--	0	0	0	--	--
b.Banks / FI	2000	0	2000	0.02	0	0	0	0	(0.02)
c.Central Govt.	0	0	0	--	0	0	0	--	--
d.State Govt.(s)	0	0	0	--	0	0	0	--	--
e.Venture Capital Funds	0	0	0	--	0	0	0	--	--
f.Insurance Companies	0	0	0	--	0	0	0	--	--
g.FIs	0	0	0	--	0	0	0	--	--
h.Foreign Venture Capital Funds	0	0	0	--	0	0	0	--	--
i.Others (specify)	0	0	0	--	0	0	0	--	--
<b>Sub-total (B)(1):-</b>	<b>2000</b>	<b>0</b>	<b>2000</b>	<b>0.02</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(0.02)</b>



Category of Shareholders	No. of Shares held at the beginning of the year (As on 31st March, 2014)				No. of Shares held at the end of the year (As on 31st March, 2015)				% change during the year
	Demat	Physical	Total	%	Demat	Physical	Total	%	
<b>2.Non Institutions</b>									
<b>a.Bodies Corp.</b>	<b>1391857</b>	<b>15300</b>	<b>1407157</b>	<b>11.17</b>	<b>1569977</b>	<b>0</b>	<b>1569977</b>	<b>12.46</b>	<b>1.29</b>
(i) Indian									
(ii) Overseas									
<b>b.Individuals</b>	<b>1277883</b>	<b>635</b>	<b>1278518</b>	<b>10.15</b>	<b>1700839</b>	<b>135</b>	<b>1700974</b>	<b>13.49</b>	<b>3.34</b>
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh									
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	2295245	0	2295245	18.22	1927429	0	1927429	15.30	(2.92)
<b>c.Others(Specify)</b>									
Clearing Members	92336	0	92336	0.73	8304	0	8304	0.07	(0.66)
Directors & their Relatives	141279	189000	330279	2.62	51309	0	51309	0.41	(2.21)
Hindu Undivided Families	131094	0	131094	1.04	177877	0	177877	1.41	0.37
Non Resident Indians	70958	0	70958	0.56	75717	0	75717	0.60	0.04
<b>Sub-total (B)(2):-</b>	<b>5402652</b>	<b>204935</b>	<b>5605587</b>	<b>44.49</b>	<b>5511452</b>	<b>135</b>	<b>5511587</b>	<b>43.74</b>	<b>0.75</b>
<b>Total Public Shareholding (B) = (B)(1) + (B)(2)</b>									
<b>C.Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Total (A+B+C)</b>	<b>12395443</b>	<b>204935</b>	<b>12600378</b>	<b>100.00</b>	<b>12600243</b>	<b>135</b>	<b>12600378</b>	<b>100.00</b>	<b>0.00</b>



**B. Shareholding of Promoters**

S. N.	Shareholder's Name	Shareholding at the beginning of the year, i.e., 01.04.2016			Shareholding at the end of the year, i.e., 31.03.2017			% change in share-holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	
1.	Prozen Merchants Private Limited	2394267	19.01	NIL	2394267	19.01	NIL	NIL
2.	Simplex Fiscal Holdings Private Limited	2080714	16.51	NIL	2080714	16.51	NIL	NIL
3.	Bharat Gypsum Private Limited #	691429	5.49	NIL	207429	1.65	NIL	(3.84)
4.	Kirti Vinimay Private Limited	527622	4.19	NIL	527622	4.19	NIL	NIL
5.	Pioneer Engineering Company Private Limited #	480143	3.81	NIL	NIL	NIL	NIL	(3.81)
6.	Datson Exports Limited	150429	1.19	NIL	150429	1.19	NIL	NIL
7.	Balkrishandas Mundhra	419473	3.32	NIL	425473	3.38	NIL	0.06
8.	Sudarshan Das Mundhra	85857	0.68	NIL	85857	0.68	NIL	NIL
9.	Raghav Das Mundhra	85714	0.68	NIL	85714	0.68	NIL	NIL
10.	Pushpa Mundhra	77143	0.61	NIL	167143	1.33	NIL	0.72
11	Jemtec Engineering Private Limited #	NIL	NIL	NIL	964143	7.65	NIL	7.65
<b>TOTAL</b>		<b>7082791</b>	<b>55.50</b>	<b>16.86</b>	<b>7088791</b>	<b>56.27</b>	<b>NIL</b>	<b>(0.78)</b>

\* Unconfirmed pledge

# During the year, M/s. Bharat Gypsum Private Limited and M/s. Pioneer Engineering Company Private Limited amalgamated with M/s. Jemtec Engineering Private Limited. Therefore shareholdings of both the amalgamating Companies became the shareholdings of the amalgamated Company M/s. Jemtec Engineering Private Limited.

**C. Change in Promoters' Shareholding (please specify, if there is no change)**

S. NO.	Shareholder's Name	Shareholding at the beginning of the year, i.e., 01.04.2016		Change in Shareholding during the year		Shareholding at the end of the year, i.e., 31.03.2017	
		No. of Shares	% of total Shares of the company	Increase	Decrease	No. of Shares	% of total shares of the Company
1.	Bharat Gypsum Pvt. Ltd. #	691429	5.49	--	(484000)	207429	1.65
2.	Pioneer Engineering Company Private Limited #	480143	3.81	--	(480143)	0	0
3.	Balkrishandas Mundhra	419473	3.32	6000	--	425473	3.38
4.	Pushpa Mundhra	77143	0.61	90000	--	167143	1.33
5.	Jemtec Engineering Private Limited#	0	0	964143	--	964143	7.65

# During the year, M/s. Bharat Gypsum Private Limited and M/s. Pioneer Engineering Company Private Limited amalgamated with M/s. Jemtec Engineering Private Limited. Therefore shareholdings of both the amalgamating Companies became the shareholdings of the amalgamated Company M/s. Jemtec Engineering Private Limited.

**D. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRS and ADRS).**

S. NO.	Shareholder's Name	Shareholding at the beginning of the year, i.e., 01.04.2016		Change in Shareholding during the year		Shareholding at the end of the year, i.e., 31.03.2017	
		No. of Shares	% of total Shares of the Company	Increase	Decrease	No. of Shares	% of total shares of the Company
1.	Lata Bhanshali	786700	6.24	--	--	786700	6.24
2.	S F Distributors Private Limited	624255	4.95	--	--	624255	4.95
3.	Vallabh Roopchand Bhanshali	393300	3.12	--	--	393300	3.12
4.	Bishwanath Prasad Agrawal	357500	2.84	--	(357500)	0	0
5.	Suvarna Kumari Agrawal	324000	2.57	--	(324000)	0	0
6.	Pravik Developers Private Limited	295634	2.35	42300	--	337934	2.68
7.	Akash Bhanshali	118962	0.94	--	--	118962	0.94
8.	FRR Shares And Securities Limited	90000	0.7142	--	(90000)	0	0
9.	Talma Chemical Industries Private Limited	85000	0.67	--	--	85000	0.67
10.	Mini Builders Private Limited	0	0	62500	--	62500	0.49
11.	Bithal Das Mundhra	0	0	189000	(69323)	119677	0.95
12.	Manjeet Singh	150	0	79579	(150)	79579	0.63

**E Shareholding of Directors and Key Managerial Personnel**

S. No.	Shareholder's Name	Shareholding at the beginning of the year, i.e., 01.04.2016		Change in Shareholding during the year		Shareholding at the end of the year, i.e., 31.03.2017	
		No. of Shares	% of total Shares of the company	Increase	Decrease	No. of Shares	% of total shares of the Company
1	Balkrishandas Mundhra	419473	3.32	6000	--	425473	3.38
2	Sudarshan Das Mundhra	85857	0.68	--	--	85857	0.68
3	Pradeep Kumar Mishra*	626	-	--	--	626	--
4.	Abirlal Das Gupta **	--	--	--	--	--	--

\* Resigned w.e.f 13.11.2016

\*\* Resigned w.e.f 17.03.2017

**V. INDEBTEDNESS** - Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ in Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	49,722.40	9959.19	-	59,681.59
ii) Interest due but not paid	784.41	-	-	784.41
iii) Interest accrued but not due	16.52	-	-	16.52
Total (i+ii+iii)	50,523.33	9,959.19	-	60,482.52
Change in Indebtedness during the financial year				
* Addition	6,831.47	3,898.27	-	10,729.74
* Reduction	-	-	-	-
Net Change	6,831.47	3,898.27	-	10,729.74
Indebtedness at the end of the financial year				
i) Principal Amount	50,060.63	13,857.46	-	63,918.09
ii) Interest due but not paid	7,294.17	49.13	-	7,343.30
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	57,354.80	13,906.59	-	71,261.39

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

SN	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		B K Mundhra	J K Bagri	Sundarshan Das Mundhra	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	64.00	23.26	20.65	107.91
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil
4	Commission				
	- as % of profit				
	- Others	Nil	Nil	Nil	Nil
5	Others	Nil	Nil	Nil	Nil
	Total (A)	64.00	23.26	20.65	107.91
	Ceiling as per the Act	Within the ceiling in term of Section II of Part II of Schedule V of the Companies Act, 2013			

### B. Remuneration to Other Directors

SN	Particulars of Remuneration	Name of Directors			Total Amount
		Anand Chopra	Nandini Jhanwar	Keshava Das Mundhra	
1	Independent Directors				
	Fee for attending board / committee meetings	22,515	18,012	15,010	55,537
	Commission	Nil	Nil	Nil	Nil
	Others	Nil	Nil	Nil	Nil
	Total (1)	22,515	18,012	15,010	55,537
2	Other Non-Executive Directors	Nil	Nil	Nil	Nil
	Fee for attending board committee meetings	Nil	Nil	Nil	Nil
	Commission	Nil	Nil	Nil	Nil
	Others	Nil	Nil	Nil	Nil
	Total (2)	Nil	Nil	Nil	Nil
	Total (B)=(1+2)	22,515	18,012	15,010	55,537
	Total Managerial Remuneration	Nil	Nil	Nil	Nil
	Overall Ceiling as per the Act	The Company had paid only sitting fees to the Independent Directors within the limit prescribed under Section 197(5) of the Act.			



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

(₹ in Lacs)

SN	Particulars of Remuneration	Key Managerial Personnel		
		CS	CFO	TOTAL
		Mr. Abirlal Das Gupta *	Mr. Pradeep Kumar Mishra #	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0.19	13.08	13.27
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- Others	-	-	-
5	Others	-	-	-
	Total	0.19	13.08	13.27

\* Mr. Abirlal Das Gupta resigned from the post of Company Secretary w.e.f 17.03.2017.

# Mr. Pradeep Kumar Mishra resigned from the post of Chief Financial Officer w.e.f 13.11.2016.

**vii. Penalties/Punishment/Compounding of offences:**

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

## APPENDIX SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31.03.2017

**[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To  
**The Members,  
Simplex Projects Limited  
12/1, Nellie Sengupta Sarani,  
Kolkata – 700 087  
West Bengal**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Simplex Projects Limited having its Registered Office at 12/1, Nellie Sengupta Sarani, Kolkata-700 087, West Bengal (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended 31.03.2017 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.

### **Auditors' Responsibility**

Maintenance of Secretarial Records is the responsibility of the management of the Company. My responsibility is to express an opinion on existence of adequate Board process and compliance management system, commensurate to the size of the Company, based on these secretarial records as shown to me during the said audit and also based on the information furnished to me by the officers' and the agents of the Company during the said audit.

I have followed the audit practices and processes as were appropriate to the best of my understanding to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed, provide a reasonable basis for my opinion.

I have not verified the correctness, appropriateness and bases of financial records, books of accounts and decisions taken by the Board and by various committees of the Company during the period under scrutiny. I have

checked the Board process and compliance management system to understand and to form an opinion as to whether there is an adequate system of seeking approval of respective committees of the Board, of the members of the Company and of other authorities as per the provisions of various statutes as mentioned hereinafter.

Wherever required, I have obtained the management representation about the compliance of the laws, rules and regulations and happening of events, etc.

The Compliance of the provisions of Corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. My examination was limited to the verification of compliance procedures on test basis.

My report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness or accuracy with which the management has conducted the affairs of the Company.

I report that, I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31.03.2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) Secretarial Standards (SS – 1 and SS-2) as issued by The Institute of Company Secretaries of India;
- (iii) The Securities Contracts (Regulation) Act, 1956 and the rules made there under;
- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (v) Foreign Exchange Management Act, 1999 and the rules and regulation made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 :
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has specifically complied with the provisions of the following Acts :

1. Housing Board Act, 1965
2. Transfer of Property Act, 1882
3. Building and Other Construction Workers' (Regulation of Employment and Condition of Services) Act, 1996

to the extent of their applicability to the Company during the financial year ended 31.03.2017 and our examination and reporting is based on the documents, records and files as produced and shown to and the information and explanations as provided to me by the Company and its management and to the best of my judgment and understanding of the applicability of the different enactments upon the Company. Further, to the best of my knowledge and understanding there are adequate systems and processes in the Company commensurate with its size and operation to monitor and ensure compliances with applicable laws including general laws, labour laws, competition law, environments laws, etc.

Further, to the best of my knowledge and understanding there are adequate systems and processes in the Company commensurate with its size and operation to monitor and ensure compliances with applicable laws including general laws, labour laws, competition law, environments laws, etc.

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

1. There was delay in appointment of Company Secretary. The Company did not have any Company Secretary from 24.02.2016 till 15.12.2016.
2. There was delay in submission of following reports to the Stock Exchange:
  - a. Consolidated Audited Results for the financial year ended 31.03.2016;
  - b. Annexure A / Annexure B pursuant to Regulation 33(3)(d) of SEBI (LODR) Regulations, 2015 for the financial year ended 31.03.2016; and
  - c. Quarterly Financial Results and Limited Review Reports for the financial year 2016-17.

During the period under review, provisions of the following regulations/guidelines/standards were not applicable to the Company:

- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

- (ii) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
- (iii) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (iv) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.
- (v) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2009.

#### I further report that

- (a) The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place, if any, during the period under review were carried out in compliance with the provisions of the Act.
- (b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- (c) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
- (d) 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.

**Asit Kumar Labh**

Place : Kolkata

*Practicing Company Secretary*

Dated : 14/08/2017

ACS-32891/C.P.No. - 14664

# CORPORATE GOVERNANCE REPORT

## FOR THE YEAR ENDED ON 31st MARCH, 2017

Pursuant to Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') along with other requirements as specified in Part-C of Schedule V of these regulations, Compliance with requirements of Corporate Governance is set out below:-

### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is ethically driven business mechanisms, relations, and processes by which an entity is controlled and directed and it involves balancing and harmonizing the multi-faceted needs, interests and concerns of the various stakeholders. Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. Simplex Projects Limited (SPL) believes in the philosophy of Corporate Governance that oversees business strategies and ensures fiscal accountability, ethical corporate behavior and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large. The Company stringently complies with Corporate Governance practices as enumerated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

At Simplex Projects Limited, we are committed to sustainable and long-term growth of shareholders wealth, without compromising on the ethical and moral principles, generally expected from a corporate organization. The company's corporate governance structure plays a pivotal role in realizing long term goal.

The company considers its inherent responsibility to disclose timely and accurate information regarding our financials and performance, as well as the leadership and

governance of the Company. The Company's corporate governance philosophy has been further strengthened through the adoption of SPL Code of Conduct for Prevention of Insider Trading and the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015.

The information provided in the Report on Corporate Governance for the purpose of unanimity is as on 31st March, 2017.

### 2. BOARD OF DIRECTORS

The Board of Directors of the Company has an optimum combination of Executive and Non-executive Directors with one Woman Director and fifty percent of the Board comprising of Independent Directors. Other disclosures are as under -

- As on 31st March, 2017, the Company has six Directors. Of these three are Executive Directors including Chairman & Managing Director who is a Promoter Director. All Non-Executive Directors are Independent Directors. The composition of the Board is in conformity with Regulation 17 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and the provisions of Section 149 of the Companies Act, 2013.
- None of the Independent Directors on the Board of the Company have any pecuniary or business relationship with the Company other than receiving sitting fees. All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16 (1)(b) of the SEBI Listing Regulations with Section 149 (6) of the Act.
- The composition, category and relationship between the directors inter-se is as under :-

Sr No.	Name of the Directors	Category	Relationship with other Directors
1	Balkrishandas Mundhra	Chairman & Managing Director	Father of Mr. Sudarshan Das Mundhra
2	Jai Kishan Bagri	Whole-time Director	None
3	Sudarshan Das Mundhra	Whole-time Director	Son of Mr. Balkrishandas Mundhra
4	Anand Chopra	Independent Director	None
5	Nandini Jhanwar	Independent Director	None
6	Keshava Das Mundhra	Independent Director	None

- None of the Directors on the Board hold directorships in more than ten public companies. Further none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he or she is a Director. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2017 have been made by the Directors.
- During the year the Board met 7 (Seven) times including an adjourned meeting. Maximum time gap between the two consecutive meetings had not exceeded 120 days.  
The dates on which said Board Meetings held were 30/05/2016, 12/08/2016, 28/09/2016, 14/11/2016, 21/11/2016 (Adjourned Meeting), 09/12/2016 and 14/02/2017.
- The details of the attendance of the Directors at the various Board Meetings held during the year, last Annual General Meeting and the number of Directorships and Committee Chairmanships / Memberships held by them in other public companies as on March 31, 2017 are given herein below:



S.No.	Name of the Directors	Number of Board meetings held during FY 2016-17	Number of Board meeting attended during FY 2016-17	Whether attended last AGM	Number of Directorships of other public companies*	Committee Position held in other Public Company	
						Chairman	Member
1	Mr. Balkrishandas Mundhra	7	7	Yes	1	0	0
2	Mr. Jai Kishan Bagri	7	7	Yes	1	0	0
3	Mr. Sudarshan Das Mundhra	7	6	No	0	0	0
4	Mr. Anand Chopra	7	6	Yes	0	0	0
5	Mrs. Nandini Jhanwar	7	5	No	0	0	0
6	Mr. Keshava Das Mundhra	7	7	Yes	1	0	0

Notes: -

- (i) Directorship excludes Private Limited Companies, Foreign Companies and Section 8 Companies.
- (ii) Chairmanships/Memberships only include Audit Committee and Stakeholders' Relationship Committee.
- (iii) Details of Director(s) retiring or being re-appointed are given in notice to Annual General Meeting.

- g) During the year a meeting of the Independent Directors was held on 8th March, 2017. The Independent Directors, inter-alia, reviewed the performance of non-independent directors, Chairman of the Company and the Board as a whole. The meeting was attended by all independent directors.
- h) Non-executive Directors of the Company do not hold any shares of the Company.
- i) Pursuant to Listing Regulations, the Company had arranged a familiarization program for the Independent Directors of your Company on December 31, 2016. The detail of the familiarization program is available on the website of the Company at [http://www.simplexprojects.com/form\\_doc/1483445666.pdf](http://www.simplexprojects.com/form_doc/1483445666.pdf)

### 3. AUDIT COMMITTEE

The Audit Committee acts as a link between the Statutory Auditors, the Internal Auditors and the Board of Directors of the Company. The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of the SEBI (Listing Obligations and

Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013. The members of the Committee are financially literate and two-third of the Committee consists of Independent Directors.

As on 31st March, 2017, the Audit Committee consists of three Directors of which one is Executive Director and rest two are Non-Executive Independent Directors. The members of Audit Committee met six times, including an adjourned meeting, during the financial year 2016-17. Necessary quorum was not present for the meetings scheduled on 14th November, 2016 and accordingly, it was adjourned to 21st November, 2016. The maximum time gap between any two consecutive meetings did not exceed one hundred and twenty days. The dates on which the said meetings were held:

28th May 2016, 12th August 2016, 14th November 2016 (Meeting Adjourned due to lack of Quorum), 21st November 2016 (Adjourned Meeting), 9th December, 2016 and 14th February 2017.

The composition of the Audit Committee and details of their attendance at the meetings are as follows:-

Name of the Directors	Category	Position	No. of meetings held	No. of meetings attended
Mr. Anand Chopra	Non-executive Independent Director	Chairman	6	6
Mr. Jai Kishan Bagri	Executive Whole-time Director	Member	6	6
Mrs. Nandini Jhanwar	Non-executive Independent Director	Member	6	5

Notes: -

- (i) The Chairman of the Audit Committee, Mr. Anand Chopra was present at the last Annual General Meeting of the Company held on 28th September, 2016 to answer members' queries.
- (ii) Mr. Sachin Chhaparia, Cost Auditor was invited to attend the meeting held on 12.08.2016 when the Cost Audit Report was tabled for discussion.
- (iii) Mr. Binayak Dey, Internal Auditor of the Company was invited to attend the meeting held on 28.05.2016 when the Internal Audit Report was tabled for discussion.
- (iv) The Chief Financial Officer and Dy. General Manager-Accounts, attends the meeting as Special invitees. Representative of the Statutory Auditors are permanent invitees to the Audit Committee meeting.

The terms of reference of the Audit Committee are in accordance with the applicable provisions of SEBI Listing Regulations and Companies Act, 2013 read with rules framed thereunder. The terms of reference include but are not limited to, the following:-

- Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon, before submission to the board for approval, with particular reference to:
  - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
  - b) Changes, if any, in accounting policies and practices and reasons for the same.
  - c) Major accounting entries involving estimates based on the exercise of judgment by the management.
  - d) Significant adjustments made in the financial statements arising out of audit findings.
  - e) Compliance with listing and other legal requirements relating to financial statements.
  - f) Disclosure of any Related Party Transactions.
  - g) Qualifications in the draft audit report.
- Reviewing, with the management, quarterly financial statements and auditor's report thereon, before submission to the board for approval;
- Reviewing with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- 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;
- Reviewing, with the management, performance of the statutory and internal auditors and adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with the internal auditors of any significant findings and follow-up thereon;
- 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;
- Discussions with the statutory auditors before the audit commences, about the nature and scope of the audit as well as post-audit discussions to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to depositors, debenture holders, members (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the vigil mechanism.
- Approval of appointment of CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function ) after assessing the qualifications, experience and background, etc of the candidate;
- Carrying out any other functions as specified in the terms of reference, as amended from time to time.

#### 4. NOMINATION & REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Company is duly constituted in line with the provisions of Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013.

As on 31st March, 2017, this Committee comprised three Independent Directors. They are Mr. Keshava

Das Mundhra, Mr. Anand Chopra and Mrs. Nandini Jhanwar.

During financial year 2016-17, the Committee met on 9th December, 2016. The Minutes of the Nomination & Remuneration Committee are noted by the Board.

The composition and category of the Nomination & Remuneration Committee are as follows:-

Name of the Directors	Category	Position	No. of meetings held	No. of meetings attended
Mr. Keshava Das Mundhra	Non-executive Independent Director	Chairman	1	1
Mr. Anand Chopra	Non-executive Independent Director	Member	1	1
Mrs. Nandini Jhanwar	Non-executive Independent Director	Member	1	1

The terms of reference of the Committee include the following:

- To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and removal.
- To formulate the policy/criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- To devise policy on Board diversity.
- To perform such other duties and responsibilities as

may be consistent with the provisions of the Committee charter.

#### Performance Evaluation Criteria for Independent Directors

At SPL, all the directors, including the Independent Directors, and the Board as a whole, including its committees, are periodically reviewed both by the Nomination & Remuneration Committee and the Board of Directors. Such periodical review helps the Company to assess the performance and contribution of the directors and objectively decide whether to appoint, re-appoint or remove the director.

The performance evaluation criteria for the Independent Directors are determined by the Nomination & Remuneration Committee. Some of the specific issues and questions that are considered in the performance evaluation of an Independent Director are set out below:

S.No.	Assessment Criteria
1.	Attendance and participation in the board and committee meetings and timely inputs on the minutes of the meetings, including Resolutions passed by Circulation.
2.	Adherence to the ethical standards & code of conduct of the Company and disclosure of non-independence, as and when it arises and disclosure of interest.
3.	Effective deployment of knowledge and constructive contribution to the issues being discussed at meetings.
4.	Effective management of interpersonal relationship with other directors, management and various stakeholders.
5.	Maintenance of integrity and confidentiality of the matters discussed at the meetings.
6.	Understanding the internal and external environment in which the Company operates and contribution to strategic decision making.
7.	Safeguarding the interest of whistle-blowers under the Vigil Mechanism.

## 5. REMUNERATION OF DIRECTORS

### a) Remuneration Policy

Based on the recommendation of the Nomination & Remuneration Committee, the Board has approved the Remuneration Policy of the Company, which is designed to foster a culture of efficient and effective performance by the Directors and the Senior Management of the Company. It enables the Company to attract, retain and motivate employees to achieve results. Remuneration Policy of the Company has been uploaded on the website of the Company at [http://www.simplexprojects.com/form\\_doc/1434544192.pdf](http://www.simplexprojects.com/form_doc/1434544192.pdf)

The Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed component) and commission (variable component) to its Managing Director and the Executive Directors. While determining the remuneration of the Executive Directors and the Key Managerial Personnel, the Board, on the recommendation of the Nomination & Remuneration Committee, considers the following factors:

- Existing remuneration drawn by the candidate

- Industry standards, if the data in this regard is available
- The nature and extent of job description
- Qualifications and experience level of the candidate

The remuneration payable to the candidate shall not exceed the permissible limits, as mentioned within the provisions of the Companies Act, 2013. Only the Non-executive Directors are eligible to receive sitting fees for the Board and Committee Meetings, which does not exceed the limits prescribed by the provisions of the Act.

### b) Pecuniary relationship or transactions of Non-executive Directors

The Non-executive Directors of the Company are only entitled to receive sitting fees for the Board and Committee Meetings attended by them. Apart from receiving the sitting fees, they are not eligible to receive any remuneration or commission, by whatever name it may be called.

Details of the sitting fees paid to the Non-executive Directors during the year 2016-17 are as under:

S. No.	Name of the Directors	Sitting Fees Paid (₹)
1.	Mr. Anand Chopra	22,515/-
2.	Mrs. Nandini Jhanwar	18,012/-
3.	Mr. Keshava Das Mundhra	15,010/-

\*Sitting Fees for each Board and Committee meeting is Rs. 1501/-.

### c) Details of Remuneration paid to Directors

The remuneration paid to Executive Directors of the Company is in Compliance with Provisions stipulated in Companies Act, 2013 and rules made thereunder. The remuneration is fixed by the members of the Company at General Meetings, based on recommendation of the Nomination and Remuneration Committee and the Board of Directors.

Details of the remuneration paid to Executive Directors during the year 2016-17 are as under:

(₹ in Lacs)

S. No.	Name of the Directors	Salary	Medical	Other Perquisites	Total
1.	Mr. Balkrishandas Mundhra (Chairman & Managing Director)	48.00	2.40	13.60	64.00
2.	Mr. Jai Kishan Bagri (Whole-time Director)	17.38	0.87	5.01	23.26
3.	Mr. Sudarshan Das Mundhra (Whole-time Director)	15.44	0.77	4.44	20.65



## 6. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The composition of Stakeholders Relationship Committee is in compliance with Companies Act, 2013, and Regulation 20 of Listing Regulations, 2015. The Committee looks into various issues relating to shareholders/investors including transfer and transmission of shares held by shareholders in physical format as well as non-receipt of dividend, Annual Report, shares after transfer and delays in transfer of shares. The Committee also looks into issues including status of dematerialization/rematerialization of shares and issue of duplicate share certificates and tracks investor complaints and

suggests measures for improvement from time to time.

This Committee presently comprises three Directors viz Mr. Anand Chopra, Mr. Keshava Das Mundhra and Mrs. Nandini Jhanwar.

During financial year 2016-17, the Committee met on 28th September, 2016. The Minutes of the Stakeholders Relationship Committee are noted by the Board.

The composition of the Stakeholders Relationship Committee and details of their attendance at the meetings are as follows:

Name of the Directors	Category	Position	No. of meetings held	No. of meetings attended
Mr. Anand Chopra	Non-executive Independent Director	Chairman	1	1
Mr. Keshava Das Mundhra	Non-executive Independent Director	Member	1	1
Mrs. Nandini Jhanwar	Non-executive Independent Director	Member	1	0

Mr. Balkrishandas Mundhra, Chairman & Managing Director of Company was acting as the compliance officer of the Company till the date of appointment of Company Secretary.

The details of Investor Complaints received and redressed during the year 2016-17 are as follows:

No. of Pending Complaints at the beginning of the year	Nil
No. of Complaints received during the year	2
No. of Complaints resolved during the year	2
No. of Complaints not redressed to the satisfaction of shareholder	Nil
No. of Pending Complaints at the end of the year	Nil

## 7. RISK MANAGEMENT COMMITTEE

In accordance with the provisions of Regulation 21 of the Listing Regulations provides that the requirement to constitute Risk Management Committee shall be applicable to top 100 listed entities determined on the basis of market capitalisation as at the end of immediate previous financial year. Under the Listing Regulation the Company need not constitute a Risk Management Committee however Board has constituted it to oversee tangible threats to the overall growth prospects of company. The committee analysis the prospective opportunities and threats to the Company and forwards it's reports to the Board of Directors to take proactive actions. The Policy of the Company on risk management is provided at ([http://www.simplexprojects.com/form\\_doc/1433929235.pdf](http://www.simplexprojects.com/form_doc/1433929235.pdf))

The Committee comprises of three members namely, Mr. Jaikishan Bagri, Mr. Anand Chopra and Mrs. Nandini Jhanwar. Mr. Jaikishan Bagri is the Chairman of Risk Management Committee.

No meeting of this Committee was held during the financial year 2016-17.

## 8. GENERAL BODY MEETINGS

### a) Location and time for the last three Annual General Meetings (AGMs):

Financial Year	Date of AGM	Time	Venue
2015-16	28.09.2016	03:00 PM	ROTARY SADAN, 94/2 Chowringhee Road, Kolkata 700 020
2014-15	24.09.2015	11:00 AM	
2013-14	10.09.2014	11:00 AM	

### b) Special Resolutions passed at last three Annual General Meetings (AGMs):

Financial Year	Items
2015-16	None
2014-15	Appointment of Mr. Balkrishandas Mundhra as Chairman and Managing Director of the Company with effect from 01.10.2015.
2013-14	Appointment of Mr. Jai Kishan Bagri as Wholtime Director of the Company with effect from 01.10.2014.
	Special Resolution u/s 180(1)(a) of the Companies Act, 2013.
	Special Resolution u/s 180(1)(c) of the Companies Act, 2013.

### c) Passing of Resolution by Postal Ballot:-

No Special Resolution was passed through Postal Ballot Rules during last financial year.

At the forthcoming Annual General Meeting, there is no item on the agenda that needs approval by Postal Ballot.

## 9. MEANS OF COMMUNICATION

Timely disclosure of consistent, comparable, relevant and reliable information on the corporate financial performance is at the core of good governance.

Summary of major efforts of the Company in this regard is given below:

- Financial Results:** - The Company publishes un-audited quarterly financial results and audited annual financial results normally in "Financial Express" (English), and "Arthik Lipi" (Bengali). The results are promptly furnished to BSE Limited and National Stock exchange of India Limited. They upload this information on their websites i.e. <http://www.bseindia.com> and <http://www.nseindia.com>. The said results are also available on the website of the Company at [www.simplexprojects.com](http://www.simplexprojects.com).
- Annual Report:** - Annual Report containing inter alia, Audited Annual Accounts, Consolidated Financial Statements Directors' Report, Management Discussion and Analysis and other regulatory reports is circulated to members and others entitled thereto. The management Discussion and Analysis forms part of Annual Reports. The Annual Report of previous years are also available on Company's web-site.
- Website:** - The Company's corporate website [www.simplexprojects.com](http://www.simplexprojects.com) contains comprehensive information about the Company. There is separate section for investors wherein annual reports, quarterly/half yearly financial results, notices, shareholding patterns, policies among others are available for reference or download.

## 10. GENERAL SHAREHOLDERS' INFORMATION

### a) Annual General Meeting for Financial Year 2016-17

Day	Monday
Date	25th September, 2017
Time	11:00 A.M.
Venue	Rotary Sadan, 94/2, Chowringhee Road, Kolkata 700 020

**b) Financial Calender: April 1 – March 31**

The tentative dates of the Board meetings for consideration of quarterly and annual financial results for the financial year 2017-18 are as follows:

30th June, 2017	- On or before 14th August, 2017
30th September, 2017	- On or before 14th November, 2017
31st December, 2017	- On or before 14th February, 2018
31st March, 2018	- On or before 30th May, 2018.

Annual General Meeting for the year ended 31st March, 2018 :

By 3rd/4th week of September, 2018

**c) Book Closure date:** 18th September, 2017 to 25th September, 2017 (both days inclusive)

**d) Dividend Payment date:** No dividend has been declared for 2016-17.

**e) Listing on Stock Exchanges:-**

The Equity Shares of the Company are listed on BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). The annual listing fees for the year 2016-17 have been paid to both the Stock Exchanges.

Name & Address of the Stock Exchange	Scrip Code
BSE Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001	532877
National Stock Exchange of India Ltd. Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai- 400 051	SIMPLEX EQ
ISIN Number	INE898F01018

**f) Market Price Data:-**

**(i) BSE Ltd.**

Month	High (₹)	Low (₹)	Total number of Equity Shares Traded
April 2016	40.40	23.50	3,53,547
May 2016	31.40	23.40	1,19,036
June 2016	27.50	22.00	1,27,961
July 2016	37.05	23.05	4,53,297
August 2016	31.20	25.00	1,12,846
September 2016	30.00	22.00	90,979
October 2016	33.00	24.50	1,94,128
November 2016	28.90	21.70	87,438
December 2016	29.50	23.65	41,080
January 2017	30.20	25.00	3,08,979
February 2017	36.00	24.30	11,74,542
March 2017	35.30	29.05	2,67,736

## 2. National Stock Exchange of India Limited

Month	High (₹)	Low (₹)	Total number of Equity Shares Traded
April 2016	40.80	23.10	7,71,910
May 2016	30.70	23.60	3,00,424
June 2016	26.40	21.70	2,29,358
July 2016	36.95	24.10	10,05,519
August 2016	30.80	24.55	3,81,125
September 2016	30.50	20.50	3,63,323
October 2016	32.50	24.30	5,31,714
November 2016	28.50	21.20	1,71,388
December 2016	27.50	23.20	64,040
January 2017	30.30	22.50	8,38,109
February 2017	36.00	23.60	39,19,158
March 2017	35.45	28.50	5,45,795

### Stock Performance in comparison to broad based indices:

	31.03.2017	01.04.2016	Change (%)
Share Prices of Simplex Projects Ltd. (Rs.) (BSE)	31.50	24.00	31.25
BSE Sensex	29620.50	25301.70	17.07
Share Price of Simplex Projects Ltd. (Rs.) (NSE)	31.55	23.50	34.26
NSE NIFTY	9173.75	7718.05	18.86

### Registrar & Share Transfer Agents

Cameo Corporate Services Limited,  
 "Subramanian Building",  
 1, Club House Road,  
 Chennai – 600002  
 Tel: +91-44-28460390/22520464  
 Fax: +91-44-28460129

### Share Transfer System

The Share transfer is processed by the Registrar & Share Transfer Agent, M/s. Cameo Corporate Services Limited in accordance with the stipulated guidelines. The authority relating to transfer of shares and allied work relating to servicing of investors has been delegated by the Board to the Stakeholder's Relationship Committee which consists of Mr. Anand Chopra (Chairman), Mr. Keshava Das Mundhra and Mrs. Nandini Jhanwar.



**J) Distribution of shareholding as on March 31, 2017:**

Category (Amount)	No. of Shareholders	Percentage (%) to total	Total No. of Shares	Amount	Percentage (%) to total
Upto 5000	5885	87.5744	484321	4843210	3.8437
5001 to 10000	367	5.4613	312646	3126460	2.4812
10001 to 20000	211	3.1398	336650	3366500	2.6717
20001 to 30000	82	1.2202	209128	2091280	1.6596
30001 to 40000	28	0.4166	98311	983110	0.7802
40001 to 50000	29	0.4315	137131	1371310	1.0883
50001 to 100000	55	0.8184	405457	4054570	3.2178
100001 & Above	63	0.9375	10616734	106167340	84.2572
<b>Total :</b>	<b>6720</b>	<b>100</b>	<b>12600378</b>	<b>126003780</b>	<b>100</b>

**K) Shareholding pattern as on 31st March, 2017**

Category	No. of Shares	% of holding
<b>Promoters Shareholdings:</b>		
Directors & their relatives	764187	6.06
Bodies Corporate	6324604	50.19
<b>Public Shareholdings:</b>		
<b>Non-Institutions</b>		
Bodies Corporate	1569977	12.46
Individuals	3628403	28.80
Clearing Members	8304	0.07
Directors & their relatives	51309	0.41
HUFs	177877	1.41
NRIs	75717	0.60

**l) Dematerialization of Shares & Liquidity:**

The shares of the Company form part of the compulsory demat segment. The Company has established connectivity with both the depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) through the Registrar, Cameo Corporate Services Ltd. As on 31st March 2017, 99.99% of the paid-up share capital of the Company was held in dematerialized form.

Shares held in Physical and Dematerialized Form as on 31st March 2017:-

Category	No. of Shareholders	No. of Shares	Percentage (%)
Physical	14	135	0.0011
Nsdl	4382	9635398	76.4691
Cdsl	2487	2964845	23.5298
<b>Total</b>	<b>6883</b>	<b>12600378</b>	<b>100</b>

**m) Outstanding Convertible Instruments:**

There are no ADRs/GDRs or any convertible instruments issued by the Company during the year.

**n) Plant Location:**

The Company has various work sites spread throughout the country and the operations are controlled by the Head Office and has its Branch office at New Delhi and Kuwait.

**o) CEO/CFO Certification:**

As per Regulation 17(8) and Part – B of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate from Mr. Balkrishandas Mundhra, Chairman & Managing Director and Mr. Sudarshan Das Mundhra, Chief Financial Officer of the Company has been obtained.

**p) Certificate on Corporate Governance:**

The Company has obtained the Certificate from M/s. A.K. Labh & Co., Practicing Company Secretaries regarding compliance of Corporate Governance as stipulated under Part-D of Schedule V of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 and the same is annexed.

**q) Address for Correspondence:**

**Registered Office**

12/1, Nellie Sengupta Sarani, Kolkata 700087  
Tel:-+91-33-22524125/7900  
Fax:-+91-33-22528013  
Website: [www.simplexprojects.com](http://www.simplexprojects.com)

**Corporate Office**

11/1C/2, East Topsia Road, Kolkata 700 046  
Tel: + 91-33-2285 4125/ 6634 1200  
Fax: + 91-33-2285 2105

**Investors' Correspondence may be addressed to:**

Secretarial Department  
Simplex Projects Limited  
12/1, Nellie Sengupta Sarani,  
Kolkata 700087  
Tel:-+91-33-22524125/7900  
Fax:-+91-33-22528013  
Email ID: [investors@simplexprojects.com](mailto:investors@simplexprojects.com)

**11. DISCLOSURES**

**a) Materially Significant Related Party Transactions**

There were no materially significant related party transactions that may have potential conflict with the interests of the Company. Transactions with the Related Parties have been disclosed in Notes to the Financial Statements, in compliance with the requirements under Accounting Standard 18.

Pursuant to Regulation 23 of the SEBI Listing Regulations, Company has formulated Related Party Transaction Policy, which is available on the website of the Company at [http://www.simplexprojects.com/form\\_doc/1416907473.pdf](http://www.simplexprojects.com/form_doc/1416907473.pdf)

**b) Accounting treatment in preparation of financial statements**

The Company has followed the treatment laid down in the Accounting Standards prescribed by the Institute of Chartered Accountants of India, in the preparation of financial statements.

**c) Details of non-compliance by the Company, penalties, strictures imposed on the Company by the stock exchanges or the SEBI or any statutory authority, on any matter related to capital markets, during the last three years as follows**

F.Y.	Authority	Particulars	Fine amount (Rs.)
2016-17	BSE	For late submission of financial results.	2,82,900
	NSE	For late submission of financial results.	2,06,004
2015-16	None	None	None
2014-15	None	None	None

**d) Vigil Mechanism / Whistle Blower Policy**

The Company promotes ethical behavior in all its business activities and has put in place a mechanism of reporting illegal or unethical behavior. The Company has a Whistle Blower Policy/Vigil Mechanism wherein the employees are free to report violations of laws, rules, regulations or unethical conduct to their immediate supervisor or such other person as may be notified by the management to the workgroups Whistle Blower policy/Vigil Mechanism, has been made available on the website of the Company at [http://www.simplexprojects.com/form\\_doc/1402298207.pdf](http://www.simplexprojects.com/form_doc/1402298207.pdf).

None of the personnel of the Company has been denied access to Chairman of Audit Committee.

**e) Material Subsidiary Policy**

As on March 31, 2017, the Company has one subsidiary, Simplex Agri-Infra Service Private Ltd., which does not fall into the category of a Material Subsidiary.

The Company's policy for determining 'material' subsidiaries has been disclosed on the website of the Company at [http://www.simplexprojects.com/form\\_doc/1428732078.pdf](http://www.simplexprojects.com/form_doc/1428732078.pdf).

**f) Adoption of Discretionary requirements**

The Internal Auditor of the Company is appointed on the recommendation of the Audit Committee and is given the opportunity to report directly to the Committee. As a measure of good Corporate Governance, the Audit Committee invites the Internal Auditor to discuss the findings that may adversely affect the financial controls and performance of the Company.

The Company prepares half-yearly Financial Statements for six months ended September 30, every year. The same is forwarded to the Stock Exchange(s), published in newspapers and also displayed on the Company's website. Accordingly, it does not envisage sending the same separately.

**12. COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND REGULATION 46 OF LISTING REGULATIONS**

S.No.	Particulars	Regulation	Compliance Status (YES/No/N.A.)	Compliance Observed for the following during the financial year 2016-17
1.	Board of Directors	17	Yes	<ul style="list-style-type: none"> <li>● Composition of the Board</li> <li>● Number of meetings</li> <li>● Review of compliance reports</li> <li>● Plans for orderly succession for appointments</li> <li>● Code of Conduct</li> <li>● Fees / Compensation to Non-Executive Directors</li> <li>● Minimum information to be placed before the Board</li> <li>● Compliance Certificate</li> <li>● Risk assessment and management</li> <li>● Performance evaluation of Independent Directors</li> </ul>

S.No.	Particulars	Regulation	Compliance Status (YES/No/N.A.)	Compliance Observed for the following during the financial year 2016-17
2.	Audit Committee	18	Yes	<ul style="list-style-type: none"> <li>● Composition of the Committee</li> <li>● Number of meetings</li> <li>● Powers of the Committee</li> <li>● Role of the Committee and review of information by the Committee</li> </ul>
3.	Nomination & Remuneration Committee	19	Yes	<ul style="list-style-type: none"> <li>● Composition of the Committee</li> <li>● Role of the Committee</li> </ul>
4.	Stakeholders Relationship Committee	20	Yes	<ul style="list-style-type: none"> <li>● Composition of the Committee</li> <li>● Role of the Committee</li> </ul>
5.	Risk Management Committee	21	N.A.	The Company has, however, voluntarily established a Risk Management Committee. Adequate disclosure has been made in the Directors Report.
6.	Vigil Mechanism	22	Yes	<ul style="list-style-type: none"> <li>● Formulation of Vigil Mechanism for Directors and employees</li> <li>● Provision for adequate safeguards against victimization of the Whistle Blower.</li> <li>● Direct access to Chairman of Audit Committee</li> </ul>
7.	Related Party Transactions	23	Yes	<ul style="list-style-type: none"> <li>● Policy on Materiality of Related Party Transactions and dealing with Related Party Transactions</li> <li>● Approval including omnibus approval of Audit Committee</li> <li>● Review of Related Party Transactions by the Audit Committee</li> <li>● There were no material Related Party Transactions during the year under review</li> </ul>
8.	Subsidiaries	24	Yes	<ul style="list-style-type: none"> <li>● There was no material subsidiary of the Company and as a result the other compliance in respect of material subsidiary were not applicable</li> <li>● Review of Financial Statements and Investments of unlisted subsidiary by the Audit Committee</li> <li>● Significant transactions and arrangements of unlisted subsidiary</li> </ul>
9.	Obligations with respect to Independent Directors	25	Yes	<ul style="list-style-type: none"> <li>● Maximum directorships and tenure</li> <li>● Meetings of Independent Directors</li> <li>● Familiarisation of Independent Directors</li> </ul>

S.No.	Particulars	Regulation	Compliance Status (YES/No/N.A.)	Compliance Observed for the following during the financial year 2016-17
10.	Obligations with respect to employees including senior management, key managerial persons, directors and promoters	26	Yes	<ul style="list-style-type: none"> <li>Memberships / Chairmanships in Committees</li> <li>Affirmation on compliance of Code</li> <li>Disclosure of shareholding by Non-Executive Directors</li> <li>Disclosures by Senior Management about potential conflicts of interest</li> </ul>
11.	Other Corporate Governance Requirements	27	Yes	<ul style="list-style-type: none"> <li>Compliance with certain provisions of the discretionary requirements</li> <li>Filing of quarterly compliance report on Corporate Governance</li> </ul>
12.	Website	40(2)(b) to (i)	Yes	The Company disseminates all the relevant information on the website of the Company. Further, the website is updated, as and when required, within the stipulated period of time.

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE CODE OF CONDUCT**

I, the undersigned as the Chairman & Managing Director of Simplex Projects Limited, do hereby declare that all the Board Members and Senior Management Personnel as required by Regulation 26 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have affirmed their compliance on annual basis with the Code of Conduct and Ethics for the year ended 31st March, 2017.

For SIMPLEX PROJECTS LIMITED

Place : Kolkata

Date : 14th August, 2017

**B. K. Mundhra**

*Chairman & Managing Director*  
(DIN - 00013125)



**CERTIFICATION BY MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER  
(CFO) PURSUANT TO REGULATION 17(8) OF SEBI LISTING REGULATIONS**

To  
The Board of Directors of  
**Simplex Projects Limited**

Dear Sirs,

We, the undersigned, in our respective capacities as Chairman & Managing Director and Chief Financial Officer of the M/s. Simplex Projects Limited ("the Company") to the best of our knowledge and belief, certify that,

- A. We have reviewed the Financial Statements and the Cash Flow Statement for the year ended 31st March, 2017 and that to the best of our knowledge and belief-
- (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 the 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, if any, in internal control over financial reporting during the year;
  - (ii) significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) instances of significant fraud of which 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.

For **SIMPLEX PROJECTS LIMITED**

Date : 14th August, 2017  
Place : Kolkata

**B. K. Mundhra**  
*Chairman & Managing Director*  
(DIN - 00013125)

**Sudarshan Das Mundhra**  
*Chief Financial Officer*  
(PAN - AIIPM7003M)

To the Members of

**SIMPLEX PROJECTS LIMITED**

We have examined the compliance of conditions of Corporate Governance by **Simplex Projects Limited** ("the Company") in terms of Regulation 15(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") for the year ended 31.03.2017.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit for an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement/Listing Regulations, as applicable.

1. There was delay in appointment of Company Secretary. The Company did not have any Company Secretary from 24.02.2016 till 15.12.2016.
2. There was delay in submission of following reports to the Stock Exchange:
  - a) Consolidated Audited Results for the financial year ended 31.03.2016;
  - b) Annexure A / Annexure B pursuant to Regulation 33(3)(d) of SEBI (LODR) Regulations, 2015 for the financial year ended 31.03.2016; and
  - c) Quarterly Financial Results and Limited Review Reports for the financial year 2016-17.

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

Place: Kolkata  
Date : 14th August, 2017

For **A. K. Labh & Co.**  
*Company Secretaries*  
**CS A. K. Labh**  
*Practicing Company Secretary*  
FCS - 4848 / CP No - 3238

## Introduction

Simplex Projects Limited (SPL) is India's one of the premier Construction and Engineering Companies, straddling over two decades in all departments of civil, mechanical and engineering construction activities with pan India presence. SPL has constructed over 70 Road and Rail-over-Bridges, over half a million square feet of residential and commercial buildings, power plants to chemical factories, multiplexes to shopping malls and emerged as a reputed player in Piling and Foundation, Transportation Engineering, High-rise Buildings, Residential Housing Complexes, Commercial Complexes and Shopping Malls, Hospitals and Educational Institution Buildings, Irrigation, Water Supply & Sewerage Schemes and Installation & Operation of Multi-level Car Parking systems.

We always strive for innovative ideas in the field of civil and mechanical engineering and thereby adding several milestone achievements in the field of civil construction. Having a strong foothold in the Indian Construction industry, SPL also forayed into International market for mega projects.

## Macroeconomic Review

In a backdrop of global uncertainty and slowing economic growth, India was a bright spot in 2016-2017 with robust macroeconomic fundamentals. The year was marked by two major domestic policy developments: passage of the Constitutional amendment which paved way for implementing the transformational Goods and Services Tax (GST), and the action to demonetise the Rs. 500 and Rs. 1,000 bank notes in the country.

The GST will create a common Indian market, improve tax compliance and governance, and boost investment and growth. It is also a bold new experiment in the governance of India's cooperative federalism. The bill to implement GST has been passed in the Parliament and the country is poised to move to a GST regime from the second quarter of 2017-2018.

Demonetisation had short-term costs. Contemporary evidence tended to suggest significant disruption for the first six to eight weeks due to unprecedented cash constraints throughout the economy. However, the national income data published by the Central Statistics Office (CSO) does not suggest any significant reduction in growth in the third quarter of 2016-2017, which coincided with demonetisation. The third quarter tends to be muted. In 2015-2016, the growth rate of real gross value added (GVA) in Q2 was 8.4%; while in Q3 it was 7%, or a sequential drop of 1.4 percentage points. In 2016-2017, GVA growth in Q2 was 6.7%, and in Q3 it was 6.6%. Thus, despite the effects of demonetisation for much of Q3 financial year 2017, the negative effect — as reported by the CSO — has been only 10 basis points. What the data so far suggests is that the demonetisation effect was more moderate than what the critics claimed it would be. And it looks as if its effects have been transitory.

Although growth in 2016-2017 was expected to be less than 7.8%, it needs to be stated that 6.7% GVA will be the highest among developed and large emerging markets of the world.

(Source: Ministry of Statistics and Programme Implementation (MOSPI), Government of India.)

Unless there are some serious unforeseen crises, India is now well placed to clock 7.3% to 7.5% growth in 2017-2018. Moreover, reforms such as overhauling the bankruptcy laws and giving banks more teeth to deal with their non-performing assets (NPAs), sustained increase in public infrastructure spending and continuing tight supervision of monetary policy suggests that India is again well placed for a period of sustained growth in excess of 7% per annum.

Other major macroeconomic parameters like inflation, fiscal deficit and current account balance have also exhibited distinct signs of improvement in 2016-2017. Inflation measured by the Consumer Price Index (CPI), which averaged 4.9% during April-December 2016 has displayed a downward trend since July, 2016 when it became apparent that the kharif agricultural production would be bountiful and reached 3.65% by February 2017. Core inflation has also been quite stable, hovering around 4.5% to 5% for most of 2016-2017.

There was also some improvement in Government's fiscal condition. Revised estimates suggest that with gross tax revenues increasing from 10.6% in 2015-2016 to 11.3% in 2016-2017, the fiscal deficit has reduced from 3.9% of GDP in 2015-2016 to 3.5% in 2016-2017.

On the external economic front, the trade deficit declined by 23.5% in April-December 2016 over the corresponding period of 2015-2016. This was driven by a contraction in imports, which was far steeper than the fall in exports. Thereafter, during October to December, both exports and imports started a long-awaited recovery, growing at an average rate of more than 5%.

In 2016-2017, therefore, not only has India established itself as the world's fastest growing major economy, underpinned by a stable macro-economy with declining inflation and improving fiscal and external balances, but it has also emerged as one of the few economies enacting major structural reforms that have strong long term implications.

## India's Construction and Infrastructure Sector

The infrastructure sector is at the heart of growth of India. Estimates suggest that the country needs close to Rs. 31,000 billion to be spent on infrastructure development over the next five years, with 70% of funds needed for power, roads and urban infrastructure segments. Despite this need, India's rank on infrastructure development in the Global Competitive Index was at 68 in 2016-2017 — an improvement of only 19 places compared to 2014-2015. Notwithstanding an enormous demand for physical infrastructure, the sector is facing significant challenges, as the developers, the financial community and the government grapple with stalled projects, non-performing loans and widening gap between performance and targets.

Consequently, India's construction growth in GDP terms has tapered off substantially since 2011-12. After an impressive 10.8% growth in 2011-12, the sector has seen much lower activity since and grew by only 3.1% in 2016-

2017. The worrying factor is that growth in overall Gross Fixed Capital Formation (GFCF) has also reduced significantly from 6.1% in 2015-2016 to 0.6% in 2016-2017.

The slowdown in construction activities has adversely affected Engineering, Procurement and Construction (EPC) companies across India. Several unforeseen issues impacted projects at various stages of their lifecycle from planning to operations, which have made several of them unviable. The sector is plagued with significant cost overruns, regulatory bottlenecks and aggressive bidding positions taken by a few market players resulting in financial losses. Another important element is the massive build-up of claims that are receivable from various government entities.

These are on account of several factors, such as change of scope of work (quantity variation or extra items), idling of resources like manpower and overheads, compensation beyond the original stipulated contract period, change in statute and loss of opportunity. The entire claims resolution mechanism has been substantially delayed and, consequently, blocked up large amounts of cash severely affecting liquidity across the value chain.

The Government of India has two very different challenges. First, it has to deal with and resolve several of these legacy issues that plague the infrastructure and construction sector. Second, it has to provide a new round of growth impetus to the sector. On both these fronts, the government has made some headway in 2016-2017. However, these are initial steps and much of the developments on the ground are expected in the next few years.

In an important development, the central government has finally managed to break the choke-hold of stalled projects, by giving faster clearances and closely monitoring these at the highest levels. According to data released by the Centre for Monitoring of the Indian Economy, only 24 projects that were under some stage of implementation were stalled during the quarter ended March, 2017. This is the lowest number of stalled projects under implementation in any quarter since December 2008. Investment in such stalled projects has reduced from Rs. 92,000 crore in the quarter ended March, 2016 to Rs. 25,700 crore in the quarter ended March, 2017. According to this data, projects worth only Rs. 4,400 crore were abandoned during the March, 2017 quarter. This was the lowest number of abandoned projects in a given quarter over the past eight years. Their total value is just a tenth of the average value of abandoned witnessed over the past eight years.

In the present business environment, owing to the existing high levels of debt, the construction companies are left with limited opportunity to raise further capital to fuel growth. To revive the construction sector, the Cabinet Committee on Economic Affairs has approved a series of initiatives, which are expected to help in improving liquidity in the short run and reform the contracting regime in the long run. These include:-

- a) PSUs/departments may seek the consent of the contractors/ concessionaires to transfer the arbitration cases initiated under the pre-amended Arbitration Act to the amended Arbitration Act, wherever possible.

- b) In case of claims where the PSU/departments have challenged the Arbitration Award, 75% of the award amount may be paid by the PSU to the contractor/ concessionaire against margin-free bank guarantee.
- c) All PSUs/departments issuing public contracts may consider setting up Conciliation Committees/Councils comprising independent subject experts in order to ensure speedy disposal of pending or new cases.
- d) Item-rate contracts may be substituted by EPC (turnkey) contracts, and PSUs/ Departments may adopt the model EPC contracts for construction works.
- e) Department of Financial Services, in consultation with the Reserve Bank of India (RBI), is formulating a one-time package for the construction sector which is expected to be announced shortly.

These initiatives are expected to infuse appropriate liquidity into the construction sector and other infrastructure projects, which have been stranded and support the entire process of dispute resolution in relation to construction and real estate.

#### Opportunities & Threats

The Company has a well diversified business portfolio viz., Buildings & Housing, Roads, Bridges, Tunnels, flyovers, Electrical, Irrigation, Power, Water & Environment, Mining and Railways. The Company straddling over two decades in all departments of civil, mechanical and engineering construction activities with pan India presence and is recognized as one of the key construction players in the country. The Company has successfully executed complex engineering projects across the country and also in international geographies. The Company is recognized for timely completion of projects within budgets. Our core strength is our people who carry several years of industry experience in various domains including engineering, design, construction, procurement, planning, etc.

#### Opportunities:

- Demand for world class infrastructure in India
- "Make in India" initiative would demand good infrastructure specifically roads, railways, etc thus offerings opportunities for construction companies
- Government's "100 Smart Cities initiative".
- Higher budgetary allocation for infrastructure sector
- Pro-industry policies and initiatives such as lowering of corporate tax, setting up of REITs and Infrastructure Investment Trusts would drive investment in infrastructure sector, etc.
- Strong and diversified order book.

#### Threats:

- Most of the measures taken up by the Government are yet to translate into development work on the ground.
- Revival of stalled projects which have accumulated due to the freeze in decision making over the years.
- Infusion of liquidity into the entire infrastructure and construction sector which is highly cash strapped as long as these issues exist, there is very little scope of revival in the sector as most of the companies do not have the financial strength to absorb the past losses & simultaneously continue financing new projects.



## Outlook

The Union budget 2017-18 has given a major boost to the infrastructure sector. In the FY18 budget, the government has allocated a record Rs. 3.96 lakh crore to the infrastructure sector which should spur economic activity. A majority of this allocation has been ear-marked to build Metros, Bridges, Hydro Power Projects and Tunnels. The Government intends to build an effective infrastructure system to make domestic economy more competitive as compared to those of other emerging countries. With macros improving, and measures to revive infrastructure sector through new forms of awarding (Hybrid Annuity Model/ Swiss Challenge Mode) and new forms of financing (REITs and InVITs), it is believed there will be a revival of stranded projects and easing of cash flows which will provide long term growth visibility.

The Government is committed to introducing structural reforms to revive the investment cycle, boosting tax revenues through widening of the tax base, strengthening indigenous manufacturing and bringing about infrastructure development in rural and urban areas. Implementation of GST is expected to have far reaching effects by inducting large parts of the informal economy into the formal system, ultimately leading to increased tax revenues. Introduction of GST is considered as progressive and a step in the right direction. Your Company does not see any adverse impact due to GST implementation.

The domestic economy is expected to steadily improve in the current year on the back of Structural reforms and supportive monetary policy. The Government has reiterated its emphasis on Infrastructure build-out in the areas of transportation, augmentation of water resources, power, affordable housing and smart cities. Increased private sector participation in the Defence business affords strong business opportunities for your Company. Various upcoming projects provide the Company with a broad perspective of the opportunity basket opening up in 2017-18.

## Risk and Concerns

The Company is exposed to uncertainties, owing to the sectors in which it operates. The key issues like shortage of qualified workers and labours, technology adoption, Environ sustainability and project complexity were challenging during the year. However, your Company has surpassed all the internal challenges like, technology upgrades, lack of skilled labour, supply chain, etc. to continue the momentum in business operations. The external challenges can be met as economic reforms will get in placed because of a stable government.

The Directors of your Company has formed a Risk Management Committee and also adopted a policy on the same which enables the Company to proactively manage uncertainties from changes in the internal and external environment and also capitalize on the opportunities.

## Internal Control System and their adequacy

The Company has adequate system of Internal Controls commensurate with the size and nature of operations

which ensure that the resources of the Company are used efficiently and effectively, all assets are safeguarded and protected against loss from unauthorized use or disposition and the transactions are authorised, recorded and reported correctly, financial and other data are reliable for preparing financial information and other data and for maintaining accountability of assets. The internal control is supplemented by extensive programme of internal audits, review by management, documented policies, guidelines and procedures.

In compliance with Section 143(3)(i) of the Companies Act, 2013 the Statutory Auditors have issued a report on Internal Financial Controls which forms part of the Independent Auditors' Report forming part of this Annual Report.

## Financial Performance

From a financial perspective, On Consolidated basis, for the financial year ended March 31, 2017, your Company has achieved a Gross Turnover of ₹ 49,996.12 Lacs as against ₹ 43,227.12 Lacs for the previous period. The turnover of the Company has thus shown an increment of 15.66%.

On Standalone basis, your Company has achieved a Gross Turnover of Rs. 49718.64 Lacs for the financial year 2016-17 which has shown an increment by 16.52% over last year (Rs. 42671.30 Lacs in financial year 2015-16). The company has incurred a profit of ₹ 273.65 Lacs (after interest and depreciation charges) as against a loss of Rs. 8533.51 Lacs for the previous year, thus showing a increase of ₹ 8,807.16 Lacs.

Our focus area continues to be the execution of civil engineering projects with specialization in piling, building, roads, bridge and flyovers. Further your Company had been successful in bagging various contracts for execution of Infrastructure Projects. Our order book position as on 31st March 2017 was in tune of ₹ 886.73 Crores, of which approx ₹ 697.98 Crores were domestic projects, while the balance amount of ₹ 189.35 Crores were overseas. The Company expects substantial increase in the order book position in next financial year.

## Human Resources (HR)

The Company did a lot of consolidation in the area of Human Resource. Human Resource continues to be one of the biggest assets of the Company. Your Company's business is managed by a team of competent and passionate leaders, capable of enhancing your Company's standing in the sector. External hiring was done for junior & senior levels in the organisation. Efforts have been made to induct fresh talent inducing more and more professionalism. The management is paying special attention to various aspects like training, welfare and safety and thereby further strengthening the human resources. Learning and Development continued to be a focus area. Safety related training also remained as one of the primary focus areas.

At the end of the year, the number of Engineers/Officers employed by the Company was 196.



To  
The Members of  
**Simplex Projects Limited**

**Report on the Standalone Financial Statements:**

1. We have audited the accompanying standalone financial statements of Simplex Projects Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements:**

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

**Auditors' Responsibilities:**

3. 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 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 standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

**Basis of Qualified Opinion**

4. a) Attention is invited to Note no. 33 regarding company's branch at Libya which has stopped functioning due to political unrest prevailing there. The total expenses incurred at the branch during the year amounts to Rs.2720.78 Lakhs including depreciation which have been transferred to work in progress and the total assets of the branch as on the balance sheet date amounts to Rs.94,502.35 Lakhs. The management has certified the financial accounts, assets and liabilities of the branch as on 31.03.2017 and is confident of realising the above amounts and hence no adjustments have been considered necessary in the accounts by them. The company has signed a supplementary agreement with the government for realization of dues & resumption of contract. However, in view of prolonged uncertainty of resumption the company has moved an application with the Hon'ble High court at Delhi for proceeding with Arbitration and has been granted an interim stay for further extension/invoke of Bank guarantees for the project. Accordingly no provision for charges has been made after extension.
- b) In view of the lack of adequate information we are unable to comment on the extent of the eventual recoverability of the amounts due and the assets at Libya. The impact of this matter on the financial statement, profits for the period, assets and liabilities and EPS of the Company is not ascertainable presently at this stage and hence we are unable to express our opinion on the impact of the same on the financial statements of the Company for the year.

- c) Investment of ₹ 542.94 lakhs in the partnership firm Simplex Projects (Netherlands) Co-operative U.A. is doubtful of recovery since project has not started and no provision for the same has been made by the company due to this loss of the company is understated by ₹ 542.94 lakhs and Reserves of the Company overstated by same amount.
- d) We did not audit the financial statements of two branches at Libya and Kuwait included in the standalone financial statements of the Company whose financial statements reflect total assets of ₹ 1,06,976 as at 31st March, 2017 and total revenues of ₹ 19,243.93 lacs for the year ended on that date, as considered in the standalone financial statements. The financial statements of these branches are unaudited and have been furnished to us by the management and are certified by the management and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the report of management.
- e) Attention is invited to Note no. 30 (a) relating to non provision of interest on Eight numbers of cash credit accounts and one term Loan accounts with Bank as these accounts have become NPA. Such interest pertaining to cash credit facilities amounts to ₹ 4,627.54 lakhs for year ended March 31, 2017 as per Calculation of the management without considering any late or penal interest. Also no further provision of interest has been made on to one another term loan account which is not quantified. Due to this profit are overstated.
- f) Attention is invited to Note no. 30(b) regarding Interest amounting ₹ 21.34 crores (as certified by the management) which has been reversed by the management and reallocated towards its Libyan branch and consequently is part of its WIP due to which profit has been overstated.
- g) Attention is invited to Note no 31 where no provision for diminution in the value or impairment has been made for CWIP of ₹ 18.94 crores which is lying for a long time which includes material in transit amounting to ₹ 465.29 lacs pertaining to material imported and lying at port since long.
- h) The company has not made any provision against Trade Receivables of more than three years amounting to ₹ 142.96 crores (including trade receivable under arbitration amounting to ₹ 5.80 crores) and Advances paid to suppliers of material, Subcontractors & staff advances amounting to ₹ 47.84 crores since long, and advance against projects ₹ 5.48 crores which according to management are recoverable / adjustable and no provision is required for the same.
- i) Site work in progress (included under inventory) amounting to ₹ 51.60 crores (including ₹ 15.28 crores

due to dispute with customers) and uncertified sales amounting to ₹ 15.85 crores (included under revenue) have been lying as such since long against which no provisions have been made

#### **Qualified Opinion:**

- 5. In our opinion and to the best of our information and according to the explanations given to us except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid the 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 of the state of affairs of the Company as at 31st March, 2017 and its profit and its Cash Flow for the year ended on the date.

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

- 6. We draw attention to the following matters in the notes to the following statement.
  - a) note no. 29 regarding closing balance confirmations of Debtors, Creditors, Earnest Money, loans and advances being unconfirmed in respect of which we are unable to express our opinion.
  - b) note no. 34 regarding foreign exchange fluctuation on account of overseas borrowing which has been amortized by treating the same as long term from the initial time of borrowing. Due to this profit has increased by Rs.683.73 Lakhs for the year as the same is amortized.

Our opinion is not modified in respect of these matters except as otherwise stated.

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

- 7. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure-A a statement on the matters specified in paragraphs 3 and 4 of the Order.
- 8. As required by section 143(3) of the Act, we report that:
  - a) except for the indeterminate effect of matter referred to in paragraph 4(a) to (i) above, we have 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, except for the effect of the matter described in the Basis for Qualified opinion paragraph 4(a) to (i) above, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books except in case of branches which have not have audited and for which we are unable to give our comments.

- c) The reports on the accounts of the two branch offices of the Company duly certified by the management have been given to us and have been properly dealt with by us in preparing this report.
- d) except for the matter referred to in paragraph 4(a) to (i) and above, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account and with the certified accounts of the two branches given by the management.
- e) in our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph 4 above the aforesaid standalone financial statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rule, 2014.
- f) The matter described in the Basis for Qualified Opinion paragraph 4 above in our opinion may have an adverse effect on the function of the Company.
- g) On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of section 164(2) of the Act.
- h) The qualification relating to the maintenance of accounts and other matters connected therewith reference is drawn to Basis of Qualified Opinion paragraph to the financial statements and the matters are as stated in the Basis of Qualified Opinion paragraph above.
- i) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in Annexure B and
- j) with respect to the other matters to be included in the Auditors' 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 standalone financial position, as detailed in Note 35 to the standalone financial statements;
  - ii) the Company has long term contracts as on 31st March, 2017. Material Foreseeable losses relating to the same has not been quantified by the Company.
  - iii) there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company at the end of the year.
  - iv) The company has provided requisite disclosures in its financial statements for dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the company. Refer Note 46 to the financial statements.

For **Chaturvedi & Company**  
*Chartered Accountants*  
 (Firm Reg. No. 302137E)

**Nilima Joshi**  
*Partner*

Place : Kolkata  
 Date : 12th June, 2017

Membership No. 52122

**ANNEXURE-A TO THE INDEPENDENT AUDITORS REPORT  
(REFERRED TO IN PARAGRAPH-7 UNDER 'REPORT ON  
OTHER LEGAL AND REGULATORY REQUIREMENTS'  
SECTION OF OUR REPORT OF EVEN DATE)**

- (i) (a) The company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management during the year end (except for the assets deployed at its branch in Libya and Kuwait), which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification. However, in absence of physical verification at its branch in Libya and Kuwait, we are unable to comment on the discrepancies therein, if any.
- (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 the immovable properties are held in the name of the Company.
- (ii) As explained to us, the inventories were physically verified during the year by the Management except for the branch at Libya at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) (a) According to the information and explanation given to us, the company has granted interest free advance in the nature of loans to two parties (one subsidiaries of the company and one Joint Venture) which are covered in the register maintained under section 189 of the Companies Act 2013.
- (b) The advance in the nature of loans are given interest free.
- (c) According to the information and explanation given to us no repayment schedule has been specified and loans are repayable on demand. Accordingly paragraph 3(iii)(b) of the order is not applicable to the Company in respect of repayment of principal amount.
- (d) There are no overdue amounts in respect of loans granted to the bodies corporate listed in the register maintained under section 189 of the Act
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable except that no interest is being charged to the associate and joint venture.
- (v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits and therefore, the directives issued by the Reserve Bank of India and the provisions contained in Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and Rules framed there under are not applicable to the company. According to the information and explanation given to us no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal in respect of deposits.
- (vi) We have broadly reviewed the books and accounts maintained by the company pursuant to rules made by the Central Government of India, regarding the maintenance of cost records under such clause (I) of the section 148 of the Company's Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records have been maintained. We have not made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information and explanation given to us and as per the records of the Company examined by us undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, duty of customs, duty of excise, VAT, Cess, TDS and other material statutory dues have been deposited with the appropriate authorities with certain delays. Undisputed amount payable in respect of Service Tax and TDS dues outstanding at the year-end for a period of more than six months from the date it became payable, is in respect of service tax Rs. 579.88 lacs and in respect of TDS Rs. 19.88 lacs.
- (b) According to the information and explanation given to us, the particulars of dues of Income Tax, Sales Tax, Service Tax, duty of customs, duty of excise, VAT which have not been deposited on account of dispute are as follows:

Nature of Dues	Period to which the amount related	Amount	Forum where the dispute is pending
Service Tax	2000-01 to 2004-05	531.24	Commissioner of Service Tax, Kolkata
	2005-06 to 2008-09	167.15	The Hon'ble Customs Excise & Service Tax Appellate Tribunal, EZB, Kolkata, Stay Granted.
	2007-08 to 2009-10	3.32	Demand confirmed by Addl. com. of Service tax for which Appeal is pending before Commissioner (Appeal-I)
	2006-07 to 2010-11	946.85	Demand confirmed by Commissioner of Service tax for which Appeal is pending before The Hon'ble Customs Excise & Service Tax Appellate Tribunal, EZB, Kolkata. Stay Granted
	2006-07 to 2007-08	26.75	Addl. Com. Of Service Tax
	2010-11 to 2011-12	62.58	Commissioner of Service Tax-I Commissionerate Kolkata
Sales Tax/VAT/ CST	2005-06	1.79	Calcutta High Court
	2007-08	560.13	Appeal filed before Revisional Board
	2008-09	1060.04	Appeal filed before Revisional Board
	2009-10	203.50	Appeal filed before Revisional Board
	2010-11	363.82	Appeal filed before Revisional Board
	2012-13	57.71	Appeal filed before Joint commissioner commercial Taxes Kolkata (South) Circle.
Income Tax	2008-09	367.44	CIT (A) - XXX, Kolkata
	2009-10	50.02	
	2012-13	50.16	CIT (A) - 4 Kolkata

- (viii) Based on our audit procedures and according to the information and explanation given to us, the company has delayed in making repayment of dues to banks and financial Institution. The Company has also defaulted in some repayment of dues to certain Banks and some bank accounts have become NPA. The outstanding dues as on 31.03.2017 are as follows :

(₹ in Lakhs)

Sl.No.	Bank	Principal due	Interest and other charges due	Period of outstanding
<b>A.</b>	<b>Cash Credit Accounts</b>			
1.	State Bank of Travancore	-	1,171.80	Delay in payment throughout the year and Irregular From SEPT'16 Onward from when it has become NPA. No interest booked in accounts after December, 2016.
2.	IDBI Bank	-	641.84	Delay in payment throughout the year and Irregular From JULY'16 Onward from where it has become NPA. No interest booked in accounts after September, 2016.
3.	DCB Bank	-	18.28	Delay in payment throughout the year.
4.	Axis Bank	-	-	Delay in payment throughout the year.
5.	UCO Bank	-	404.55	Delay in payment throughout the year and Irregular From DEC'15 Onward from where it has become NPA. No interest booked in accounts for 2016 – 17.



(₹ in Lakhs)

Sl.No.	Bank	Principal due	Interest and other charges due	Period of outstanding
6.	State Bank of India	-	3877.53	Delay in payment throughout the year and Irregular From JULY'16 Onward from where it has become NPA. No interest booked in accounts after July, 2016.
7.	Bank of Baroda	-	2406.61	Delay in payment throughout the year and Irregular From Jan'16 Onward from where it has become NPA. No interest booked in accounts after April, 2016.
8.	Yes Bank	-	329.23	Delay in payment throughout the year and Irregular From SEPT'15 Onward from where it has become NPA. No interest booked in accounts after September, 2016.
9.	DBS Bank	-	552.37	Delay in payment throughout the year and Irregular From 2014-15 Onward from where it has become NPA. No interest booked in accounts for 2016 – 17.
10.	ICICI	-	705.57	Delay in payment throughout the year and Irregular From JULY'16 Onward from where it has become NPA. No interest booked in accounts after July, 2016.
<b>B.</b>	<b>Term Loan Account :</b>			
11.	ICICI	1391.23	-	Irregular From JULY'16 Onward from where it has become NPA. No further provision of interest has been made thereafter
12.	Kotak Mahindra Bank	350.74	-	Irregular From 2014-15 Onward from where it has become NPA. No further provision of interest has been made thereafter

- (ix) The Company has not raised money by way of initial public offer or further public offer (including debt instruments). The term loans have been applied for the purpose for which they were raised.
- (x) To the best of our knowledge and according to the information and explanations given to us by the Management, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) To the best of our knowledge and according to the information and explanations given to us, the Company has paid /provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Act, where applicable, for all transactions with related parties and the details of related party transactions have been disclosed in

the standalone financial statements as required by the applicable accounting standards.

- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3(xiv) of the order is not applicable.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non cash transactions with its Directors or persons connected to its Directors and hence provisions of Section 192 of the Act are not applicable.
- (xvi) The Company is not required to be registered under section 45-I of the Reserve bank of India Act, 1934.

For **Chaturvedi & Company**  
Chartered Accountants  
(Firm Reg. No. 302137E)

**Nilima Joshi**  
Partner

Place : Kolkata  
Date : 12th June, 2017

Membership No. 52122

**ANNEXURE – B TO THE INDEPENDENT AUDITOR'S REPORT  
(REFERRED TO IN PARAGRAPH 8(I) UNDER 'REPORT ON  
OTHER LEGAL AND REGULATORY REQUIREMENTS' OF  
OUR REPORT OF EVEN DATE)**

**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 PROJECTS LIMITED ('the Company') as on 31st March, 2017 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 the Company's policies, the safe guarding 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 were 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 operative 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 auditors judgement, 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 of 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 purpose 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 responsible 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 authorizations of the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future period are subject to the risk that the internal financial control over financial reporting may become inadequate because of change 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, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Chaturvedi & Company**  
*Chartered Accountants*  
(Firm Reg. No. 302137E)

**Nilima Joshi**  
*Partner*

Place : Kolkata  
Date : 12th June, 2017

Membership No. 52122

**BALANCE SHEET**  
as at 31st March, 2017



		(₹ in Lakh)	
	Note No.	As at 31 March, 2017	As at 31 March, 2016
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	3	1,260.04	1,260.04
Reserves and surplus	4	10,297.49	10,583.65
		11,557.53	11,843.69
<b>Non-current liabilities</b>			
Long-term borrowings	5	234.72	365.57
Deferred Tax Liabilities (Net)	6	416.96	658.37
Other Long-term Liabilities	7	73,266.14	83,218.05
Long-term Provisions	8	74.33	80.71
		73,992.15	84,322.70
<b>Current liabilities</b>			
Short-term Borrowings	9	60,206.35	58,683.62
Trade Payables	10	25,915.15	29,366.91
Other Current Liabilities	11	12,582.92	8,949.52
Short-term Provisions	12	89.18	127.11
		98,793.60	97,127.16
<b>TOTAL</b>		184,343.28	193,293.55
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets			
Tangible Assets	13	8,732.65	10,487.90
Capital work-in-progress	31	1,955.87	1,925.54
		10,688.52	12,413.44
Non-current Investments	14	702.29	702.29
Long-term Loans and Advances	15	1,863.77	2,117.36
Other Non-current Assets	16	491.97	1,038.66
		3,058.03	3,858.31
<b>Current assets</b>			
Inventories	17	68,600.23	74,097.81
Trade Receivables	18	92,386.40	93,655.22
Cash and Bank Balances	19	2,982.03	3,391.66
Short-term Loans and Advances	20	6,177.97	5,434.07
Other Current Assets	21	450.10	443.04
		170,596.73	177,021.80
<b>TOTAL</b>		184,343.28	193,293.55
<b>Significant Accounting Policies</b>			
<b>Notes to the financial statements</b>			
	2		
	3 to 49		

The accompanying notes including other explanatory information form an integral part of the financial statements.

This is the Balance Sheet statement referred to in our report of even date

For and on behalf of

**CHATURVEDI & COMPANY**

Firm Registration No. 302137E

Chartered Accountants

**Nilima Joshi**

Partner

Membership No. 52122

Kolkata

Dated : 12th June, 2017

For and on behalf of the Board of Directors

**Simplex Projects Limited**

**B. K. Mundhra**

Chairman & Managing Director

(DIN:00013125)

**Sudarshan Das Mundhra**

Chief Financial Officer

(PAN-AIIPM7003M)

**J. K. Bagri**

Director

(DIN:00268722)

**Vikram Kumar Mishra**

Company Secretary

(Membership No. A36568)

## STATEMENT OF PROFIT AND LOSS

for the year ended 31st March, 2017

		(₹ in Lakh)	
	Note No.	As at 31 March, 2017	As at 31 March, 2016
Revenue from operations	22	48,643.15	42,116.51
Other income	23	1,075.49	554.79
<b>Total revenue</b>		<b>49,718.64</b>	<b>42,671.30</b>
<b>Expenses</b>			
Cost of materials consumed for Executing Contract Work	24	9,141.81	12,726.81
Purchase of Trading Goods		16,880.75	13,512.57
Cost of Subcontracting & Other Site Expenses	25	17,078.73	13,799.40
Employee Benefits Expense	26	505.07	537.80
Finance costs	27	3,822.29	7,910.56
Depreciation and amortisation expense	13	1,625.85	1,908.51
Other Administrative expenses	28	631.91	627.03
<b>Total expenses</b>		<b>49,686.41</b>	<b>51,022.68</b>
<b>Profit before exceptional and extraordinary items and tax</b>		<b>32.23</b>	<b>(8,351.38)</b>
Exceptional items		-	(400.50)
<b>Profit before extraordinary items and tax</b>		<b>32.23</b>	<b>(8,751.88)</b>
Extraordinary items		-	-
<b>Profit before tax</b>		<b>32.23</b>	<b>(8,751.88)</b>
<b>Tax expense:</b>			
Current tax expense for current year		-	-
(Less): MAT credit		-	-
Net current tax expense		-	-
Deferred tax		(241.42)	(218.37)
		(241.42)	(218.37)
<b>Profit for the year</b>		<b>273.65</b>	<b>(8,533.51)</b>
<b>Earnings per share (in Rupees):</b>	47		
Basic		2.17	(67.72)
Diluted		2.17	(67.72)
<b>Significant Accounting Policies</b>	2		
<b>Notes to the financial statements</b>	3 to 49		

The accompanying notes including other explanatory information form an integral part of the financial statements.

This is the Profit & Loss statement referred to in our report of even date

For and on behalf of

**CHATURVEDI & COMPANY**

Firm Registration No. 302137E

Chartered Accountants

**Nilima Joshi**

Partner

Membership No. 52122

Kolkata

Dated : 12th June, 2017

For and on behalf of the Board of Directors

**Simplex Projects Limited**

**B. K. Mundhra**

Chairman & Managing Director

(DIN:00013125)

**Sudarshan Das Mundhra**

Chief Financial Officer

(PAN-AIIPM7003M)

**J. K. Bagri**

Director

(DIN:00268722)

**Vikram Kumar Mishra**

Company Secretary

(Membership No. A36568)

# CASH FLOW STATEMENT

for the year ended 31st March, 2017



	(₹ in Lakh)	
	For the year ended 31 March, 2017	For the year ended 31 March, 2016
<b>A. Cash flow from operating activities:</b>		
Net profit/ (loss) before tax and extraordinary items	32.23	(8,751.88)
Adjustments for:		
Depreciation	1,625.85	1,908.51
Interest (Net)	2,929.88	7,496.33
(profit)/Loss on Sale of Fixed Assets (net)	(4.87)	(0.14)
(profit)/Loss on Sale of Shares (net)	-	(35.40)
Dividend Received	(0.03)	(0.07)
Liabilities no longer required written back	(753.73)	(11.49)
Exchange (Gain) / Loss on Non Integral Branch	(559.81)	1,706.63
Provisions for employee benefits	(6.73)	(16.76)
<b>Operating profit before working capital changes</b>	<b>3,230.55</b>	<b>11,081.13</b>
<b>Increase / Decrease in:</b>	<b>3,262.78</b>	<b>2,329.25</b>
Inventories	5,497.62	(5,255.27)
Other Current Assets	1,318.14	(4,464.74)
Current Liabilities	(8,992.03)	497.51
<b>Cash Generated from operations</b>	<b>1,086.50</b>	<b>(6,893.25)</b>
Direct Tax paid	-	-
<b>Net Cash from / (Used in ) Operating Activities</b>	<b>1,086.50</b>	<b>(6,893.25)</b>
<b>B. Cash flow from Investing Activities:</b>		
Purchase of Fixed Assets	87.88	(748.51)
Sale of Fixed Assets	16.10	11.34
Sale / (Purchase) of Investments	-	652.56
Dividend Received	0.03	0.07
Interest Received	293.20	322.44
<b>Net Cash from / (Used in ) Investing activities</b>	<b>397.21</b>	<b>237.90</b>
	<b>1,483.70</b>	<b>(6,655.35)</b>
<b>C. Cash flow from Financing Activities:</b>		
Interest Paid	(3,223.08)	(7,818.77)
Repayments of Long term Borrowings	(192.97)	(80.74)
Inter corporate Loans and advances including Deposits	960.58	(1,229.82)
Proceeds from Short term borrowings	562.14	14,355.23
<b>Net Cash from / (Used in ) Financing Activities</b>	<b>(1,893.33)</b>	<b>5,225.90</b>
<b>Net Increase / (Decrease ) in Cash and Cash equivalents during the year</b>	<b>(409.63)</b>	<b>(1,429.45)</b>
<b>Cash and Cash Equivalents as at 31st March, 2016</b>	<b>3,391.66</b>	<b>4,821.11</b>
<b>Cash and Cash Equivalents as at 31st March, 2017</b>	<b>2,982.03</b>	<b>3,391.66</b>

## Notes:

The above cash flow statement has been prepared under the indirect method as set out in the Accounting Standard-3 on Cash Flow Statements issued by The Institute of Chartered Accountants of India.

This is the Cash Flow Statement referred to in our report of even date.

For and on behalf of

For and on behalf of the Board of Directors

**CHATURVEDI & COMPANY**

Firm Registration No. 302137E

Chartered Accountants

**Nilima Joshi**

Partner

Membership No. 52122

Kolkata

Dated : 12th June, 2017

**Simplex Projects Limited**

**B. K. Mundhra**

Chairman & Managing Director

(DIN:00013125)

**Sudarshan Das Mundhra**

Chief Financial Officer

(PAN-AIIPM7003M)

**J. K. Bagri**

Director

(DIN:00268722)

**Vikram Kumar Mishra**

Company Secretary

(Membership No. A36568)



## 1 Corporate information

Simplex Projects Limited (the company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on two stock exchanges in India. The Company is primarily engaged in Engineering and Construction activities in India and abroad and started trading in commodities in India during the year. The Company focuses on construction of Bridges for Railways, Industrial Projects, Urban Infrastructure and Automated Parking projects.

## 2 DISCLOSURE OF SIGNIFICANT ACCOUNTING POLICIES.FORMING PART OF THE ACCOUNTS AS AT 31ST MARCH, 2017

### 2.1 Basis of Preparation of Financial Statements

The financial statements have been prepared on accrual basis of accounting in conformity with the generally accepted accounting principles in India (GAAP) and comply with Accounting Standards specified under Section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013.

### 2.2 Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

### 2.3 Current-non-current classification

All assets and liabilities are classified into current and non-current.

#### Assets

An asset is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is expected to be realised within 12 months after the reporting date; or
- (d) it is cash or cash equivalent, unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

#### Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- (a) It is expected to be settled in the Company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is due to be settled within 12 months after the reporting date; or
- (d) the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could at the option of the counterparty, result in its settlement by the issue of equity instruments, do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

#### Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

## 2.4 Fixed Assets

In respect of Fixed Assets acquired during the year, depreciation is charged on a straight line basis so as to write off the cost of the assets over the useful lives and for the assets acquired prior to April 1, 2014 is depreciated over the remaining useful life based on an evaluation.

Assets Category	Life
Plant and Machinery	12 – 15 years
Trucks	8 years
Motor Vehicles	8 years
Computers	3 years
Furniture and Fixtures	10 years
Office Equipments	5 years

## 2.5 Impairment of Assets

The carrying cost of assets is reviewed at each Balance Sheet date to determine whether there is any indication of impairment of assets. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use.

## 2.6 Inventories

Inventories are valued at cost under FIFO method or net realizable value, whichever is lower.

## 2.7 Investments

Long term Investments are valued at cost. Current investments are stated lower of cost or fair market value. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary.

## 2.8 Revenue Recognition:

- Revenue is accounted for following "Percentage of Completion" method of accounting in respect of the Construction Contracts. The stage of completion determined on the basis of physical proportion of the contract work. Extra work and variation in contract (as mutually agreed), to the extent that it is probable that they will result in revenue. Contract revenue in excess of billing has been classified as 'Unbilled revenue'. Claims on construction contracts are included based on management's estimates of the profitability that they will result in additional revenue, they are capable of being reliably measured, there is a reasonable basis to support the claim and that such claims would be admitted either wholly or in part.
- Share of Profit / Loss from joint ventures is accounted for in respect of the financial year of the venture, ending on the balance sheet date, on the basis of their audited / unaudited accounts.
- Price escalation claims and additional claims including those under arbitration are recognized as revenue when they are realized or receipts thereof are mutually settled or reasonably ascertained.
- Site start up expenses is charged off in the year these are incurred.
- Liabilities on account of Service Tax to the extent not reimbursable by the Clients have been charged off to the profit & loss account.
- Interest income is recognized on a time proportion basis taking into the amount outstanding and the rate applicable.

## 2.9 Borrowing Cost

Borrowing costs, attributable to acquisition and construction of qualifying assets, are capitalized as a part of the cost of such asset up to the date when such assets are ready for its intended use. Other borrowing costs are charged

to the profit and loss account.

## **2.10 Employee Benefits**

The Company has adopted the Revised Accounting Standard 15 Employee benefits prescribed by Companies (Accounting Standards) Rules, 2006 with effect from 1st April 2007.

### **i) Short term benefits**

Short terms employee benefits are charged off at the undiscounted amount in the year in which the related service is rendered.

### **ii) Post employment benefits**

Post employment benefits are charged off in the year in which the employee has rendered services. The amount charged off is recognized at the present value of the amounts payable determined using actuarial valuation technique. Actuarial gains and losses in respect of post employment benefits are charged to profit and loss account.

## **2.11 Foreign Currency transactions**

Transactions in foreign currencies are recognized in the reporting currency at the prevailing exchange rates on the transaction dates. Foreign currency monetary items are reported using the closing rate. Exchange difference arising on the settlement of monetary items or on reporting monetary items of the Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or expenses in the year in which they arise. Transactions completed during the year are accounted for at the then ruling rate.

Financial Statements of foreign branches are treated as non-integral operation. In translating the financial statement of foreign branches, the assets and liabilities, both monetary and non monetary, has been translated at the closing rate and income and expense items are translated at the average rate for the period. The resultant exchange differences are accumulated in Foreign Currency Translation Reserve Account.

Foreign exchange difference on account of a depreciable asset is adjusted in the cost of the depreciable asset, which would be depreciated over the balance life of the asset. In other cases, the foreign exchange difference is accumulated in a Foreign Currency Monetary Item Translation Difference Account and amortized over the balance period of such long term assets/liabilities. For this purpose, the company treats a foreign monetary item as "Long-term Foreign Currency Monetary Item" if it has a term of 12 months or more at the date of its origination.

All other exchange differences are recognized as income or as expenses in the period in which they arise.

## **2.12 Financial Derivatives & Hedging Transactions**

Financial derivatives and hedging contracts are accounted on the date of their settlement and realized gain/ loss in respect of settled contracts is recognized in the profit & loss account along with the underlying transactions.

## **2.13 Taxation**

Current tax is determined as the amount of tax payable in respect of taxable income for the year. Deferred Tax liability is recognized being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

## **2.14 Provisions, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Contingent assets are neither recognized nor disclosed in the financial statements.

## **2.15 Earnings per share**

Earnings per shares are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

## **2.16 Cash and bank Balances**

Cash and Bank balances as indicated in the Cash Flow Statement comprise cash at bank and in hand and highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

## **2.17 Event occurring after the Balance Sheet Date**

Material events if any occurring after Balance Sheet date is taken into cognizance.

## 3. Share Capital

(₹ in Lakh)

Particulars	As at 31 March, 2017		As at 31 March, 2016	
	Number of shares	₹ in Lakh	Number of shares	₹ in Lakh
(a) Authorised				
Equity shares of ₹ 10/- each with voting rights	1,50,00,000	1,500.00	1,50,00,000	1,500.00
(b) Issued, Subscribed and fully paid up				
Equity shares of ₹ 10/- each with voting rights	1,26,00,378	1,260.04	1,26,00,378	1,260.04
Total		1,260.04		1,260.04

## (i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Fresh Issue	Buy back	Closing Balance
<b>Equity shares with voting rights</b>				
Year ended 31 March, 2017				
- Number of shares	1,26,00,378			1,26,00,378
- Amount (₹ in Lakh)	1,260.04	-	-	1,260.04
Year ended 31 March, 2016				
- Number of shares	1,26,00,378	-	-	1,26,00,378
- Amount (₹ in Lakh)	1,260.04			1,260.04

## (ii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	For the year ended 31 March, 2017		For the year ended 31 March, 2016	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
<b>Equity shares with voting rights</b>				
Prozen Merchants Pvt. Ltd.	2,394,267	19.01	2,394,267	19.01
Simplex Fiscal Holdings Pvt. Ltd.	2,080,714	16.51	2,080,714	16.51
Lata Bhanshali	786,700	6.24	786,700	6.24
Jemtec Engineering Pvt. Ltd.	964,143	7.65	-	-
Bharat Gypsum Pvt. Ltd.	207,429	1.65	691,429	5.49

**(iii) Terms/rights attached to equity shares:**

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. No dividend is proposed by the Board of Directors of the Company for the current year.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**4 Reserves and Surplus**

(₹ in Lakh)

Particulars	As at 31 March, 2017	As at 31 March, 2016
<b>Securities premium account</b>		
Opening balance	8,395.94	8,395.94
Closing balance	8,395.94	8,395.94
<b>General reserve</b>		
Opening balance	5,012.59	5,012.59
Closing balance	5,012.59	5,012.59
<b>Foreign currency translation reserve ( Refer Note 2.11)</b>		
Opening balance	1,282.84	(423.79)
Add / (Less): Effect of foreign exchange rate variations during the year	(559.81)	1,706.63
Closing balance	723.03	1,282.84
<b>Surplus / (Deficit) in Statement of Profit and Loss</b>		
Opening balance	(4,107.72)	4,425.79
Add: Profit / (Loss) for the year	273.65	(8,533.51)
<b>Amounts transferred from Statement of Profit &amp; Loss</b>		
Depreciation on transition to Schedule II of the Companies Act, 2013		-
- Closing balance	(3,834.07)	(4,107.72)
<b>Total</b>	<b>10,297.49</b>	<b>10,583.65</b>

**5 Long Term Borrowing**

(₹ in Lakh)

Particulars	As at 31 March, 2017	As at 31 March, 2016
From other parties		
Secured	234.72	365.57
<b>Total</b>	<b>234.72</b>	<b>365.57</b>

Term Loan from Other parties are secured by Hypothecation of specific assets comprising of Plant & Machinery, Construction Equipment and Vehicles acquired out of the said loans repayable in EMI's along with interest ranging from 8% to 12% p.a. at a specified date for specific assets. Average tenure of each loan is 36 months.



## 6 Deferred Tax Liabilities (Net)

(₹ in Lakh)

Particulars	As at 31 March, 2017	As at 31 March, 2016
Liability on account of difference in value of Assets as per books and Tax Laws.	416.96	658.37
<b>Total</b>	<b>416.96</b>	<b>658.37</b>

## 7 Other long Term Liabilities

(Rs. in Lakh)

Particulars	As at 31 March, 2017	As at 31 March, 2016
Trade / security deposits received	2,360.84	1,834.90
Advance from customers	70,905.30	81,383.15
<b>Total</b>	<b>73,266.14</b>	<b>83,218.05</b>

## 8 Long Term Provision

(Rs. in Lakh)

Particulars	As at 31 March, 2017	As at 31 March, 2016
<b>Provision for employee benefits:</b>		
Leave Encashment	16.78	20.20
Gratuity	57.55	60.51
	<b>74.33</b>	<b>80.71</b>

## 9 Short Term Borrowings

(Rs. in Lakh)

Particulars	As at 31 March, 2017	As at 31 March, 2016
<b>Working capital Loans repayable on demand</b>		
From banks		
Secured	54,337.64	46,115.52
From Others - Unsecured	4,368.38	3,407.80
	<b>58,706.02</b>	<b>49,523.32</b>
Term loans		
From banks - Secured	1,391.23	2,608.91
Foreign Currency Loan		
From banks - Unsecured	109.10	6,551.39
<b>Total</b>	<b>60,206.35</b>	<b>58,683.62</b>

### Notes to Short term Borrowings:-

- Working Capital Loan from Banks are secured by hypothecation of stocks, work-in-progress and book debts and also charges of certain moveable plant & machinery ranking pari-passu with the banks.
- Term Loan from Banks are secured by Hypothecation of specific assets comprising of Plant & Machinery, Construction Equipment and Vehicles acquired out of the said Loans repayable in EMI's along with Interest ranging from 8% to 12% p.a. at a specified date for specific assets. Average tenure of each loan is 36 months.
- Foreign Currency term loan from banks carry rate of interest ranging from 6 month USD LIBOR +2.55%.

**10 Trade Payables**

(₹ in Lakh)

Particulars	As at 31 March, 2017	As at 31 March, 2016
Trade payable other than Acceptances (Refer note below)	25,915.15	29,366.91
<b>Total</b>	<b>25915.15</b>	29,366.91

- i) Payment against supplies from small scale and ancillary undertakings are made in accordance with the agreed credit terms and to the extent ascertained from available information, there was no amount overdue as on 31.03.2017
- ii) Based on the available information with the Company relating to the registration status of suppliers under the Micro, Small and Medium Enterprises Development Act, 2006, there are no dues to micro and small enterprises.
- iii) Trade payable have been shown net of advances of Rs. 7,208.01 Lakh (Previous Year Rs. 7,977.95 Lakh) paid to suppliers and sub contractors.

**11 Other Current Liabilities**

(₹ in Lakh)

Particulars	As at 31 March, 2017	As at 31 March, 2016
Current maturities of long-term debt (Refer Note below)	219.56	127.31
Unpaid Matured Long term Debts	350.74	505.09
Interest accrued and due on borrowings	820.90	800.93
Unclaimed dividends	0.49	0.49
Other payables		
Statutory dues (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.)	1,888.42	1,014.08
Liability for Expenses and Obligations	1,124.34	1,140.58
Trade / security deposits received	428.10	1,246.05
Advances from customers	5,928.50	1,659.56
Advance from Related parties	-	245.36
(net of adjustment against receivables Rs 2792.05, Previous year Rs.2682.89)		
Advance against projects	1,821.87	2,210.07
<b>Total</b>	<b>12,582.92</b>	8,949.52

Particulars	As at 31 March, 2017	As at 31 March, 2016
<b>Term loans</b>		
From Banks, Secured	-	2.95
From other parties, Secured	219.56	124.36
<b>Total</b>	<b>219.56</b>	127.31

**12 Short Term Provisions**

(₹ in Lakh)

Particulars	As at 31 March, 2017	As at 31 March, 2017
<b>Provision for employee benefits:</b>		
Bonus	76.14	113.72
Leave Encashment	13.04	13.39
<b>Total</b>	<b>89.18</b>	127.11

## Notes forming part of the Financial Statements

### NOTE 13 TANGIBLE FIXED ASSETS

(₹ in Lakhs)

PARTICULARS	Original cost as at 01.04.2016	Additions during the period	Deletion/ Adjust-ments	Translation Exchange Difference	Original Cost as at 31.03.2017	Depreciation as at 01.04.2016	Depreciation for the period	Deletion. Adjust-ments	Translation Exchange Difference	Depreciation as at 31.03.2017	Net Balance 31.03.2017	Net Balance 31.03.2016
LAND	161.61				161.61	-	-	-	-	-	161.61	161.61
PLANT & MACHINERY	3,818.46			(69.56)	3,748.90	2,126.50	229.19	-	-	2,355.69	1,393.21	1,691.96
CRANES	234.88	-		(0.53)	234.35	90.16	16.56	-	-	106.72	127.63	144.73
AIR CONDITIONER	20.24			(0.52)	19.72	9.69	1.12	-	-	10.81	8.92	10.55
WINCH & ENGINE	225.43	-	0.18	-	225.25	149.46	17.07	-	-	166.53	59.72	75.97
PILE FRAME	3,435.98	-	-	-	3,435.98	1,127.12	318.31	-	-	1,445.43	1,989.55	2,308.86
OTHER PLANTS	9,148.70	-	-	(10.34)	9,138.36	4,209.58	861.03	-	-	5,070.61	4,067.75	4,939.13
TOOLS & IMPLEMENTS	159.59			(0.21)	159.38	96.58	9.84	-	-	106.42	52.95	63.01
TRUCKS & TIPPERS	1,369.79	-	-	(28.81)	1,340.98	685.63	90.47	-	-	776.10	564.88	684.16
MOTOR VEHICLES	631.87	-	55.11	(4.41)	572.35	443.77	41.39	44.07	-	441.09	132.26	188.10
TWO WHEELERS	8.57	0.54		0.00	9.11	5.57	0.53	-	-	6.10	2.02	3.00
COMPUTERS	206.78	-		(0.31)	206.47	190.71	2.32	-	-	193.03	13.44	16.08
FURNITURE & FIXTURES	394.56			(4.04)	390.52	200.69	36.73	-	-	237.42	153.10	193.87
OFFICE EQUIPMENT	36.15	-		(0.00)	36.15	29.27	1.27	-	-	30.54	5.61	6.88
<b>TOTAL</b>	<b>19,852.61</b>	<b>0.54</b>	<b>55.30</b>	<b>(118.73)</b>	<b>19,679.13</b>	<b>9,364.73</b>	<b>1,625.85</b>	<b>44.07</b>	<b>-</b>	<b>10,946.51</b>	<b>8,732.63</b>	<b>10,487.90</b>
AS AT 31.03.2016	19,192.16	531.82	56.60	185.22	19,852.59	7,501.55	1,908.50	45.36	-	9,364.69	10,487.90	11,690.61

Note:

Original cost of Fixed Assets as on 31st March 2017, includes ₹ 600.00 lakhs acquired under hire purchase schemes, out of which ₹454.27 lakhs is outstanding as on 31st March 2017, which has been shown under the head "Long Term borrowings" and "Other current liabilities"

**14. Non Current Investments**

(₹ in Lakh)

Particulars	As at 31st March, 2017			As at 31st March, 2016		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
Investments (At cost):						
Investment in equity instruments of Subsidiaries 10,05,100 Fully Paid-up Equity Shares of ₹10 each in Simplex Agri Infra Services Pvt Ltd.	-	100.51	100.51	-	100.51	100.51
Investment in partnership firms (Refer Note below)	-	13.53	13.53	-	13.53	13.53
Investment in equity instruments of associates 15,53,800 Fully Paid-up Equity Shares of ₹10 each in Simpark Infrastructure Pvt Ltd.	-	586.13	586.13	-	586.13	586.13
5,000 Fully paid equity shares of Simplex Projects Road & Highway construction Pvt. Ltd.	-	0.50	0.50	-	0.50	0.50
<b>Of other entities</b>						
15,000 Fully Paid-up Equity Shares of Rs.10 each in Geo.Miller & Co. Ltd	-	1.05	1.05	-	1.05	1.05
1,600 Fully Paid-up Equity Shares of ₹10 each in Uco Bank	0.19	-	0.19	0.19	-	0.19
1,000 Fully Paid-up Equity Shares of ₹10 each in Vijaya Bank	0.24	-	0.24	0.24	-	0.24
100 Fully Paid-up Equity Shares of ₹ 10 each in Indraprasth Gas Ltd	0.05	-	0.05	0.05	-	0.05
22 Fully Paid-up Equity Shares of ₹10 each in Tata Consultancy Services Ltd	0.09	-	0.09	0.09	-	0.09
	0.57	701.72	702.29	0.57	701.72	702.29
<b>Total - Investments</b>	0.57	701.72	702.29	0.57	701.72	702.29
Aggregate market value of listed and quoted investments ( ₹ In lakh)			1.84			3.31
Aggregate amount of quoted investments (₹ In lakh)			0.57			0.57
Aggregate amount of unquoted investments ( ₹ In lakh)			701.72			701.72

**Note :** Other details relating to investment in partnership firms

(₹ in Lakh)

Particulars	As at 31st March, 2017			As at 31st March, 2016		
Name of the firm	Names of other partners in the firm	Total capital	Share of other partner in the profits of the firm	Names of other partners in the firm	Total capital	Share of other partner in the profits of the firm
Simplex Projects (Netherlands) Co-operative U.A.	Simplex Fiscal Holdings Pvt. Ltd.	13.66	1%	Simplex Fiscal Holdings Pvt. Ltd.	13.66	1%

- (i) Decline, if any, in the market value of long term quoted investments, considered by management not of permanent nature, has not been provided for.
- (ii) The Company has a co-operative incorporated under the laws of Netherland, by the name of Simplex Projects (Netherlands) Co-operative U.A., in partnership with M/s Simplex fiscal Holdings Pvt. Ltd. The profit and loss sharing of the co-operative between the company and its partner is in the ratio of 99:1. As the co-operative is yet to commence its business, the entire expenses have been taken as pre-operative expenses.

#### 15 Long Term Loans and Advances

(₹ in Lakh)

Particulars	As at 31 March, 2017	As at 31 March, 2016
(Unsecured, considered good)		
Security deposits	501.06	598.56
Advance income tax	36.98	13.07
MAT credit entitlement	223.69	223.69
Advance Fringe Benefit Tax	13.32	13.32
Other advances to Joint Ventures	78.87	78.87
Other advances against projects	1,009.85	1,189.85
<b>Total</b>	<b>1,863.77</b>	<b>2,117.36</b>

#### 16 Other Non-Current Assets

(₹ in Lakh)

Particulars	As at 31 March, 2017	As at 31 March, 2016
Long Term Deposits with Banks having maturity period of more than 12 months. (Refer Note no. 19 (ii) & (iii))	491.97	1,038.66
<b>Total</b>	<b>491.97</b>	<b>1,038.66</b>



**17 Inventories**

(₹ in Lakh)

Particulars	As at 31 March, 2017	As at 31 March, 2016
Raw materials at lower of cost and net realisable value		
At Sites	6,606.96	7,561.46
At Stores	31.11	24.31
Goods-in-transit	494.02	522.46
	7,132.09	8,108.23
Work in Progress at estimated Cost		
Construction Contract	58,944.07	63,465.51
Project Development	2,524.07	2,524.07
	61,468.14	65,989.58
<b>Total</b>	<b>68,600.23</b>	<b>74,097.81</b>

**18 Trade Receivable**

(₹ in Lakh)

Particulars	As at 31 March, 2017	As at 31 March, 2016
(Unsecured, considered good)		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment (Refer note no 29 and note below )	76,008.33	81,717.65
Other Trade receivables	16,378.07	11,937.57
(net of adjustment against receivables ₹ 2,792.05, previous year ₹ 2682.89)		
<b>Total</b>	<b>92,386.40</b>	<b>93,655.22</b>

Sundry Debtors include overdue amount aggregating to ₹ 580.45 Lakh (Previous Year - ₹560.92 Lakh) that are under arbitration. However, the same is considered good by the management, based on the opinion obtained and the earlier experiences on realization. No provision in this regard is considered necessary by the management.

Trade Receivable include an amount of ₹ 5,052.94 Lakh on account of bills submitted but not certified as on the Balance Sheet date.

**19 Cash and Bank Balance**

(₹ in Lakh)

Particulars	As at 31 March, 2017	As at 31 March, 2016
<b>Cash and Cash Equivalents</b>		
Cash on hand	133.60	141.34
Cheques, drafts on hand	-	0.04
Balances with banks		
In current accounts	342.02	51.53
In EEFC accounts	0.04	0.05
Balances with Banks outside India		
(Refer Note (i) below)	18.65	19.72
In Deposit accounts less than 3 Month maturity		
(Refer Note (ii) & (iii) below)	483.74	55.73
<b>Other Bank Balances</b>		
In deposit accounts with maturity less than 12 months		
(Refer Note (ii) & (iii) below)	2,003.48	3,122.76
In earmarked accounts		
- Unpaid dividend accounts	0.50	0.49
<b>Total</b>	<b>2,982.03</b>	<b>3,391.66</b>

**Notes:**

(i) Balances with Banks outside India comprise of the following:-

(₹ in Lakh)

Particulars	As at 31 March, 2017	As at 31 March, 2016
First Gulf Libyan Bank	13.83	14.63
Sahara Bank, Libya	0.36	0.38
First Gulf Bank, Dubai	4.03	4.12
Gulf Bank, Kuwait	0.43	0.59
<b>Total</b>	<b>18.65</b>	<b>19.72</b>

(ii) Fixed Deposits **₹2775.86 Lakh** (Previous Year – ₹4,217.15 Lakh) are not in possession of the company as they have been lodged as security deposit with clients / Banks.

(iii) Fixed Deposits with maturity of more than 12 months shown under 'Other non current assets'

**20. Short Term Loans and Advances**

(₹ in Lakh)

Particulars	As at 31 March, 2017	As at 31 March, 2016
<b>(Unsecured, considered good)</b>		
Loans and advances to employees (Refer note (i) below)	416.34	424.13
Prepaid expenses	11.96	90.20
Balances with government authorities		
VAT credit receivable	1,433.24	912.20
Service Tax credit receivable	7.93	7.98
Advance Income Tax (net of provisions)	1,842.72	1,541.73
Other Advance (Refer note (ii) below)	555.57	544.12
Loans and advances to related parties (Refer note 42)	1,910.21	1,913.71
<b>Total</b>	<b>6,177.97</b>	<b>5,434.07</b>

Note: (i) Employee advance have been shown net of credit balance of **₹ 3.74 Lakh**.

**21. Other Current Assets**

(₹ in Lakh)

Particulars	As at 31 March, 2017	As at 31 March, 2016
(Unsecured, considered good)		
Interest accrued and due on deposits	450.10	443.04
<b>Total</b>	<b>450.10</b>	<b>443.04</b>

**22. Revenue From Operations**

(₹ in Lakh)

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
<b>Construction Contract Works:</b>		
Gross Billing	31,139.89	26,122.54
Add: Accretion/ (Decretion) in Work in progress	463.13	2,246.79
	<b>31,603.02</b>	<b>28,369.33</b>
<b>Construction Housing Projects:</b>		
Accretion/ (Decretion) in Work in progress		52.88
<b>Sale of Trading Goods:</b>	<b>17,040.13</b>	<b>13,694.30</b>
<b>Total</b>	<b>48,643.15</b>	<b>42,116.51</b>

Work-in-progress include overdue amount aggregating to **₹ 1,528.36 lakh** (Previous Year - ₹1,528.36 Lakh) that are under arbitration. However, the same is considered good by the management, based on the opinion obtained and the earlier experiences on realization. No provision in this regard is considered necessary by the management.

Gross Billing includes **₹ 5,052.94 Lakhs** on account of bills submitted but not certified as on the Balance Sheet date.

**23. Other Income**

(₹ in Lakh)

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
Interest income from Fixed Deposits with Banks	300.26	383.19
Dividend income from long-term investments	0.03	0.07
Excess provision written back (Refer Note Below)	753.73	11.49
Profit on sale of shares	-	37.20
Other income	21.48	122.84
<b>Total</b>	<b>1,075.50</b>	<b>554.79</b>

Note: Interest on Fixed Deposits with Banks and lying with other party (as EMD) has not been accounted for.

**24. Cost of Materials Consumed**

(₹ in Lakh)

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
Opening stock	7,585.77	6,439.30
Add: Purchases	8,194.11	13,873.28
	15,779.88	20,312.58
Less: Closing stock	6,638.07	7,585.77
<b>Total</b>	<b>9,141.81</b>	<b>12,726.81</b>

**25 Cost of Subcontracting Other Site and Trading Expenses**

(₹ in Lakh)

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
Subcontracting Expenses	8,256.10	6,151.37
Other Site Expenses	8,822.63	7,648.03
<b>Total</b>	<b>17,078.73</b>	<b>13,799.40</b>

**26 Employee Benefits Expense**

(₹ in Lakh)

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
Salaries and wages	445.07	461.59
Contributions to provident and other funds (Refer Note 43)	56.25	69.90
Staff welfare expenses	3.75	6.31
<b>Total</b>	<b>505.07</b>	<b>537.80</b>

**27 Finance Costs**

(₹ in Lakh)

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
Interest expense on Borrowings	3203.11	7,247.20
Other Borrowing costs	619.18	663.36
<b>Total</b>	<b>3,822.29</b>	<b>7,910.56</b>

Note : This includes interest amounting to Rs. 2,134 lakhs which has been reversed and allocated towards Libyan branch and consequently, it is a part of its WIP.

## 28 Other Administrative Expenses

(₹ in Lakh)

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
Rent including lease rentals	33.92	34.47
Repairs and maintenance:		
Others	18.75	30.51
Insurance	12.41	25.77
Rates and taxes	9.91	12.14
Travelling and Conveyance	68.05	96.86
Motor Vehicles Expenses	22.31	32.15
Stores and Godown Expenses	10.97	14.12
Donations and contributions	-	0.19
Legal and professional	52.24	91.82
Bank Charges	124.52	179.26
Payments to auditors (Refer Note below)	5.26	5.26
Net loss on foreign currency transactions and translation	161.75	-
Loss on fixed assets sold	0.28	3.13
Expenses written off	-	10.00
Miscellaneous expenses	111.54	91.34
<b>Total</b>	<b>631.91</b>	<b>627.03</b>

## Notes : Payments to Auditors

(₹ in Lakh)

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
Payments to the auditors:		
For Statutory audit	4.68	4.69
For Tax Audit	0.58	0.57
<b>Total</b>	<b>5.26</b>	<b>5.26</b>

29. The Company is yet to receive the Balance confirmations in respect of certain Sundry Creditors, Sundry Debtors and Loans & advances. The balances are, therefore, as per the books of account only.
- 30a. The Company's cash credit accounts with Bank of Baroda, DBS bank, Yes bank, ICICI, State bank of India, State bank of Travancore, IDBI bank & UCO bank & term loan facilities with Kotak Mahindra & ICICI have been classified as Non performing assets & no provision of interest amounting ₹ 4,627.44 Lakh as computed on an approximate basis on cash credit accounts have been made. Also no further provision of interest on term loan from Kotak Mahindra & ICICI has been made.
- 30b. Interest amounting to Rs. 2134 lacs for the year in respect of working capital included in finance cost has been reallocated to work in progress of Libyan Branch of the company and is part of WIP of Libyan Branch
31. Capital work in progress consists of office building at Delhi under construction amounting of Rs. 61.85 lacs and materials lying outside amounting to Rs. 1894 lacs which includes ₹ 465.29 lakh pertaining to materials imported and kept at port
32. The Company has entered into an agreement dated 08.11.1999 with The Kolkata Municipal Corporation (KMC) for installation, development and maintenance of Multilevel Computerized Car Parking System (hereinafter referred to as 'Project') at Rawdon Street, Kolkata. The Company with the consent of KMC has nominated M/s Simpark Infrastructure Pvt. Ltd. (SIPL) to carry out the said project, which is on Built-Own-Operate-Transfer (BOOT) basis for a period of 20 years. KMC has given a deposit of Rupees three crore to the Company as interest free deposit, to be refunded to them only out of the profits to be earned under a joint venture with KMC to develop commercial complex on a land to be allotted

by the KMC. The same has been adjusted by the company against civil and other work of the project undertaken by it from SIPL. The company has, accordingly adjusted the deposit on completion of execution of civil and other works.

Similarly, the Company has entered into another agreement dated 21/10/2002 with the KMC for installation, development and maintenance of another Multilevel Underground Car Parking System at New Market, Lindsay Street, Kolkata, which in accordance with its earlier agreement, has been nominated to the said SIPL to carry out the construction of said project, to lease out commercial outlets and also to enter into Lease Agreement with the prospective lessee with a right to collect all receivable against Lease Premium. The company, however, acts as a Confirming Party to all the lease agreements entered into by the said SIPL with the allottee's of the commercial outlets.

33. The operation of the company's branch at Libya, which was stopped due to prevailing political situation. The Company has signed a supplementary agreement with the Government for realization of dues and resumption of contract. In view of this the amount of dues and assets deployed in Libya are realizable and no provision thereof are required at this stage. The expenses incurred during the year in respect of its said branch amounting to **₹2,384.87 Lakh** (previous year ₹680.27 lakh) and the depreciation of **₹335.91 Lakh** (previous year Rs.386.57 Lakh) relating to the machineries deployed there, have been considered as work-in-progress. However, in view of prolonged uncertainty of resumption the Company has moved an application with the Hon'ble High Court at Delhi for proceeding with Arbitration and has been granted an interim stay for further extension / invocation of Bank Guarantees for the project. Accordingly no provision for charges has been made after the stay of extension.
34. Pursuant to the Companies (Accounting Standards) Amendment Rules, 2011 vide GSR 914(E) dated 29.12.2011, the Company has exercised option of adjusting the cost of assets arising on exchange differences, in respect of accounting period commencing from 1st April, 2011 on long term foreign currency monetary items resulting out of trade credits/overseas borrowings, which were hitherto recognized as income or expenses in the period in which they arose. As a result, such exchange differences so far as they relate to the acquisition of depreciable capital assets have been adjusted with the cost of such assets, to be depreciated over the balance useful life of the respective assets. In case of other long term foreign currency monetary items resulting out of trade credits/overseas borrowings, the exchange difference have been transferred to Foreign Currency Monetary Item Translation Difference Account and amortized over the balance period of such long term assets/liabilities but not beyond accounting period ending on or before March 31, 2020. The unamortized balance in this account as at March 31, 2016 is **₹ 683.73 Lakh** (Previous year ₹ 911.64 Lakh).

### 35. Contingent Liabilities:

- a) There are outstanding guarantees amounting to **₹ 1,08,768 Lakh** (Previous Year - ₹ 1,11,610 lakh) and outstanding letters of credit amounting to **₹ 9,429.13 Lakh** ( Previous Year – ₹ 6,085.86 lakh) given on behalf of the Company by Banks. The receipts of term deposits are also held by Banks towards margin money against the guarantees / letters of credit given by them on Company's behalf, besides the counter indemnity by the Company for such guarantees/letters of credit.
- b) The Companies claims of certain deduction under the provisions of the Income Tax Act 1961 for the Assessment Year 2008-09 and 2009-10 was disallowed by the Income Tax Authority, the company has preferred an appeal with the CIT (A). The Company has also challenged the issue of claiming the said deduction in respect of assessment years 2008-09 and 2009-10 by a writ petition before the Hon'ble Calcutta High Court and obtained interim stay order from the said High Court restraining the Tax Authority from enforcing any demand against the Company. The impact of tax in case of an adverse decision is estimated at **₹ 417.46 Lakh** (Previous year Rs.417.46 lakh). Moreover, the Income Tax Authority has filed an appeal before the Hon'ble Calcutta High Court against the order passed by the Appellate Tribunal Kolkata for the AY. 2006-07 and 2007-08, the impact of tax in case of an adverse decision is estimated at Rs 377.92 Lakh.
- c) Disputed Sales Tax / VAT under appeal with appropriate forum – **₹ 2,675.57 Lakh** (Previous Year – ₹ 2,379.12 lakh)
- d) The Show cause cum demand Notice issued by the Service Tax Department is of **₹946.85 Lakh**, the Appeal is still pending before the Hon'ble Customs Excise & Service Tax Appellate tribunal, EZB, Kolkata.
- e) There are certain legal cases filed against the Company by its vendors, lenders in ordinary course of business for recovery of dues which has already been booked as liability in the books of accounts. Hence, the Company does not foresee any further liability arising on account of such cases. However, due to the nature of these dispute and in view of numerous uncertainties and variables associated with it there may be some penal interest, liquidated damages etc. which may be imposed against the Company by courts the amount of which is unascertainable at this point of time and which may not be material.



**36 Value of Imports (C.I.F Basis)**
**(₹ in Lakh)**

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
Raw Materials	-	506.48

**37. a) Earnings in Foreign Currency :**
**(₹ in Lakh)**

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
On Contract Work (Gross Billing at Overseas Branch)	16,773.04	12,318.12

**b) Expenditure in Foreign Currency**
**(₹ in Lakh)**

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
Travelling	147.45	157.88
Contract Expenses except Depreciation (Overseas Branch)	17,028.44	13,228.50

**38. Stores Consumed :**

Particulars	For the year ended 31 March, 2017		For the year ended 31 March, 2016	
	Value	% of total consumption	Value	% of total consumption
Imported (Into India)	-		506.48	3.98
Indigenous	9,141.81	100	12,220.33	96.02
<b>Total</b>	<b>9,141.81</b>	<b>100</b>	<b>12,726.81</b>	<b>100</b>

**39. Information in accordance with the requirements of revised Accounting Standards – 7 on Construction Contracts prescribed by the Companies (Accounting Standard) Rules, 2006:**
**(₹ in Lakh)**

Particulars	Year ended 31 March, 2017	Year ended 31 March, 2016
Contract revenue recognized for the year ended 31st March, 2017	31,963.07	28,422.21
Aggregate amount of contracts costs incurred and recognized profits (less recognized losses) up to 31st March, 2017 for all the Contracts in progress	270,279.04	265,611.15
The amount of Customers advances outstanding for contracts in progress as at 31st March, 2017	75,531.94	9,709.20
The amount of retention due from customers for Contracts in progress as at 31st March, 2017	5,111.15	3,023.08
Gross amount due from customers for Contracts in progress as at 31st March, 2017 (including work in progress of Rs 54681.77 Lakh)	120,158.16	46,207.28
Gross amount due to customers for contracts in progress as at 31st March, 2017	543.16	3,381.63

40. The Company has disclosed Business Segment as the primary segment. The Segment has been identified taking into account the nature of activities, the differing risks and returns. The Company's operations relate to 'Construction activity' and 'Trading activity'. As the Company is engaged in execution of work in overseas, the secondary segment reporting is prepared based on Geographical Segments.

The Segment Revenue, Segment Results, Segment Assets and Segment Liabilities include respective amounts identifiable to each of the Segments and also amounts allocated on a reasonable basis.

**a) Information about Primary Segments**

Particulars	Construction Activity		Trading Activity		Total	
	Year ended 31st March, 2017	Year ended 31st March, 2016	Year ended 31st March, 2017	Year Ended 31st March, 2016	Year ended 31st March, 2017	Year ended 31st March, 2016
Segment Revenue	-	28,422.21	-	13,694.30	-	42,116.51
Segment Result	(127.09)	(8,933.61)*	159.38	181.73	32.29	(8,751.88)
Segment Assets	177,569.64	184,273.18	9618.67	9,020.37	-	193,293.55
Segment Liabilities	165,921.41	173,509.86	9749.49	7,939.99	-	181,449.85

\* Interest and other unallocated expenditure is showing netoff against construction activity.

**b) Information about Secondary Business Segments (geographical Segment)**

(₹ in Lakh)

Particulars	Revenue		Assets		Capital Expenditure	
	Year ended 31st March, 2017	Year ended 31st March, 2016	Year ended 31st March, 2017	Year ended 31st March, 2016	Year ended 31st March, 2017	Year ended 31st March, 2016
India	(16,773.04)	27,474.10	135,072.91	84,253.53	-	14.27
Outside India	16,773.04	14,642.41	49,270.38	109,040.02	-	517.55
Total	-	42,116.51	184,343.29	193,293.55	-	531.82

**41. Disclosure in respect of Joint Ventures :**

**a) List of Joint Venture :**

(₹ in Lakh)

Name of the Joint venture	Name of JV Partner	Proportion of Ownership	Country of incorporation / Residence	Method of Accounting
Triveni Engicons Pvt. Ltd.- Simplex Projects Ltd. (JV)	Triveni Engicons Pvt Ltd	98%	India	Percentage Completion

**b) Financial Interest in the Jointly Controlled Entity (Un-audited) :**
**(₹ in Lakh)**

Particulars	As at 31 March, 2017	As at 31 March, 2016
Assets	165.91	165.91
Liabilities	165.91	165.91
Income	2.24	2.24
Expenditure	0.18	0.18

In respect of Joint Venture the Company along with the JV partner is jointly & severally responsible for performance of the contract.

The amount of Rs. 87.49 Lakh (Previous Year – Rs. 87.49 Lakh) due from the joint venture has been included in Sundry Debtors.

The investment in joint venture amounting to Rs. 0.20 Lakh (Previous Year – Rs. 0.20 Lakh ) are included under the head Other Advances.

**42.** Related Party disclosures pursuant to Accounting Standard (AS)-18 issued by Institute of Chartered Accountants of India.

**I. Related Parties and their Relationships:**

Name of Related Parties	Nature of Relationships
Mr. B.K. Mundhra	Key Management Personnel
Mr. J.K. Bagri	Key Management Personnel
Mr. S.D. Mundhra	Key Management Personnel
Mrs. Puspa Mundhra	Relative of Key Management Personnel
Mr. R. D. Mundhra	Relative of Key Management Personnel
Simpark Infrastructure Pvt. Ltd.	Associate
Simplex Agri-Infra Services Pvt. Ltd	Subsidiary
Simplex Projects (Netherlands) co-operative UA	Jointly controlled Entity / Joint Venture
Triveni Engicons Pvt. Ltd–Simplex Projects Ltd (JV)	Jointly controlled Entity / Joint Venture
Jemtec Engineering Pvt. Ltd.	Other related party (Entities in which Key Management Personnel or Relatives of Key Management Personnel have control or significant influence.)
SPL International BV	--Do--
Kirti Vinimay Pvt. Ltd.	--Do--
Datson Exports Ltd.	--Do--
Simplex Foundation	--Do--
Mundhra Estate	--Do--

**II. Material Transactions with Related Parties during year ended 31st March, 2017.**

Nature of transaction	Description of relationship	Related party	31 March, 2017	31 March, 2016
Transactions during the year				
Director's Remuneration	Key Management personnel	Mr. B. K. Mundhra	64.00	63.60
		Mr. J. K. Bagri	23.26	23.26
		Mr. S. D. Mundhra	20.65	21.30
Rent and maintenance charges	Other realted party	Kirti Vinimay Pvt. Ltd.	12.00	12.00
		Datson Exports Ltd.	0.88	0.87
		Mundhra Estate	-	0.07
Interest paid	Other related party	Jemtec Engineering Pvt Ltd	18.94	-
Rendering of service	Other related party	Jemtec Engineering Pvt Ltd	-	295.28
Payments to creditors	Other related party	Jemtec Engineering Pvt Ltd	22.50	288.88
Loans and advance given/ refunded	Subsidiary / Associate	Simpark Infrastructure Pvt. Ltd	269.36	166.41
	Other related party	Kirti Vinimay Pvt. Ltd.	1,251.00	1,960.80
		Jemtec Engineering Pvt Ltd	28.89	-
		Balkrishan Das Mundhra	51.50	-
Loans and advances Taken/refunded	Associate	Simpark Infrastructure Pvt. Ltd	408.47	117.86
	Subsidiary	Simplex Agri-Infra Services Pvt Ltd	3.50	237.34
		Simplex Agri-Infra Services Pvt Ltd	-	876.63
	Other related party	Balkrishan Das Mundhra	948.50	413.00
		Kirti Vinimay Pvt. Ltd.	821.00	2,558.04
Balance outstanding at the year end				
Loans and advance taken	Associate	Simpark Infrastructure Pvt. Ltd	428.55	289.44
	Other related party	Balkrishan Das Mundhra	1,304.00	407.00
		Jemtec Engineering Pvt Ltd	214.10	224.05
		Kirti Vinimay Pvt. Ltd.	1,737.14	2,167.14
Loans and Advances given	Subsidiary	Simplex Agri-Infra Services Pvt Ltd	1,910.01	1,913.51
	Jointly controlled entity / Joint venture	Simplex Projects (Netherlands) Co-operative UA	542.94	542.94
Sundry debtors	Jointly controlled entity / Joint venture	Triveni Engicons Pvt. Ltd. – Simplex Projects Ltd. (JV)	87.49	87.49
		Pioneer Engineering Co. Pvt Ltd	-	-
	Other related party			
	Subsidiary	Simplex Agri-Infra Services Pvt Ltd	497.74	497.74
Other Advances	Jointly controlled entity / Joint venture	Triveni Engicons Pvt. Ltd. – Simplex Projects Ltd. (JV)	-	0.20
Advance to sundry creditors	Other related party	Datson Export Ltd	3.52	4.40
Sundry Creditor	Other related party	Jemtec Engineering Pvt Ltd	12.00	34.50
		Mundhra Estate	0.42	0.42
		Kirti Vinimay Pvt. Ltd.	36	24

43. The disclosures required under Accounting Standard 15 "Employee Benefits" notified in the Companies (Accounting Standards) Rules 2006, are given below:

**Defined Contribution plan**

Contribution to Defined Contribution Plan, recognized are charged off for the year are as under:''' (₹ in Lakh)

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
Employer's Contribution to Provident Fund	21.9	22.31
Employer's Contribution to Superannuation Fund	-	-
Employer's Contribution to Pension Scheme	16.03	16.56

**Defined Benefit Plan**

The employees' gratuity fund scheme managed by Life Insurance Corporation of India is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognized in the same manner as gratuity.

(₹ in Lakh)

Particulars	For the year ended 31 March, 2017		For the year ended 31 March, 2016	
	Gratuity (Funded)	Leave Encashment	Gratuity (Funded)	Leave Encashment
<b>a. Reconciliation of opening and closing balances balances of Defined Benefit obligation</b>				
Defined Benefit obligation at beginning of the year	156.48	33.59	139.42	33.47
Current Service Cost	13.71	2.33	14.61	2.65
Interest Cost	10.52	2.44	10.22	2.68
Actuarial gain/(loss)	(10.28)	(8.54)	15.66	(5.21)
Benefits paid	(22.69)	-	(23.43)	-
Defined Benefit obligation at year end	147.74	29.82	156.48	33.59
<b>b. Reconciliation of opening and closing balances of fair value of plan assets.</b>				
Fair value of plan assets at beginning of the year	95.96	-	95.55	-
Expected return on plan assets	7.40	-	8.12	-
Actuarial gain/(loss)	(1.40)	-	5.31	-
Employer contribution	10.91	-	10.41	-
Benefits paid	(22.69)	-	(23.43)	-
Fair value of plan assets at year end	90.19	-	95.96	-
Actual return on plan assets	7.71%	-	-	-
<b>c. Reconciliation of fair value of assets and obligations</b>				
Fair value of plan assets	90.19	-	95.55	-
Present value of obligation	147.74	-	156.48	-
Amount recognized in balance Sheet	(57.55)	-	(60.51)	-
<b>d. Expenses recognized during the year</b>				
Current Service Cost	13.71	2.33	14.61	2.65
Interest Cost	10.52	2.44	10.22	2.68
Expected return on plan assets	(7.40)	-	(8.12)	-
Actuarial gain / (loss) recognized in the year	(8.88)	(8.54)	10.35	(5.21)
Net Cost	7.95	(3.77)	27.05	0.12
<b>e. Investment Details</b>	% invested as at 31st March, 2017		% invested as at 31st March, 2016	
L.I.C. Group Gratuity (cash Accumulation) Policy	100		100	



f. Actuarial assumptions	For the year ended 31 March, 2017		For the year ended 31 March, 2016	
	Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
Mortality Table (L.I.C)	IALM (2006-2008) Ultimate		IALM (2006-2008) Ultimate	
Discount rate (per annum)	7.25%	7.25%	8%	8%
Expected rate of return on plan assets (per annum)	10 per thousand	N.A.	10 per thousand	N.A.
Rate of escalation in salary (per annum)	6%	6%	6%	6%
Formula used	Projected United Credit Method		Projected Unit Credit Method	

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

**44. Disclosure under regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements Regulations, 2015)**

The company has given interest free advance to Simplex Agri-Infra Services Pvt Ltd, (subsidiary), having no repayment schedule and outstanding balance is **₹1,910.01** ( Previous Year ₹1,913.51 Lakh). The Company has taken interest free advance from Simpark Infrastructures Pvt Ltd, (its associate) having no repayment schedule and advance balance is **₹ 428.55 Lakh** on the Balance sheet date. ( Previous year loan given ₹ 289.44 Lakh)

**45. Site cost for executing contract work charged off to Profit & Loss Account includes ₹ 3.33 Lakh (previous year ₹ 2.19 Lakh) relating to previous period.**

**46. DISCLOSURE ON SPECIFIED BANK NOTES (SBN'S)**

During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified bank notes (SBN's) held and transacted during the period from November 8, 2016 to December 31, 2016, the details of SBN's and other notes as per the notification is given below :

Particulars	SBN's*	Other Denomination Notes	Total
Closing Cash in hand as on November 8, 2016	2.11	113.50	115.61
(+) Permitted Receipts	-	59.55	59.55
(-) Permitted Payments	-	125.02	125.02
(-) Amount Deposited in Banks	2.11		2.11
Closing Cash in hand as on December 30, 2016	-	48.02	48.02

\* For the purpose of this clause, the term "Specified Bank Notes shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O 3407(E), dated the 8th November, 2016.

#### 47. Earnings per Share:

Sl. No.	Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
a)	Net Profit / (Loss) after tax available for equity (in lakhs)	273.65	(8,533.51)
b)	Weighted Average number of equity shares for Basic EPS	12,600,378	12,600,378
c)	Weighted Average number of equity shares for Diluted EPS	12,600,378	12,600,378
d)	Basic EPS	2.17	(67.72)
e)	Diluted EPS	2.17	(67.72)

48. Amount in the financial statements are presented in INR lakhs, unless otherwise stated

49. Comparative financial information (i.e. the amounts and other disclosure for the year ended as on 31st March 2016) presented above, is included as an integral part of the current year's financial statements, and is to be read in relation to the amounts and other disclosures relating to the current year. Figures of the previous year are regrouped and reclassified wherever necessary to correspond to figures of the current year.

The accompanying notes including other explanatory information form an integral part of the financial statements.

This is the Balance Sheet referred to in our report of even date.

#### SIGNATURES TO NOTES

"1" TO "49"

For and on behalf of  
**CHATURVEDI & COMPANY**  
 Firm Registration No. 302137E  
*Chartered Accountants*  
**Nilma Joshi**  
*Partner*  
 Membership No. 52122  
 Kolkata  
 Dated : 12th June, 2017

For and on behalf of the Board of Directors  
**Simplex Projects Limited**  
  
**B. K. Mundhra**  
*Chairman & Managing Director*  
 (DIN:00013125)  
  
**Sudarshan Das Mundhra**  
*Chief Financial Officer*  
 (PAN-AIIPM7003M)

**J. K. Bagri**  
*Director*  
 (DIN:00268722)  
  
**Vikram Kumar Mishra**  
*Company Secretary*  
 (Membership No. A36568)

To  
The Members of  
M/s. SIMPLEX PROJECTS LIMITED  
Kolkata

**Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of M/s. Simplex Project Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate comprising of the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

**Management's Responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flow of the Group including its Associates 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 and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding 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 consolidated financial statements are free from materials misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding 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 consolidated financial statements.

**Basis of Qualified Opinion**

- a) Attention is invited to Note no. 32 regarding Holding Company's branch at Libya which has stopped functioning due to political unrest prevailing there. The total expenses incurred at the branch during the year amounts to ₹ 2,720.78 Lakhs including depreciation which have been transferred to work in progress and the total assets of the branch as on the balance sheet date amounts to ₹ 94,502.35 Lakhs. The management has certified the financial accounts, assets and liabilities of the branch as on 31.03.2017 and is confident of realising the above amounts and hence no adjustments have been considered necessary in the accounts by them. The company has signed a supplementary agreement with the government for realization of dues & resumption of contract. However, in view of prolonged uncertainty of resumption the company has moved an application with the Hon'ble High court at Delhi for proceeding with Arbitration and has been granted an interim stay for further extension/invocation of Bank guarantees for the project. Accordingly no provision for charges has been made after extension.
- b) In view of the lack of adequate information we are unable to comment on the extent of the eventual recoverability of the amounts due and the assets at Libya. The impact of this matter on the financial

statement, profits for the period, assets and liabilities and EPS of the Company is not ascertainable presently at this stage and hence we are unable to express our opinion on the impact of the same on the financial statements of the Company for the year.

- c) Investment of ₹ 542.94 lakhs by the holding company in the partnership firm Simplex Projects (Netherland) Co-operative U.A. is doubtful of recovery since project has not started and no provision for the same has been made by the company due to this loss of the company is understated by ₹ 542.94 lakhs and Reserves of the Company overstated by same amount.
- d) We did not audit the financial statements of two branches at Libya and Kuwait included in the standalone financial statements of the holding Company whose financial statements reflect total assets of ₹ 1,06,976 as at 31<sup>st</sup> March, 2017 and total revenues of ₹ 19,243.93 lacs for the year ended on that date, as considered in the standalone financial statements. The financial statements of these branches are unaudited and have been furnished to us by the management and are certified by the management and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the report of management.
- e) Attention is invited to Note no. 29(a) relating to non provision of interest by the holding company on Eight numbers of cash credit accounts and one term Loan accounts with Bank as these accounts have become NPA. Such interest pertaining to cash credit facilities amounts to ₹ 4,627.54 lakhs for year ended March 31, 2017 as per Calculation of the management without considering any late or penal interest. Also no further provision of interest has been made on to one another term loan account which is not quantified. Due to this profit are overstated.
- f) Attention is invited to Note no. 29(b) regarding Interest amounting ₹ 21.34 crores (as certified by the management) in respect of the holding company which has been reversed by the management and reallocated towards its Libyan branch and consequently is part of its WIP due to which profit has been overstated.
- g) Attention is invited to Note no 30 where no provision for diminution in the value or impairment has been made for CWIP of ₹ 18.94 crores which is lying for a long time which includes material in transit amounting to ₹ 465.29 lacs pertaining to material imported and lying at port since long in respect of the holding company.
- h) The holding company has not made any provision against Trade Receivables of more than three years amounting to ₹ 142.96 crores (including trade

receivable under arbitration amounting to ₹ 5.80 crores) and Advances paid to suppliers of material, Subcontractors & staff advances amounting to ₹ 47.84 crores since long, and advance against projects ₹ 5.48 crores which according to management are recoverable / adjustable and no provision is required for the same.

- i) In respect of the holding company site work in progress (included under inventory) amounting to ₹ 51.60 crores (including ₹ 15.28 crores due to dispute with customers) and uncertified sales amounting to ₹ 15.85 crores (included under revenue) have been lying as such since long against which no provisions have been made.

#### **Qualified Opinion**

In our opinion and to the best of our information and according to the explanations given to us except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid the 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 of the state of affairs of the Company as at 31<sup>st</sup> March, 2017 and its profit and its Cash Flow for the year ended on the date.

#### **Emphasis of Matter**

We draw attention to the following matters in the notes to the following statement.

- a) note no. 28 regarding closing balance confirmations of Debtors, Creditors, Earnest Money, loans and advances of the holding company being unconfirmed in respect of which we are unable express our opinion.
- b) note no. 33 regarding foreign exchange fluctuation on account of overseas borrowing of the holding company which has been amortized by treating the same as long term from the initial time of borrowing. Due to this profit has increased by ₹ 683.73 Lakhs for the year as the same is amortized.

**Our opinion is not modified in respect of these matters except as otherwise stated.**

#### **Other Matters**

We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets of ₹ 5,583.40 lacs and net assets of ₹ 5,513.34 lacs as at 31<sup>st</sup> March, 2017 total revenue of ₹ 277.48 lacs and net cash out flow amounting to ₹ 10.480 Lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and 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 this subsidiary 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 subsidiary is based solely on such unaudited financial statements.

Our opinion on the consolidated financial statements, and our report on other legal and Regulatory Requirements below, is qualified in respect of the above matter with respect to our reliance on the financial statements certified by the Management.

#### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that :
  - (a) We have sought and except for the indeterminate effect of the matter described in para (a) to (d) of the Basis of qualified opinion above 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 it appears from our examination of those books except in case of branches of holding company and one subsidiary have not been audited and for which we are unable to give our comments.
  - (c) The reports on the accounts of the two branches of the holding company and one subsidiary duly certified by the management have been given to us and have been properly dealt with by us in preparing this report.
  - (d) Except for the effect of the matter referred to in para (a) to (d) of basis of qualified opinion above. The Consolidated Balance Sheet, the 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 and with the certified accounts of the two branches of the holding company and one subsidiary given by the management, maintained for the purpose of preparation of the consolidated financial statements.
  - (e) In our opinion except for the effect of the matters stated in the basis of Qualified Opinion paragraph above, 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.
  - (f) The matters described in 'the Basis of Qualified Opinion' paragraph above in our opinion may have an adverse effect on the functioning of the Company.
  - (g) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2017 taken on record by the Board of Directors

of the Holding Company and the reports of the management in respect of its subsidiary company and associate company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164(2) of the Act.

- (h) The qualification related to maintenance of accounts and other matters converted therewith are as stated in the Basis of Qualified Opinion and Other Matter paragraph above.
- (i) With respect to the adequacy of the Internal Financial Controls Over Financial Reporting of the Group and the operating effectiveness of such controls refer to our separate report in Annexure – A which is based on the auditors reports of the Holding Company, Subsidiary Company and associate Company incorporated in India.
- (j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
  - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and associate as detailed in Note 37 to the consolidated financial statements.
  - ii. The group and the associate has long term contracts as at 31st March, 2017. Material Foreseeable losses relating to the same has not been quantified by the group.
  - iii. There has been no delay in transferring amount to the investor Education and Protection Fund by the group and the associate at the end of the year.
  - iv. The group has provided requisite disclosures in the consolidated its financial statements for dealings in Specified Bank Notes during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016 and these are in accordance with the books of accounts maintained by the group. Refer Note 49 to the financial statements.

For **Chaturvedi & Company**  
*Chartered Accountants*  
 (Firm Reg. No. 302137E)

**Nilima Joshi**  
*Partner*

Place : Kolkata  
 Date : 12th June, 2017

Membership No. 52122



# ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

**SIMPLEX**  
PROJECTS LIMITED



## **Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

In conjunction with our audit of the consolidated financial statement of the Company as of and for the year ended 31<sup>st</sup> March, 2017, we have audited the internal financial controls over financial reporting of SIMPLEX PROJECT LIMITED (hereinafter referred to as 'the Holding Company') and its subsidiary companies and its associate company, which are companies incorporated in India, as of that date.

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

The respective Boards of Directors of the Holding company, subsidiary companies and its associate company which are incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safe guarding 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 were 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 operative 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 judgement, 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 of 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 purpose 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 responsible detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are records as necessary to permit preparation of financial statements in accordance with authorizations of the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

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

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

### **Opinion**

In our opinion, to the best of our information and according to the explanation given to us, the Holding Company, its subsidiary Companies and associate company, which are companies incorporated in India, have in all material respect, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Chaturvedi & Company**  
Chartered Accountants  
(Firm Reg. No. 302137E)

**Nilima Joshi**  
Partner

Place : Kolkata  
Date : 12th June, 2017

Membership No. 52122



## CONSOLIDATED BALANCE SHEET

  
as at 31st March, 2017

(₹ in Lakhs)

**EQUITY AND LIABILITIES**
**Shareholders' Fund**
**Share capital**

Reserves and surplus

**Non-current liabilities**

Long-term borrowings

Deferred Tax Liabilities (Net)

Other Long-term Liabilities

Long-term Provisions

Minority Interest

**Current liabilities**

Short-term Borrowings

Trade Payables

Other Current Liabilities

Short-term Provisions

**ASSETS**
**Non-current assets**

Fixed assets

Tangible Assets

Capital work-in-progress

**Non-current Investments**

Long-term Loans and Advances

Other Non-current Assets

Goodwill (on consolidation)

**Current assets**

Inventories

Trade Receivables

Cash and Bank Balances

Short-term Loans and Advances

Other Current Assets

**Significant Accounting Policies**

Note No.	As at 31 March, 2017	As at 31 March, 2016
2	1,260.04	1,260.04
3	10,084.35	10,508.41
	11,344.39	11,768.45
4	1,717.29	1,863.60
5	489.07	658.37
6	74,440.80	84,313.13
7	74.33	80.71
	54.01	51.43
	76,775.50	86,967.24
8	60,206.35	58,683.62
9	25,992.62	29,498.39
10	12,792.26	9,154.38
11	89.18	127.11
	99,080.41	97,463.50
<b>TOTAL</b>	<b>187,200.30</b>	<b>196,199.19</b>
12	11,218.75	11,395.33
30	3,190.15	4,770.45
	14,408.90	16,165.78
13	453.72	524.64
14	2,004.86	2,265.87
15	1,972.81	2,500.41
	-	-
	4,431.39	5,290.92
16	68,600.23	74,097.81
17	91,983.47	93,199.44
18	3,046.27	3,466.38
19	4,279.94	3,535.82
20	450.10	443.04
	168,360.01	174,742.49
<b>TOTAL</b>	<b>187,200.30</b>	<b>196,199.19</b>
1		

The accompanying notes including other explanatory information form an integral part of the financial statements.

This is the Balance Sheet referred to in our report of even date

For and on behalf of

**CHATURVEDI & COMPANY**

Firm Registration No. 302137E

Chartered Accountants

**Nilima Joshi**

Partner

Membership No. 52122

Kolkata

Dated : 12th June, 2017

For and on behalf of the Board of Directors

**Simplex Projects Limited**
**B. K. Mundhra**

Chairman &amp; Managing Director

(DIN:00013125)

**Sudarshan Das Mundhra**

Chief Financial Officer

(PAN-AIIPM7003M)

**J. K. Bagri**

Director

(DIN:00268722)

**Vikram Kumar Mishra**

Company Secretary

(Membership No. A36568)

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS**  
for the year ended 31st March, 2017



		(₹ in Lakhs)	
	Note No.	As at 31 March, 2017	As at 31 March, 2016
Revenue from operations	21	48,906.72	42,657.21
Other income	22	1,089.40	569.91
<b>Total revenue</b>		<b>49,996.12</b>	<b>43,227.12</b>
<b>Expenses</b>			
Cost of materials consumed for Executing Contract Work	23	9,141.81	12,782.36
Purchase of Trading goods		16,880.75	13,512.57
Changes in Inventories of Stock-In-Trade/ Work -in - progress		-	(0.28)
Cost of Subcontracting & Other Site Expenses	24	17,078.73	13,887.30
Employee Benefits Expense	25	528.00	756.28
Finance costs	26	3,951.30	7,948.31
Depreciation and amortisation expense	12	1,695.92	2,059.45
Other Administrative expenses	27	679.67	746.98
<b>Total expenses</b>		<b>49,956.18</b>	<b>51,692.97</b>
<b>Profit before exceptional and extraordinary items and tax</b>		<b>39.95</b>	<b>(8,465.85)</b>
Exceptional items		-	(400.50)
<b>Profit before extraordinary items and tax</b>		<b>39.95</b>	<b>(8,866.35)</b>
Extraordinary items		-	-
<b>Profit before tax</b>		<b>39.95</b>	<b>(8,866.35)</b>
<b>Tax expense:</b>			
Current tax expense for current year		1.43	-
(Less): MAT credit		(1.43)	-
Net current tax expense		-	-
Deferred tax		(169.31)	(218.37)
		<b>(169.31)</b>	<b>(218.37)</b>
<b>Profit for the year</b>		<b>209.26</b>	<b>(8,647.98)</b>
<b>Earnings per share (in Rupees):</b>	49		
Basic		1.66	(68.63)
Diluted		1.66	(68.63)
<b>Significant Accounting Policies</b>	1		

The accompanying notes including other explanatory information form an integral part of the financial statements.

This is the Profit & Loss Statement referred to in our report of even date

For and on behalf of  
**CHATURVEDI & COMPANY**  
Firm Registration No. 302137E  
Chartered Accountants  
**Nilima Joshi**  
Partner  
Membership No. 52122  
Kolkata  
Dated : 12th June, 2017

For and on behalf of the Board of Directors  
**Simplex Projects Limited**  
  
**B. K. Mundhra**  
Chairman & Managing Director  
(DIN:00013125)  
  
**Sudarshan Das Mundhra**  
Chief Financial Officer  
(PAN-AIIPM7003M)

**J. K. Bagri**  
Director  
(DIN:00268722)  
  
**Vikram Kumar Mishra**  
Company Secretary  
(Membership No. A36568)

## CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31st March, 2017

(₹ in Lakhs)

	For the year ended 31 March, 2017		For the year ended 31 March, 2016	
<b>A. Cash flow from operating activities:</b>				
Net profit before tax and extraordinary items		39.94		(8,866.35)
Adjustments for:				
Depreciation	1,695.91		2,059.45	
Interest (Net)	2,929.88		7,533.77	
Loss on Sale of Fixed Assets	(4.87)		(0.14)	
Unrealised Loss on Sale of investment			351.86	
goodwill adjustment on sale of subsidiary	-		493.38	
Dividend Received	0.03		(0.17)	
Liabilities no longer required written back	(753.73)		(11.49)	
Exchange (Gain) / Loss on Non Integral Branch	(559.81)		1,706.63	
Provisions for employee benefits	(6.73)	3,300.68	2.14	12,135.43
<b>Operating profit before working capital changes</b>		<b>3,340.62</b>		<b>3,269.08</b>
<b>Increase / Decrease in:</b>				
Other Current Assets	1,256.89		(3,264.89)	
Inventories	7,108.24		(4,460.61)	
Current Liabilities	(9,041.57)	(676.44)	(2,270.49)	(9,995.99)
<b>Cash Generated from operations</b>		<b>2,664.18</b>		<b>(6,726.91)</b>
Direct Tax paid	-	-	-	-
FBT	-	-	-	-
<b>Net Cash from / (Used in ) Operating Activities</b>		<b>2,664.18</b>		<b>(6,726.91)</b>
<b>B. Cash flow from Investing Activities:</b>				
Purchase of Fixed Assets	(1,648.74)		(1,161.28)	
Sale of Fixed Assets	87.88		11.34	
Sale / (Purchase) of Investments	16.10		652.56	
Dividend Received	0.03		0.17	
Interest Received	293.20		322.75	
<b>Net Cash from / (Used in ) Investing activities</b>		<b>(1,251.53)</b>		<b>(174.46)</b>
		<b>1,412.65</b>		<b>(6,901.37)</b>
<b>C. Cash flow from Financing Activities:</b>				
Interest Paid	(3,223.08)		(7,856.52)	
Proceeds from Long term borrowings	(192.97)		(135.42)	
Inter corporate Loans and advances including Deposits	945.12		(891.83)	
Repayments of Short term Borrowings	638.17		14,355.24	
<b>Net Cash from / (Used in ) Financing Activities</b>		<b>(1,832.76)</b>		<b>5,471.47</b>
		<b>(420.11)</b>		
<b>Net Increase / (Decrease ) in Cash and Cash equivalents during the year</b>				<b>(1,429.90)</b>
<b>Cash and Cash Equivalents as at 31st March, 2016</b>	<b>3,466.38</b>		<b>4,896.28</b>	
<b>Cash and Cash Equivalents as at 31st March, 2017</b>	<b>3,046.26</b>	<b>(420.11)</b>	<b>3,466.38</b>	<b>(1,429.90)</b>

**Notes:**

The above cash flow statement has been prepared under the indirect method as set out in the Accounting Standard-3 on Cash Flow Statements issued by The Institute of Chartered Accountants of India. This is the Cash Flow Statement referred to in our report of even date.

For and on behalf of

**CHATURVEDI & COMPANY**

Firm Registration No. 302137E

Chartered Accountants

**Nilima Joshi**

Partner

Membership No. 52122

Kolkata

Dated : 12th June, 2017

For and on behalf of the Board of Directors

**Simplex Projects Limited**

**B. K. Mundhra**

Chairman & Managing Director

(DIN:00013125)

**Sudarshan Das Mundhra**

Chief Financial Officer

(PAN-AIIPM7003M)

**J. K. Bagri**

Director

(DIN:00268722)

**Vikram Kumar Mishra**

Company Secretary

(Membership No. A36568)

## 1 DISCLOSURE OF SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF THE ACCOUNTS AS AT 31ST MARCH, 2017

### 1.1 Basis of Preparation of Financial Statements

The consolidated financial statements have been prepared on accrual basis of accounting in conformity with the generally accepted accounting principles in India (GAAP) and comply with Accounting Standards specified under Section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013.

As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the companies separate financial statements.

### 1.2 Principles on consolidation

The Consolidated Financial Statements related to Simplex Projects Limited (The Company) and its subsidiary has drawn up to the same reporting date as of the company and the consolidated Financial Statements have been prepared on the following basis:

- The Financial Statements of the Company and its Subsidiary company have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. Inter-company balances and transactions and unrealized profits or losses have been fully eliminated.
- The excess of cost to the Company of its investments in its Subsidiary companies over its share of the Equity of the Subsidiary company at the dates, on which the investments in the Subsidiary companies are made, is recognized as Goodwill being an asset in the consolidated Financial Statements.
- The Company has invested in 66.56% shares of Simplex Agri-Infra Services Pvt Ltd. The said company has entered into a contract with Food Corporation of India & HIMFED to construct and maintain warehouses in different parts of Jammu & Kashmir and Himachal Pradesh.
- In terms of Accounting Standard-21 the minority interest has been computed in respect of Simplex Agri-Infra Services Pvt Ltd a non-fully owned subsidiary.
- The subsidiary/associate Company considered in the Consolidated financial statement is as under:

Name of the Company	Country of Incorporation	Percentage of Shareholding as on 31st March, 2017	Percentage of Shareholding as on 31st March, 2016
Simplex Agri-Infra Services Pvt. Limited	India	66.56%	66.56%

- The Associate Company considered in the Consolidated financial statement is as under:

Name of the Company	Country of Incorporation	Percentage of Shareholding as on 31st March, 2017	Percentage of Shareholding as on 31st March, 2016
Simpark Infrastructure Pvt. Ltd.	India	48.78% (Rounded to 49%)	48.78% (Rounded to 49%)

### 1.3 Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

### 1.4 Fixed Assets

Tangible assets are valued at cost of acquisition less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Assets acquired under Hire Purchase arrangements are recorded at their cash values and the finance charges are charged to Profit and Loss Account as accrued.



### 1.5 Cost of construction / development

For Simpark Infrastructure Pvt. Ltd Cost of Construction / development incurred is charged to the Profit & Loss account proportionate to project area sold. Adjustment, if required, is made in project work in progress.

The estimated saleable area cost of the project as determined, is based on management's estimate of the cost expected to be incurred till the final completion of the project and includes material, services and other related overheads. The effect of such changes to estimates is recognized in the period such changes are determined.

### 1.6 Project work-in-progress

Work-in-progress comprises cost of material, services and other related overheads related to projects under construction.

### 1.7 Depreciation

In respect of Fixed Assets acquired during the year, depreciation is charged on a straight line basis so as to write off the cost of the assets over the useful lives and for the assets acquired prior to April 1, 2014 is depreciated over the remaining useful life based on an evaluation.

Assets category	Life
Plant and Machinery	12 – 15 years
Trucks	8 years
Motor Vehicles	8 years
Computers	3 years
Furniture and Fixtures	10 years
Office Equipments	5 years

### 1.8 Impairment of Assets

The carrying cost of assets is reviewed at each Balance Sheet date to determine whether there is any indication of impairment of assets. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use.

### 1.9 Inventories

Inventories are valued at cost under FIFO method or net realizable value, whichever is lower.

### 1.10 Investments

The investment in associate is accounted for under the equity method of accounting and classified as long term investments. Long term Investments are valued at cost. Current investments are stated lower of cost or fair market value. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary.

### 1.11 Revenue Recognition

- Revenue is accounted for following "Percentage of Completion" method of accounting in respect of the Construction Contracts. The stage of completion determined on the basis of physical proportion of the contract work. Extra work and variation in contract (as mutually agreed), to the extent that it is probable that they will result in revenue. Bills submitted but not certified are also included in revenue. Claims on construction contracts are included based on management's estimates of the profitability that they will result in additional revenue, they are capable of being reliably measured, there is a reasonable basis to support the claim and that such claims would be admitted either wholly or in part.
- Share of Profit / Loss from joint ventures is accounted for in respect of the financial year of the venture, ending on the balance sheet date, on the basis of their audited / unaudited accounts.
- Price escalation claims and additional claims including those under arbitration are recognized as revenue when they are realized or receipts thereof are mutually settled or reasonably ascertained.
- Site start up expenses is charged off in the year these are incurred.
- Liabilities on account of Service Tax to the extent not reimbursable by the Clients have been charged off to the profit & loss account.
- Fee for amenities are accounted for on accrual basis and are net of Service tax, if any. Fee for consulting are recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measure.
- Revenue from Commercial Real estate (received as lease premium) is recognized on making the initial agreement with the parties and receipt of substantial amount of total lease premium value.
- The management revises the estimates of saleable area and costs periodically. The effect of such changes to estimates is recognized in the period such changes are determined.

- i) Interest income is recognized on a time proportion basis taking into the amount outstanding and the rate applicable.

#### **1.12 Borrowing Cost**

Borrowing costs, attributable to acquisition and construction of qualifying assets, are capitalized as a part of the cost of such asset up to the date when such assets are ready for its intended use. Other borrowing costs are charged to the profit and loss account.

#### **1.13 Employee Benefits**

The company has adopted the Revised Accounting Standard 15 Employee benefits prescribed by Companies (Accounting Standards) Rules, 2006 with effect from 1st April 2007.

- i) Short term benefits:

Short terms employee benefits are charged off at the undiscounted amount in the year in which the related service is rendered.

- ii) Post employment benefits:

Post employment benefits are charged off in the year in which the employee has rendered services. The amount charged off is recognized at the present value of the amounts payable determined using actuarial valuation technique. Actuarial gains and losses in respect of post employment benefits are charged to profit and loss account.

#### **1.14 Foreign Currency transactions**

Transactions in foreign currencies are recognized in the reporting currency at the prevailing exchange rates on the transaction dates. Foreign currency monetary items are reported using the closing rate. Exchange difference arising on the settlement of monetary items or on reporting monetary items of the Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or expenses in the year in which they arise. Transactions completed during the year are accounted for at the then ruling rate.

Financial Statements of foreign branches are treated as non-integral operation. In translating the financial statement of foreign branches, the assets and liabilities, both monetary and non monetary, has been translated at the closing rate and income and expense items are translated at the average rate for the period. The resultant exchange differences are accumulated in Foreign Currency Translation Reserve Account.

Foreign exchange difference on account of a depreciable asset is adjusted in the cost of the depreciable asset, which would be depreciated over the balance life of the asset. In other cases, the foreign exchange difference is accumulated in a Foreign Currency Monetary Item Translation Difference Account and amortized over the balance period of such long term assets/liabilities. For this purpose, the company treats a foreign monetary item as "Long-term Foreign Currency Monetary Item" if it has a term of 12 months or more at the date of its origination. All other exchange differences are recognized as income or as expenses in the period in which they arise.

#### **1.15 Financial Derivatives & Hedging Transactions**

Financial derivatives and hedging contracts are accounted on the date of their settlement and realized gain/ loss in respect of settled contracts is recognized in the profit & loss account along with the underlying transactions.

#### **1.16 Taxation**

Current tax is determined as the amount of tax payable in respect of taxable income for the year. Deferred Tax liability is recognized being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

#### **1.17 Provisions, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Contingent assets are neither recognized nor disclosed in the financial statements.

#### **1.18 Earnings per share**

Earnings per shares are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

#### **1.19 Cash and cash equivalents**

Cash and cash equivalents as indicated in the Cash Flow Statement comprise cash at bank and in hand and highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

#### **1.20 Event occurring after the Balance Sheet Date**

Material events if any occurring after Balance Sheet date is taken into cognizance.



## 2. Share Capital

Particulars	As at 31 March, 2017		As at 31 March, 2016	
	Number of shares	Rs. in Lakh	Number of shares	Rs. in Lakh
(a) Authorised				
Equity shares of ₹ 10/- each with voting rights	1,50,00,000	1500.00	1,50,00,000	1,500.00
(b) Issued, Subscribed and fully paid up				
Equity shares of ₹ 10/- each with voting rights	1,26,00,378	1260.04	1,26,00,378	1,260.04
<b>Total</b>		<b>1,260.04</b>		<b>1,260.04</b>

### (i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Fresh Issue	Buy back	Closing Balance
<b>Equity shares with voting rights</b>				
Year ended 31 March, 2017				
- Number of shares	1,26,00,378			<b>1,26,00,378</b>
- Amount (₹ in Lakh)	1,260.04	-	-	<b>1,260.04</b>
Year ended 31 March, 2016				
- Number of shares	1,26,00,378	-	-	1,26,00,378
- Amount (₹ in Lakh)	1,260.04			1,260.04

### (ii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	For the year ended 31 March, 2017		For the year ended 31 March, 2016	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
<b>Equity shares with voting rights</b>				
Prozen Merchants Pvt. Ltd.	2,394,267	19.01	2,394,267	19.01
Simplex Fiscal Holdings Pvt. Ltd.	2,080,714	16.51	2,080,714	16.51
Lata Bhanshali	786,700	6.24	786,700	6.24
Jemtec Engineering Private Limited	964,143	7.65	-	-
Bharat Gypsum Pvt. Ltd.	207,429	1.65	691,429	5.49

**(iii) Terms/rights attached to equity shares:**

The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. No dividend is proposed by the Board of Directors of the Company for the current year.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**3 Reserves and Surplus****(₹ in Lakh)**

Particulars	As at 31 March, 2017	As at 31 March, 2016
<b>Securities premium account</b>		
Opening balance	8,395.94	8,395.94
Closing balance	8,395.94	8,395.94
<b>General reserve</b>		
Opening balance	5,012.59	5,012.59
Add: Transferred from surplus in Statement of Profit and Loss	-	-
Closing balance	5,012.59	5,012.59
<b>Foreign currency translation reserve ( Refer Note 1.13)</b>		
Opening balance	1,282.84	(423.79)
Add / (Less): Effect of foreign exchange rate variations during the year	(559.81)	1,706.63
Closing balance	723.03	1,282.84
<b>Surplus / (Deficit) in Statement of Profit and Loss</b>		
Opening balance	(4,182.96)	3,971.63
Add: Amounts transferred from:	-	-
Statement of Profit & Loss Account	209.25	(8,647.98)
Loss on share of associate	(70.92)	-
Adjustments for Sale of Subsidiary	-	493.39
Surplus brought from subsidiary	(2.58)	-
Closing balance	(4,047.21)	(4,182.96)
<b>Total</b>	<b>10,084.35</b>	<b>10,508.41</b>

**4 Long Term Borrowing****(₹ in Lakh)**

Particulars	As at 31 March, 2017	As at 31 March, 2016
Term loans From banks		
Secured	1,482.57	1,498.03
From other parties		
Secured	234.72	365.57
Unsecured	-	-
<b>Total</b>	<b>1,717.29</b>	<b>1,863.60</b>

Term Loan from Banks are secured by Hypothecation of specific assets comprising of Plant & Machinery, Construction Equipment and Vehicles acquired out of the said Loans repayable in EMIs along with Interest ranging from 8% to 12% p.a. at a specified date for specific assets. Average tenure of each loan is 36 months.

Repayable in EMI's alongwith interest of 10.47% p.a. as a specified date every month for specific assets. Average tenure of each loan is 36 months. Secured by hypothecation of specific assets comprising of vehicles acquired out of the hire purchase loan.

**5 Deferred Tax Liabilities (Net) (₹ in Lakh)**

Particulars	As at 31 March, 2017	As at 31 March, 2016
Liability on account of difference in value of assets as per books and tax law	489.07	658.37
<b>Total</b>	<b>489.07</b>	<b>658.37</b>

**6 Other long Term Liabilities (₹ in Lakh)**

Particulars	As at 31 March, 2017	As at 31 March, 2016
Trade / security deposits received	2,360.84	1,834.90
Advances from customers	72,023.85	82,422.12
Subsidy Reserve Fund	56.11	56.11
<b>Total</b>	<b>74,440.80</b>	<b>84,313.13</b>

**7 Long Term Provisions (₹ in Lakh)**

Particulars	As at 31 March, 2017	As at 31 March, 2016
Provision for employee benefits:		
Leave Encashment	16.78	20.20
Gratuity	57.55	60.51
<b>Total</b>	<b>74.33</b>	<b>80.71</b>

**8 Short Term Borrowings (₹ in Lakh)**

Particulars	As at 31 March, 2017	As at 31 March, 2016
Working capital Loans repayable on demand from Banks		
Secured	54,337.64	46,115.52
Unsecured	-	-
From Others - Unsecured	4,368.38	3,407.80
	<b>58,706.02</b>	<b>49,523.32</b>
Term loans		
From banks - Secured	1,391.23	2,608.91
Foreign Currency Loan		
From banks - Unsecured	109.10	6,551.39
<b>Total</b>	<b>60,206.35</b>	<b>58,683.62</b>

- (i) Working Capital Loan from Banks are secured by hypothecation of stocks, work-in-progress and book debts and also charges of certain moveable plant & machinery ranking pari-passu with the banks.
- (ii) Term Loan from Banks are secured by Hypothecation of specific assets comprising of Plant & Machinery, Construction Equipment and Vehicles acquired out of the said Loans repayable in EMIs along with Interest ranging from 8% to 12% p.a. at a specified date for specific assets. Average tenure of each loan is 36 months.
- (iii) Foreign Currency term loan from banks carry rate of interest ranging from 6 month USD LIBOR +1% to 6 month USD LIBOR+2.55%

**9 Trade Payables**

(₹ in Lakh)

Particulars	As at 31 March, 2017	As at 31 March, 2016
Trade payables other than Acceptances (Refer note below)	25,992.62	29,498.39
<b>Total</b>	<b>25,992.62</b>	<b>29,498.39</b>

- i) Payment against supplies from small scale and ancillary undertakings are made in accordance with the agreed credit terms and to the extent ascertained from available information, there was no amount overdue as on 31.03.2017.
- ii) Based on the available information with the Company relating to the registration status of suppliers under the Micro, Small and Medium Enterprises Development Act, 2006, there are no dues to micro and small enterprises.
- iii) Trade payable have been shown net of advances of ₹ 7,208.01 Lakh (Previous Year ₹ 7,977.95 Lakh) paid to suppliers and sub contractors.

**10 Other Current Liabilities**

(₹ in Lakh)

Particulars	As at 31 March, 2017	As at 31 March, 2016
Current maturities of long-term debt (Refer Note (i) below)	219.56	127.31
Unpaid matured long term debt	350.74	505.09
Interest accrued and due on borrowings	820.90	800.93
Unclaimed dividends	0.49	0.49
Other payables :	-	
Statutory dues (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.)	1,888.58	1,015.60
Liability for Expenses and Obligations	1,137.17	1,147.57
Trade / security deposits received	428.10	1,246.05
Advances from customers	6,124.85	1,855.91
Advances from related parties	-	245.36
Advance against projects	1,821.87	2,210.07
<b>Total</b>	<b>12,792.26</b>	<b>9,154.38</b>

Note : Current maturities of long term debt (Refer Note No. 4 - Long term borrowing for details of security and guarantee :

Particulars	As at 31 March, 2017	As at 31 March, 2016
Term loans		
From banks, Secured	-	2.95
From other parties, Secured	219.56	124.36
<b>Total</b>	<b>219.56</b>	<b>127.31</b>

**11 Short Term Provisions**

(₹ in Lakh)

Particulars	As at 31 March, 2017	As at 31 March, 2016
Provision for employee benefits:		
Bonus	76.14	113.72
Leave Encashment	13.04	13.39
Gratuity	-	-
<b>Total</b>	<b>89.18</b>	<b>127.11</b>

## Notes forming part of the Financial Statements

### NOTE 12 TANGIBLE FIXED ASSETS

(₹ in Lakh)

PARTICULARS	Original cost as at 01.04.2016	Additions during the period	Deletion/ Adjustment	Translation exchange difference	Original cost as at 31.03.2017	Depreciation as at 01.04.2016	Depreciation for the period	Deletion/ Adjustment	Translation exchange difference	Depreciation as at 31.03.2017	Net Balance 31.03.2017	Net Balance 31.03.2016
LEASE HOLD LAND	260.26	-	-	-	260.26	-	-	-	-	-	<b>260.26</b>	260.26
BUILDING	813.82	1,648.74	-	-	2,462.56	27.12	65.46	-	-	92.58	<b>2,369.98</b>	786.70
PLANT & MACHINERY	3,818.46	-	-	(69.56)	3,748.90	2,126.50	229.19	-	-	2,355.69	<b>1,393.21</b>	1,691.96
CRANES	234.88	-	-	(0.53)	234.35	90.16	16.56	-	-	106.72	<b>127.63</b>	144.72
AIR CONDITIONER	20.24	-	-	(0.52)	19.72	9.69	1.12	-	-	10.81	<b>8.92</b>	10.55
WINCH & ENGINE	225.43	-	0.18	-	225.25	149.46	17.07	-	-	166.53	<b>58.72</b>	75.97
PILE FRAME	3,435.98	-	-	-	3,435.98	1,127.12	318.31	-	-	1,445.43	<b>1,990.55</b>	2,308.86
OTHER PLANTS	9,148.69	-	-	(10.34)	9,138.35	4,209.58	861.06	-	-	5,070.64	<b>4,067.71</b>	4,939.11
TOOLS & IMPLEMENTS	159.59	-	-	(0.21)	159.38	96.58	9.84	-	-	106.42	<b>52.96</b>	63.01
TRUCKS & TIPPERS	1,369.79	-	-	(28.81)	1,340.98	685.63	90.47	-	-	776.10	<b>564.88</b>	684.16
MOTOR VEHICLES	655.40	-	55.11	(4.41)	595.88	447.69	45.31	44.07	-	448.93	<b>146.95</b>	207.71
TWO WHEELERS	8.57	0.54	-	-	9.11	5.57	0.53	-	-	6.10	<b>3.01</b>	3.00
COMPUTERS	207.85	-	-	(0.31)	207.54	191.06	0.35	-	-	191.41	<b>16.13</b>	16.79
ELECTRICAL INSTALATION	-	-	-	-	-	-	2.32	-	-	2.32	<b>(2.32)</b>	-
FURNITURE & FIXTURES	395.49	-	-	(4.04)	391.45	200.77	36.82	-	-	237.59	<b>153.86</b>	194.72
OFFICE EQUIPMENT	37.31	-	-	(0.00)	37.31	29.50	1.51	-	-	31.01	<b>6.30</b>	7.81
<b>TOTAL</b>	<b>20,791.76</b>	<b>1,649.28</b>	<b>55.29</b>	<b>(118.72)</b>	<b>22,267.03</b>	<b>9,396.43</b>	<b>1,695.91</b>	<b>44.07</b>	<b>-</b>	<b>11,048.27</b>	<b>11,218.75</b>	<b>11,395.33</b>
AS AT 31.03.2016 (in lakhs)	19,317.48	1,345.63	56.60	185.25	20,791.76	7,501.62	1,940.21	45.40	-	9,396.43	11,395.33	

NOTE: Original cost of Fixed Assets as on 31st March, 2017, includes ₹ 600 Lakhs acquired under Hire Purchase Schemes, out of which ₹ 454.27 Lakhs is outstanding as on 31st March, 2017, which has been shown under the head 'Long Term borrowings' and 'Other Current liabilities'.

## 13. Non Current Investments

(₹ in Lakh)

Particulars	As at 31st March, 2017				As at 31st March, 2016			
		Quoted	Unquoted	Total		Quoted	Unquoted	Total
<b>Investments (At cost):</b>								
Investment in partnership firms (Refer Note below)		-	13.53	13.53		-	13.53	13.53
Investment in equity instruments of associates								
15,53,800 Fully paid up Equity Shares of ₹ 10 each Simpark Infrastructure Pvt. Ltd. Cost of acquisisition (including goodwill of ₹ 358.7339)	586.13				586.13			
Add/(Less): Group share of Profit/Loss up to 31.03.2017	(148.06)				(77.14)			
	438.07		438.07	438.07	508.99		508.99	508.99
5,000 Fully paid equity shares of Simplexprojects Road and Highway const. Pvt. Ltd.		-	0.50	0.50		-	0.50	0.50
of other entities								
15,000 Fully Paid-up Equity Shares of ₹ 10 in Geo.Miller & Co. Ltd		-	1.05	1.05		-	1.05	1.05
1,600 Fully Paid-up Equity Shares of ₹ 10 each in Uco Bank		0.19	-	0.19		0.19	-	0.19
1,000 Fully Paid-up Equity Shares of ₹ 10 each in Vijaya Bank		0.24	-	0.24		0.24	-	0.24
100 Fully Paid-up Equity Shares of ₹ 10 each in Indraprasth Gas Ltd		0.05	-	0.05		0.05	-	0.05
251 Fully paid equity shares of ₹ 10 each in NTPC								
22 Fully Paid-up Equity Shares of ₹ 10 each in Tata Consultancy Services Ltd.		0.09	-	0.09		0.09	-	0.09
		0.57	453.15	453.72		0.57	524.07	524.64
Investment in government or trust securities		-	-	-		-	-	-
<b>Total investments</b>		0.57	453.15	453.72		0.57	524.07	524.64
Aggregate market value of listed and quoted investments ( ₹ In lakh)				1.84				3.31
Aggregate amount of quoted investments (₹ in Lakh)				0.57				0.57
Aggregate amount of unquoted investments (₹ in Lakh)				453.15				524.07



**Note :** Other details relating to investment in partnership firms

Name of the firm	As at 31st March, 2017			As at 31st March, 2016		
	Names of other partners in the firm	Total capital	Share of each partner in the profits of the firm	Names of other partners in the firm	Total capital	Share of each partner in the profits of the firm
Simplex Projects (Netherlands) Co-operative U.A.	<b>Simplex Fiscal Holdings Pvt. Ltd.</b>	<b>13.66</b>	<b>1%</b>	Simplex Fiscal Holdings Pvt. Ltd.	13.66	1%

- (i) Decline, if any, in the market value of long term quoted investments, considered by management not of permanent nature, has not been provided for.
- (ii) The Company has a co-operative incorporated under the laws of Netherland, by the name of Simplex Projects (Netherlands) Co-operative U.A., in partnership with M/s Simplex fiscal Holdings Pvt. Ltd. The profit and loss sharing of the co-operative between the company and its partner is in the ratio of 99:1. As the co-operative is yet to commence its business, the entire expenses have been taken as pre-operative expenses.
- (iii) Investment in Associate has been revalued under the Equity method as per Accounting Standard – 23 'Accounting for Investment in Associates in consolidated financial statements' where the carrying amount of investment has been decreased to recognize the investor's share of loss of the investee after the date of acquisition.

#### 14 Long Term Loans and Advances

(₹ in Lakh)

Particulars	As at 31 March, 2017	As at 31 March, 2016
(Unsecured, considered good)		
Security deposits (Refer Note below)	<b>639.87</b>	746.63
Prepaid expenses - Unsecured, considered good	<b>0.85</b>	0.44
Advance income tax	<b>36.98</b>	13.07
MAT credit entitlement - Unsecured, considered good	<b>225.12</b>	223.69
Balances with government authorities		
Advance Fringe Benefit Tax	<b>13.32</b>	13.32
Other advance to joint ventures	<b>78.87</b>	78.87
Advance against projects	<b>1,009.85</b>	1,189.85
<b>Total</b>	<b>2,004.86</b>	2,265.87

#### 15 Other Non-Current Assets

(₹ in Lakh)

Particulars	As at 31 March, 2017	As at 31 March, 2016
Advance against Land (Refer Note no. 36)	<b>1,453.68</b>	1,453.68
Other Unamortised Expenses	-	-
Long Term Deposits with Banks having maturity period of more than 12 months. ( Refer note no. 18 (iii) & (iv))	<b>491.97</b>	1,038.66
Client TDS	<b>25.72</b>	8.07
Mat Credit Entitlement	<b>1.44</b>	-
<b>Total</b>	<b>1,972.81</b>	2,500.41

**16 Inventories**

(₹ in Lakh)

Particulars	As at 31 March, 2017	As at 31 March, 2016
Raw materials at lower of cost and net realisable value		
At Sites	6,606.96	7,561.46
At Stores	31.11	24.31
Goods-in-transit	494.02	522.46
	7,132.09	8,108.23
Work in Progress at estimated Cost		
Construction Contract	58,944.07	63,465.51
Project Development	2,524.07	2,524.07
	61,468.14	65,989.58
<b>Total</b>	<b>68,600.23</b>	<b>74,097.81</b>

**17 Trade Receivables**

(₹ in Lakh)

Particulars	As at 31 March, 2017	As at 31 March, 2016
(Unsecured, considered good)		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment (Refer note below)	76,103.14	81,261.87
Other Trade receivables	15,880.33	11,937.57
<b>Total</b>	<b>91,983.47</b>	<b>93,199.44</b>

Sundry Debtors include overdue amount aggregating to ₹ 580.45 Lakh (Previous Year - ₹ 560.92 Lakh) that are under arbitration. However, the same is considered good by the management, based on the opinion obtained and the earlier experiences on realization. No provision in this regard is considered necessary by the management.

Trade Receivable include an amount of ₹ 5,052.94 lakh on account of bills submitted but not certified as on the Balance Sheet date.

**18 Cash and Bank Balance**

(₹ in Lakh)

Particulars	As at 31 March, 2017	As at 31 March, 2016
<b>Cash and Cash Equivalents</b>		
Cash on hand	135.33	153.73
Cheques, drafts on hand	-	0.04
Balances with banks		
In current accounts	404.33	113.66
In EEFC accounts	0.04	0.05
Balances with Banks outside India (Refer Note below)	18.65	19.72
In Deposit accounts less than 3 Month	483.74	55.73
<b>Other Bank Balances</b>		
In deposit accounts with maturity less than 12 months (refer note ii and iii below)	2,003.68	3,122.96
In earmarked accounts		
- Unpaid dividend accounts	0.50	0.49
- Other earmarked accounts (Refer Note (ii) below)	-	-
<b>Total</b>	<b>3,046.27</b>	<b>3,466.38</b>


**Notes:**

(i) Balances with Banks outside India comprise of the following:-

(₹ in Lakh)

Particulars	As at 31 March, 2017	As at 31 March, 2016
First Gulf Libyan Bank	13.83	14.63
Sahara bank, Libya	0.36	0.38
First Gulf Bank, Dubai	4.03	4.12
Gulf Bank Kuwait	0.43	0.59
<b>Total</b>	<b>18.65</b>	<b>19.72</b>

(ii) Fixed Deposits ₹ 2,775.86 Lakh (Previous Year – ₹ 4,217.15 Lakh) are not in possession of the company as they have been lodged as security deposit with clients / Banks.

(iii) Fixed Deposits with maturity of more than 12 months shown under 'Other non current assets'.

**19. Short Term Loans and Advances**

(₹ in Lakh)

Particulars	As at 31 March, 2017	As at 31 March, 2016
<b>(Unsecured, considered good)</b>		
Security deposits	-	-
Loans and advances to employees (Refer note no. (i) below)	421.10	424.13
Prepaid expenses	11.96	94.49
Balances with government authorities:		
VAT credit receivable	1,433.24	912.20
Service Tax credit receivable	7.93	7.98
Advance Income Tax (net of provisions)	1,842.72	1,541.73
Advance to Parties	7.22	10.97
Other Advance (Refer note no. (ii) below)	555.57	544.12
Loans and advances to related parties (Refer note 44)	0.20	0.20
<b>Total</b>	<b>4,279.94</b>	<b>3,535.82</b>

Note: Employee advance have been shown net of credit balance of ₹ 3.74 Lakhs.

**20. Other Current Assets**

(₹ in Lakh)

Particulars	As at 31 March, 2017	As at 31 March, 2016
<b>(Unsecured, considered good)</b>		
Interest accrued on deposits and with Banks	450.10	443.04
<b>Total</b>	<b>450.10</b>	<b>443.04</b>

**21. Revenue From Operations**

(₹ in Lakh)

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
Construction Contract Works:		
Gross Billing	31,139.88	26,122.54
Add: Accretion/ (Decretion) in Work in progress	463.13	2,246.79
	31,603.01	28,369.33
Rent Income	263.58	115.63
<b>Construction Housing Projects:</b>		
Add: Accretion/ (Decretion) in Work in progress	-	52.88
	263.58	168.51
Income from Parking Operations and advertisement	-	178.72
Sale of Parking System	-	246.35
	-	425.07
Sale of Trading Goods:	17,040.13	13,694.30
<b>Total</b>	<b>48,906.72</b>	<b>42,657.21</b>

Work-in-progress include overdue amount aggregating to ₹ 1,528.36 lakh (Previous Year - ₹ 1,528.36 lakh) that are under arbitration. However, the same is considered good by the management, based on the opinion obtained and the earlier experiences on realization. No provision in this regard is considered necessary by the management.

Gross Billing includes ₹ 5,052.94 lakh on account of bills submitted but not certified as on the Balance Sheet date.

**22. Other Income**

(₹ in Lakh)

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
Interest income from Fixed Deposits with Banks	300.26	383.50
Dividend income from long-term investments	0.03	0.17
Excess provision written off	753.73	11.49
Profit on Sale of Shares	-	37.20
Other non-operating income	35.38	137.55
<b>Total</b>	<b>1,089.40</b>	<b>569.91</b>

Note: Interest on Fixed Deposits with Banks and lying with other party (as EMD) has not been accounted for.

**23. Cost of Materials Consumed**

(₹ in Lakh)

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
Opening stock	7,585.77	6,439.30
Add: Purchases	8,719.94	13,928.83
	16,305.71	20,368.13
Less: Closing stock	7,163.90	7,585.77
<b>Total</b>	<b>9,141.81</b>	<b>12,782.36</b>

**24. Cost of Subcontracting & Other Site Expenses for Executing Contract Work.**

(₹ in Lakh)

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
Subcontracting Expenses	8,256.10	6,177.68
Other Site Expenses	8,822.63	7,709.62
	17,078.73	13,887.30

**25. Employee Benefits Expense**

(₹ in Lakh)

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
Salaries and wages	467.23	656.82
Contributions to provident and other funds (Refer Note 46)	56.25	91.37
Staff welfare expenses	4.52	8.09
<b>Total</b>	<b>528.00</b>	<b>756.28</b>

**26. Finance Costs**

(Rs. in Lakh)

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
Interest expense on Borrowings	3,332.12	7,284.95
Other Borrowing costs	619.18	663.36
<b>Total</b>	<b>3,951.30</b>	<b>7,948.31</b>

**27. Other Expenses**

(₹ in Lakh)

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
Rent including lease rentals	33.92	34.47
Repairs and maintenance:		
Machinery	5.97	29.15
Others	19.57	36.20
Insurance	12.77	32.04
Rates and taxes	9.96	12.95
Travelling and Conveyance	73.25	112.76
Motor Vehicles Expenses	22.31	32.15
Stores and Godown Expenses	10.97	14.12
Donations and contributions	-	0.19
Legal and professional	53.33	95.01
Bank Charges	125.61	180.03
Revenue Share with KMC	-	4.93
Payments to auditors (Refer Note below)	5.75	6.49
Loss on fixed assets sold	0.28	3.13
Net loss on foreign currency transactions and translation	161.75	-
Expenses written off	-	10.00
Miscellaneous expenses	144.23	143.36
<b>Total</b>	<b>679.67</b>	<b>746.98</b>

**Notes : Payments to Auditors**

(₹ in Lakh)

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
Payments to auditors:		
For Statutory audit	5.06	5.64
For Tax Audit	0.69	0.85
For Management services	-	-
<b>Total</b>	<b>5.75</b>	<b>6.49</b>



28. The Company is yet to receive the Balance confirmations in respect of certain Sundry Creditors, Sundry Debtors and Loans & advances. The balances are, therefore, as per the books of account only.
- 29a. The Company's cash credit accounts with Bank of Baroda, DBS Bank, Yes Bank, ICICI, State bank of India, State Bank of Travancore, IDBI Bank & UCO Bank & term loan facilities with Kotak Mahindra Bank & ICICI Bank have been classified as Non performing assets & no provision of interest amounting ₹ 4,627.44 Lakhs as computed on an approximate basis on cash credit accounts have been made. Also no further provision of interest on term loan from Kotak Mahindra & ICICI has been made.
- 29b. Interest amounting to ₹ 2,134 Lakhs for the year in respect of working capital included in finance cost has been reallocated to work in progress of Libyan Branch of the company and is part of WIP of Libyan Branch.
30. Capital Work-in-progress consists of office building at Delhi under construction amounting of ₹ 61.85 Lakhs and materials lying outside amounting to **₹ 1,894 Lakhs** which includes ₹ 465.29 Lakhs pertaining to materials imported and kept at port.
31. The Company has entered into an agreement dated 08.11.1999 with The Kolkata Municipal Corporation (KMC) for installation, development and maintenance of Multilevel Computerized Car Parking System (hereinafter referred to as 'Project' ) at Rawdon Street, Kolkata. The Company with the consent of KMC has nominated M/s Simpark Infrastructure Pvt. Ltd. (SIPL) to carry out the said project, which is on Built-Own-Operate-Transfer (BOOT) basis for a period of 20 years. KMC has given a deposit of Rupees three crore to the Company as interest free deposit , to be refunded to them only out of the profits to be earned under a joint venture with KMC to develop commercial complex on a land to be allotted by the KMC. The same has been adjusted by the company against civil and other work of the project undertaken by it from SIPL. The company has, accordingly adjusted the deposit on completion of execution of civil and other works. Similarly, the Company has entered into another agreement dated 21/10/2002 with the KMC for installation, development and maintenance of another Multilevel Underground Car Parking System at New Market, Lindsay Street, Kolkata, which in accordance with its earlier agreement, has been nominated to the said SIPL to carry out the construction of said project, to lease out commercial outlets and also to enter into Lease Agreement with the prospective lessee with a right to collect all receivable against Lease Premium. The company, however, acts as a Confirming Party to all the lease agreements entered into by the said SIPL with the allottee's of the commercial outlets.
32. The operation of the company's branch at Libya, which was stopped due to prevailing political situation. The Company has signed a supplementary agreement with the Government for realization of dues and resumption of contract. In view of this the amount of dues and assets deployed in Libya are realizable and no provision thereof are required at this stage. The expenses incurred during the year in respect of its said branch amounting to **₹ 2,384.87 Lakhs** (previous year ₹ 680.27 Lakh) and the depreciation of **Rs. 335.91 Lakhs** (previous year ₹ 386.57 Lakh) relating to the machineries deployed there, have been considered as work-in-progress. However, in view of prolonged uncertainty of resumption the Company has moved an application with the Hon'ble High Court at Delhi for proceeding with Arbitration and has been granted an interim stay for further extension / invocation of Bank Guarantees for the project. Accordingly no provision for charges has been made after the stay of extension.
33. Pursuant to the Companies (Accounting Standards) Amendment Rules, 2011 vide GSR 914(E) dated 29.12.2011, the Company has exercised option of adjusting the cost of assets arising on exchange differences, in respect of accounting period commencing from 1st April, 2011 on long term foreign currency monetary items resulting out of trade credits/ overseas borrowings, which were hitherto recognized as income or expenses in the period in which they arose. As a result, such exchange differences so far as they relate to the acquisition of depreciable capital assets have been adjusted with the cost of such assets, to be depreciated over the balance useful life of the respective assets. In case of other long term foreign currency monetary items resulting out of trade credits/overseas borrowings, the exchange difference have been transferred to Foreign Currency Monetary Item Translation Difference Account and amortized over the balance period of such long term assets/liabilities but not beyond accounting period ending on or before March 31, 2020. The unamortized balance in this account as at March 31, 2016 is **₹ 683.73 Lakh** (Previous year ₹ 911.64 Lakh).
34. Simplex Agri Infra Services Pvt Ltd has been awarded contracts for construction of godowns in certain locations in the state of Jammu & Kashmir and Himachal Pradesh for Food Corporation of India and HIMFED under Built-Own- Operate (BOO) basis. The company has, accordingly, entered into a non-cancellable lease for an initial period of 21 years and further extendable, acquiring certain lands in the state of Jammu & Kashmir and Himachal Pradesh for construction of the godowns for letting out.
35. Advance against Land as shown under the head 'Other Non-Current Assets' includes **₹ 1,453.68 Lakh** (previous year: ₹ 1,453.68 lakh) paid by Simplex Agri Infra Services Pvt Ltd against a Joint Venture agreement with M/s MK Agro Services and M/s Kashmir Warehousing Services, pursuant to which it has paid the advance. These advances have been used by the parties for purchase of certain land, which has been given to the Company on a long term non-cancellable lease for an initial period of 21 years and further extendable. The advances have been secured by way of a charge on the assets of the firm and through personal indemnity guarantees of the partners.
36. Leasehold Land comprised of **₹ 98.65 Lakh** (Previous year ₹ 98.65 Lakh) paid as deposits by Simplex Agri Infra Services Pvt Ltd to landowners against long term non-cancellable lease that are refundable on termination of lease.
37. **Contingent Liabilities:**
- a) There are outstanding guarantees amounting to **₹ 1,08,768 lakh** (Previous Year - ₹ 1,11,610 Lakh) and outstanding



letters of credit amounting to **₹ 9,429.13 Lakh** ( Previous Year – Rs 6085.86 lakh) given on behalf of the Company by Banks. The receipts of term deposits are also held by Banks towards margin money against the guarantees / letters of credit given by them on Company's behalf, besides the counter indemnity by the Company for such guarantees/letters of credit.

- b) The Companies claims of certain deduction under the provisions of the Income Tax Act 1961 for the Assessment Year 2008-09 and 2009-10 was disallowed by the Income Tax Authority, the company has preferred an appeal with the CIT (A). The Company has also challenged the issue of claiming the said deduction in respect of assessment years 2008-09 and 2009-10 by a writ petition before the Hon'ble Calcutta High Court and obtained interim stay order from the said High Court restraining the Tax Authority from enforcing any demand against the Company. The impact of tax in case of an adverse decision is estimated at **₹ 417.46 Lakh** (Previous year ₹ 417.46 lakh). Moreover, the Income Tax Authority has filed an appeal before the Hon'ble Calcutta High Court against the order passed by the Appellate Tribunal Kolkata for the AY. 2006-07 and 2007-08, the impact of tax in case of an adverse decision is estimated at **₹ 377.92 Lakh**.

The company has filed an appeal with CIT (Appeal) for AY 2012-13, amounting to ₹ 50.16 lakhs. The total tax amount involved is **₹ 89.84 lakhs**.

- c) Disputed Sales Tax / VAT under appeal with appropriate forum – **₹ 2,675.57 Lakhs** (Previous Year – ₹ 2,379.12 Lakhs)
- d) The Show cause cum demand Notice issued by the Service Tax Department is of **₹ 946.85 Lakh**, the Appeal is still pending before the Hon'ble Customs Excise & Service Tax Appellate Tribunal, EZB, Kolkata.
- e) There are certain legal cases filed against the Company by its venders, lenders in ordinary course of business for recovery of dues which has already been booked as liability in the books of accounts. Hence, the Company does not foresee any further liability arising on account of such cases. However, due to the nature of these dispute and in view of numerous uncertainties and variables associated with it there may be some penal interest, liquidated damages etc. which may be imposed against the Company by courts the amount of which is unascertainable at this point of time and which may not be material.

### 38 Value of Imports (C.I.F Basis)

(₹ in Lacs)

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
Raw Materials	-	506.48

### 39. a) Earnings in Foreign Currency :

(₹ in Lacs)

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
On Contract Work (Gross Billing at Overseas Branch)	16,773.04	12,318.12

### b) Expenditure in Foreign Currency

(₹ in Lacs)

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
Travelling	147.45	157.88
Contract Expenses except Depreciation (Overseas Branch)	17,028.44	13,228.50

### 40. Stores Consumed :

Particulars	For the year ended 31 March, 2017		For the year ended 31 March, 2016	
	Value	% of total consumption	Value	% of total consumption
Imported (Into India)	-		506.48	3.98
Indigenous	9,141.81	100	12,220.33	96.02
<b>Total</b>	<b>9,141.81</b>	<b>100</b>	<b>12,726.81</b>	<b>100</b>

**41. Information in accordance with the requirements of revised Accounting Standards – 7 on Construction Contracts prescribed by the Companies (Accounting Standard) Rules, 2006:**

(₹ in Lakh)

Particulars	Year ended 31 March, 2017	Year ended 31 March, 2016
Contract revenue recognized for the year ended 31st March, 2017	<b>31,963.07</b>	28,422.21
Aggregate amount of contracts costs incurred and recognized profits (less recognized losses) up to 31st March, 2017 for all the Contracts in progress	<b>270,279.04</b>	265,611.15
The amount of Customers advances outstanding for contracts in progress as at 31st March, 2017	<b>75,531.94</b>	9,709.20
The amount of retention due from customers for Contracts in progress as at 31st March, 2017	<b>5,111.15</b>	3,023.08
Gross amount due from customers for Contracts in progress as at 31st March, 2017 (including work in progress of Rs 54681.77 Lakh)	<b>120,158.16</b>	46,207.28
Gross amount due to customers for contracts in progress as at 31st March, 2017	<b>543.16</b>	3,381.63

**42. The Company has disclosed Business Segment as the primary segment. The Segment has been identified taking into account the nature of activities, the differing risks and returns. The Company's operations relate to 'Construction activity' and 'Trading activity'. As the Company is engaged in execution of work in overseas, the secondary segment reporting is prepared based on Geographical Segments.**

The Segment Revenue, Segment Results, Segment Assets and Segment Liabilities include respective amounts identifiable to each of the Segments and also amounts allocated on a reasonable basis.

**a) Information about Primary Segments**

(₹ in Lakh)

Particulars	Construction Activity		Trading Activity		Total	
	Year ended 31st March, 2017	Year ended 31st March, 2016	Year ended 31st March, 2017	Year ended 31st March, 2016	Year ended 31st March, 2017	Year ended 31st March, 2016
Segment Revenue	-	28,422.21	-	13,694.30	-	42,116.51
Segment Result	<b>(127.09)</b>	(8,933.61)*	<b>159.38</b>	181.73	<b>32.29</b>	(8,751.88)
Segment Assets	<b>177,569.64</b>	184,273.18	<b>9618.67</b>	9,020.37	-	193,293.55
Segment Liabilities	<b>165,921.41</b>	173,509.86	<b>9749.49</b>	7,939.99	-	181,449.85

\* Interest and other unallocated expenditure is showing net off against construction activity.

**b) Information about Secondary Business Segments (Geographical Segment)**

(₹ in Lakh)

Particulars	Revenue		Assets		Capital Expenditure	
	Year ended 31st March, 2017	Year ended 31st March, 2016	Year ended 31st March, 2017	Year ended 31st March, 2016	Year ended 31st March, 2017	Year ended 31st March, 2016
India	<b>(16,773.04)</b>	27,474.10	<b>135,072.91</b>	84,253.53	-	14.27
Outside India	<b>16,773.04</b>	14,642.41	<b>49,270.38</b>	109,040.02	-	517.55
<b>Total</b>	-	42,116.51	<b>184,343.29</b>	193,293.55	-	531.82

**43. Disclosure in respect of Joint Ventures:**

## a) List of Joint Ventures :

Name of Joint Venture	Name of JV Partner	Proportion of Ownership	Country of Incorporation/ residence	Methof of Accounting
Triveni Engicons Pvt. Ltd. - Simplex Projects Ltd. (JV)	Triveni Engicons Pvt. Ltd.	98%	India	Percentage Completion

## b) Financial Interest in the Jointly Controlled Entity (Un-audited) :

Particulars	Year ended 31 March, 2017	Year ended 31 March, 2016
Assets	165.91	165.91
Liabilities	165.91	165.91
Income	2.24	2.24
Expenditure	0.18	0.18

In respect of Joint Venture the Company along with the JV partner is jointly & severally responsible for performance of the contract.

The amount of ₹ 87.49 Lakh (Previous Year – ₹ 87.49 Lakh) due from the joint venture have been included in Sundry Debtors. The investment in joint venture amounting to ₹ 0.20 Lakh (Previous Year – ₹ 0.20 Lakh ) are included under the head Other Advances.

**44. Related Party Disclosures pursuant to Accounting Standard (AS) – 18 issued by the Institute of Chartered Accountants of India**
**I. Related Parties and their Relationships:**

Name of Related Parties	Nature of Relationships
Mr. B.K. Mundhra	Key Management Personnel
Mr. J.K. Bagri	Key Management Personnel
Mr. S.D. Mundhra	Key Management Personnel
Mrs.Pushpa Mundhra	Relative of Key Managerial Personnel
Mr. R.D. Mundhra	Relative of Key Managerial Personnel
Simpark Infrastructure Pvt. Ltd.	Associate
Simplex Agri-Infra Services Pvt. Ltd	Subsidiary
Simplex Projects (Netherlands) co-operative UA	Jointly controlled Entity / Joint Venture
Triveni Engicons Pvt. Ltd-Simplex Projects Ltd (JV)	Jointly controlled Entity / Joint Venture
Jemtec Engineering Pvt. Ltd	Other related party (Entities in which Key Management Personnel or Relatives of Key Management Personnel have control or significant influence.)
SPL International BV	--Do--
Kirti Vinimay Pvt. Ltd.	--Do--
Datson Exports Ltd.	--Do--
Simplex Foundation	--Do--
Mundhra Estate	--Do--

**II. Material Transactions with Related Parties during year ended 31st March, 2015.**

Nature of transaction	Description of relationship	Related party	31 March, 2017	31 March, 2016
Transactions during the year				
Director's Remuneration	Key Management personnel	Mr. B. K. Mundhra	64.00	63.60
		Mr. J. K. Bagri	23.26	23.26
		Mr. R. D. Mundhra	-	21.32
		Mr. S. D. Mundhra	20.65	21.30
Rent and maintenance charges	Other related party	Kirti Vinimay Pvt. Ltd.	12.00	12.00
		Datson Exports Ltd.	0.88	0.87
		Mundhra Estate	-	0.07
Interest paid	Other related party	Jemtec Engineering Pvt. Ltd.	18.94	-
Rendering of service	Other related party	Jemtec Engineering Pvt. Ltd.	-	295.28
Payments to creditors Loans and advances given / refunded	Other related party	Jemtec Engineering Pvt. Ltd.	22.50	288.88
		Kirti Vinimay Pvt. Ltd.	1,251.00	1,960.80
	Associate	Simpark Infrastructure Pvt. Ltd.	269.36	166.41
	Other related party	Jemtec Engineering Pvt. Ltd.	28.89	-
		Balkrishan Das Mundhra	51.50	-
Loans and advances taken refunded	Associate	Simpark Infrastructure Pvt. Ltd.	408.47	117.86
	Other related party	Balkrishan Das Mundhra	948.50	413.00
		Kirti Vinimay Pvt. Ltd.	821.00	2,558.04
Balance outstanding at the year end				
Loans and advance taken	Associate	Simpark Infrastructure Pvt. Ltd.	428.55	289.44
	Other related party	Balkrishan Das Mundhra	1,304.00	407.00
		Jemtec Engineering Pvt. Ltd.	214.10	224.05
		Kirti Vinimay Pvt. Ltd.	1,737.14	2,167.14
Loan and advances given	Jointly Controlled entity / Joint venture	Simplex Projects (Netherlands) Co-operative UA	542.94	542.94
Sundry debtors	Jointly controlled entity / Joint venture Other related party	Triveni Engicons Pvt. Ltd. - Simplex Projects Ltd. (JV)	87.49	87.49
		Pioneer Engineering Co. Pvt. Ltd.	-	-
Other Advances	Jointly controlled entity / Joint venture	Triveni Engicons Pvt. Ltd.- Simplex Projects Ltd. (JV)		0.20
Advance to Sundry Creditors	Other related party	Datson Export Ltd.	3.52	4.40
Sundry Creditor	Other related party	Jemtec Engineering Pvt. Ltd.	12.00	34.50
		Mundhra Estate	0.42	0.42
		Kirti vinimay Pvt. Ltd.	36	24

45. The disclosures required under Accounting Standard 15 "Employee Benefits" notified in the Companies (Accounting Standards) Rules 2006, are given below:

**Defined Contribution Plan**

Contribution to Defined Contribution Plan, recognized are charged off for the year are as under: (₹ in Lakh)

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
Employer's Contribution to Provident Fund	21.90	22.31
Employer's Contribution to Superannuation Fund	-	-
Employer's Contribution to Pension Scheme	16.03	16.56

**Defined Benefit Plan**

The employees' gratuity fund scheme managed by Life Insurance Corporation of India is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognized in the same manner as gratuity.

(₹ in Lakh)

Particulars	For the year ended 31 March, 2017		For the year ended 31 March, 2016	
a. Reconciliation of opening and closing balances of Defined Benefit obligation	Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
Defined Benefit obligation at beginning of the year	156.48	33.59	139.42	33.47
Current Service Cost	13.71	2.33	14.61	2.65
Interest Cost	10.52	2.44	10.22	2.68
Actuarial gain/(loss)	(10.28)	(8.54)	15.66	(5.21)
Benefits paid	(22.69)	-	(23.43)	-
Defined Benefit obligation at year end	147.74	29.82	156.48	33.59
b. Reconciliation of opening and closing balances of fair value of plan assets.				
Fair value of plan assets at beginning of the year	95.96	-	95.55	-
Expected return on plan assets	7.40	-	8.12	-
Actuarial gain/(loss)	(1.40)	-	5.31	-
Employer contribution	10.91	-	10.41	-
Benefits paid	(22.69)	-	(23.43)	-
Fair value of plan assets at year end	90.19	-	95.96	-
Actual return on plan assets	7.71%	-	-	-
c. Reconciliation of fair value of assets and obligations				
Fair value of plan assets	90.19	-	95.55	-
Present value of obligation	147.74	-	156.48	-
Amount recognized in balance Sheet	(57.55)	-	(60.51)	-
d. Expenses recognized during the year				
Current Service Cost	13.71	2.33	14.61	2.65
Interest Cost	10.52	2.44	10.22	2.68
Expected return on plan assets	(7.40)	-	(8.12)	-
Actuarial gain / (loss) recognized in the year	(8.88)	(8.54)	10.35	(5.21)
Net Cost	7.95	(3.77)	27.05	0.12

e. Investment Details	% invested as at 31st March, 2017		% invested as at 31st March, 2016	
L.I.C. Group Gratuity (cash Accumulation) Policy	100	-	100	-

f. Actuarial assumptions	For the year ended 31 March, 2017		For the year ended 31 March, 2016	
	Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
Mortality Table (L.I.C)	IALM (2006-2008) Ultimate		IALM (2006-2008) Ultimate	
Discount rate (per annum)	7.25%	7.25%	8%	8%
Expected rate of return on plan assets (per annum)	10 per thousand	N.A.	10 per thousand	N.A.
Rate of escalation in salary (per annum)	6%	6%	6%	6%
Formula used	Projected Unit Credit Method		Projected Unit Credit Method	

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

46. Disclosure under regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015  
The company has given interest free advance to Simplex Agri-Infra Services Pvt Ltd, (subsidiary), having no repayment schedule and outstanding balance is ₹ 1,910.01 Lakhs ( Previous Year ₹ 1,913.51 Lakh). The Company has taken interest free advance from Simpark Infrastructures Pvt Ltd, (its associate) having no repayment schedule and advance balance is ₹ 428.55 Lakh on the Balance sheet date. ( Previous year loan given ₹ 89.44 Lakh)

#### Information pursuant to clause 32 of the listing agreements with Stock Exchange

The company has given interest free advance to Simplex Agri-Infra Services Pvt Ltd, (subsidiary), having no repayment schedule and outstanding balance is ₹ 1,913.51 Lakh ( Previous Year ₹ 1,913.51 Lakh). The Company has taken interest free advance from Simpark Infrastructures Pvt Ltd, (its wholly owned subsidiary) having no repayment schedule and advance balance is ₹ 289.44 Lakh on the Balance sheet date. ( Previous Year Loan Given Rs.289.44 Lakh).

47. Site cost for executing contract work charged off to Profit & Loss Account includes Rs. 3.33 Lakh (previous year Rs. 2.19 Lakh) relating to previous period.

#### 48. Earnings per Share:

Sl. No.	Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
a	Net Profit / (Loss) after tax available for equity shareholder (₹ in lakhs)	209.26	(8,647.98)
b)	Weighted Average number of equity shares for Basic EPS	1,26,00,378	1,26,00,378
c)	Weighted Average number of equity shares for Diluted EPS	1,26,00,378	1,26,00,378
d)	Basic EPS	1.66	(28.82)
e)	Diluted EPS	1.66	(28.82)



49. Amount in the financial statements are presented in INR lakhs, unless otherwise stated.

50. Comparative financial information (i.e. the amounts and other disclosure for the year ended as on 31st March 2016) presented above, is included as an integral part of the current year's financial statements, and is to be read in relation to the amounts and other disclosures relating to the current year. Figures of the previous year are regrouped and reclassified wherever necessary to correspond to figures of the current year.

The accompanying notes including other explanatory information form an integral part of the financial statements.

This is the Balance Sheet referred to in our report of even date

#### **SIGNATURES TO NOTES**

##### **"1" TO "50"**

For and on behalf of

**CHATURVEDI & COMPANY**

Firm Registration No. 302137E

*Chartered Accountants*

**Nilima Joshi**

*Partner*

Membership No. 52122

Kolkata

Dated : 12th June, 2017

For and on behalf of the Board of Directors

**Simplex Projects Limited**

**B. K. Mundhra**

*Chairman & Managing Director*

(DIN:00013125)

**Sudarshan Das Mundhra**

*Chief Financial Officer*

(PAN-AIIPM7003M)

**J. K. Bagri**

*Director*

(DIN:00268722)

**Vikram Kumar Mishra**

*Company Secretary*

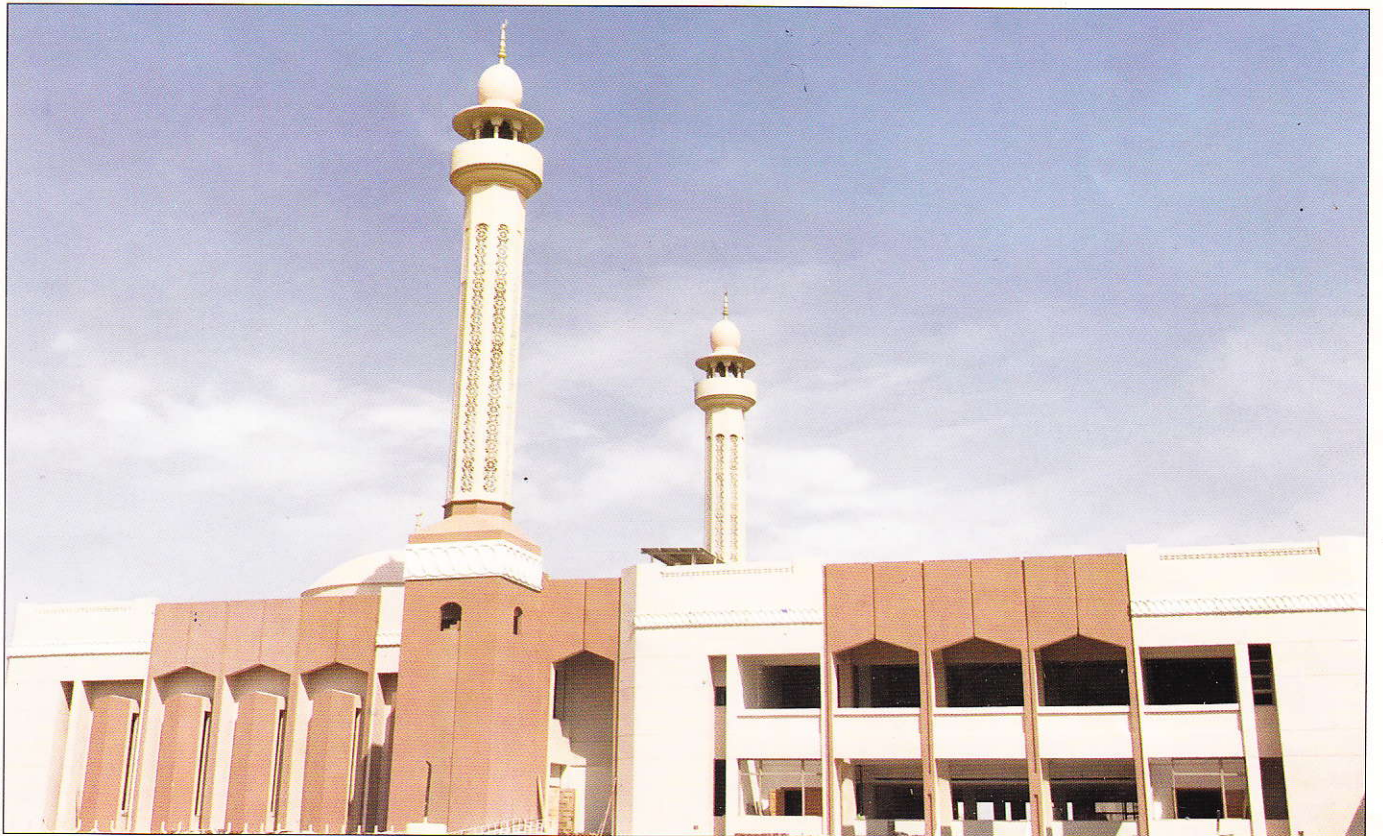
(Membership No. A36568)

[illegible]

[illegible]



Construction of Academic Block for RGIIM, Shillong



Grand Mosque, Kuwait



**SIMPLEX PROJECTS LIMITED**

[www.simplexprojects.com](http://www.simplexprojects.com)