



ANNUAL REPORT  
**2018-2019**



***MECHANISED CAR PARKING, Srinagar***

**BOARD OF DIRECTORS*****Chairman & Managing Director***

Mr. Balkrishan Das Mundhra

***Managing Director***

Mr. Sudarshan Das Mundhra

***Independent Directors***

Mr. Bhabhya Nath Thakur

Mrs. Sagarika Ghosh

Mr. Keshava Das Mundhra

***Chief Financial Officer***

Mr. Sudarshan Das Mundhra

***Company Secretary***

Ms. Sohini Shukla

Mr. Vikram Kumar Mishra

***Auditors***

H. S. Bhattacharjee & Co.

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

E-mail : info@simplexprojects.com

Website : www.simplexprojects.com

*(Note:Mr.Balkrishan Das Mundhra Has been designated as Chairman & Non executive Director of the Company w.e.f 14.07.2018,Mr.Sudarshan Das Mundhra has been designated as Managing Director w.e.f 14.07.2018,Mr.Keshav Das Mundhra resigned from the Board w.e.f 16.07.2018,Mrs.Sagarika Ghosh Joined the Board w.e.f 12.03.2020,Mr.Vikram Kumar Mishra resigned from the Company on 08.11.2018 and Ms.Sohini Shukla has been appointed as Company Secretary of the Company w.e.f 19.11.2018)*



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Dear Members,

It is our pleasure to present the 29<sup>th</sup> Annual Report of your Company together with the Audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2019.

**1. FINANCIAL RESULTS**

The performance of the Company for the financial year ended 31<sup>st</sup> March, 2019, compared with the previous financial year, is summarized below: (Rs. in lacs)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Total Income	<b>25,137.30</b>	25,460.79
Less: Expenses	<b>25,127.34</b>	25,443.34
Profit / (Loss) before exceptional and extra-ordinary items	<b>9.96</b>	17.45
Exceptional Items	<b>0</b>	0
Profit before extra-ordinary items & tax	<b>9.96</b>	17.45
Less: Provisions for Taxation	<b>(187.44)</b>	(151.02)
Profit After Tax	<b>197.40</b>	168.47
Add: Balance brought forward from last year	<b>(3,850.31)</b>	(4,038.17)
Profit Available For Appropriation	<b>166</b>	188
Less: Proposed Dividend (including tax on dividend)	<b>NIL</b>	NIL
Tax thereon	<b>NIL</b>	NIL
Transfer to General Reserve	<b>NIL</b>	NIL
Balance Profit after appropriation	<b>(3,684.67)</b>	(3,850.31)

Note: The figures for year ended 31st March, 2019 as given above have undergone change from the figures mentioned in Directors' Report of last year due to implementation of new Indian Accounting Standards (IndAS).

**2. OPERATIONAL PERFORMANCE :**

On Consolidated basis, for the financial year ended March 31, 2019, your Company has achieved a Gross Turnover of Rs.24, 871.95 Lacs as against Rs. 25,174.80 Lacs for the previous period.

On Standalone basis, your Company has achieved a Gross Turnover of Rs. 24,680.40 Lacs for the financial year 2018-19 as against (Rs. 24,929.50 Lacs in financial year 2017-18). The company has incurred a profit of Rs. 197.40 Lacs (after interest and depreciation charges) as against a profit of Rs. 168.47 Lacs for the previous year.

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 has initiated international 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 improvements 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, 2019.

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

As on 31st March, 2019, Your Company has one Subsidiary, namely Simplex Agri-Infra Services Pvt. Ltd.,

Associates namely, (i) Simpark Infrastructure Pvt Ltd. (ii) Simplex Projects Road & Highway Construction Pvt Ltd.

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 :-

- a) In the preparation of the annual accounts for the financial year ended March 31, 2019, 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;
- b) 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, 2019 and of the profit and loss of the Company for the year ended on that date;
- c) 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;
- d) The Directors have prepared the annual accounts on a going concern basis;
- e) 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
- f) 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 the financial year 2018-19.

#### 7. DIRECTORS AND KEY MANAGERIAL PERSONNEL

In pursuance of Section 152 of the Companies Act, 2013 and the Rules framed there under, Mr. Balkrishan Das Mundhra (DIN-00013125), Chairman & Non-Executive Director are liable to retire by rotation, at the ensuing Annual General Meeting and being eligible have offered himself for reappointment.

During the period under review Mr. Keshav Das Mundhra, Director had resigned from the Board on 16.07.2018 due to personal reasons. Your Board places on record the valuable services rendered by Mr. Keshav Das Mundhra, during his tenure as Director of the Company.

During the period under review Mr. Vikram Kumar Mishra, resigned from the post of Company Secretary as on 8th November, 2018 and Ms.Sohini Shukla, appointed as Company Secretary of the Company w.e.f 19th November, 2018. Your Board places on record the valuable services rendered by Mr. Vikram Kumar Mishra, during his tenure as Company Secretary of the Company

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 Listing Regulations, your Company had arranged a familiarization program for the Independent Directors of your Company on 29th December, 2018. The detail of the familiarization program is available on the website of the Company at [https://www.simplexprojects.com/form\\_doc/1584600696.pdf](https://www.simplexprojects.com/form_doc/1584600696.pdf)

#### 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.

The Company had only one Independent Director, therefore Separate meeting of Independent Director could not be held during the year. However, Mr. Bhabya Nath Thakur, Independent Director has done performance evaluation of non-independent directors, The Chairman of the Company and the Board as a whole for the financial year 2018-19. He expressed satisfaction with the quality, quantity and timeliness of flow of information between the Company's management and the Board.

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. MEETINGS OF THE BOARD

The Board of Directors held 10 (Ten) meetings during the financial year 2018-19, 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, have also been followed by the Company.

#### 10. DECLARATION BY INDEPENDENT DIRECTORS

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as laid down under section 149(6) of the Act, and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### 11. AUDIT COMMITTEE

Pursuant to Section 177 of the Act, 2013 and the SEBI Listing Regulations, the Company has in place Audit

Committee which acts in accordance with the terms of reference specified in the Act and the details of composition, terms of reference and number of meetings held for the Committee is provided 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 2018-19.

#### 12. NOMINATION AND REMUNERATION COMMITTEE

Pursuant to Section 178(1) of the Act, 2013 and SEBI Listing Regulations, the Company has in place Nomination and Remuneration Committee to perform such functions as enumerated in the Act and the SEBI Listing Regulations. The details of composition, terms of reference and number of meetings held for the Committee is provided in the Corporate Governance Report, which forms part of this report.

Your Company has devised Remuneration Policy pursuant to recommendation of Nomination and Remuneration Committee applicable to Directors, Key Managerial Personnel and Senior Management Employees. A detailed report on the same is given in the Corporate Governance Report, which forms an integral part of this report.

#### 13. AUDITORS & AUDIT REPORTS:

##### Statutory Auditors

M/s. H.S. Bhattacharjee & Co., Chartered Accountants were appointed as Statutory Auditors of your Company at the Annual General Meeting held on 25th September, 2017, for a term of five consecutive years. As per the provisions of Section 139 of the Companies Act, 2013, the appointment of Auditors is required to be ratified by Members at every Annual General Meeting.

In accordance with the Companies Amendment Act, 2017, enforced on 7th May, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting.

The Report given by the Auditors on the financial statement of the Company is part of this Report. The qualification, reservation, and adverse remark, if any given by the Auditors also forms part of this report.

##### Management views to audit qualifications 8(a),(b), (c),(d),(e),(f),(g),(h),(i),(j),(k),(l) of the Audit Report:

- 8 (a)&(b) The Libyan project had been stopped since 2011 due to civil unrest in Libya.
- 8 (c) The audit report of Kuwait branch is under process.
- 8 (d) The Investment made earlier in Simplex - Netherlands (JV) Rs.542.94 Lakhs was only for the purpose of Libyan Project procurement which is under Arbitration proceedings and the Management is confident about the recovery / settlement of the issue.
- 8 (e) There are advances to suppliers, sub-contractors & staffs related to certain projects amounting to Rs. 4367.39 Lakhs on which the company is in active pursuit and is confident of recovery / settlement of these advances within a reasonable period of time and the amount of Rs. 1088.16

- Lakhs under the head of advance against project is fully recoverable.
- 8 (f)** Provision for Interest amounting to Rs.10,539.64 Lakhs, has not been made as all the stated bank account are classified as NPA since long, as stated by the Auditor's in the Financial statement.
  - 8 (g)** Materials lying outside amounting to Rs. 1894 Lakhs as at 31st March, 2019. The said amount of work is under construction which will complete soon, once it get completed it will be capitalized in respective financial year.
  - 8 (h)** Site Working Progress amounting to Rs. 6987 Lakhs and uncertified sales amounting to Rs. 2109 Lakhs has been lying as such since long, due to some dispute arise with the customer for some of the projects which are under regular follow up by the management and will be resolved shortly.
  - 8 (i)** Arbitration proceedings are on with respect to certain trade receivables due from customers which are under legal proceedings amounting to Rs. 12948.42 Lakhs & Work in progress 3680.67 Lakhs as on 31st Mach, 2019. the Company considers the above amount as good and recoverable based on favourable progress of the proceedings.
  - 8 (j)** The audit report of PF Trust is under process.
  - 8 (k)** The substantial debtor of the Company constitutes Government Departments, Undertakings and Central or State Government Agencies, wherein no system for confirmation of payables or deposits prevails in respect of construction contracts. The trade receivables, EMDs and trade payables are true and fair as per the record of the Company and all requisite documents were furnished. The Company is in the process of obtaining confirmation from the creditors.
  - 8 (l)** The non-compliances of certain regulations of SEBI (LODR) Regulation, 2015 pertains to non-appointment of Women Director under regulation 17 due to vacancy created on of resignation of Ms N Jhavar. Further, in terms of Regulation 33 (3) of the SEBI (LODR) Regulations, 2015, the Company is obligated to submit and/or publish the financial results for the Quarterly / Annual Audited for the Financial Year ended on 31st March, 2019.

The state of the Infrastructure sector since last few years is depleting and our Company is no exception. Several contracts have been illegally terminated and have gone into dispute. To safeguard the interests of all stakeholders including the lenders, the Company has to challenge the action by taking adequate legal recourse. Pursuant to the same and the continued stoppage of the Company's project at Libya, the liquidity crunch was affecting with increasing severity. As a result, majority of the operating staff left and the Company continues to operate with few staff. The

present financial situation of the Company makes it unable to attract new staff.

This has delayed the preparation and finalization of accounts and hence publication of the financial results for the Quarter and Financial Year ended 31st March, 2019. Accordingly, the Company could not disseminate the Quarterly / Annual Audited Financial Results of the Company during the Financial Year 2018-19 and the year ended 31<sup>st</sup> March, 2019 on the grounds as set out above. The same was also disclosed to the Stock Exchanges.

The company has since complied with the regulations and is in the process of taking with the regulators / stock exchanges for revocation of the order of suspension of trading of the equity shares of the Company and unfreezing of the Promoters Shareholding.

#### **Cost Auditors**

In compliance with the provisions of Section 148 of the Companies Act, 2013, the Board of Directors of the Company at its meeting held on August 14, 2018 had appointed M/s. S. Chhaparia & Associates, Cost Accountants, Kolkata (Firm Registration No. 101591) as the Cost Auditors of the Company for the financial year 2018-19 and their remuneration has been approved at the previous Annual General Meeting.

M/s. S. Chhaparia & Associates, have been reappointed as cost auditors for the financial year 2019-20 as required under the Companies Act 2013 and the remuneration payable to the cost auditors is required to be placed before the members in the ensuing annual general meeting (AGM) for their ratification. Accordingly, a resolution seeking members' ratification for the remuneration payable to them is included in the notice convening the AGM. The Board recommends the same for approval by members at the ensuing AGM.

#### **Secretarial Auditor**

Pursuant to Section 204 of the Companies Act 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Company had appointed Mr. Asit Kumar Labh, Practising Company Secretary of M/s. A. K. Labh & Co., Company Secretaries, Kolkata as its secretarial auditor to undertake the secretarial audit for the financial year 2018-19. The Secretarial Auditor Report for the financial year 2018-19 in the specified form MR-3 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.

#### **14. 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.

#### **15. 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.

#### **16. 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.

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

During the financial year 2018-19, 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.

#### **18. INTERNAL FINANCIAL CONTROLS**

The Company has in place adequate internal financial controls commensurate with the size, scale and complexity of its operations. The Company has policies and procedures in place for ensuring proper and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information. The Company has adopted accounting policies, which are in line with the Accounting Standards and the Companies Act, 2013.

#### **19. 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 2018-19 and the date of this report.

#### **20. 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.

#### **21. ISSUE OF EMPLOYEE STOCK OPTION**

Your Company has not provided any Employee Stock Option for the financial year 2018-19.

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

Pursuant to the provisions of Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate section on Corporate Governance has been incorporated in the Annual Report for the information of the

shareholders. A certificate received from Mr. A K Labh, Practising Company Secretary (FCS-4848/ CP-3238) regarding compliance with the conditions of Corporate Governance as stipulated under the said Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 also forms part of this Annual Report.

#### **23. 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. Your Company has zero tolerance towards sexual harassment at the workplace. To strengthen the security against sexual harassment, the Company has adopted Anti-Sexual Harassment Policy and also constituted an Internal Complaints Committee (ICC). The said policy is available at [http://www.simplexprojects.com/form\\_doc/1529389295.pdf](http://www.simplexprojects.com/form_doc/1529389295.pdf). No complaint has been received by the Internal Complaints Committee of the Company during the financial year 2018-19.

#### **24. COMPLIANCE WITH SECRETARIAL STANDARDS**

The Company has complied with applicable provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Government of India under Section 118(10) of the Companies Act, 2013.

#### **25. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

The disclosure pertaining to remuneration and other details as required under the provisions of section 197(12) of the Companies Act, 2013 read with Rules 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 as amended from time to time forms part of the Directors' Report as Annexure- III.

#### **26. WHISTLE BLOWER POLICY / VIGIL MECHANISM :**

In terms of Section 177(9) & (10) of the Companies Act, 2013 and the Listing Regulations, The Company has framed Whistle Blower Policy to establish a Vigil Mechanism for Directors and employees to report genuine concerns about unethical behavior, fraud or violation of the Company policies including Code of Conduct or complaints regarding accounting, auditing, internal controls without fear of reprisal. The Whistle Blower Policy is available at [http://www.simplexprojects.com/form\\_doc/1402298207.pdf](http://www.simplexprojects.com/form_doc/1402298207.pdf)

#### **27. 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 31st March, 2019 is attached and forms an integral part of this report.

#### **28. 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 available on the website of the Company at [http://www.simplexprojects.com/form\\_doc/1433929235.pdf](http://www.simplexprojects.com/form_doc/1433929235.pdf).

**29. 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.

**30. 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.

**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**

Particulars	As on 31st March, 2019	As on 31st March, 2018
On Contract Work (Gross Billing at Overseas Branch)	8,300.25	10,645.01

**D. FOREIGN EXCHANGE OUTGO**

Particulars	As on 31st March, 2019	As on 31st March, 2018
Travelling Contract Expenses (Overseas Branch)	5.47 NIL	58.37 6,451.69

**31. CORPORATE SOCIAL RESPONSIBILITY**

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

**32. 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.

**33. 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  
(DIN-00013125)

Place : Kolkata  
Date : 19th August, 2020

**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****(Rs. 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	(191.76)
8	Total assets	5,734.86
9	Total Liabilities	5,734.86
10	Investments	NIL
11	Turnover	193.94
12	Profit before taxation	(42.62)
13	Provision for taxation	(28.02)
14	Profit after taxation	(70.65)
15	Proposed Dividend	NIL
16	% of shareholding	66.56

- Names of subsidiaries which are yet to commence operations – Nil
- 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**

<b>Sr. No.</b>	<b>Name of Associates</b>	<b>Simpark Infrastructure Pvt. Ltd.</b>
1.	Latest audited Balance Sheet Date	31st March, 2019
2.	Date on which the Associate or Joint Venture was associated or acquired	31st March, 2016
3.	Shares of Associate/Joint Ventures held by the company on the year end	
	No.	15,53,800
	Amount of Investment in Associates/Joint Venture	5861300000
	Extent of Holding (in percentage)	48.78%
4.	Description of how there is significant influence	Because of controlling stake
5.	Reason why the associate/joint venture is not consolidated	Consolidated
6.	Net worth attributable to shareholding as per latest audited Balance Sheet	85.74
7.	Profit/Loss for the year	
	i. Considered in Consolidation	4.17
	ii. Not Considered in Consolidation	Nil

- Names of associates or joint ventures which are yet to commence operations - Nil
- 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*  
 (DIN : 00013125)

**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-AOC-2]**

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, 2019, 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, 2019 are as follows :** (Rs. in Lacs)

Name of Related party	Nature of transaction	Description of relationship	Salient Terms	Duration	March 31st, 2019
Kirti Vinimay Pvt. Ltd.	Loan and advance given	Other related party	Non-interest bearing unsecured loan	One year subject to renewal	1709.45
	Loans and advances taken		Unsecured Loan		810.30
Jemtec Engineering Pvt. Ltd.	Interest paid	Other related party	Interest on unsecured loan	One year	16.60
	Loans and advance given		Interest bearing unsecured loan		One Year subject to renewal
Simpark Infrastructure Pvt. Ltd.	Loans and advances given	Associate	Non-interest bearing	One year subject to renewal	20.17
	Loans and advances taken		unsecured loan		
Balkrishna Das Mundhra	Loans and advances given	Key Management Personnel	Non-interest bearing	One year subject to renewal	167.30
	Loans and advance taken		unsecured loan		
Simplex Agri-Infra Services Pvt. Ltd.	Loans and advances taken	Subsidiary	Non-interest bearing unsecured loan	One year subject to renewal	1577.75

For and on behalf of the Board of Directors

**B. K. MUNDHRA**  
*Chairman*  
(DIN : 00013125)

**ANNEXURE – III**

**INFORMATION PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULES MADE THEREUNDER**  
**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 and Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016:**

**The ratio of the remuneration of each Director to the Median Remuneration of the Employees of the Company for the Financial Year 2018-19 and**

**The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial Year.**

**(Rs. in Lacs)**

<b>Sr. No.</b>	<b>Name of Director/KMP and Designation</b>	<b>Remuneration of Director/KMP for Financial Year 2018-19</b>	<b>Percentage increase in Remuneration for the Financial Year 2018-19</b>	<b>Ration of Remuneration of each Director to the Median Remuneration of Employees</b>
1.	Mr. Balkrishan Das Mundhra* Chairman & Director	17.10	NIL	4.75:1
2.	Mr. Sudarshan Das Mundhra Managing Director & CFO	19.37	NIL	5.38:1
3.	Mr. Keshava Das Mundhra* Independent Director	0.06	NIL	0.02:1
4.	Mr. Bhabya Nath Thakur Independent Director	0.26	NIL	0.07:1
5.	Mr. Vikram Kumar Mishra* Company Secretary	1.90	NIL	0.53:1
6.	Mr. Sohini Shukla* Company Secretary	1.54	NIL	0.42:1

**\*Mr. Balkrishan Das Mundhra changed his designation from Executive to Non executive director w.e.f 14.07.2018 received remuneration for the part of the financial year 2018-19, hence not comparable.**

**\*Mr. Keshav Das Mundhra Resigned w.e.f 16.07.2018 and received remuneration for the part of the financial year 2018-19, hence not comparable.**

**\*Mr. Vikram Kumar Mishra Resigned w.e.f 08.11.2018 and received remuneration for the part of financial year 2018-19, hence not comparable.**

**\*Ms. Sohini Shukla appointed w.e.f 19.11.2018 and received remuneration for the part of financial year 2018-19, hence not comparable.**

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

**The Median Remuneration of Employees (MRE) of the Company is Rs. 3,60,000/- for the financial year 2018-19. The MRE for the year increased by Rs. 24,000/- as compared to the previous financial year.**

**The number of permanent employees on the rolls of the Company is 104 for the year ended March 31, 2019.**

**(iii) 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.**

**(iv) It is hereby affirmed that the remuneration paid during the year ended 31.03.2019 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**

For and on behalf of the Board of Directors

Place: Kolkata  
Date: 19th August, 2020

**B. K. Mundhra**  
*Chairman*  
(DIN: 00013125)



**ANNEXURE - IV**  
**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**  
**as on the financial year ended 31st March, 2019**  
**[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 8013
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	<b>100</b>

**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, 2018				No. of Shares held at the end of the year i.e. 31st March, 2019				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter</b>									
<b>1.Indian</b>									
a.Individual/ HUF	764187	0	764187	6.06	764187	0	764187	6.06	0.00
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>7088791</b>	<b>0</b>	<b>7088791</b>	<b>56.26</b>	<b>7088791</b>	<b>0</b>	<b>7088791</b>	<b>56.26</b>	<b>0.00</b>
<b>2.Foreign</b>									
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>7088791</b>	<b>0</b>	<b>7088791</b>	<b>56.26</b>	<b>7088791</b>	<b>0</b>	<b>7088791</b>	<b>56.26</b>	<b>0.00</b>
<b>B. Public Shareholding</b>									
<b>1.Institutions</b>									
a.Mutual Funds	0	0	0	--	0	0	0	--	--
b.Banks / FI	0	0	0	--	0	0	0	--	--
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>0</b>	<b>0</b>	<b>0</b>	<b>--</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>--</b>	<b>--</b>

Category of Shareholders	No. of Shares held at the beginning of the year i.e. 31st March, 2018				No. of Shares held at the end of the year i.e. 31st March, 2019				% change during the year
	Demat	Physical	Total	%	Demat	Physical	Total	%	
2.Non Institutions									
a.Bodies Corp.	1551481	0	1551481	12.31	1422082	0	1422082	11.28	(1.02)
(i) Indian									
(ii) Overseas									
b.Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	1988514	135	1988649	15.78	2041818	135	2041953	16.20	0.42
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1644359	0	1644359	13.05	1709169	0	1709169	13.56	0.51
c.Others(Specify)									
Clearing Members	13477	0	13477	0.11	0	0	0	0	(0.11)
Directors & their Relatives	30	0	30	0.02	0	0	0	0	(0.02)
Hindu Undivided Families	245479	0	245479	1.95	264592	0	264582	2.09	0.15
Non Resident Indians	68112	0	68112	0.54	73791	0	73791	0.58	0.045
<b>Sub-total (B)(2):-</b>	<b>5511452</b>	<b>135</b>	<b>5511587</b>	<b>43.74</b>	<b>5511452</b>	<b>135</b>	<b>5511587</b>	<b>43.74</b>	<b>0.00</b>
<b>Total Public Shareholding (B) = (B)(1) + (B)(2)</b>	<b>5511452</b>	<b>135</b>	<b>5511587</b>	<b>43.74</b>	<b>5511452</b>	<b>135</b>	<b>5511587</b>	<b>43.74</b>	<b>0.00</b>
C.Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	<b>12600243</b>	<b>135</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., 01.04.2018			Shareholding at the end of the year, i.e., 31.03.2019			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	
1.	Prozen Merchants Private Limited#	862323	6.84	6.84	862323	6.84	6.84	NIL
2.	Simplex Fiscal Holdings Private Limited#	624214	4.95	4.95	624214	4.95	4.95	NIL
3.	Jemtec Engineering Private Limited	964143	7.65	NIL	964143	7.65	NIL	NIL
4.	Kirti Vinimay Private Limited	3516066	27.90	18.25	3516066	27.90	18.25	NIL
5.	Datson Exports Limited	150429	1.19	NIL	150429	1.19	NIL	NIL
6.	Bharat Gypsum Private Limited##	207429	1.65	1.65	207429	1.65	1.65	NIL
7.	Balkrishandas Mundhra	425473	3.38	2.83	425473	3.38	2.83	NIL
8.	Sudarshan Das Mundhra	85857	0.68	0.59	85857	0.68	0.59	NIL
9.	Raghav Das Mundhra	85714	0.68	NIL	85714	0.68	NIL	NIL
10.	Pushpa Mundhra	167143	1.33	NIL	167143	1.33	NIL	NIL
	<b>TOTAL</b>	<b>7088791</b>	<b>56.26</b>	<b>NIL</b>	<b>7088791</b>	<b>56.26</b>	<b>NIL</b>	<b>NIL</b>

# By virtue of Kolkata High Court order dated 16th August, 2016 M/s. Prozen Merchant Private Limited and M/s. Simplex Fiscal Holdings Private Limited was amalgamated with M/s. Kirti Vinimay Private Limited.

## By virtue of Kolkata High Court order dated 2nd August, 2016 M/s. Bharat Gypsum Private Limited and M/s. Pioneer Engineering Private Limited was amalgamated with M/s. Jemtec engineering Private Limited.

### The Company received letter dated 24th April, 2019 from Mr. Raghav Das Mundhra for reclassifying him under public category and the same has been approved in the Board meeting dated 2nd May, 2019 and also approved by members in Annual General Meeting dated 27th August, 2019.

**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., 01.04.2018		Change in Shareholding during the year		Shareholding at the end of the year, i.e., 31.03.2019	
		No. of Shares	% of total Shares of the company	Increase	Decrease	No. of Shares	% of total shares of the Company
1.	Prozen Merchants Pvt Ltd#	862323	6.84	--	--	862323	6.84
2.	Simplex Fiscal Holdings Pvt Ltd#	624214	4.95	--	---	624214	4.95
3.	Jemtec Engineering Pvt Ltd	964143	7.65	--	--	964143	7.65
4.	Kirti Vinimay Pvt Ltd	3516066	27.90	--	--	3516066	27.90
5.	Balkrishandas Mundhra	425473	3.38	--	--	425473	3.38
6.	Bharat Gypsum Pvt Ltd##	207429	1.65	--	--	207429	1.65
7.	Pushpa Mundhra	167143	1.33	--	--	167143	1.33
8.	Datson Exports Ltd	150429	1.19	--	--	150429	1.19
9.	Sudarshan Das Mundhra	85857	0.68	--	--	85857	0.68
10.	Raghav Das Mundhra	85714	0.68	--	--	85714	0.68

# By virtue of Kolkata High Court order dated 16th August, 2016 M/s. Prozen Merchant Private Limited and M/s. Simplex Fiscal Holdings Private Limited was amalgamated with M/s. Kirti Vinimay Private Limited.

## By virtue of Kolkata High Court order dated 2nd August, 2016 M/s. Bharat Gypsum Private Limited and M/s. Pioneer Engineering Private Limited was amalgamated with M/s. Jemtec engineering Private Limited.

### The Company received letter dated 24th April, 2019 from Mr. Raghav Das Mundhra for reclassifying him under public category and the same has been approved in the Board meeting dated 2nd May, 2019 and also approved by members in Annual General Meeting dated 27th August, 2019.

**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., 01.04.2018		Change in Shareholding during the year		Shareholding at the end of the year, i.e., 31.03.2019	
		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	--	(429453)	357247	2.83
2.	S F Distributors Pvt Ltd	624255	4.95	--	--	624255	4.95
3.	Vallabh Roopchand Bhanshali	393300	3.12	--	(116206)	277094	2.19
4.	Pravik Developers Pvt Ltd	337934	2.68	21700	(8000)	351634	2.79
5.	Bithal Das Mundhra	119677	0.95	--	(119677)	0	0
6.	Akash Bhanshali	118962	0.94	--	--	118962	0.94
7.	Talma Chemical Industries Pvt Ltd	85000	0.67	--	--	85000	0.67
8.	Manjeet Singh	79579	0.63	18053	(97632)	0	0
9.	Mini Builders Pvt Ltd	62500	0.50	--	(62500)	0	0
10.	Dinesh Kumar Singhi	53064	0.42	--	--	53064	0.42
11.	Neelam Agarwal	0	0	196470	(110458)	86012	0.68
12.	Hallmark Dealer Pvt Ltd	0	0	83143	--	83143	0.66
13.	Vinay Kumar Kejriwal	18500	0.15	62500	--	81000	0.64

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

S. No.	Shareholder's Name	Shareholding at the beginning of the year, i.e., 01.04.2018		Change in Shareholding during the year		Shareholding at the end of the year, i.e., 31.03.2019	
		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	Vikram Kumar Mishra	--	--	--	--	--	--
4.	Sohini Shukla	--	--	--	--	--	--

**V. INDEBTEDNESS**

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

(Rs. in Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	57117.75	2979.22	-	60096.97
ii) Interest due but not paid	5822.30	43.12	-	5865.42
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	62940.05	3022.34	-	65962.39
Change in Indebtedness during the financial year				
- Addition	716.04	-	-	716.04
- Reduction	-	1053.16	-	1053.16
Net Change	716.04	1053.16	-	1769.20
Indebtedness at the end of the financial year				
i) Principal Amount	57,117.75	1644.18	-	1644.18
ii) Interest due but not paid	6,538.34	325.00	-	325.00
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	63,656.09	1,969.18	-	65,625.27

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		B K Mundhra	S D Mundhra	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	17.10	19.37	36.47
	(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 (A)	17.10	19.37	36.47
	Ceiling as per the Act	Remuneration is paid as per Schedule V of the Companies Act, 2013 under inadequate profit		

Note:- 1. Mr. B. K. Mundhra resigned from the position of Managing Director w.e.f. 14.07.2018 and continued to be Chairman and Non executive Director of the Company.  
 2. Mr. Sudarshan Das Mundhra appointed as Managing Director in place of B. K. Mundhra w.e.f. 14.07.2018

**B. Remuneration to Other Directors**

SN	Particulars of Remuneration	Name of Directors		Total Amount
		Bhabya Nath Thakur	Keshava Das Mundhra	
1	Independent Directors			
	Fee for attending board / committee meetings	25,517/-	6,004/-	31,521/-
	Commission	-	-	-
	Others	-	-	-
	Total (1)	25,517/-	6,004/-	31,521/-
2	Other Non-Executive Directors	-	-	-
	Fee for attending board / committee meetings	-	-	-
	Commission	-	-	-
	Others	-	-	-
	Total (2)	-	-	-
	Total (B)=(1+2)	25,517/-	6,004/-	31,521/-
	Total Managerial Remuneration	25,517/-	6,004/-	31,521/-
	Overall Ceiling as per the Act	The Company is paying only sitting fees to its Non-Executive and Independent Directors.		

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

(Rs. in Lacs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		Vikram Kumar Mishra (CS)	Sudarshan Das Mundhra (Executive Director & CFO)	Sohini Shukla (CS)	TOTAL
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1.90	19.37	1.54	22.81
	(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	1.90	19.37	1.54	22.81

**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)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

NIL

For and on behalf of the Board of Directors

**B. K. Mundhra**  
Chairman  
(DIN: 00013125)

Place: Kolkata  
Date: 19th August, 2020

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
**The Members of**  
**Simplex Projects Limited**  
12/1, Nellie Sengupta Sarani  
Kolkata-700087

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Simplex Projects Limited having CIN : L45201WB1990PLC050101 and having registered office at 12/1, Nellie Sengupta Sarani, Kolkata-700087 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Balkrishan Das Mundhra	00013125	15/03/2006
2.	Sudarshan Das Mundhra	00013158	30/09/2005
3.	Bhabya Nath Thakur	05250206	24/08/2017

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Kolkata  
Date : 19.08.2020  
UDIN : F004848B000596087

Signature :  
Name : Atul Kumar Labh  
Membership No. : FCS 4848  
CP No. : 3238



# SECRETARIAL AUDIT REPORT

For the financial year ended 31.03.2019



**[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 31.03.2019 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 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 31.03.2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) Secretarial Standards 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 there under 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) Regulation, 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; and
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 31.03.2019 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.

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. *The Company had less number of Independent Directors on the Board post resignation of an Independent Director w.e.f. 16.07.2018. 2 Independent Directors were required as per the composition of the Board; however there was only 1 Independent Director as on 31st March, 2019.*
2. *The Company did not have any Woman Director on the Board during the financial year under review.*
3. *The constitution of Audit Committee was not in accordance with Section 177 of the Companies Act, 2013 and Reg. 18 of SEBI (LODR) Regulations, 2015 post resignation of an Independent Director w.e.f. 16.07.2018.*
4. *The constitution of Nomination and Remuneration Committee is not in accordance with Section 178 of the Companies Act, 2013 and Reg. 19 of SEBI (LODR) Regulations, 2015 during the financial year under review.*
5. *No separate meeting of Independent Directors was held during the financial year under review since there was only 1 Independent Director on the Board.*
6. *The Company had received Notice from Registrar of Companies for non-filing of financial statements for the financial year ended 31.03.2018 for which the necessary reply has been submitted by the Company.*
7. *There has been delay in holding AGM for F.Y. 2017-18 which was held on 27.08.2019. Approval for extension for holding AGM was not granted to the Company.*
8. *There was delay in transfer of unclaimed / unpaid dividend amount to IEPF authority and filing of e-Form IEPF -1 for the FY 2010-11.*
9. *E-forms MGT-14 have not been filed in some cases for availing of credit facilities from Banks.*
10. *There was delay in approval of Financial Results and submission of the same to the Stock Exchange for the following periods:*
  - a. *Audited Results for the quarter and financial year ended 31.03.2018;*
  - b. *Unaudited Financial Results and Limited Review Reports for the quarter ended 30.06.2018, 30.09.2018, 31.12.2018 and Audited Financial Results for Quarter and Financial Year ended 31.03.2019.*
11. *Penalty was imposed by the Stock Exchanges for the following:*
  - a. *Non-compliance with the provisions of Regulations 17, 18 and 19 with relation to Composition of the Board and Committees.*
  - b. *Delay in filing of audited financial results for the quarter and year ended 31.03.2018;*
  - c. *Delay in filing of financial results for the quarter ended 30.06.2018 and 30.09.2018;*
  - d. *Non-submission of Annual Report for F.Y. 2017-18.*
12. *The Company has not paid Listing Fees to Stock Exchanges for F.Y. 2018-19.*
13. *The Company's shares have been transferred to "Z" category w.e.f 25.09.2018 by BSE and NSE for continuous default with respect to approval of Financial Results for two consecutive quarters.*
14. *Promoters' shareholding has been frozen by BSE and NSE w.e.f. 02.11.2018.*
15. *BSE and NSE have suspended trading in securities of the Company w.e.f. 26.11.2018.*
16. *The Company has received Show Cause Notice for delisting of shares and also pending penalties for non-compliance with SEBI (LODR) Regulations, 2015 for which the reply has been submitted by the Company.*
17. *There has been delay in intimation for Cessation of Company Secretary and also appointment of new Company Secretary.*
18. *AGM for F.Y. 2017-18 was held on 27.08.2019 and the Annual Report was submitted post AGM on 31.08.2019. Pursuant to Regulation 34 of SEBI (LODR) Regulations, 2015, Annual Report is required to be submitted to the Stock Exchange not later than the day of commencement of dispatch to the shareholders.*
19. *Payment of statutory dues including Provident Fund, Employees State Insurance, Income Tax, TDS, GST and other material statutory dues have been deposited with the appropriate authorities with certain delays.*
20. *The Company has delayed in making repayment of dues to Banks and Financial Institutions and also defaulted in repayment of dues to certain Banks and some Bank Accounts have become NPA.*

21. *The Company has appointed Mr. Sudarshan Das Mundhra as Managing Director at the AGM held for F.Y. 2017-18 on 27.08.2019. Since the Company has defaulted in payment of Interest and dues to Banks and Financial Institutions (lenders), prior approval from the lenders was required to be taken before the aforesaid appointment pursuant to Schedule V.*

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 Directors, 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**

*Practicing Company Secretary*

Place : Kolkata

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

Dated : 19/08/2020

UDIN : A032891B000596289

In compliance with Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Company sets forth the report on the Corporate Governance on the matters as stated in the said schedule and practices followed by the Company.

## 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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 strives to comply 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 considers its inherent responsibility to disclose timely and accurate information regarding its financials performance as well as the leadership and

governance of the Company. The Company has adopted revised Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices. All the Directors, Key Management Persons, Employees and Connected Persons who could have access to the unpublished price sensitive information of the Company are governed by this code. The trading window is closed during the time of declarations of results and at the occurrence of any material events as per the code.

The information provided in the Report on Corporate Governance for the purpose of unanimity is as on 31st March, 2019.

## 2. BOARD OF DIRECTORS

- a) Composition of the Board of Directors:- As on 31st March, 2019, the Board of Directors consists a Non-Executive and Non-Independent Director who is Chairman of the Company as well, a Managing Director who is also CFO of the Company and a Non-Executive Independent Director. Unfortunately during the recent and previous year due to resignations of Independent Directors the composition of the Board has been affected and reduced to three directors.

**The Composition and Category of Directors, attendance of Directors at Board Meetings and Annual General Meeting, number of other Board of Directors or Committees in which a Director is a member or chairperson is shown in following table:-**

Name of the Directors	Category	No. of other Directorship held in other public Companies	*No. of committees Membership of other public companies	*No. of committees Membership of other public companies	Committee positions held in the Company		No. of Equity Shares held	Relationship with other Director
					Chairman	Member		
Mr. Balkrishan Das Mundhra (DIN:00013125)	Promoter/Non-Executive/Chairman	Nil	Nil	Nil	0	0	425473 (3.38%)	Father of Mr. Sudarshan Das Mundhra
Mr. Sudarshan Das Mundhra (DIN:00013158)	Promoter/Executive/Managing Director	Nil	Nil	Nil	0	0	85857 (0.68%)	Son of Mr. Balkrishan Das Mundhra
Mr. Keshava Das Mundhra (DIN:00969981)	Non-Executive Independent Director	1	Nil	Nil	0	0	Nil	None
Mr. Bhabya Nath Thakur (DIN:005250206)	Non-Executive Independent Director	Nil	Nil	Nil	0	0	Nil	None

### Notes :-

- Mr. Keshva Das Mundhra (DIN:0096998) resigned from the Directorship on 16.07.2018.
- Directorship excludes Private Limited Companies, Foreign Companies and Section 8 Companies.
- Chairmanships/Memberships only include Audit Committee and Stakeholders' Relationship Committee.
- Details of Director(s) retiring or being re-appointed are given in notice to Annual General Meeting.
- None of the Directors of the Company are on the Boards of more than Ten Public Companies /overall Twenty Companies (including Private Limited Companies but excluding Companies incorporated outside India and Companies incorporated under Section 8 of the Companies Act, 2013). 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.

- b) **Directorship in other listed entities:** Except in Simplex Projects Limited, none of the Directors on the Board holds directorship in other listed entities.
- c) **No. of Board Meetings held and dates on which held:** Ten (10) Board Meetings were held during the financial year 2018-19 on 30.05.2018/30.06.2018/14.07.2018/23.07.2018/14.08.2018/29.11.2018/29.12.2018/

12.02.2019/01.03.2019 and 18.03.2019 and the gap between two Board Meetings did not exceed four months.

- d) **Attendance of each Director at the Board Meetings and the last Annual General Meeting:**  
The attendance of each Director at Board Meetings during the financial year 2018-19 and the last Annual General Meeting (AGM) is as under:

Name of the Directors	No. of Board Meetings during the financial year		Attendance at last year's AGM
	Held	Attended	
Mr. Balkrishan Das Mundhra (DIN:00013125)	10	10	Yes
Mr. Sudarshan Das Mundhra (DIN:00013158)	10	10	Yes
Mr. Keshava Das Mundhra (DIN:00969981)	3	3	No
Mr. Bhabya Nath Thakur (DIN:005250206)	10	10	Yes

**Note:** i) Mr. Balkrishna Das Mundhra ceased to be Managing Director w.e.f 14.07.2018 and continued to become Chairman and Non-Executive Director of the Company.

ii) Mr. Sudarshan Das Mundhra appointed as Managing Director w.e.f 14.07.2018.

iii) Mr. Keshava Das Mundhra (DIN:0096998) resigned from the Directorship on 16.07.2018.

- e) **Confirmation of Independence by Independent Director:**  
All the Independent Directors have confirmed to the Board that they meet the criteria as mentioned under Regulation 16 (1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, read with Section 149 (6) of the Companies Act, 2013.
- f) **Familiarization programme for Independent Director:**  
The Company conducts Familiarization programme for the Board Members and particularly for Independent Directors to enable them to be familiarized with the company, its management and its operations to gain a clear understanding of their roles, rights and responsibilities for enabling their contribution to the Company. Details of the familiarization programmes are hosted at the Company's website at [https://www.simplexprojects.com/form\\_doc/1515492299.pdf](https://www.simplexprojects.com/form_doc/1515492299.pdf).
- g) **Separate meeting of Independent Director:**  
The Company had only one Independent Director, therefore Separate meeting of Independent Director could not be held during the year. However, Mr. Bhabya Nath Thakur, Independent Director has done performance evaluation of non-independent directors, The Chairman of the Company and the Board as a whole for the financial year 2018-19. He expressed satisfaction with the quality, quantity and timeliness of flow of information between the Company's management and the Board.
- h) **Code of Conduct:**  
The Board of Directors of the Company laid a Code of Conduct for Directors and senior management

personnel. All Directors and designated personnel in the senior management affirmed compliance with the Code for the year under review. The Code of Conduct is posted on the Company's website at [https://www.simplexprojects.com/form\\_doc/1427885642.pdf](https://www.simplexprojects.com/form_doc/1427885642.pdf)  
The declaration to this effect, signed by Mr. Sudarshan Das Mundhra, Managing Director is annexed to this report.

- i) **Skills/expertise/competencies:**  
The Board has identified the following skills / expertise / competencies fundamental for the effective functioning of the Company which are currently available with the Board.  
Leadership & Strategic Planning, Risk Management, Legal & Regulatory Compliances, Corporate Governance, Proficiency in Finance, Accounting, Administration, Cost Control, Project Planning and Management and relevant industry experience.
- j) **Prevention of Insider Trading Code:**  
As per SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a revised Code of Conduct for Prevention of Insider Trading & Code of Corporate Disclosure Practices. All the Directors, Key Managerial Personnel, Employees and Connected Persons who could have access to the unpublished price sensitive information of the Company are governed by this code. The trading window is closed during the time of declaration of results and occurrence of any material events as per the code. The Company has appointed Ms. Sohini Shukla, Company Secretary of the Company

as Compliance Officer, who is responsible for setting forth procedures and implementation of the code for trading in Company's securities.

### 3. **AUDIT COMMITTEE**

The Audit Committee acts as a link between the Statutory Auditors, the Internal Auditors and the Board of Directors.

#### a) **Terms of reference of the Audit Committee**

The Audit Committee shall act in accordance with the terms of reference specified under Section 177 of the Companies Act, 2013 (as amended) and as per the provisions of Regulation 18 read with Schedule-II, Part-C of SEBI (listing Obligations and Disclosure Requirements) Regulations, 2015, (as amended from time to time) which shall inter alia include the following:

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of the Statutory and the Internal 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 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) Modified opinions in the draft Audit Report.
- Reviewing, with the Management, the quarterly financial statements 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 statutory and internal auditors, 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 internal auditors of any significant findings and follow up there on;
  - 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;
  - Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  - To look into the reasons for substantial defaults if any in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  - To review the functioning of the Whistle Blower mechanism;
  - Approval of appointment of Chief Financial Officer (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 function as is mentioned in the terms of reference of the Audit Committee.
- b) **Composition, names of members, Chairman and Attendance of the Audit Committee**

As on 31st March, 2019, the Audit Committee comprised of only three Directors of which one Director is Independent Director and rest two are Non-Independent Directors. The members of the Committee are financially

literate and have accounting and financial management expertise.

In view of resignations of Independent Directors of the Company during the previous year and recent year the composition of the Committee has been affected. However, the Company is looking for Independent Directors to fill the gap and make the composition good in terms of the Companies Act and SEBI Listing Regulations.

The Chairman of the Audit Committee is Independent Director. The meetings are usually held in Kolkata and

are also attended by senior Company Executives and Statutory Auditors. The quorum for the Audit Committee Meetings is Two Members. The Company Secretary acts as Secretary to the Committee.

During the FY 2018- 19, four meetings of the Audit committee were held on 30/05/2018, 14/08/2018, 29/11/2018 and 12/02/2019.

The Composition of the Audit Committee with names of members, Chairman and the details of Meetings attended during the Year 2018- 2019 are as follows:

Sl. No.	Name of the Directors	Designation	Category	No. of Meetings Held	No. of Meetings Attended
1.	Mr. Bhabya Nath Thakur	Chairman	Non-Executive Independent Director	4	4
2.	Mr. Balkrishan Das Mundra	Member	Non-Executive Director	4	4
3.	Mr. Sudarshan Das Mundhra	Member	Executive-Managing Director	4	4
4.	Mr. Keshva Das Mundhra	Ex-Member	Non-Executive Independent Director	1	1

Notes: - (i) Mr. Keshva Das Mundhra (DIN: 0096998) resigned from the Directorship and consequently also ceased to be member of the Audit Committee w.e.f. 16.07.2018.

(ii) Mr. Balkrishan Das Mundhra (DIN: 00013125) inducted in the Committee on 14.07.2018.

**a) Meetings during the Financial year 2018-19**

During the FY 2018- 19, The Audit Committee met four times on 30/05/2018, 14/08/2018, 29/11/2018 and 12/02/2019. The maximum time gap between the two consecutive meetings was less than 120 days.

**4. NOMINATION & REMUNERATION COMMITTEE**

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

**a) Terms of reference of the Audit Committee**

The Nomination & Remuneration Committee shall act in accordance with the terms of reference specified under Section 178 of the Companies Act, 2013 (as amended) and as per the provisions of Regulation 19 read with Schedule-II, Part-D of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (as amended) which shall inter-alia includes the following:-

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors 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 and various Committees of the Board.
- Devising policy on diversity of Board of Directors.
- Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.
- Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
- Perform such other duties and responsibilities as may be consistent with the provisions of the Committee charter.

**b) Composition, names of members, Chairman and Attendance of the Nomination and Remuneration Committee**

As on 31st March, 2019, the Nomination and Remuneration Committee comprised of only two Non-Executive Directors due to lesser number of Non-

Executive Directors at the Company. In view of resignations of Independent Directors of the Company during the previous year and recent year the composition of the Committee has been affected. However, the Company is looking for Independent Directors to fill the gap and make the composition good in terms of the Companies Act and SEBI Listing Regulations.

During the FY 2018-19, two meetings of the Nomination and Remuneration committee were held on 14/07/2018 and 19/11/2018.

The Composition of the Nomination and Remuneration Committee with names of members, Chairman and the details of Meetings attended during the Year 2018- 2019 are as follows:

Sl. No.	Name of the Directors	Designation	Category	No. of Meetings Held	No. of Meetings Attended
1.	Mr. Bhabya Nath Thakur	Chairman	Non-Executive Independent Director	2	2
2.	Mr. Balkrishan Das Mundra	Member	Non-Executive Director	1	1
3.	Mr. Keshva Das Mundhra	Ex-Member cum Chairman	Non-Executive Independent Director	1	1

Notes: - (i) Mr. Keshva Das Mundhra (DIN: 0096998) resigned from the Directorship and consequently also ceased to be member of the Audit Committee w.e.f. 16.07.2018.

(ii) Mr. Balkrishan Das Mundhra (DIN: 00013125) inducted in the Committee on 14.07.2018.

**c) Meetings during the Financial year 2018-19**

During the FY 2018- 19, The Nomination and Remuneration Committee met two times on 14/07/2018 and 19/11/2018.

**d) Performance Evaluation**

Pursuant to provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (as amended), the annual performance evaluation of the Directors including Chairman, Board and its Committees viz., the Audit Committee, Nomination and Remuneration Committee, and Stakeholders Relationship Committee has been carried out with an objective to improve the effectiveness of the Board and its Committees.

A structured questionnaire covering various aspects such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance was prepared based on the Guidance note Issued by SEBI dated 05.01.2017.

The Performance evaluation of Independent Directors was carried out by the entire Board. The Directors expressed their satisfaction with the evaluation process.

Some of the specific issues and questions that are considered in the performance evaluation of an Independent Director are set out below:-

- Attendance and participation in the board and committee meetings and timely inputs on the minutes of the meetings, including Resolutions passed by Circulation.
- 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.

- Effective deployment of knowledge and constructive contribution to the issues being discussed at meetings.
- Effective management of interpersonal relationship with other directors, management and various stakeholders.
- Maintenance of integrity and confidentiality of the matters discussed at the meetings.
- Understanding the internal and external environment in which the Company operates and contribution to strategic decision making.
- Understanding the internal and external environment in which the Company operates and contribution to strategic decision making.
- Safeguarding the interest of whistle-blowers under the Vigil Mechanism.

**5. REMUNERATION OF DIRECTORS**

**a) Nomination and Remuneration Policy**

In terms of Section 178 of the Companies Act'2013 and pursuant to Regulation 19 of the SEBI (listing Obligations and Disclosure Requirements) Regulations, 2015, the Nomination and Remuneration Committee has been constituted to determine and review remuneration payable to Directors, Key Managerial Personnel, and other Employees of the Company, based on their performance and vis-à-vis with the performance of the Company on defined assessment parameters and recommends to the Board, the remuneration terms to the Executive Directors within the prescribed limits as approved by the shareholders in the general meeting



and as per applicable provisions of the Companies Act, 2013. Further, the Company has formulated Nomination and Remuneration Policy that provides for criteria and qualifications for appointment of Directors, Key Managerial Personnel and Senior Management Personnel, remuneration payable to them, Board diversity etc. Nomination & Remuneration Policy has been uploaded on the website of the Company at [https://www.simplexprojects.com/form\\_doc/1434544192.pdf](https://www.simplexprojects.com/form_doc/1434544192.pdf).

**b) Pecuniary relationship or transactions of Non-Executive Directors:** During the year under review, there

Details of the sitting fees paid to the Non-executive Directors during the year 2018-19 are as under:

Sl. No.	Name of the Directors	Sitting Fees paid (Rs.)
1.	Mr. Bhabya Nath Thakur	25,517/-
2.	Mr. Keshava Das Mundhra	6,004/-

**Notes:** - (i) Non-Executive Directors are paid sitting fees of Rs. 1501/- for every Board and Committee Meeting.  
(ii) The Company has not granted any Employee Stock Option to its Non-Executive Directors.

**d) Remuneration paid to Executive Directors:** The Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed component) and commission (variable component) to its 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:

was no pecuniary relationship or transactions between the Company and its Non-Executive Directors apart from sitting fees for attending the Board and Committee meetings of the Company.

**c) Remuneration/Sitting fees paid to Non-Executive Directors:** The Non-executive Directors of the Company are paid remuneration by way of sitting fees only for attending the meetings of the Board of Directors and its Committees which are within the limits laid down by the Companies Act, 2013 read with Rules made thereunder.

- 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 paid to Executive Directors of the Company is in compliance with Provisions stipulated in Companies Act, 2013 and rules made thereunder.

Details of the remuneration paid to Executive Directors during the year 2018-19 are as under: **(Rs. in Lacs)**

S. No.	Name of the Directors	Salary	Medical	Other Perquisites	Total
1.	Mr. Balkrishandas Mundhra (Chairman & Non-Executive Director)	13.67	.68	2.73	17.08
2.	Mr. Sudarshan Das Mundhra (Managing Director & CFO)	15.43	.77	3.16	19.36

**Note:** (i) Mr. Balkrishandas Mundhra ceased to be Managing Director w.e.f 14.07.2018 and received remuneration for the part of the Financial year.  
(ii) Mr. Sudarshan Das Mundhra designated as Managing Director w.e.f 14.07.2018. He was serving as Whole time Director of the Company till 13.07.2018.  
(iii) The Company has not granted any Employee Stock Option to its Executive Directors.  
(iv) Service Contract, Notice Period, Severance Fees to be mentioned.

**6. STAKEHOLDERS' RELATIONSHIP COMMITTEE**

The Stakeholders Relationship Committee is of the Company is constituted in accordance with Section 178 of the Companies Act, 2013 read with Regulation 20 of the SEBI (listing Obligations and Disclosure Requirements) Regulations, 2015.

**a) Terms of reference of the Stakeholders' Relationship Committee**

The terms of reference of the Stakeholders Relationship Committee is made in accordance with the provisions of Section 178(5) of the Companies Act, 2013 and Regulation 20 of SEBI (listing Obligations and Disclosure Requirements) Regulations, 2015. The

terms of reference of the committee is to consider, monitor and resolve the grievances of shareholders, debenture holders and other security holders of the Company including complaints related to transfer transfers/transposition/transmission of shares, non-receipt of annual report and non-receipt of declared dividends. 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.

The Company Secretary places before the Board the status of various complaints received by the Committee at every Board meeting.

**b) Composition, names of members, Chairman and Attendance of the Stakeholders' Relationship Committee**

As on 31st March, 2019, the Stakeholders' Relationship Committee comprised of only three members of which two are Non-Executive Directors and one is Executive Directors.

During the FY 2018-19, the Stakeholders' Relationship committee meeting were held on 13/07/2018.

The Composition of the Stakeholders' Relationship Committee with names of members, Chairman and the details of Meetings attended during the Year 2018-2019 are as follows:

Sl. No.	Name of the Directors	Designation	Category	No. of Meetings Held	No. of Meetings Attended
1.	Mr. Bhabya Nath Thakur	Chairman	Non-Executive Independent Director	1	1
2.	Mr. Balkrishan Das Mundra	Member	Non-Executive Director	0	0
3.	Mr. Sudarshan Das Mundhra	Member	Executive Director	1	1
4.	Mr. Keshva Das Mundhra	Ex-Member	Non-Executive Independent Director	1	1

Notes: - (i) Mr. Keshva Das Mundhra (DIN: 0096998) resigned from the Directorship and consequently also ceased to be member of the Nomination & Remuneration Committee w.e.f. 16.07.2018.

(ii) Mr. Balkrishan Das Mundhra (DIN: 00013125) inducted in the Committee on 14.07.2018.

**c) Name and designation of Compliance Officer**

Ms.Sohini Shukla, Company Secretary

Address:12/1,Nellie Sengupta Sarani,Kolkata-700087

d) Phone:033-22527231

e) Email.id: secretarial@simplexprojects.com

Mr. Vikram Kumar Mishra was the Company Secretary and Compliance Officer up to 07.11.2018 and consequent upon his resignation, Ms. Sohini Shukla was appointed as the Company Secretary and Compliance Officer w.e.f. 19.11.2018.

**f) Complaints from Investors**

During the year under review, the Company had received Nil complaints from the investors and there were no investor complaints pending as on 31st March 2019.

**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 needs not to 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)

## 8. GENERAL BODY MEETINGS

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

Financial Year	Date of AGM	Time	Venue
2017-18	27.08.2019	11:00 AM	Uttam Manch, 10/1/1, Manohar Pukur Road, Hazra, Kolkata-700026
2016-17	25.09.2017	11:00 AM	ROTARY SADAN, 94/2 Chowringhee Road, Kolkata 700 020
2015-16	28.09.2016	03:00 AM	

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

Financial Year	Special Resolutions passed
2017-18	<ol style="list-style-type: none"> <li>Approval for re-appointment of Mr. Sudarshan Das Mundhra (DIN:00013158) as a Whole-time Director of the Company from October 1, 2017 to July 13, 2018 and appointment as Managing Director from July 14, 2018 to September,30, 2020.</li> <li>Approval of the re-appointment of Mr. Jai Kishan Bagri (DIN:00268722) as a Whole-time Director of the Company from October 1, 2017 to March 19, 2018</li> </ol>
2016-17	No special Resolution was passed in the meeting.
2015-16	No special Resolution was passed in the meeting.

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

During the year, no resolution was passed through postal ballot under the provisions of the Companies Act, 2013.

Further there is no item on the agenda that needs approval by Postal Ballot at the forthcoming Annual General Meeting No resolution is proposed to be passed through postal ballot.

## 9. MEANS OF COMMUNICATION

- a) **Financial Results:-** The Company communicates the quarterly financial results to the Stock Exchanges immediately after its approval by the Board. Quarterly Financial Results are published in leading newspapers of India which include one English daily newspaper (Financial Express) and one regional language newspaper (Arthik lipi) within 48 hours of declaration thereof. The Company also submits its financial results to the Stock Exchanges on which the securities of the Company are listed i.e. National Stock Exchange of India Limited and BSE Limited. The Company's results are also displayed on the Company's website at [www.simplexprojects.com](http://www.simplexprojects.com).
- b) **Annual Report:-** The main channel of communication to the shareholders is through the annual report which inter alia includes the Directors' Report, Auditors' Report, Audited Annual Accounts, 'Management Discussion and Analysis Report, the Secretarial Audit Report, Special Initiatives and Shareholders Information. The Annual Report of previous years is also available on Company's website.
- c) **Website:-** The Company's 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.
- d) **News Release and presentation:-** The press releases and official news, as applicable, are sent to the stock exchanges and also displayed on the website of the Company.
- e) **Presentations made to institutional investors or to the analysts:-** All price sensitive information is promptly intimated to the stock exchanges before releasing to the media, other stakeholders and uploading on Company's website.

## 10. GENERAL SHAREHOLDERS' INFORMATION

### (a) Day, date and time of 29th Annual General Meeting:-

29th Annual General Meeting of Members of the Company is scheduled to be held on Friday the 18th December, 2020 at 3.30 p.m through video conferencing or other Audio Visual Means only as per the General Circulars dated April 8, 2020 and April 13, 2020 issued by the Ministry of Corporate Affairs.

### (b) Financial year:- 1st April to 31st March

(c) **Financial calendar (Tentative) for the Financial Year 2019-20:**

- [i] 1st Quarterly results On or before August 14, 2019
- [ii] 2nd Quarterly results On or before November 14, 2019
- [iii] 3rd Quarterly results On or before February 14, 2020
- [iv] 4th Quarterly results On or before May 30, 2020

(d) **Book Closure Date:-**

Friday, 11th December, 2020 to Friday, 18th December, 2020 (both days inclusive).

(e) **Dividend Payment Date:-**

No Dividend is recommended for F.Y. 2018-19.

(f) **Listing on Stock Exchange:-**

The Equity shares of the Company are presently listed on the following Stock Exchanges:

Name of Stock Exchanges	Address
BSE Limited (BSE)	P. J. Towers, Dalal Street, Mumbai 400 001
National Stock Exchange of India Limited (NSE)	Exchange Plaza, 5th Floor, Plot no. C / 1, G Block, Bandra - Kurla Complex, Bandra (E), Mumbai 400 051.
ISIN Number	INE 898501018

Listing fees to the Stock Exchanges for the financial year 2019-20 yet to be paid by the Company.

(g) **Stock code Equity shares:-**

Stock codes BSE Limited (BSE): 532877, National Stock Exchange of India Limited (NSE): SIMPLEX EQ

(h) **The monthly High and Low stock quotations during the year under review and performance in comparison to SENSEX (BSE) and NIFTY (NSE) are given below year 2018-19:-**

(i) **BSE Ltd.**

Month	High (Rs.)	Low (Rs.)	Sensex		No. of Shares Traded
			High	Low	
April 2018	29.45	22.95	35,213.30	32,972.56	123407
May 2018	27	21	35,993.53	34,302.89	42381
June 2018	25.85	18.25	35,877.41	34,784.68	116757
July 2018	23	16.10	37,644.59	35,106.57	45534
August 2018	22.80	16	38,989.65	37,128.99	104430
September 2018	18.15	12.75	38,934.35	35,985.63	44425
October 2018	14.60	11.56	36,616.64	33,291.58	56275
November 2018	14.80	13	36,389.22	34,303.38	28818
December 2018	-	-	36,554.99	34,426.29	-
January 2019	-	-	36,701.03	35,375.51	-
February 2019	14.10	13.40	37,172.18	35,287.16	300
March 2019	13.20	13.20	38,748.54	35,926.94	10

(ii) **National Stock Exchange of India Ltd.**

Month	High (Rs.)	Low (Rs.)	Nifty		No. of Shares Traded
			High	Low	
April 2018	29.75	22.50	10,759.00	10,111.30	362000
May 2018	28.00	21.00	10,929.20	10,417.80	135000
June 2018	25.40	18.00	10,893.25	10,550.90	385000
July 2018	22.40	15.45	11,366.00	10,604.65	148000
August 2018	21.40	15.50	11,760.20	11,234.95	249000
September 2018	19.00	12.35	11,751.80	10,850.30	195000
October 2018	13.85	11.60	11,035.65	10,004.55	34000
November 2018	14.80	13.15	10,922.45	10,341.90	28000
December 2018	14.30	11.80	10,985.15	10,333.85	1000
January 2019	12.30	10.95	10,987.45	10,583.65	1000
February 2019	10.45	9.05	11,118.10	10,585.65	3000
March 2019	9.05	8.40	11,630.35	10,817.00	36000

\*BSE and NSE have suspended trading in securities of the Company w.e.f. 26.11.2018.

(i) **Registrar & Share Transfer Agents:**

**M/s Cameo Corporate Services Limited,**  
 "Subramanian Building" 1, Club House Road, Chennai 600002  
 Tel: +91- 44 2846 0390/ 2252 0464  
 Fax: +91- 44 2846 0129

(j) **Share Transfer System:**

The Share transfer is processed by the Registrar & Share Transfer SEBI vide its Circular dated June 8, 2018 effective from April 01, 2019, mandated that except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialized form with a depository. Any investor who is desirous of transferring shares (which are held in physical form) after April 01, 2019 can do so only after the shares are dematerialized. However this does not prohibit the investor from holding the shares in physical form and investor has the option of holding shares in physical form even after April 01, 2019. The Company appointed M/s. Cameo Corporate Services Limited as common Registrar and Transfer Agents for dealing with all the activities connected with both physical and demat segments pertaining to the Securities of the Company.

(k) **Distribution of Shareholding as on 31st March, 2019:**

Category (Amount)	No. of Shareholders	Percentage (%) to total	Total No. of Shares	Percentage (%) to total
1 - 5000	6116	85.34	550592	4.37
5001 - 10000	458	6.39	384961	3.06
10001 - 20000	306	4.27	486896	3.86
20001 - 30000	90	1.26	232828	1.85
30001 - 40000	43	0.60	152846	1.21
40001 - 50000	34	0.47	161752	1.28
50001 - 100000	59	0.82	443384	3.52
100001 - And Above	61	0.85	10187119	80.85
<b>Total :</b>	<b>7167</b>	<b>100</b>	<b>12600378</b>	<b>100</b>

(j) **Shareholding pattern as on 31st March, 2019:**

Category	No. of Shareholders	Total No. of Shares held	Percentage (%) to Equity
<b>Promoters Shareholdings:</b>			
Directors & their relatives	6	764187	6.06
Bodies Corporate	4	6324604	50.19
<b>Public Shareholdings:</b>			
<b>Non-Institutions</b>			
Bodies Corporate	108	1422082	11.29
Individuals	6987	4015714	31.87
NRIs	62	73791	0.59
<b>Total</b>	<b>7167</b>	<b>12600378</b>	<b>100</b>

(k) **Dematerialization of Shares & Liquidity:**

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 2019, 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 2019:-

Category	No. of Shareholders	No. of Shares	Percentage (%)
PHYSICAL	14	135	0.00
NSDL	4394	9365188	74.32
CDSL	2759	3235055	25.67
<b>TOTAL</b>	<b>7167</b>	<b>12600378</b>	<b>100</b>

(l) **Outstanding GDRs / ADRs / Warrants / any other convertible instruments:**

The Company does not have any outstanding instruments of the captioned type.

(m) **Pledge of Equity Shares:**

The promoter of the Company have pledged 4424839 (35.12%) equity shares of the Company held by them as on 31st March, 2019. The aggregate shareholding of the Promoters and persons belonging to Promoters and Promoters Group as on 31st March, 2019 comprised of 7088791 Equity Shares representing 56.25% of the Paid up Equity Share Capital of the Company.

(n) **Plant Locations:**

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) **Address for correspondence:** Simplex Projects Limited  
12/1, Nellie Sengupta Sarani,  
Kolkata 700 087.  
Tel: + 91-33-2252 4125/ 7900  
Fax: + 91-33-2252 8013

11. **DISCLOSURES**

a) **Materially Significant Related Party Transactions**

There has been no materially related party transactions with the Company's Promoters, Directors, the management, their subsidiary or relatives which may have potential conflict with the interests of the Company. The details of the transactions with the related parties are given in notes to the Financial Statements. The Company has formulated Policy on Related Party Transactions 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**

In the preparation of the financial statements, the Company has followed the Indian Accounting Standards ("Ind AS") specified under Section 133 of the Act, read with relevant rules thereunder.

c) **Total Fees paid to the statutory auditors for all services received by the Company and its subsidiaries, on a consolidated basis**

The details of payment made to them on consolidated basis are available under Notes to the Financial Statement.

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

The disclosure regarding the complaints of sexual harassment are given in the Board's Report.

e) There was no such instance during the financial year 2018-19 when the board had not accepted any recommendation of any Committee of the Board.

f) **Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A). - Not Applicable.**

g) 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.)
2018-19	BSE	For late submission of financial results.	16,30,000
	NSE	For late submission of financial results.	8,05,000
2017-18	BSE	For late submission of financial results.	11,73,000
	NSE	For late submission of financial results.	13,82,002
2016-17	BSE	For late submission of financial results.	2,82,900
	NSE	For late submission of financial results.	2,06,004

h) **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.

i) **Risk Management**

The Company has put in place Risk Management Policy and Procedures for assessing, timely responding and mitigation these risks on continuous basis. The Policy seeks to address the risks involved in the major areas i.e. Pre-bidding/Tendering Risk, Post award or execution Risks. Contractual Risks, Financial/Statutory Compliances Risks with a view to avoid/mitigate adverse impact if any. During the year the Board has reviewed the risk assessment and minimization procedure adopted by the Company.

j) **Material Subsidiary Policy**

As on March 31, 2019, 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).

k) **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.

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.

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

I, Sudarshan Das Mundhra, Managing Director & CFO 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, 2019.

For SIMPLEX PROJECTS LIMITED

Place : Kolkata

Date : 19th August, 2020

**Sudarshan Das Mundhra**

*Managing Director & CFO*  
(DIN - 00013158)





**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,

I, the undersigned, in my capacity as Managing Director & CFO of the M/s. Simplex Projects Limited ("the Company") certify that,

- A.** I have reviewed the Financial Statements and the Cash Flow Statement for the year ended 31st March, 2019 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**

**Sudarshan Das Mundhra**  
*Managing Director & CFO*  
(DIN 00013158)

Date: 19th August, 2020  
Place: Kolkata

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 31.03.2019.

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 nor 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 Regulations except:

1. *The Company had less number of Independent Directors on the Board post resignation of an Independent Director w.e.f. 16.07.2018. 2 Independent Directors were required as per the composition of the Board; however there was only 1 Independent Director as on 31st March, 2019. However, the Company has appointed another Independent Director w.e.f. 12th March, 2020 post which the composition of the Board is in accordance with the relevant provisions of the Listing Regulations.*
2. *The Company did not have any Woman Director on the Board during the financial year under review. However, the Company has appointed a Woman Independent Director w.e.f. 12th March, 2020.*
3. *The constitution of Audit Committee is not in accordance with Regulation 18 of SEBI (LODR) Regulations, 2015 as on 31st March, 2019. However, post appointment of Independent Director w.e.f. 12th March, 2020, the composition of the Audit Committee is in accordance with the relevant provisions of the Listing Regulations.*
4. *The constitution of Nomination and Remuneration Committee is not in accordance with Regulation 19 of SEBI (LODR) Regulations, 2015 as on 31st March, 2019. However, post appointment of Independent Director w.e.f. 12th March, 2020, the composition of NRC is in accordance with the relevant provisions of the Listing Regulations.*
5. *There was delay in approval of Financial Results and submission of the same to the Stock Exchange for the following periods:*
  - a. *Audited Results for the quarter and financial year ended 31.03.2018;*
  - b. *Unaudited Financial Results and Limited Review Reports for the quarter ended 30.06.2018, 30.09.2018, 31.12.2018 and Audited Financial Results for Quarter and Financial Year ended 31.03.2019.*
6. *Penalty was imposed by the Stock Exchanges for the following:*
  - a. *Non-compliance with the provisions of Regulations 17, 18 and 19 with relation to Composition of the Board and Committees.*
  - b. *Delay in filing of audited financial results for the quarter and year ended 31.03.2018;*
  - c. *Delay in filing of financial results for the quarter ended 30.06.2018 and 30.09.2018;*
  - d. *Non-submission of Annual Report for F.Y. 2017-18.*
7. *The Company has not paid Listing Fees to Stock Exchanges for F.Y. 2018-19.*
8. *The Company's shares have been transferred to “Z” category w.e.f. 25.09.2018 by BSE and NSE for continuous default with respect to approval of Financial Results for two consecutive quarters.*
9. *Promoters' shareholding has been frozen by BSE and NSE w.e.f. 02.11.2018.*
10. *BSE and NSE have suspended trading in securities of the Company w.e.f. 26.11.2018.*
11. *The Company has received Show Cause Notice for delisting of shares and also pending penalties for non-compliance with SEBI (LODR) Regulations, 2015 for which the reply has been submitted by the Company.*
12. *There has been delay in intimation for Cessation of Company Secretary and also appointment of new Company Secretary.*
13. *AGM for F.Y. 2017-18 was held on 27.08.2019 and the Annual Report was submitted post AGM on 31.08.2019. Pursuant to Regulation 34 of SEBI (LODR) Regulations, 2015, Annual Report is required to be submitted to the Stock Exchange not later than the day of commencement of dispatch to the shareholders.*

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.

For **A. K. Labh & Co.**  
Company Secretaries  
**CS A. K. Labh**

Practicing Company Secretary  
FCS - 4848 / CP No - 3238  
UDIN : 004848B000596098

Place: Kolkata  
Date : 19.08.2020

## 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

The second advance estimates for FY2019 released by the Central Statistics Office (CSO) in February 2019 revised India's real gross domestic product (GDP) growth downwards to 7% from 7.2%. Domestic economic activity decelerated for the third consecutive quarter in Q3, FY2019 due to a slowdown in consumption. For the whole year, while private consumption growth increased from 7.4% in FY2018 to 8.3% in FY2019, public consumption growth decreased significantly from 15% in FY2018 to 8.9% in FY2019. Thankfully, growth in Gross Fixed Capital Formation (GFCF) remained in double digits for the fifth consecutive quarter in Q3 with the growth rate increasing from 9.3% in FY2018 to 10% in FY2019. This was supported primarily by the Government of India's (GoI) thrust on the road sector and affordable housing. The manufacturing component of the Index of Industrial Production (IIP) growth slowed down to 1.3% in January 2019 due to automobiles, pharmaceuticals, and machinery and equipment. Growth of eight core industries remained sluggish in February. Credit flows to micro and small as well as medium industries remained tepid. The business assessment index of the Industrial Outlook Survey (IOS) points to some improvement in overall sentiments in Q4, FY2019. However, the key indicators of investment activity production of capital goods in January and imports of capital goods in February contracted. Retail inflation, measured by the year-on-year change in the Consumer Price Index (CPI), rose to 2.6% in February 2019 after four months of continuous decline. This relatively modest uptick in inflation was driven by an increase in prices of items excluding food and fuel, coupled with weaker price deflation in the food group. Despite softer growth, the Indian economy still remains one of the fastest growing globally and one of the least affected by the world economic slowdown. Notwithstanding this positive outlook, it is worth cautioning that the economy remains vulnerable to certain domestic and geopolitical risks, especially economic and political changes that can affect relative prices and hurt current and

fiscal account deficits. While expectations of inflationary pressures remain benign, concerns have risen on the twin deficit problem the current account and the fiscal deficit- especially as foreign portfolio inflows remain subdued while trade deficit stays high. In the last few years, corporate India has been grappling with issues related to loan defaults and its effects on the availability of bank credit. Across all industries, bad loans more than doubled to over Rs.10 lakh crore since the Reserve Bank of India (RBI) started its asset quality review in October 2015.

This led to a slowdown in credit growth as banks faced severe capital crunch. Public sector banks were the worst-hit, forcing the GoI to infuse around Rs.3 lakh crore since 2015. The crisis in the banking and uncertainties associated with periodic regulatory changes have adversely affected investment related decision-making and the flow of credit. This has had a particularly adverse effect on the infrastructure development and construction industry, where typically investments are over a longer term.

## India's Construction and Infrastructure Sector

The last couple of years has seen a gradual improvement in construction activity in India. After touching a low of 0.3% growth in FY2013, the construction sector stayed subdued till FY2016. A slow revival process began in FY2017 with 6.1% growth. In FY2019, the sector clocked 8.9% growth. This is better than before. But it is still insufficient to either meet the huge infrastructure needs of the country, or to help in creating the foundations for a 7.5% to 8% real GDP growth. The GoI has laid considerable stress on on-ground infrastructure development. Indeed, some of the improvements over the last four years are evident on the ground.

Highways are a good example of recent development. The total length of national highways increased from 92,851 km in FY2014 to 122,434 km in FY2018. In the process, India emerged as the fastest highway developer in the world with 27 km of highways being built each day during Calendar Year (CY) 2018. India's rank on 'Getting Electricity' from World Bank's Ease of Doing Business has jumped from 137 in FY2014 to 24 in FY2018. Consequently, the energy deficit reduced from 4.2% in FY2014 to 0.7% in FY2018. The total number of airports in the country has increased to 102 in 2018.

Having said so, it is a fact that infrastructure development in India was plagued by various implementation issues- as discussed in the Management Discussion and Analysis of the previous years. In the last 18 months, the GoI has recognized this problem and is now focusing on improving execution. In some sectors, it has started paying dividends. For instance, of 1,424 central government projects under implementation, each worth more than Rs. 150 crore, 101 have been completed between April-December 2018. This is quite an improvement over the previous years: the number of projects completed by March 31, 2019 is 50% more than the previous years. Of the 101 projects completed, 85 involved roads and highways.

Given the kind of economic growth that India needs, there continues to be a growing need for infrastructure investment in the country. The monetary value of

infrastructure investment gap in India is expected to increase to Rs.147,000 crore by 2023. Roads and water are the two infra- sectors which are expected to face largest infrastructure investment gap.

Much of this gap is to be supported by direct financing of the Gol. In fact, planned investments by the Gol increased at a CAGR of 13% over the last decade. Mega road projects such 'Bharatmala Pariyojana', introduction of schemes such as UDAN and creation of government fund for affordable housing are expected to fuel growth.

In FY2020, the Union Budget offered a large budgetary support for the infrastructure sector of around Rs. 4.56 lakh crore. Despite highways seeing the maximum projects being taken up during the last four years, roadways were given a relatively smaller increment of Rs.83,016 crore among the various infra-based sectors. Apart from National Highways, the Gol has increased its fiscal allocation on rural roads to Rs.19,000 crore under the Pradhan Mantri Gram Sadak Yojana (PMGSY). Hopefully, that will lead to better PMGSY performance, because rural roads have been relative laggards: during FY2019 rural road construction under PMGSY was only 24,610 km versus a target of 58,000 km.

The Indian Railways received an allocation of Rs. 66,770 crore. Of this, Rs. 64,587 crore was for capital expenditure. There has also been considerable activity in the urban metro railway systems and regional aviation hubs.

During April 2019, certain regulatory changes were announced which provide a new impetus to hydro-power. To begin with, hydro-power was given renewable energy status, which provides for a fixed percentage of hydro-power purchase obligation from the power distribution companies. The new policy also provides for direct budgetary support for infrastructure creation and flood control related to hydro-power projects. It also provides for tariff rationalisation measures, including providing flexibility to developers to determine tariff by back-loading it after increasing the project life to 40 years, debt repayment period to 18 years, and introducing escalating tariff of 2%.

#### **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 has more than years of experience 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. We are continuously exploring business opportunities in other segments of the Industry and the business mix of the Company is determined taking all the factors into account. There are several constraints which affect the smooth

functioning of the industry, besides the recent global economic downturn. The Construction industry has always been adversely affected by high volatility in prices of major inputs, delays in approval by Authorities and lack of availability of skilled laborers. Natural calamities like poor weather conditions and manmade disruptions like encroachment, disruption of supply chain etc. continue to be a major constraint in project completion. The outburst of unprecedented political unrest in Libya and other North-African countries has restricted the emergence of new opportunities there, until the stability is restored.

#### **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.
- Good construction opportunities in the new state of Andhra Pradesh.

#### **Threats:**

- Most of the measures taken up by the Government are yet to translate into development work on the ground.
- Recognised Industry leader in large civil construction and infrastructure projects.
- 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.
- Ensuring quality and timely completion of the projects without cost overruns.
- Diversified business portfolio and strong order book.
- Enduring relationships built on mutual trust and respect with our clients, sub-contractors, financial institutions and shareholders.
- Pan India presence.
- Large pool talented and skilled employees with low attrition rate.

#### **Outlook**

The Indian Economic growth is projected to remain robust in the years to come. The Public investment has picked up and we also envisage faster clearance of key projects; better infrastructure and greater ease of doing business. We believe that the government's fiscal policy will remain supportive and investments in the energy, transport, infrastructure and core areas would be promoted. The Company remains confident on the prospects of the business however an upside to its performance would

directly correlate to the way overall economy performs. If the overall capex activity picks up in India, the Company may have a quicker translation of orders into sales and thus a better performance. The Company believes that the government is taking effective measures to take care of economic activity revival. Sooner than later, it should see the momentum coming back in the economy.

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 2018-19.

#### **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, Environment 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 place because of a stable government.

The Company has continuous project monitoring system in terms of quality, time and cost parameters. These are being further upgraded through greater use of modern technologies 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 in place 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. Significant audit observations and corrective actions thereon are presented to the Audit Committee. Based on the report of Internal Audit, corrective actions are undertaken in the respective areas, thereby strengthening and maintaining a healthy Internal Control System.

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

#### **Financial Performance**

From a financial perspective, On Consolidated basis, for the financial year ended March 31, 2019, your Company has achieved a Gross Turnover of Rs. 24871.95 Lacs as against Rs. 25174.80 Lacs for the previous period (figures reclassified due to applicability of IND AS). Therefore there has been a decline in the turnover of the Company of 1.20%.

On Standalone basis, your Company has achieved a Gross Turnover of Rs. 24680.40Lacs for the financial year 2018-19 against the previous year figure of Rs 24929.50 lacs, resulting in a decline of Rs 0.99% over the last year.

Our focus area continues to be the execution of civil engineering projects with specialization in piling, building, roads, canals, bridge, jetties 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 2019 was in tune of Rs. 310.920 Crores. 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 organization. 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.

#### **Cautionary Statement**

Statement in this Management Discussion and Analysis describing the Company's objective, projections, estimates and expectations are "forward looking statements" within the applicable laws and regulations.

Such forward-looking statements involve risks and uncertainties that may cause actual events, results or performances to differ materially from those indicated by such statements. Simplex Projects Limited disclaims any obligation to update these forward-looking statements to reflect future events or developments.

For **SIMPLEX PROJECTS LIMITED**

**Sudarshan Das Mundhra**

*Managing Director & CFO*

Place: Kolkata

Date: 19th August, 2020

(DIN 00013158)



TO  
THE MEMBERS OF  
**SIMPLEX PROJECTS LIMITED**  
**Report on the Standalone Indian Accounting Standards  
(Ind AS) Financial Statements**

**Qualified Opinion**

1. We have audited the accompanying standalone Ind AS financial statements of Simplex Projects Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the 'Basis for Qualified Opinion' section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Qualified Opinion**

- a. Note 35 regarding Company's branch at Libya where operation 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. As such in the opinion of the management the amount of dues and assets deployed in Libya are realizable and no provision thereof are required at this stage. 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 granted a stay for further extension / invocation of Bank Guarantees for the project. The Company has filed a claim of INR 770.00 Crores against State of Libya in International Arbitration.

We are unable to comment on the extent of the recoverability of the amounts due and the assets at Libya due to lack of adequate information. The impact of this matter on the Total Assets & Total Equity and Liabilities as at March 31, 2019; Total Expenses, Profit before Tax, Tax Expense, Profit for

the Year, Total Comprehensive Income and Earnings per Share of the company for the year ended March 31, 2019 is presently not ascertainable.

- b. We did not audit the financial statements of Libya branch having Net Assets Rs. 17668.43 Lakh & Net Receivables Rs. 19116.20 Lakh as at March 31, 2019 included in the Standalone Ind AS Financial Statements, which reflect depreciation charged of Rs. 258.55 Lakh relating to the machineries deployed for the year ended March 31, 2019. The financial statements of this branch is unaudited and have been furnished to us by the management and are certified by the management and our report is based solely on certificate of management.
- c. We did not audit the financial statements of Kuwait branch having Net Assets Rs. 16918.57 Lakh & Net Receivables Rs. 20063.09 Lakh as at March 31, 2019 included in the Standalone Ind AS Financial Statements, which reflect work done Rs. 8300.25 Lakh and expenses incurred of Rs. 8299.77 Lakh for the for the year ended March 31, 2019. The financial statements of this branch is unaudited and have been furnished to us by the management and are certified by the management and our report is based solely on certificate of management.
- d. Investment of Rs. 542.94 Lakh in the partnership firm Simplex Projects (Netherlands) Co-operative U.A. is doubtful of recovery since project has not started from FY 2013-2014 and no provision for the same has been made by the company.
- e. The company has not made any provision against Advances paid to Suppliers of material, Subcontractors & Staff advances amounting to Rs. 4367.39 Lakh since long and advance against projects Rs. 1088.16 Lakh.
- f. The Company's account with Bank of Baroda, DBS Bank, ICICI Bank, IDBI Bank, State Bank of India, Yes Bank, UCO Bank, State Bank of Travancore & Axis Bank for working capital facilities and ICICI bank & Kotak Mahindra Bank for Term loan facilities have been classified as Non-performing assets and accordingly the provision for interest has not been made for the quarter ended March, 2019 amounting to Rs. 2116.23 Lakh approximately and for the year ended March, 2019 amounting to Rs. 8423.41 Lakh approximately.
- g. No provision for diminution in the value or impairment has been made for Capital Work in Progress consists of materials lying outside amounting to Rs. 1894 Lakh which includes Rs. 465.29 Lakh pertaining to materials imported and kept at port since FY 2012-13.

- h. Site work in progress (included under Other Current Assets) amounting to Rs. 6987.28 Lakh (out of which Rs. 3680.67 lakh are under dispute with client) and uncertified sales amounting to Rs. 2109.19 Lakh (included under revenue) has been lying as such from various projects against which no provision have been made.
- i. In respect of certain projects wherein the Management of the company has considered Trade Receivables include overdue amount aggregating to Rs. 12948.42 Lakh (Previous Year - Rs. 10053.17 Lakh) & Work In Progress (for work done) 3680.67 Lakh (Previous Year - Rs. 1679.28 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. In view of pending arbitration against the customer and lack of adequate information, we are unable to comment on the extent of recoverability of these balances.
- j. Provident Fund contributions in respect of employees are made to Trust administered by the company. In absence of Audit of such Trust for the financial year ended 31st March, 2017, 31st March 2018 & 31st March 2019 we are unable to comment on the utilization of the funds.
- k. 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.
- l. Pursuant to the provisions of SEBI circular no. CIR/CFD/CMD/12/2015 dated November 30, 2015 with respect to Standard Operating Procedure (SOP) for suspension and revocation of trading of shares of listed entities for non-compliance of certain regulations of SEBI (LODR) Regulation, 2015. The company has not submitted the Financial Results as per Reg. 33 of SEBI (LODR) Regulation, 2015 within due date and also not paid the fine amount levied for the said non-compliance.

In view of above, the entire promoter shareholding of the company has been frozen w.e.f. November 02, 2018 and trading in the equity shares of the company suspended w.e.f. November 26, 2018.

The matters (a to j) mentioned above were also qualified in our last audit report for the year ended March 31, 2018.

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

**Key Audit Matters**

3. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the 'Basis for Qualified Opinion' section we have determined the matters described below to be the key audit matters to be communicated in our report.

Sr.No.	Key Audit Matter	Auditor's Response
<b>Correctness of Project Revenue recognition Construction Contracts</b> (as described in note 2.10 and 43(a) of the standalone Ind AS financial statements)		
1	Revenue from construction contracts is recognised over a period of time in accordance with the requirements of Ind AS 115, Revenue from Contracts with Customers. Revenue recognition involves usage of percentage of completion method which is determined based on proportion of contract costs incurred to date compared to estimated total contract costs, which involves significant judgments, reliable estimation of total project cost, identification of	Our procedures included : <ul style="list-style-type: none"> <li>● Testing of the design and implementation of controls involved for the determination of the estimates used as well as their operating effectiveness;</li> <li>● Testing the relevant information technology systems' access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the new revenue accounting standard;</li> </ul>

	<p>contractual obligations in respect of Company's rights to receive payments for performance completed till date, estimation of period of recovery of receivables, changes in scope and consequential revised contract price and recognition of the liability for loss making contracts/ onerous obligations.</p> <p>Project revenue recognition is significant to the financial statements based on the quantitative materiality and the degree of management judgment required to apply the percentage of completion method. Management has also considered this area to be a key accounting estimate as disclosed in the 'critical estimates and judgements' note 2A to the standalone financial statements. We therefore determined this to be a key audit matter.</p>	<ul style="list-style-type: none"> <li>● Testing a sample of contracts for appropriate identification of performance obligations;</li> <li>● For the sample selected, reviewing for amendments of orders and the impact on the estimated costs to complete;</li> <li>● Engaging experts to review estimates of costs to complete for sample contracts; and</li> <li>● Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings.</li> </ul>
<p><b>Unbilled Revenue balance, Trade Receivables and Retention Money relating to construction contracts of the Company</b> (as described in note 8 &amp; 13 of the standalone Ind AS financial statements)</p>		
<p>2</p>	<p>Unbilled Revenue balance, Trade Receivables and Retention Money of the Company aggregates Rs. 1,66,458.90 lakh as at March 31, 2019.</p> <p>The collectability of above balances is a key element of the Company's working capital management. In assessing the recoverability of the aforesaid balances, management's judgement involves consideration of status of the project, the likelihood of collection based on the terms of the contract and evaluation of litigations, if any.</p> <p>We considered this as key audit matter due to the materiality of the amounts and significant estimates and judgements as stated above.</p>	<p>As part of our audit procedures:</p> <ul style="list-style-type: none"> <li>● Testing of the design and implementation of controls involving management's assessment of recoverability of Unbilled Revenue balance, Trade Receivables and Retention Money relating to construction contracts.</li> <li>● We performed test of details, and tested relevant contracts and documents on the basis of materiality for Unbilled Revenue, Trade Receivables and Retention Money balances.</li> <li>● We also carried out additional test procedures, in respect of long outstanding balances, i.e. tested subsequent documents with customers with respect to recoverability of the same.</li> <li>● We tested contracts to determine the provisioning requirement for loss making contracts/onerous obligations, if any.</li> </ul>
<p><b>Pending litigations including arbitrations</b> (as described in note 45 &amp; 47 of the standalone Ind AS financial statements)</p>		
<p>3</p>	<p>The Company is subject to number of claims and litigations including arbitrations, mainly with customers and tax authorities. The assessment of the likely outcome of these matters can be judgmental due to the uncertainty inherent in their nature.</p> <p>This area is significant to our audit, since the accounting and disclosure of claims and litigations are complex and judgmental, and the amounts involved are, or may be, material to the standalone financial statements.</p>	<p>Principal Audit Procedures:</p> <p>Our audit approach was a combination of test of internal controls and substantive procedures including:</p> <ul style="list-style-type: none"> <li>● Assessing the appropriateness of the design and implementation of the Company's controls over the assessment of litigations and completeness of disclosures. Supporting documentation are tested to assess the status of Arbitration/legal proceedings with reference to related counselors' views for likely outcome of these matters.</li> <li>● Involving experts to assess the effect of new changes of law and relevant historical and recent judgements passed by the appropriate authorities in order to challenge the basis used for the accounting treatment and resulting disclosures.</li> </ul>



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

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. We have nothing to report in this regard.

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

5. The Company's Board of Directors is responsible for the matters stated in section 134(5) of 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, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

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

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

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

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

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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider



**ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act**

1. We have audited the internal financial controls over financial reporting of Simplex Projects Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

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

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

**Auditors' Responsibility**

3. 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 deemed to be prescribed under section 143(10) of the Act 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 ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the

auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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

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

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

**Basis for Qualified Opinion**

8. According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified in the operating effectiveness of the Company's internal financial controls over financial reporting as at March 31, 2019:
  - (a) The Company's internal financial controls relating to non-application of appropriate policies and procedures that provide reasonable assurance that

transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles were not operating effectively which resulted in non provisioning of interest on cash credit and term loan.

- (b) The Company's internal financial controls relating to review of Advances to Trade Creditors and Sub Contractors including Staff and Project Advance for appropriate provisioning did not operate effectively which resulted in non-ascertainment of adequate provision against advances to certain Trade Creditors, Sub Contractors including Staff.
9. A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

#### **Qualified Opinion**

10. In our opinion, to the best of our information and according to the explanations given to us, except for the effects of the material weakness described in the Basis for Qualified Opinion paragraph above, 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, 2019, based on the criteria for internal control over financial reporting 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.

#### **Explanatory Paragraph**

11. We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under section 143(10) of the Act, the standalone financial statements of Simplex Projects Limited, which comprise the Balance Sheet as at March 31, 2019, and the related 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. These material weaknesses were considered in determining the nature, timing and extent of audit tests applied in our audit of the March 31, 2019 standalone financial statements of Simplex Projects Limited and this report does not affect our report dated 22nd October, 2019, which expressed a qualified opinion on those financial statements.

For **H. S. Bhattacharjee & Co.**  
Firm Registration No. 322303E  
*Chartered Accountants*

**A Ray**  
*Partner*

Place : Kolkata

Date : 22nd October, 2019

Membership No.: 57516

**ANNEXURE-B TO THE INDEPENDENT AUDITORS' REPORT****Report on 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 ("the Order"),**

- i. (a) The Company is maintaining 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 except for the assets deployed at its branch in Libya and Kuwait. No material discrepancies were noticed on such verification by the management.
- (c) We could not verify whether 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 at reasonable intervals except for the branch at Libya. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- 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 subsidiary company and one associate) which are covered in the register maintained under section 189 of the Companies Act 2013.
- b. The advance in the nature of loans is given interest free.
- c. According to the information and explanation given to us loans are repayable on demand.
- d. There are no overdue amounts as there is no demand of repayment 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.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable
- vi. According to the information and explanation given and in our opinion the company has made and maintained cost records as specified under Section 148(1) of the Act in respect of its products pursuant to the rules made by the Central Government of India. We have not, however, 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, duty of customs, GST, TDS and other material statutory dues have been deposited with the appropriate authorities with certain delays. Undisputed statutory 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. 504.39 lakhs , GST - Rs. 247.28 lakhs and TDS - Rs. 74.28 lakhs.
- (b) According to the information and explanation given to us, the particulars of dues of 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	Appeal filed before Revisional Board
	2007-08	560.13	
	2008-09	1060.04	
	2009-10	203.50	
	2010-11	363.82	
	2014-15	99.77	
	2012-13	57.71	Appeal filed before Joint Commissioner Commercial Taxes Kolkata (South) Circle.
	2013-14	428.44	Appeal filed before West Bengal Tribunal Authority

- 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 repayment of dues to certain Banks and some bank accounts have become NPA. The outstanding dues as on 31.03.2019 are as follows :

(Rs. 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	4000.00	948.00	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.	Axis Bank	11900.00	120.00	Delay in payment throughout the year and irregular from April '17, no interest booked in the accounts
3.	UCO Bank	7305.00		Delay in payment throughout the year and Irregular from DEC'15 Onward from where it has become NPA, no interest booked in accounts.
4.	State Bank of India	8750.00	3333.00	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.

(Rs. in Lakhs)

Sl.No.	Bank	Principal due	Interest and other charges due	Period of outstanding
5.	Bank of Baroda	2520.00	7039.00	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.
6.	Yes Bank	750.00	431.00	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.
7.	DBS Bank	1750.00	282.00	Delay in payment throughout the year and Irregular From 2014-15 Onward from where it has become NPA. No interest booked in the accounts.
8.	ICICI	4000.00	3048.00	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.
9.	IDBI Bank		361.00	No interest booked in accounts after June, 2015.
<b>B.</b>	<b>Term Loan Account :</b>			
10.	ICICI	2000.00	274.00	Irregular From JULY'16 Onward from where it has become NPA. No further provision of interest has been made thereafter
11.	Kotak Mahindra Bank	289.32		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 any monies by way of term loans, initial public offer or further public offer (including debt instruments) during the year.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- 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. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of Companies Act, 2013 where

applicable and details of such related party transactions have been disclosed in the notes to the financial statements as required by the applicable accounting standards.

- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For **H. S. Bhattacharjee & Co.**  
Firm Registration No. 322303E  
Chartered Accountants

Place : Kolkata  
Date : 22nd October, 2019

**A Ray**  
Partner  
Membership No.: 57516

(Rs. in Lakhs, unless otherwise stated)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	5,640.19	7,195.77
Capital work-in-progress	3	1,894.01	1,972.12
Financial Assets			
i. Investments	4	704.44	704.63
ii. Other financial assets	5	850.78	697.98
Other Non-current Assets	6	573.11	1,081.44
<b>Total Non-current Assets</b>		<b>9,662.53</b>	<b>11,651.94</b>
<b>Current Assets</b>			
Inventories	7	6,995.77	7,059.95
Financial Assets			
i. Inventories		-	-
ii. Trade receivables	8	100,584.46	97,245.78
iii. Cash and cash equivalents	9	79.87	696.90
iv. Bank balances other than (iii) above	10	352.64	158.36
v. Loans		-	-
vi. Other financial assets	11	814.88	2,255.08
Current tax assets (net)	12	185.08	589.28
Other current assets	13	71,820.33	70,919.75
<b>Total current assets</b>		<b>180,833.03</b>	<b>178,925.09</b>
<b>Total Assets</b>		<b>190,495.56</b>	<b>190,577.03</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share capital	14	1,260.04	1,260.04
Other Equity	15	11,322.68	10,701.55
<b>Total Equity</b>		<b>12,582.72</b>	<b>11,961.59</b>
<b>LIABILITIES</b>			
<b>Non-current Liabilities</b>			
Financial Liabilities			
i. Borrowings	16	-	93.16
Provisions	17	95.92	56.01
Deferred tax liabilities (net)	18	227.13	253.71
Other non-current liabilities	19	78,731.70	77,377.38
<b>Total non-current liabilities</b>		<b>79,054.75</b>	<b>77,780.26</b>
<b>Current Liabilities</b>			
Financial Liabilities			
i. Borrowings	20	65,625.27	56,640.49
ii. Trade Payables			
Total Outstanding dues of MSE'S	21	23,546.21	31,743.17
Total Outstanding creditors other than MSE'S	22	3,002.51	2,738.83
iii. Other financial liabilities	23	6,540.22	9,597.32
Other current liabilities	24	143.88	115.38
Provisions		-	-
Current tax liabilities (net)		-	-
<b>Total current liabilities</b>		<b>98,858.09</b>	<b>100,835.19</b>
<b>Total liabilities</b>		<b>177,912.84</b>	<b>178,615.44</b>
<b>Total Equity and Liabilities</b>		<b>190,495.56</b>	<b>190,577.03</b>
Significant Accounting Policies	2		

The above Balance Sheet should be read in conjunction with the accompanying notes.

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

For and on behalf of

**H. S. BHATTACHARJEE & CO.**  
Firm Registration No. 322303E  
Chartered Accountants

**A. Roy**  
Partner

Membership No. 57516  
Kolkata

Dated : 22nd October, 2019

For and on behalf of the Board of Directors

**Simplex Projects Limited**
**S. D. Mundhra**  
Managing Director & CFO  
(DIN:00013158)

**B. N. Thakur**  
Director  
(DIN:05250206)

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

**Sohini Shukla**  
Company Secretary  
(Membership No. A48409)



# STATEMENT OF PROFIT AND LOSS

for the year ended 31st March, 2019



(Rs. in Lakhs, unless otherwise stated)

Particulars	Notes	Year ended 31st March, 2019	Year ended 31st March, 2018
Revenue from Operations	25	24,680.40	24,929.50
Other Income	26	456.90	531.29
<b>Total Revenue/Income</b>		<b>25,137.30</b>	<b>25,460.79</b>
<b>EXPENSES :-</b>			
Cost of materials consumed	27	4,077.11	4,621.86
Purchase of Trading Goods		-	9,308.52
Cost of Sub contracting and other site expenses	28	18,276.71	8,347.93
Employee Benefit Expenses	29	440.33	499.02
Finance Cost	30	415.34	441.74
Depreciation	3	1,390.38	1,487.90
Other Administrative Expenses	31	527.47	736.37
<b>Total Expenses</b>		<b>25,127.34</b>	<b>25,443.34</b>
<b>Profit before exceptional items and tax</b>		<b>9.96</b>	<b>17.45</b>
Exceptional items		-	-
<b>Profit before tax</b>		<b>9.96</b>	<b>17.45</b>
Income Tax expense :			
- Current Tax		2.59	0.32
- MAT Credit entitlement		2.59	(0.32)
- Current Tax provision for earlier years written back (net)			
- Deferred Tax - charge / (credit)		(187.44)	(151.02)
<b>Total Tax Expense</b>		<b>(187.44)</b>	<b>(151.02)</b>
<b>Profit for the year</b>		<b>197.40</b>	<b>168.47</b>
<b>Other comprehensive income</b>			
(a) <b>Items that may be reclassified to statement of Profit and Loss</b>			
Exchange differences on translation of foreign operations	15	615.84	620.81
Income Tax relating to this item	15	(160.12)	(201.35)
		455.72	419.46
(b) <b>Items that will not be reclassified to statement of Profit and Loss</b>			
Remeasurements of post - employment benefit obligations		(31.76)	29.64
Income Tax relating to this item		-	(10.25)
Changes in fair value of FVOCI equity instruments		(0.16)	0.08
		(31.92)	19.47
<b>Other comprehensive income for the year, net of tax (a+b)</b>		<b>423.80</b>	<b>438.93</b>
<b>Total comprehensive income for the year</b>		<b>621.20</b>	<b>607.40</b>
Earnings per equity share [Nominal Value Rs.10/- per share (31st March 2018: Rs.10/-)]			
<b>Basic and Diluted earnings per share</b>	42	1.57	1.34
Significant Accounting Policies	2		

The above Statement of Profit and Loss should be read in conjunction with the accompanying notes.

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

For and on behalf of

**H. S. BHATTACHARJEE & CO.**  
Firm Registration No. 322303E  
Chartered Accountants

**A. Roy**  
Partner  
Membership No. 57516  
Kolkata  
Dated : 22nd October, 2019

For and on behalf of the Board of Directors

**Simplex Projects Limited**

**S. D. Mundhra**  
Managing Director & CFO  
(DIN:00013158)

**B. N. Thakur**  
Director  
(DIN:05250206)

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

**Sohini Shukla**  
Company Secretary  
(Membership No. A48409)

## CASH FLOW STATEMENT

for the year ended 31st March, 2019

*All amounts in Rs. Lakhs*

	For the year ended 31st March, 2019		For the year ended 31st March, 2018	
<b>A CASH FLOW FROM OPERATING ACTIVITIES :</b>				
Profit before Tax		9.96		17.45
Adjustments for :				
Depreciation and Amortisation Expenses	1,390.38		1,487.90	
Finance Cost	415.34		441.74	
Dividend received	(0.05)		(0.04)	
Interest Income	139.53		(444.58)	
Fair value gain from financial assets measured at FVPL	(77.55)		(72.90)	
Liabilities no longer required written back	(5.57)		(13.79)	
Exchange (Gain) / Loss on non Integral branch	455.72		419.46	
Provision for employee benefits	(31.92)		19.47	
		2,285.88		1,837.27
<b>Operating Profit before Working Capital Changes</b>		2,295.84		1,854.72
<b>Change in operating assets and liabilities</b>				
(Increase) / Decrease in Trade and other payables	(8,196.96)		9,995.30	
(Increase) / Decrease in Trade and other receivables	(3,338.69)		(10,720.76)	
(Increase) / Decrease in Non- current Assets	783.99		2,660.32	
(Increase) / Decrease in Inventories	64.18		(1,513.34)	
		(10,687.48)		421.52
<b>Cash generated from operations</b>		(8,391.64)		2,276.23
Income Taxes (Paid) / Refund		404.20		1,266.76
<b>Net Cash inflow from operating activities</b>		(7,987.44)		3,543.00
<b>B CASH FLOW FROM INVESTING ACTIVITIES :</b>				
(Increase) / Decrease in Investments	0.19		(0.10)	
Purchase of Property, plant and equipment	243.31		(41.09)	
Proceeds from Sale of Property, plant and equipment	-		73.83	
Dividend received	0.05		0.04	
Interest received	(139.53)		444.58	
<b>Net Cash used in Investing Activities</b>		104.02		477.26
		(7,883.42)		4,020.26
<b>C CASH FLOW FROM FINANCING ACTIVITIES :</b>				
Repayment of Non-current borrowings	(93.16)		(141.56)	
Intercorporate loans and advances (incl. deposits)	(1,209.83)		(1,439.20)	
Proceeds from short term borrowings	8,984.71		(2,126.66)	
Finance cost paid	(415.34)		(441.74)	
<b>Net Cash used in Financing Activities</b>		7,266.38		(4,149.16)
<b>Net increase / (decrease) in cash and cash equivalents</b>		(617.04)		(128.90)
<b>Cash and Cash Equivalents at the beginning of the year</b>	696.90		825.80	
<b>Cash and Cash Equivalents at the end of the year</b>	79.87	(617.04)	696.90	(128.90)

### Reconciliation of cash and cash equivalents as per cash flow statement

#### Description

#### Cash and Cash Equivalents (Refer Note 7)

Balances with Banks	
in Current Accounts	
in EEFC accounts	
Cheque on hand	
Deposits with maturity of less than three months	

**Total :-**

	As at 31st March, 2019	As at 31st March, 2018
	79.87	417.56
	-	-
	-	88.03
	-	191.31
<b>Total :-</b>	<b>79.87</b>	<b>696.90</b>

Notes :

The above cash flow statement is prepared as per "Indirect method" as set out in Ind AS 7 "Statement of Cash Flows"

The above cash flow statement should be read in conjunction with the accompanying notes.

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

For and on behalf of

**H. S. BHATTACHARJEE & CO.**  
Firm Registration No. 322303E  
*Chartered Accountants*

**A. Roy**  
*Partner*  
Membership No. 57516  
Kolkata  
Dated : 22nd October, 2019

For and on behalf of the Board of Directors

**Simplex Projects Limited**

**S. D. Mundhra**  
*Managing Director & CFO*  
(DIN:00013158)

**B. N. Thakur**  
*Director*  
(DIN:05250206)

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

**Sohini Shukla**  
*Company Secretary*  
(Membership No. A48409)

**STATEMENT OF CHANGES IN EQUITY**  
for the year ended 31st March, 2019



**A. Equity Share Capital :-**

Rs. in Lakhs

	Notes	Amount
As at 01st April 2017		1,260.04
Changes in Equity Share Capital		-
<b>As at 31st March 2018</b>	14	<b>1,260.04</b>
Changes in Equity Share Capital		-
<b>As at 31st March 2019</b>	14	<b>1,260.04</b>

**B. Other Equity :-**

Rs. in Lakhs

Description	Notes	Reserves and Surplus (Refer Note (5))			Other Reserves		Total Other Equity
		Securities Premium Reserve	General Reserve	Retained Earnings	FVOCI-Equity Instrument	Foreign Currency Transition Reserve	
<b>Balance as at 01st April 2017</b>		<b>8,395.94</b>	<b>5,012.59</b>	<b>(4,038.17)</b>	<b>0.76</b>	<b>723.03</b>	<b>10,094.15</b>
Profit for the Year		-	-	168.47	-	-	168.47
Other Comprehensive income for the year		-	-	19.39	0.08	419.46	438.93
<b>Transactions with owners in their capacity as owners</b>							
Dividend		-	-	-	-	-	-
Other Transactions		-	-	-	-	-	-
Dividend Distribution Tax		-	-	-	-	-	-
Transfer to General Reserve		-	-	-	-	-	-
Transfer to Debenture redemption Reserve		-	-	-	-	-	-
Transfer from foreign currency Monetary item		-	-	-	-	-	-
Translation difference Account (net)		-	-	-	-	-	-
<b>Balance as at 31st March 2018</b>		<b>8,395.94</b>	<b>5,012.59</b>	<b>(3,850.31)</b>	<b>0.84</b>	<b>1,142.49</b>	<b>10,701.55</b>
<b>Balance as at 01st April 2018</b>		<b>8,395.94</b>	<b>5,012.59</b>	<b>(3,850.31)</b>	<b>0.84</b>	<b>1,142.49</b>	<b>10,701.55</b>
Profit for the Year		-	-	197.40	-	-	197.40
Other Comprehensive income for the year		-	-	(31.76)	(0.16)	455.65	423.72
<b>Transactions with owners in their capacity as owners</b>							
Dividend		-	-	-	-	-	-
Other Transactions		-	-	-	-	-	-
Dividend Distribution Tax		-	-	-	-	-	-
Transfer to General Reserve		-	-	-	-	-	-
Transfer to Debenture redemption Reserve		-	-	-	-	-	-
Transfer from foreign currency Monetary item		-	-	-	-	-	-
Translation difference Account (net)		-	-	-	-	-	-
<b>Balance as at 31st March 2019</b>		<b>8,395.94</b>	<b>5,012.59</b>	<b>(3,684.67)</b>	<b>0.68</b>	<b>1,598.14</b>	<b>11,322.68</b>

This is the statement of Changes in Equity referred to in our report of even date.

The above statement of Changes in Equity should be read in conjunction with the accompanying notes.

For and on behalf of

**H. S. BHATTACHARJEE & CO.**  
Firm Registration No. 322303E  
Chartered Accountants

**A. Roy**  
Partner  
Membership No. 57516  
Kolkata  
Dated : 22nd October, 2019

For and on behalf of the Board of Directors

**Simplex Projects Limited**

**S. D. Mundhra**  
Managing Director & CFO  
(DIN:00013158)

**B. N. Thakur**  
Director  
(DIN:05250206)

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

**Sohini Shukla**  
Company Secretary  
(Membership No. A48409)



(All amounts Rs. In Lakhs, unless otherwise stated)

## 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, 2019

This Note provides a list of the significant accounting policies adopted in the preparation of these standalone financial statements.

### 2.1 Basis of Preparation of Financial Statements

#### i) Compliance with Ind AS

These standalone financial statements have been prepared to comply in all material aspects with Indian Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 (the Act) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other relevant provisions of the Act. Accounting policies have been consistently applied except where newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policies.

All assets and liabilities have been classified as current or noncurrent as per the Company's normal operating cycle which is more than 12 months considering the average project period in respect of its construction business and 12 months in respect of its other business and other criteria set out in the Schedule III of the Act.

These Standalone Financial Statement were approved and authorized for issue with the resolution of the Board of Directors on 22<sup>nd</sup> October, 2019.

#### ii) Historical Cost Convention

These financial statements have been prepared on a historical cost basis except for the following: assets and liabilities which have been measured at fair value amount :-

- Certain Financial assets and liabilities
- Defined benefit plans - Plan Assets

iii) Items reported in the financial statements are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The financial statements of the company are presented in Indian Rupee (Rs.) which is the functional and presentation currency of the company.

### 2.2 Segment Reporting

The Company's operating segment are established on the basis of those components of the Company that are evaluated regularly by the 'Chief Operating Decision Making Group'(CODMG) as defined Ind-AS 108 -'Operating Segments', in deciding how to allocate resources and in assessing performance. CODMG examines the Company's performance both from business and geographical perspective and has identified to reportable business segments viz. Construction and others which comprises trading of goods and hiring of plant & equipment.

### 2.3 Property, Plant and Equipment.

All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The Carrying amount of any component accounted for as a separate asset is de-recognised when replaced. All other repair and maintenance are charged to Profit and loss during the reporting period in which they are incurred.

The items of property, Plant and equipment which are not yet ready for use are disclosed as Capital work-in-progress and are carried at historical cost.

An asset's carrying amount written down immediately to its recoverable amount if the asset's carrying is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Profit or loss within "Other Income/Expense."

### Depreciation Methods, estimated useful lives and residual value

Depreciation is calculated using straight line method to allocate their cost, net of their residual values on the basis of useful lives prescribed in schedule II to the Act. In respect of the following assets, useful lives different from schedule II have been considered on the basis of technical evaluation:

Assets Category	Life
Plant and Machinery	12-15 Years
Trucks	8 Years
Motor Vehicles	8 Years
Computers	6 Years
Furniture and Fixtures	10 Years
Office Equipments	5 Years

#### 2.4 Impairment of non-financial assets (including plant & equipment)

The Company assesses at each reporting date as to whether there is any indication that any non-financial asset or group of assets, identified as Cash Generating Units (CGU) may be impaired. If any such indication exists, the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any.

An impairment loss is recognized in the Statement of Profit & Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to assets.

The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

#### 2.5 Inventories

Raw material, stores, work-in-progress and traded goods are stated at the lower of cost under FIFO method and net realisable value. Cost of inventories comprise all cost of purchase and other cost incurred in bringing them to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

#### 2.6 Financial Instruments

##### (i) Financial Assets

##### (A) Initial Recognition and Measurement

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument on initial recognition, a financial asset is recognized at fair value. Transaction costs that are directly attributable to the acquisition of financial assets, which are not at fair value through Profit or Loss, are adjusted to the fair value on initial recognition.

##### (B) Subsequent Measurement

Financial Assets are subsequently classified as measured at

- **Amortized Cost:** A Financial Asset is measured at amortized cost if it is held within a business model whose objective is to hold the assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on the specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- Fair value: Through Other Comprehensive Income (FVOCI) - A financial assets is measured at FVOCI is it is held within a business model whose objects is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial assets give rise on the specified dates to cash flows that are payments of principal and interest on the principal amount outstanding.
- Fair Value through Profit or Loss (FVPL): a Financial Assets which is not classified in any of the above categories are measured at FVPL.

#### **(C) Investments in Subsidiaries and Associates**

Investments in subsidiaries and associates are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and associates, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

#### **(D) Other Equity Instrument**

Equity instruments which are held for trading are required to measure at FVPL. All other equity instrument are initially measured at fair value, with value changes recognized in As statement of Profit and Loss, except for those equity investments for the Company has elected to present the value changes in "Other Comprehensive Income".

For Investment in quoted equity instruments the Company has made an irrevocable election at the time of initial recognition to account for equity instruments at FVOCI. The Company makes such election on an instrument by instrument basis. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognized in OCI. Amounts recognized in OCI are non subsequently reclassified to the statement of Profit and Loss. Dividend income on the investments in equity instruments are recognized as 'Other Income' in the statement of Profit and Loss.

#### **(E) Impairment of financial assets and contract assets**

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of Financial Assets other than those measured at FVPL and contract assets.

Expected credit losses are measured through a loss allowances at an amount equal to:

- The 12 months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date): or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument), as applicable.

The Company assesses on a forward looking basis the expected credit losses associated with its financial and contract assets considered for ECL. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables and contract assets only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

ECL allowances (or reversal) recognized during the period is recognized as expense/income in the Statement of Profit and Loss.

#### **(ii) Financial Liabilities**

##### **A. Initial Recognition and Measurement**

All Financial liabilities are recognized at fair value and in case of borrowings, net of directly attributable cost. Fees of recurring nature are directly recognized in the statement of Profit and Loss as finance cost.

## **B. Subsequent Measurement**

Financial Liabilities are carried at amortized cost using the effective interest method.

For trade and other financial liabilities maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

### **(iii) Derecognition of Financial Instruments**

The Company derecognizes a Financial Asset when the contractual rights to the cash flows from the financial asset expire or it transfer the Financial Asset and the transfer qualifies for derecognition under Ind AS 109. A Financial liability (or a part of a Financial Liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

## **2.7 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.

## **2.8 Employee Benefits**

### **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.

## **2.9 Provision and Contingent Liabilities**

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.

## **2.10 Revenue Recognition**

### **i Revenue from Construction Contracts**

The Company has applied Ind AS 115 'Revenue from Customers' for the first time with effect from 1<sup>st</sup> April, 2018. Ind AS 115 supersedes Ind AS 11 "Construction Contracts" and Ind AS 18 "Revenue". The Company has applied Ind AS 115 using the modified retrospective method.

Contract Revenue is recognized under 'percentage-of-completion method'. Use of the 'percentage-of-completion method' requires the Company to measure the efforts or costs expended to date to the satisfaction of a performance obligation as a proportion of the total expected efforts or costs to be expended to the satisfaction of that performance obligation over the time. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Costs incurred in the year in connection with future activity on contract are excluded from contract costs in determining the stage of completion. Further, the Company uses significant judgments while determining the transaction price allocated to performance obligation using the expected cost plus margin approach.

When it is possible that total contract costs will exceed total contract revenue, the expected loss is recognized as an expense immediately.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognized only to the extent of contract costs incurred that are likely to be recoverable. Variations in contract work, claims and incentive payments are included in contract revenue only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and are capable of being reliably measured.

## ii Other Revenue

### A. Interest Income

Interest income from debt instruments is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to the gross carrying amount of a financial assets. When calculating the effective interest rate, the entity estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, pre-payment, extension and similar options) but does not consider the expected credit losses.

### B. Dividends

Dividends are recognized in Profit & Loss only when the right to receive payment is established, it is probable that the economic benefits associated with dividend will flow to the Company, and the amount of the dividend can be measured reliably.

### C. Sale of Trading Goods

Revenue from sale of trading goods is recognized upon transfer of significant risk and rewards of ownership of such goods without retaining effective control over the goods sold and when associated costs of purchase of such goods and related revenue can be measured reliably.

## 2.12 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.

## 2.13 Foreign Currency transactions

### i) Functional and presentation currency

Items reported in the financial statements are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The financial statement of the Company are presented in Indian Rupee which is the functional and presentation currency of the Company.

### ii) Transaction and balances

Foreign currency transactions are translated into the functional currency at the reporting date using the exchange rates at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transaction and from the transaction of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized as profit and loss. They are deferred in equity if they are attributable to part of the net investment in a foreign operation. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the Company's net investment in the foreign operation.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

## 2.14 Foreign Operation

The result and financial position of foreign operation (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities are translated at the closing rate at the date of the Balance Sheet



- Income and Expenses are translated at average exchange rates (unless this is not a reasonable approximation of cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transaction), and
- All resulting exchange differences are recognized in Other Comprehensive Income.

### **2.15 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.

### **2.16 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.

### **2A Critical estimates and judgements**

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgement and assumptions which affect the reported amount of assets, liabilities, revenue and expenses and the accompanying disclosures. The application of accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of assumptions in these financial statements have been discussed below. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Change in estimates are reflected in the financial statements in the period in which such changes are made.

- a. Depreciation/Amortisation and useful lives of Property, Plant and Equipment: **Refer Note - 2.3, 2.4 & 3.**
- b. Revenue Recognition: **Refer Note 2.10.**
- c. Provisions: **Refer Note 2.9.**
- d. Impairment of Financial Assets and contract Assets: **Refer Note 2.6(E).**
- e. Impairment of Non-Financial Assets: **Refer Note 2.4.**



**Note 3 : Property, plant and equipment and Capital Work-in-Progress**

Description	Free-hold Land	Plant & Machinery	Other Plants	Pile Frame	Winch and Engine	Tools and Implement	Cranes	Com-puter & Printer	Furniture & Fittings	Motor Car	Trucks	Two Wheeler	Office Equip-ment	Air Condi-tioner	Total of Property, plant and equipments	Capital work-in progress
Year ended 31st march, 2018																
Gross carrying amount	161.61	1,622.40	4,928.79	2,308.86	75.79	62.80	144.20	15.77	189.83	172.65	655.35	3.54	6.88	10.03	10,358.50	1,955.87
Opening gross carrying amount		73.98	5.76			0.22	0.57	0.33	4.42	4.53	31.42			0.32	121.55	
Exchange differences													0.41		0.41	16.25
Addition during the year			438.44	1.64	4.23										444.31	
Disposals																
Transfers																
<b>Closing Gross carrying amount</b>	<b>161.61</b>	<b>1,696.38</b>	<b>4,496.11</b>	<b>2,307.22</b>	<b>71.56</b>	<b>63.02</b>	<b>144.77</b>	<b>16.10</b>	<b>194.25</b>	<b>177.18</b>	<b>686.77</b>	<b>3.54</b>	<b>6.88</b>	<b>10.35</b>	<b>10,035.74</b>	<b>1,972.12</b>
Accumulated Depreciation																
Opening accumulated depreciation		228.98	861.06	318.32	17.06	9.93	16.62	2.42	36.86	41.50	90.31	0.11	0.90	1.11	1,625.18	
Depreciation charged during the year		188.47	781.97	317.16	16.46	9.34	16.23	1.31	35.47	31.21	80.87	0.50	1.15	7.77	1,487.90	
Disposals																
Exchange differences																
Closing accumulated depreciation			-273.12												-273.12	
<b>Closing accumulated depreciation</b>		<b>417.45</b>	<b>1,369.91</b>	<b>635.48</b>	<b>33.52</b>	<b>19.27</b>	<b>32.85</b>	<b>3.73</b>	<b>72.33</b>	<b>72.71</b>	<b>171.18</b>	<b>0.61</b>	<b>2.05</b>	<b>8.88</b>	<b>2,839.96</b>	
<b>Net carrying amount</b>	<b>161.61</b>	<b>1,278.93</b>	<b>3,126.20</b>	<b>1,671.74</b>	<b>38.04</b>	<b>43.75</b>	<b>111.92</b>	<b>12.37</b>	<b>121.92</b>	<b>104.47</b>	<b>515.59</b>	<b>2.93</b>	<b>4.83</b>	<b>1.47</b>	<b>7,195.77</b>	<b>1,972.12</b>
Year ended 31st march, 2019																
Gross carrying amount	161.61	1,696.38	4,496.11	2,307.22	71.56	63.02	144.77	16.10	194.25	177.18	686.77	3.54	6.88	10.35	10,035.74	1,972.12
Opening Gross carrying amount		22.96	12.43			0.06	0.18	0.10	1.36	1.41	9.70			0.04	48.24	
Exchange differences																
Addition during the year																
Disposals	-161.61															
Transfers																
<b>Closing Gross carrying amount</b>	<b>-</b>	<b>1,719.34</b>	<b>4,508.54</b>	<b>2,307.22</b>	<b>71.56</b>	<b>63.08</b>	<b>144.95</b>	<b>16.20</b>	<b>195.61</b>	<b>178.59</b>	<b>696.47</b>	<b>3.54</b>	<b>6.88</b>	<b>10.33</b>	<b>9,922.31</b>	<b>1,894.01</b>
<b>Accumulated Depreciation</b>																
Opening accumulated depreciation		417.45	1,369.91	635.48	33.52	19.27	32.85	3.73	72.33	72.71	171.18	0.61	2.05	8.88	2,839.97	1,894.01
Depreciation charged during the year		172.67	736.57	310.10	13.69	9.17	16.12	0.91	27.76	22.90	77.97	0.51	1.07	0.94	1,390.38	
Disposals										6.16					51.77	
Exchange differences																
<b>Closing accumulated depreciation</b>	<b>-</b>	<b>590.12</b>	<b>2,152.09</b>	<b>945.58</b>	<b>47.21</b>	<b>28.44</b>	<b>48.97</b>	<b>4.64</b>	<b>100.09</b>	<b>101.77</b>	<b>249.15</b>	<b>1.12</b>	<b>3.12</b>	<b>9.82</b>	<b>4,282.12</b>	<b>-</b>
<b>Net carrying amount</b>	<b>-</b>	<b>1,129.22</b>	<b>2,356.45</b>	<b>1,361.64</b>	<b>24.35</b>	<b>34.64</b>	<b>95.98</b>	<b>11.56</b>	<b>95.52</b>	<b>76.82</b>	<b>447.32</b>	<b>2.42</b>	<b>3.76</b>	<b>0.51</b>	<b>5,640.19</b>	<b>1,894.01</b>

**Note 4 : Non Current Investments**

Rs. in Lakh

Particulars	As at 31st March, 2019	As at 31st March, 2018
<b>Investments (At cost):</b>		
<b>Unquoted</b>		
<b>Investment in equity instruments in Subsidiaries :</b>		
1005100 Fully Paid-up Equity Shares of Rs. 10 each in Simplex Agri Infra Services Pvt Ltd.	100.51	100.51
<b>Investment in equity instruments in Associates :</b>		
1553800 Fully Paid-up Equity Shares of Rs.10 each in Simpark Infrastructure Pvt Ltd.	586.13	586.13
<b>Other entities :</b>		
15000 Fully Paid-up Equity Shares of Rs.10 each in Geo.Miller & Co. Ltd	1.05	1.05
5000 Fully paid equity shares of Simplex Projects Road & Highway construction Pvt. Ltd.	0.50	0.50
Investment in partnership firms (Refer Note below)	13.53	13.53
<b>Sub-Total :-</b>	<b>701.72</b>	<b>701.72</b>
<b>Quoted</b>		
1600 Fully Paid-up Equity Shares of Rs. 10 each in Uco Bank	0.30	0.35
1000 Fully Paid-up Equity Shares of Rs. 10 each in Vijaya Bank	0.46	0.52
100 Fully Paid-up Equity Shares of Rs. 10 each in Indraprasth Gas Ltd	1.52	1.39
22 Fully Paid-up Equity Shares of Rs. 10 each in Tata Consultancy Services Ltd	0.44	0.65
<b>Sub-Total :-</b>	<b>2.72</b>	<b>2.91</b>
<b>Total :-</b>	<b>704.44</b>	<b>704.63</b>
Aggregate amount of unquoted investments	701.72	701.72
Aggregate amount of Quoted Investments and market value thereof	2.72	2.91
Aggregate amount of impairment in value of investments	-	-

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

	Name of the firm	Share of each partner in the profits of the firm	Share of each partner in the profits of the firm
1	Simplex Projects (Netherlands) Co-operative U.A.	1%	1%

(i)	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.
(ii)	These investments in equity instruments are not held for trading instead they are held for medium or long-term strategic purpose. Upon the application of IND-AS 109, the company has chosen to designate these investments in equity instruments as at FVOCI as the management believe that this provides a more meaningful presentation for medium or long term strategic investments than reflecting changes in fair value immediately in Profit or loss. The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated with in the FVOCI equity investments reserve within equity.

**Note 5 : Non Current Financial Assets**

Rs. in Lakh

Description	As at 31 March, 2019	As at 31 March, 2018
Security Deposits	245.28	243.28
Deposit for Contract	390.87	278.18
Long Term Deposit with Banks with Maturity Period More than 12 Months	214.63	176.52
<b>Total :-</b>	<b>850.78</b>	<b>697.98</b>

**Note 6 : Other Non Current Assets**

Rs. in Lakh

Description	As at 31 March, 2019	As at 31 March, 2018
Advance Against Subsidiary/ Joint Venture	-	62.61
Advance against Projects	573.11	1018.83
<b>Total :-</b>	<b>573.11</b>	<b>1,081.44</b>

**Note 7 : Inventories**

Rs. in Lakh

Description	As at 31 March, 2019	As at 31 March, 2018
At lower of cost and net relisable value		
<b>Raw Materials :-</b>		
At Sites	948.04	1,085.18
At Stores	5,510.29	5,447.27
Goods-in-transit	537.44	527.50
<b>Total :-</b>	<b>6,995.77</b>	<b>7,059.95</b>

**Note 8 : Current Trade Receivables**

Rs. in Lakh

Description	As at 31 March, 2019	As at 31 March, 2018
<b>(Unsecured, considered good)</b>		
Trade Receivables		
Considered Good		
SUNDRY DEBTORS	95,782.31	91,029.28
Less : Allowance for Expected Credit Loss	(140.82)	-
DEBTORS FOR TRADING GOODS	4,942.97	5,718.79
Considered Doubtful	489.96	1,705.27
Allowance for doubtful debts	(489.96)	(1,705.27)
<b>Receivables from related parties</b>		
Considered Good	-	497.74
<b>Total :-</b>	<b>100,584.46</b>	<b>97,245.78</b>

Sundry Debtors include overdue amount aggregating to Rs. 12948.42 Lakh (Previous Year - Rs. 10053.17 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.

**Note 9 : Cash and Cash Equivalents**

Rs. in Lakh

Description	As at 31 March, 2019	As at 31 March, 2018
<b>Cash and Cash Equivalents</b>		
Balances with Banks		
in Current Accounts	79.87	417.56
Cheque on hand	-	88.03
Deposits with maturity of less than three months	-	191.31
<b>Total :-</b>	<b>79.87</b>	<b>696.90</b>

**Note 10 : Bank Balances other than (iii)above**

Rs. in Lakh

Description	As at 31 March, 2019	As at 31 March, 2018
In Unpaid Dividend Account	0.50	0.50
In deposit accounts with maturity less than 12 months		
Balances with Banks outside India*	15.48	15.18
Cash on hand at Libya Branch	145.35	142.68
Margin Money with Bank	191.31	-
<b>Total :-</b>	<b>352.64</b>	<b>158.36</b>

**\* Note:**

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

Rs. in Lakh

Name of the Bank	As at 31 March, 2019	As at 31 March, 2018
First Gulf Libyan Bank	14.23	13.97
Sahara Bank, Libya	0.39	0.38
First Gulf Bank, Dubai	0.82	0.80
Gulf Bank, Kuwait	0.04	0.03
<b>Total</b>	<b>15.48</b>	<b>15.18</b>

(i) Fixed Deposits **Rs. 214.63 Lakh** (Previous Year – Rs. 278.18 Lakh) are not in possession of the company as they have been lodged as security deposit with clients / Banks.

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

**Note 11 : Other Current Financial Assets**

Rs. in Lakh

Description	As at 31 March, 2019	As at 31 March, 2018
<b>Unsecured considered good</b>		
Advances recoverable in cash		
Due from related parties		
Subsidiaries	383.07	1,923.53
Joint Ventures	97.80	0.20
Accrued Interest on Deposits with Banks and Others	334.01	331.35
<b>Total :-</b>	<b>814.88</b>	<b>2,255.08</b>

**Note 12 : Current Tax Assets (Net)**

Rs. in Lakh

Description	As at 31 March, 2019	As at 31 March, 2018
Advance Income Tax (net of provisions)	185.08	589.28
<b>Total :-</b>	<b>185.08</b>	<b>589.28</b>

**Note 13 : Other Current Assets**

Rs. in Lakh

Description	As at 31 March, 2019	As at 31 March, 2018
<b>Unsecured considered good</b>		
Advances to employees (Refer note (i) below)	423.80	408.42
Prepaid Expenses	3.03	4.82
<b>Balances with government authorities (Statutory Advances)</b>		
VAT credit receivable	309.41	299.41
GST credit receivable	944.84	728.60
Service Tax credit receivable	7.93	7.93
Other Advance	553.79	555.57
<b>Contract Assets</b>		
Retention Money on Construction Contracts	6,150.61	5,861.38
Less : Allowance for Expected Credit Loss	(24.33)	-
Unbilled Revenue for Construction Contracts	64,046.86	63,053.62
Less : Allowance for Expected Credit Loss	(595.61)	-
<b>Total :-</b>	<b>71,820.33</b>	<b>70,919.75</b>

Note: (i) Employee advance have been shown net of credit balance of Rs.5.73 Lakh

**Note 14 : Equity Share Capital**

Rs. in Lakh

Description	As at 31 March, 2019	As at 31 March, 2018
<b>(a) Authorised :</b> 15000000 Equity shares of Rs. 10/- each with voting rights	1,500.00	1,500.00
	<b>1,500.00</b>	<b>1,500.00</b>
<b>(b) Issued, Subscribed and fully paid up</b> 12600378 Equity shares of Rs. 10/- each with voting rights	1,260.04	1,260.04
<b>Total</b>	<b>1,260.04</b>	<b>1,260.04</b>

**(i) Details of shares held by each shareholder holding more than 5% shares:**

Description	As at 31 March, 2019	As at 31 March, 2018
<b>Equity shares with voting rights</b>		
Kirti Vinimay Private Limited	5,002,603 39.70%	5,002,603 39.70%
Jemtech Engineering Private Limited	1,171,572 9.30%	1,171,572 9.30%

**(ii) 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 share 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.

**Note 15 : Other Equity**

Rs. in Lakh

Description	Refer following Items	As at 31 March, 2019	As at 31 March, 2018
(i) Reserve and Surplus			
Securities Premium Reserve	(a)	8,395.94	8,395.94
General Reserve	(b)	5,012.59	5,012.59
Retained earnings	(c)	(3,684.67)	(3,850.31)
<b>Total</b>		<b>9,723.86</b>	<b>9,558.22</b>
(ii) Other Reserves			
FVOCI Equity instruments		0.68	0.84
Foreign Currency translation Reserve		1,598.14	1,142.49
<b>Total</b>		<b>1,598.82</b>	<b>1,143.33</b>
<b>Total Other Equity ( i + ii )</b>		<b>11,322.68</b>	<b>10,701.55</b>

Description	As at 31 March, 2019	As at 31 March, 2018
(a) Securities Premium Reserve - Balance at the beginning and end of the year	8,395.94	8,395.94
(b) General Reserve		
Balance at the beginning of the year	5,012.59	5,012.59
Add : Transferred from Retained Earnings		
Balance at the end of the year	5,012.59	5,012.59
(c) Retained Earnings		
Balance at the beginning of the year	(3,850.31)	(4,038.17)
Profit for the year	197.40	168.47
Remeasurement of post-employment benefit obligations	(31.76)	19.39
Balance at the end of the year	(3,684.67)	(3,850.31)
<b>Total</b>	<b>9,723.86</b>	<b>9,558.22</b>

Description	For VOCI-Equity Instruments	Foreign Currency Translation Reserve	Total Other reserves
<b>As at 1st April, 2017</b>	0.76	723.03	<b>723.79</b>
Changes in fair value of FVOCI- Equity instruments	0.08	-	0.08
Exchange difference on translation of foreign operation	-	620.81	620.81
Income Tax relating to this item	-	(201.35)	(201.35)
<b>As at 31st March, 2018</b>	<b>0.84</b>	<b>1,142.49</b>	<b>1,143.33</b>
Changes in fair value of FVOCI- Equity instruments	(0.16)	-	(0.16)
Exchange difference on translation of foreign operation	-	615.78	615.78
Income Tax relating to this item	-	(160.12)	(160.12)
<b>As at 31st March, 2019</b>	<b>0.68</b>	<b>1,598.14</b>	<b>1,598.82</b>

**Nature and purpose of Reserves**

**Securities Premium Reserve :** The amount received from share holders in excess of face value of the equity shares is recognised in Securities Premium Reserve and will be utilised as per provisions of the Companies Act, 2013.

**General Reserve :** The Company has transferred a portion of the net profit of the company before declaring to dividend to General Reserve pursuant to the earlier provisions of companies act, 1956. Mandatory transfer to General Reserve is not required under the companies act, 2013. General Reserve will be utilised as per provisions of the companies act, 2013.



**For VOCI-Equity Instruments :** The company has elected to recognise changes in the fair value of certain investments in equity securities through other comprehensive income. These changes are accumulated within the FVOCI-Equity Instruments reserve within equity. Transfer of amounts from this reserves to retained earnings are effected when the relevant equity securities are de-recognised.

**Foreign Currency Translation Reserve :** Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income and accumulated in a foreign currency translation reserve within equity. The cumulative amount of foreign currency translation reserve is re classified to profit or loss when the net investment is disposed-off.

**Note 16 : Non Current Borrowings**

Rs. in Lakh

Description	As at 31 March, 2019	As at 31 March, 2018
<b>Secured Borrowings</b>		
From Other parties	-	93.16
<b>Total :-</b>	<b>-</b>	<b>93.16</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 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.

**Note 17 : Non Current Provisions**

Rs. in Lakh

Description	As at 31 March, 2019	As at 31 March, 2018
<b>Provision for Employee Benefits</b>		
Leave Encashment	13.62	15.44
Gratuity	82.30	40.57
<b>Total :-</b>	<b>95.92</b>	<b>56.01</b>

**Note 18 : Deferred Tax Liabilities (Net)**

Rs. in Lakh

Description	As at 31 March, 2019	As at 31 March, 2018
MAT Credit Entitlement	(226.28)	(227.02)
Liability on account of difference in value of Assets as per books and tax Laws	453.41	480.73
<b>Total :-</b>	<b>227.13</b>	<b>253.71</b>

**Note 19 : Other Non current liabilities**

Rs. in Lakh

Description	As at 31 March, 2019	As at 31 March, 2018
Trade / Security Deposits received	2,425.57	1,540.61
<b>Contract Liabilities</b>		
Advance from Customers	76,306.13	75,836.77
<b>Total :-</b>	<b>78,731.70</b>	<b>77,377.38</b>

Notes forming part of the consolidated financial statements of Simplex Projects Limited and its subsidiary

**Note 20 : Current Borrowings**

Rs. in Lakh

Description	As at 31 March, 2019	As at 31 March, 2018
<b>A. Secured Borrowings</b>		
Term Loans from Banks	1,503.78	1,391.23
Working Capital Loans repayable on demand from Banks	62,152.31	52,320.08
<b>Sub-Total</b>	<b>63,656.09</b>	<b>53,711.31</b>
<b>B. Unsecured Borrowings</b>		
Intercompany Deposit (repayable on demand)	1,969.18	2,929.18
<b>Sub-Total</b>	<b>1,969.18</b>	<b>2,929.18</b>
<b>Total :-</b>	<b>65,625.27</b>	<b>56,640.49</b>

**Notes to Current 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.

**Note 21 : Trade Payables**

Rs. in Lakh

Description	As at 31 March, 2019	As at 31 March, 2018
Acceptances	-	9,228.74
Other Trade Payables to other parties	23,546.21	22,514.43
<b>Total :-</b>	<b>23,546.21</b>	<b>31,743.17</b>

- 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 31.03.2019.
- Trade payable have been shown net of advances of Rs. 10197.00 Lakh (Previous Year Rs. 10201.08 Lakh) paid to suppliers and sub contractors.

**Note 22 : Other Current Financial Liabilities**

Rs. in Lakh

Description	As at 31 March, 2019	As at 31 March, 2018
Current maturities of long term debts*	421.36	284.33
Unpaid matured long term debt	289.33	289.33
Interest accrued and due on borrowings	849.77	828.51
Unclaimed dividends	0.49	0.49
Liability for expenses and obligations	1,441.56	1,336.17
<b>Total :-</b>	<b>3,002.51</b>	<b>2,738.83</b>
Note: Current maturities of long term debts		
Description	As at 31 March, 2019	As at 31 March, 2018
Term loans		
From Banks, Secured	-	-
From other parties, Secured	421.36	284.33
<b>Total</b>	<b>421.36</b>	<b>284.33</b>

**Note 23 : Other Current Liabilities**

Rs. in Lakh

Description	As at 31 March, 2019	As at 31 March, 2018
Contract Liability		
Advance from Customers	2,790.74	5,323.82
Others		
Statutory Dues (Contributions to PF and ESIC, Service Tax, GST etc)	1,854.49	1,633.27
Trade / Security Deposits received	301.33	733.67
Advance against projects	1,593.66	1,906.56
Advances from related parties	-	-
<b>Total :-</b>	<b>6,540.22</b>	<b>9,597.32</b>

**Note 24 : Current Provisions**

Rs. in Lakh

Description	As at 31 March, 2019	As at 31 March, 2018
Provision for employee benefits :		
Exgratia	124.09	104.98
Leave encashment	19.79	10.40
<b>Total :-</b>	<b>143.88</b>	<b>115.38</b>

**Note 25 : Revenue from Operations**

Rs. in Lakh

	For the year ended 31 March, 2019	For the year ended 31 March, 2018
<b>Construction Contract Works</b>		
Gross Billing	25,261.58	16,289.92
Add :Accretion/(Decretion) in Work in Progress	(581.18)	(710.22)
	<b>24,680.40</b>	<b>15,579.69</b>
<b>Sale of Trading Goods</b>	-	<b>9,349.80</b>
<b>Total</b>	<b>24,680.40</b>	<b>24,929.50</b>

Work-in-progress include overdue amount aggregating to Rs. 3680.67 lakh (Previous Year - Rs. 1679.28 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 **Rs. 2109.19** lakh on account of bills submitted but not certified as on the Balance Sheet date.

**Note 26 : Other Income**

Rs. in Lakh

	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Dividend Income from Equity Instruments	0.05	0.04
Interest Income from Fixed Deposits	139.53	422.08
Excess Provision written back (refer note below)	5.57	13.79
Fair value gain from financial assets measured at FVPL	77.55	72.89
Profit on Disposal of Fixed Assets	47.78	-
Other Income	186.42	28.49
<b>Total</b>	<b>456.90</b>	<b>531.29</b>

Note: Interest on Fixed Deposits with Banks and laying with other party (as EMD) has not been considered as income.

**Note 27 : Cost of Material Consumed**

Rs. in Lakh

	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Opening Stock	6,532.46	6,638.07
Add : Purchases	4,002.98	4,516.25
	10,535.44	11,154.32
Less : Closing Stock	6,458.33	6,532.46
<b>Total</b>	<b>4,077.11</b>	<b>4,621.86</b>

**Note 28 : Cost of subcontracting, other site and Trading expenses**

Rs. in Lakh

	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Subcontracting Expenses	15,507.13	2,411.30
Other site Expenses	2,769.58	5,936.63
<b>Total</b>	<b>18,276.71</b>	<b>8,347.93</b>

**Note 29 : Employee benefits expenses**

Rs. in Lakh

	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Salaries and wages	388.41	441.89
Contributions to provident and other funds (Refer Note 40)	47.85	54.09
Staff welfare expenses	4.07	3.04
<b>Total</b>	<b>440.33</b>	<b>499.02</b>

**Note 30 : Finance costs**

Rs. in Lakh

	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Interest expenses on Borrowings	293.02	167.40
Other Borrowing costs	122.32	274.34
<b>Total</b>	<b>415.34</b>	<b>441.74</b>

**Note 31: Other Administrative Expenses**

Rs. in Lakh

	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Rent including lease rentals	35.97	36.17
Repairs and maintenance:		
Others	34.61	27.77
Buildings	0.60	0.06
Insurance	18.11	20.09
Rates and taxes	0.25	9.52
Travelling and Conveyance	50.70	92.97
Motor Vehicles Expenses	22.66	24.33
Stores and Godown Expenses	2.49	2.52
Legal and professional	86.36	167.99
Bank Charges	20.03	150.33
Payments to auditors (Refer Note below)	5.76	5.86
Net loss on foreign currency transactions and translation	-	57.48
Loss on fixed assets sold	2.17	5.60
Advances written off	189.26	73.83
Miscellaneous expenses	58.90	61.85
<b>Total</b>	<b>527.47</b>	<b>736.37</b>

**Notes: Payments to Auditors**

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Payments to the auditors:		
For Statutory audit	5.18	5.18
For Tax Audit	0.58	0.58
For Certification	0.00	0.10
<b>Total</b>	<b>5.76</b>	<b>5.86</b>

(Rs. in Lakhs, unless otherwise stated)

- 32 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.
- 33 The Company 's cash credit accounts with Bank of Baroda, DBS bank, Yes bank, ICICI, State bank of India, State bank of Travancore ,Axis Bank, IDBI bank & UCO bank & term loan facilities with Kotak Mahindra & ICICI have been classified as Non performing assets & no provision of interest amounting Rs. 8423.41 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.
- 34 Capital Working Progress amounting to Rs. 1894 lakhs which includes Rs.465.29 lakhs pertaining to materials imported and kept at port.
- 35 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 depreciation of **Rs. 258.55 Lakhs** (previous year Rs.286.51 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. The Company has filed a claim of INR 770.00 Crores against State of Libya in International Arbitration.

**36. a) Earnings in Foreign Currency :**

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
On Contract Work (Work Done at Overseas Branch)	<b>8,300.25</b>	10,645.01

**b) Expenditure in Foreign Currency :**

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
Travelling	<b>5.47</b>	58.37

**37. Stores Consumed :**

Particulars	Year ended 31st March, 2019		Year ended 31st March, 2018	
	Value	% of total consumption	Value	% of total consumption
Imported (Into India)	-	-	-	-
Indigenous	<b>4,077.11</b>	<b>100</b>	4,621.86	100
<b>Total</b>	<b>4,077.11</b>	<b>100</b>	4,621.86	100

**38 Segment Information:**

**Description of segments and principal activities**

The Company's chief operating decision making group [CODMG] (as set out in note 2.2), examines the Company's performance both from business, geographical perspective and has identified two reportable business segments viz. Construction and Others which comprises trading of goods and hiring of plant & equipment. Segment disclosures are consistent with the

information provided to CODMG which primarily uses operating profit/ loss of the respective segments to assess their performance. CODMG also periodically receives information about the segments revenue and assets.

a) **Summarised Segment information**

<b>Particulars</b>	<b>Construction</b>	<b>Others</b>	<b>Total</b>
External Sales (i.e. Revenue from operation)	<b>24680.41</b> 15579.71	- 9349.79	<b>24680.41</b> 24929.50
Other Income	<b>456.89</b> 531.29	-	<b>456.89</b> 531.29
Segment Revenue #	<b>25137.30</b> 16111.11	- 9349.79	<b>25137.30</b> 25460.79
Segment Result	<b>1815.69</b> 1905.80	- 41.29	<b>1815.69</b> 1947.09

#Company deals with various customers and revenue from transaction with a single customer does not amount to 10% or more of the Company's revenue.

b) **Specified amounts included in Segment Results**

<b>Particulars</b>	<b>Construction</b>	<b>Others</b>	<b>Total</b>
Depreciation and Amortisation	<b>1390.38</b> 1487.90	- -	<b>1390.38</b> 1487.90
Net Foreign Exchange loss/(gain)	-	-	-
Net Non cash expense/(Income) other than depreciation and amortisation	<b>(77.55)</b> (72.89)	- -	<b>(77.55)</b> (72.89)

c) **Reconciliation of Segment Results with Profit after tax**

<b>Particulars</b>	<b>Construction</b>	<b>Others</b>	<b>Total</b>
Segment Result	<b>1815.69</b> 1905.80	- 41.28	<b>1815.69</b> 1947.09
Finance Costs	<b>415.35</b> 441.74	- -	<b>415.35</b> 441.74
Provision for Taxation-Current Tax (Net of Excess Current Tax provision for earlier years written back)	-	-	-
Provision for Taxation- Deferred Tax	<b>(187.44)</b> (151.02)	- -	<b>(187.44)</b> (151.02)
Profit after Tax as per Financial Statements	<b>197.40</b> 127.19	- 41.28	<b>197.40</b> 168.47

**d) Other Information**

Particulars	Construction	Others	Total
Segment Assets	<b>185370.04</b> <i>184858.24</i>	<b>5125.52</b> <i>5718.79</i>	<b>190495.56</b> <i>190577.03</i>
Segment Liabilities	<b>190488.06</b> <i>189506.88</i>	<b>7.50</b> <i>1070.15</i>	<b>190495.56</b> <i>190577.03</i>

Figures for previous year ended 31st March, 2018 have been presented in Italics

**e) Addition Segment Information By Geographic**

	Year ended 31st March,2019			Year ended 31st March,2018		
	India	Kuwait	Total	India	Kuwait	Total
Segment Revenue- External	<b>16,121.61</b>	<b>8,558.80</b>	<b>24,680.41</b>	13,997.99	10,931.52	24,929.51

**Note 39 Related party transactions**

Related Party disclosures pursuant to IND AS 24 prescribed under the Act.

Serial No.	Relationship	Name of Related Parties
<b>A</b>	<b>Where Control exists :</b>	
	<b>Subsidiaries</b>	Simplex Agri Infra Services Pvt. Ltd.
<b>B</b>	<b>Others with whom transaction were carried out during the year etc :-</b>	
	<b>Associates</b>	Simpark Infrastructure Pvt. Ltd.
<b>C</b>	<b>Key Management Personnels (KMP)</b>	<b>Executive Directors</b>
		Mr. Sudarshan Das Mundhra
		<b>Non-Executive Directors</b>
		Mr. Balkrishan Das Mundhra
		Mr. Bhabya Nath Thakur
	<b>Company Secretary</b>	Mrs. Sohini Shukla
<b>D</b>	<b>Relaives of KMP</b>	Mrs. Pushpa Mundhra
		Mr. Raghav Das Mundhra
<b>E</b>	<b>Entities Contol by Directors Or Relatives of Directors</b>	Jemtec Engineering Pvt. Ltd.
		Kirti Vinimay Pvt. Ltd.
		Datson Exports Ltd.
		Simplex Foundation
<b>F</b>	<b>Post employment benefit plan entity</b>	Simplex Employees Provident Fund
		Simplex Gratuity Fund





## 39. Transactions with related parties

	Associates		Subsidiaries		Other related parties		Relatives of KMP		Key Management Personnel		Post employment benefit plan entity		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
<b>Loans and Advances Taken (Repaid) (Net)</b>														
Simpark Infrastructure Pvt. Ltd	-	15.98	-	-	-	-	-	-	-	-	-	-	-	15.98
Balkrishan Das Mundhra	-	-	-	1,210.75	-	1,209.95	-	-	-	-	-	-	1,209.95	1,210.75
Jemtec Engineering Pvt Ltd	-	-	-	174.33	-	231.27	-	-	-	-	-	-	231.27	174.33
Kirti Vinimay Pvt. Ltd.	-	-	-	890.14	-	-	-	-	-	-	-	-	-	890.14
Datson Exports Ltd	-	-	-	3.52	-	15.80	-	-	-	-	-	-	15.80	3.52
<b>Loans given/repaid</b>														
Simpark Infrastructure Pvt. Ltd	97.60	-	-	-	-	-	-	-	-	-	-	-	97.60	-
Simplex Agri-Infra Services Pvt Ltd	-	-	383.06	1,923.53	-	-	-	-	-	-	-	-	383.06	1,923.53
Kirti Vinimay Pvt. Ltd.	-	-	-	-	561.51	-	-	-	-	-	-	-	561.51	-
<b>Contribution during the year</b>														
Simplex Employees Provident Fund	-	-	-	-	-	-	-	-	-	-	20.56	35.98	-	35.98
Simplex Gratuity Fund	-	-	-	-	-	-	-	-	-	-	9.50	-	9.50	-
<b>Managerial Remuneration</b>														
Mr. B. K. Mundhra	-	-	-	-	-	-	-	-	16.41	60.00	-	-	16.41	60.00
Mr. J. K. Bagri*	-	-	-	-	-	-	-	-	-	21.80	-	-	-	21.80
Mr. S. D. Mundhra	-	-	-	-	-	-	-	-	19.37	19.37	-	-	19.37	19.37
<b>Sittings Fees</b>														
Anand Chopra #	-	-	-	-	-	-	-	-	-	0.12	-	-	-	0.12
Nandini Jhawar \$	-	-	-	-	-	-	-	-	-	0.15	-	-	-	0.15
Keshav Das Mundhra	-	-	-	-	-	-	-	-	0.06	0.25	-	-	0.06	0.25
Bhabya nath Thakur	-	-	-	-	-	-	-	-	0.26	0.16	-	-	0.26	0.16
<b>Guarantees Given/(released)(net)</b>														
Simpark Infrastructure Pvt Ltd	90.78	90.78	-	-	-	-	-	-	-	-	-	-	-	-
Simplex Agri Infra Services Pvt Ltd	-	-	13.34	13.34	-	-	-	-	-	-	-	-	-	-
<b>Grand Total</b>	188.38	106.76	396.4	1936.874	2018.53	2278.74	-	-	36.1	101.85	30.06	35.98	2565.35	4356.0835

\* Resigned w.e.f 19th March,2018  
 # Resigned w.e.f 22nd August,2017  
 \$ Resigned w.e.f 16th July,2018

(Rs. in Lakhs, unless otherwise stated)

40. The Company has recognised, in the statement of Profit and Loss for “Employee Benefits” are given below :

**Defined Contribution plan**

Contribution to Defined Contribution Plan, recognized/charged off for the year is as under :

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Employer’s Contribution to Provident Fund	11.10	20.79
Employer’s Contribution to Superannuation Fund	-	-
Employer’s Contribution to Pension Scheme	9.87	14.28

**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.

**a. Reconciliation of opening and closing balances of Defined Benefit obligation**

Particulars	For the year ended 31 March, 2019		For the year ended 31 March, 2018	
	Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
Defined Benefit obligation at beginning of the year	121.53	25.83	147.74	29.82
Current Service Cost	8.07	5.92	11.68	3.04
Interest Cost	8.87	1.88	10.93	2.20
Actuarial gain/(loss)	12.12	(15.16)	(48.82)	(9.23)
Benefits paid	-	-	-	-
Defined Benefit obligation at year end	150.60	18.47	121.53	25.83

**b. Reconciliation of opening and closing balances of fair value of plan assets**

Particulars	For the year ended 31 March, 2019		For the year ended 31 March, 2018	
	Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
Fair value of plan assets at beginning of the year	80.96	-	90.19	-
Expected return on plan assets	5.91	-	6.67	-
Actuarial gain/(loss)	(19.63)	-	(19.19)	-
Employer contribution	1.06	-	3.29	-
Benefits paid	-	-	-	-
Fair value of plan assets at year end	68.30	-	80.96	-
Actual return on plan assets	7.30%	-	7.40%	-

**c. Reconciliation of fair value of assets and obligations**

Particulars	For the year ended 31 March, 2019		For the year ended 31 March, 2018	
	Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
Fair value of plan assets	68.30	-	80.96	-
Present value of obligation	150.60	-	121.53	-
Amount recognized in balance Sheet	(82.30)	-	(40.57)	-

**d. Expenses recognized during the year**

(Rs. in Lakhs, unless otherwise stated)

Particulars	For the year ended 31 March, 2019		For the year ended 31 March, 2018	
	Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
Current Service Cost	8.07	5.93	11.68	3.05
Interest Cost	8.87	1.88	10.93	3.21
Expected return on plan assets	5.91	-	(6.67)	-
Actuarial gain / (loss) recognized in the year	31.76	(15.16)	(29.64)	(9.23)
Net Cost	54.61	(7.35)	13.70	(3.98)

**e. Investment Details**

Particulars	% invested as at 31st March, 2019	% invested as at 31st March, 2018
L.I.C. Group Gratuity (Cash Accumulation) Policy	100	100

**f. Actuarial assumptions**

Particulars	For the year ended 31 March, 2019		For the year ended 31 March, 2018	
	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)	7.30%	7.30%	7.40%	7.40%
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.

**41. 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 **Rs. 383.06 Lakhs** ( Previous Year Rs. 1,910.01 Lakh). The Company has given interest free advance to Simpark Infrastructures Pvt Ltd, (its associate) having no repayment schedule and advance balance is **Rs. 97.60 Lakh** on the Balance sheet date. (Previous year loan taken Rs. 15.98 Lakh).

**42. Earnings per Share:**

Sl. No.	Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
a)	Net Profit / (Loss) after tax available for equity shareholders (in lakhs)	197.40	168.47
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)	FV of each equity share (Rs.)	10.00	10.00
d)	Basic EPS	1.57	1.34
e)	Diluted EPS	1.57	1.34

**43 a) Information in accordance with the requirements of the Indian Accounting Standard (Ind AS 115) on 'Revenue from Contracts with Customer'.**

**(i) Revenue from operations**

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>Income</b>		
Income from Contracts and Services (Refer Note 25)	<b>24680.41</b>	15579.71
Sale of Trading Goods	-	9349.80

(ii) The Company recognises revenue from contracts with customers which included Government and Non-Government customers, for construction/project activities over a period of time. During the year substantial part of the Company's business has been carried out in India. For geographical disaggregation Refer Note 38.

**(iii) Contract balances**

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Trade receivables (Refer Note 8)	<b>95641.49</b>	91526.99
Contract assets (Refer Note 13)	<b>69577.53</b>	68915.00
Contract liabilities (Refer Note 19 & 23)	<b>79096.87</b>	81160.59

(iv) Set out below is the amount of revenue recognised during the period from Contract liability balance at the beginning of the period:

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Revenue recognised during the period from Contract liability balance at the beginning of the period	<b>708.91</b>	-

(v) **Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price:**

There is no difference in the contract price negotiated and the revenue recognised during the period in the statement of profit and loss.

(vi) **Performance Obligation**

Method used to recognise revenue and timing of satisfaction of performance obligations have been disclosed in note 2.10. Generally the project duration of contracts with customers is more than 12 months.

**43 b) The nature and effect of the changes as a result of adoption of Ind AS115 'Revenue from Contracts with Customers' and amendments in existing Ind AS.**

**New and amended standards and Interpretations**

On March, 2018, the Ministry of Corporate Affairs (MCA) has notified Ind AS115 'Revenue from Contracts with Customers' and certain amendment to existing Ind AS which are applicable to the Company with effect from 1st April, 2018. Some of these amendments in existing Ind AS do not have an impact on these financial statements of the Company.

The Company applied Ind AS115 for the first time and adopted the amendment in Ind AS 109 'Financial Instruments'. The nature and effect of the changes as a result of adoption of Ind AS 115 is not material.

**44 Assets pledged as security**

The carrying amounts of certain categories of assets pledged as security for current and non-current borrowings pursuant to the requirements of Ind AS 2, Ind AS 16, Ind 38 and Ind AS 107.

Particulars	As at 31st March 2019	As at 31st March 2018
Current assets	704.47	701.14
Financial assets	1067.11	1031.07
Total (A+B)	1771.58	1732.21

**Note: 44,24,839 shares of the Promoters are placed with the bank.**

**45 Contingent Liabilities- Attributable to Claims against the Company not acknowledge as debts**

In respect of the contingent liabilities set out below, pending resolution of the respective proceedings, it is not practicable for the Company to estimate the timings of cash outflows, if any:

Particulars	As at 31st March 2019	As at 31st March 2018
a) Interest (others)	22314.02	13890.61
b) Sales Tax/Value Added Tax	2798.94	2775.20
c) Service Tax	946.85	946.85

**46 Contingent Liabilities - Attributable to Guarantees:**

Particulars	As at 31st March 2019	As at 31st March 2018
i) Corporate Guarantees given to Banks against credit facilities extended to third parties	2200.00	2200.00
a) In respect of Associates	Nil	Nil
ii) Bank Guarantees	97741.76	98998.88
a) In respect of Subsidiary	13.34	13.34
b) In respect of Associate	90.78	90.78

**47** Arbitration/Legal proceedings are on in respect of company's claims on certain completed/suspended contracts against which certain customers have also raised counter claims on the company. Pending disposal of the proceedings, an effect has been given in these financial statements for such matters. Based on the company's internal evaluation supported by legal opinion obtained, management believes that it is probable that the outcome of such proceedings will be in favour of the Company and there will be no adverse impact in this regards.

**48 Financial Risk Management**

The Company's business activities are exposed to variety of financial risks namely liquidity risk, market risks and credit risk. The Company's senior management has the overall responsibility for establishing and governing the Company's financial risk management framework. The Company has constituted a Risk Management Committee, which is responsible for developing and monitoring the Company's financial risk management policies. The Company's financial risk management policies are established to identify and analyse the risk faced by the Company, to set and monitor appropriate controls.

**(A) Credit Risk**

Credit risk refers to risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables, bank balances, loans, Investments and other financial assets.

At each reporting date the Company measures loss allowance for certain class of financial assets and based on historical trend, industry practices and the business environment in which the company operates.

Credit risk with respect to trade receivable are limited, due to the Company's customer profile are well balanced in Government and Non-Government customers and diversified amongst in various construction verticals and geographies. All trade receivable are reviewed and assessed on a quarterly basis.

Credit risk arising from investments, derivative financial instruments and balances with bank is limited because the counterparties are banks and recognised financial institutions with high credit worthiness.

**Provision for expected credit losses**

The Company measures Expected Credit Loss (ECL) for financial instruments based on historical trend, industry practices and the business environment in which the Company operates

For financial assets, a credit loss is the present value of the difference between:

- (a) the contractual cash flows that are due to an entity under the contract: and
- (b) the cash flows that the entity expects to receive

The Company recognises in profit or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date.

**(B) Liquidity risk**

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The Company manages the liquidity risk by maintaining adequate funds in cash and cash equivalents.

**(C) Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of changes in the market prices

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

**50** Previous year's figures are reclassified, where necessary, to conform to the current year's classification.

**SIGNATURES TO NOTES "1" TO "50"**

For and on behalf of

**H. S. BHATTACHARJEE & CO.**

Firm Registration No. 322303E

*Chartered Accountants*

**A. Roy**

*Partner*

Membership No. 57516

Kolkata

Dated : 22nd October, 2019

For and on behalf of the Board of Directors

**Simplex Projects Limited**

**S. D. Mundhra**

*Managing Director & CFO*

(DIN:00013158)

**B. N. Thakur**

*Director*

(DIN:05250206)

**B. K. Mundhra**

*Chairman & Director*

(DIN:00013125)

**Sohini Shukla**

*Company Secretary*

(Membership No. A48409)

TO  
THE MEMBERS OF

**SIMPLEX PROJECTS LIMITED**

**Report on the Consolidated Indian Accounting Standards  
(Ind AS) Financial Statements**

**Qualified Opinion**

1. We have audited the accompanying consolidated Ind AS financial statements of Simplex Projects Limited (hereinafter referred to as "the Holding Company), its subsidiary (Simplex Agri-Infra Services Private Limited, Unaudited, refer note k of Basis for Qualified Opinion) (the Holding Company and its subsidiary together hereinafter referred to as 'the Group'), and its associate (Simpark Infrastructure Private Limited, Unaudited, refer note k of Basis for Qualified Opinion), which comprise the Consolidated Balance sheet as at March 31, 2019, the Consolidated statement of Profit and loss (including other Comprehensive income), the Consolidated statement of Changes in equity and the Consolidated statement of Cash Flows for the year then ended on that date, and notes to financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the "Consolidated Ind AS Financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the 'Basis for Qualified Opinion' section of our report, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("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 consolidated state of affairs of the Group as at March 31, 2019, their consolidated profit including total comprehensive income, their consolidated statement of changes in equity and the consolidated cash flows for the year ended on that date.

**Basis for Qualified Opinion**

- a. Note 36 regarding holding company's branch at Libya where operation 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. As such in the opinion of the management the amount of dues and assets deployed in Libya are realizable and no provision thereof are required at this stage. 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 granted a stay for further extension / invocation of Bank Guarantees for the project. The Company

has filed a claim of INR 770.00 Crores against State of Libya in International Arbitration.

We are unable to comment on the extent of the recoverability of the amounts due and the assets at Libya due to lack of adequate information. The impact of this matter on the Total Assets & Total Equity and Liabilities as at March 31, 2019; Total Expenses, Profit before Tax, Tax Expense, Profit for the Year, Total Comprehensive Income and Earnings per Share of the company for the year ended March 31, 2019 is presently not ascertainable.

- b. We did not audit the financial statements of holding company's branch at Libya having Net Assets Rs. 17668.43 Lakh & Net Receivables Rs. 19116.20 Lakh as at March 31, 2019 included in the Standalone Ind AS Financial Statements, which reflect depreciation charged of Rs. 258.55 Lakh relating to the machineries deployed for the year ended March 31, 2019. The financial statements of this branch is unaudited and have been furnished to us by the management and are certified by the management and our report is based solely on certificate of management.
- c. We did not audit the financial statements of holding company's branch at Kuwait having Net Assets Rs. 16918.57 Lakh & Net Receivables Rs. 20063.09 Lakh as at March 31, 2019 included in the Standalone Ind AS Financial Statements, which reflect work done of Rs. 8300.25 Lakh and expenses incurred of Rs. 8299.77 Lakh for the for the year ended March 31, 2019. The financial statements of this branch is unaudited and have been furnished to us by the management and are certified by the management and our report is based solely on certificate of management.
- d. Investment of Rs. 542.94 Lakh in the partnership firm Simplex Projects (Netherlands) Co-operative U.A. is doubtful of recovery since project has not started from FY 2013-2014 and no provision for the same has been made by the holding company.
- e. The holding company has not made any provision against Advances paid to Suppliers of material, Subcontractors & Staff advances amounting to Rs. 4367.39 Lakh since long and advance against projects Rs. 1088.16 Lakh.
- f. The holding company's account with Bank of Baroda, DBS Bank, ICICI Bank, IDBI Bank, State Bank of India, Yes Bank, UCO Bank, State Bank of Travancore & Axis Bank for working capital facilities and ICICI bank & Kotak Mahindra Bank for Term loan facilities have been classified as Non-performing assets and accordingly the provision for interest has not been made for the quarter

- ended March, 2019 amounting to Rs. 2116.23 Lakh approximately and for the year ended March, 2019 amounting to Rs. 8423.41 Lakh approximately.
- g. No provision for diminution in the value or impairment has been made by the holding company for Capital Work in Progress consists of materials lying outside amounting to Rs. 1894 Lakh which includes Rs. 465.29 Lakh pertaining to materials imported and kept at port since FY 2012-13.
  - h. Site work in progress (included under Other Current Assets) amounting to Rs. 6987.28 Lakh (out of which Rs. 3680.67 lakh are under dispute with client) and uncertified sales amounting to Rs. 2109.19 Lakh (included under revenue) has been lying as such from various projects against which no provision have been made by the holding company.
  - i. In respect of certain projects wherein the Management of the holding company has considered Trade Receivables include overdue amount aggregating to Rs. 12948.42 Lakh (Previous Year - Rs. 10053.17 Lakh) & Work In Progress (for work done) 3680.67 Lakh (Previous Year - Rs. 1679.28 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. In view of pending arbitration against the customer and lack of adequate information, we are unable to comment on the extent of recoverability of these balances.
  - j. Provident Fund contributions in respect of employees are made to Trust administered by the company. In absence of Audit of such Trust for the financial year ended 31st March, 2017, 31st March 2018 & 31st March 2019 we are unable to comment on the utilization of the funds by the holding company.
  - k. We did not audit the financial statements of subsidiary, whose financial statements reflect total assets of Rs. 5734.86 lakh as at 31st March, 2019 total revenue of Rs. 193.94 lakh and 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 in so far as it relates to the aforesaid subsidiary is based solely on such unaudited financial statements.

The consolidated Ind AS financial results also includes the Group share of net profit of Rs. 4.17 lakhs for the year ended 31st March 2019 as considered in the consolidated Ind AS financial statement, in respect of associate, whose financial statements, other financial information are unaudited and have been furnished to us by the

management. Our opinion, in so far as it relates to the affairs of such associate is based solely on such unaudited financial statements.

- l. 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.
- m. Pursuant to the provisions of SEBI circular no. CIR/CFD/CMD/12/2015 dated November 30, 2015 with respect to Standard Operating Procedure (SOP) for suspension and revocation of trading of shares of listed entities for non-compliance of certain regulations of SEBI (LODR) Regulation, 2015. The holding company has not submitted the Financial Results as per Reg. 33 of SEBI (LODR) Regulation, 2015 within due date and also not paid the fine amount levied for the said non-compliance.

In view of above, the entire promoter shareholding of the holding company has been frozen w.e.f. November 02, 2018 and trading in the equity shares of the company suspended w.e.f. November 26, 2018.

The matters (a to k) mentioned above were also qualified in our last audit report for the year ended March 31, 2018.

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

#### Key Audit Matters

3. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the 'Basis for Qualified Opinion' section we have determined the matters described below to be the key audit matters to be communicated in our report.





Sr.No.	Key Audit Matter	Auditor's Response
<b>Correctness of Project Revenue recognition Construction Contracts</b> (as described in note 2.10 and 46(a) of the consolidated Ind AS financial statements)		
1	<p>Revenue from construction contracts is recognised over a period of time in accordance with the requirements of Ind AS 115, Revenue from Contracts with Customers. Revenue recognition involves usage of percentage of completion method which is determined based on proportion of contract costs incurred to date compared to estimated total contract costs, which involves significant judgments, reliable estimation of total project cost, identification of contractual obligations in respect of Company's rights to receive payments for performance completed till date, estimation of period of recovery of receivables, changes in scope and consequential revised contract price and recognition of the liability for loss making contracts/ onerous obligations.</p> <p>Project revenue recognition is significant to the financial statements based on the quantitative materiality and the degree of management judgment required to apply the percentage of completion method. Management has also considered this area to be a key accounting estimate as disclosed in the 'critical estimates and judgements' note 2A to the consolidated financial statements. We therefore determined this to be a key audit matter.</p>	<p>Our procedures included :</p> <ul style="list-style-type: none"> <li>● Testing of the design and implementation of controls involved for the determination of the estimates used as well as their operating effectiveness;</li> <li>● Testing the relevant information technology systems' access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the new revenue accounting standard;</li> <li>● Testing a sample of contracts for appropriate identification of performance obligations;</li> <li>● For the sample selected, reviewing for amendments of orders and the impact on the estimated costs to complete;</li> <li>● Engaging experts to review estimates of costs to complete for sample contracts; and</li> <li>● Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings.</li> </ul>
<b>Unbilled Revenue balance, Trade Receivables and Retention Money relating to construction contracts of the Company</b> (as described in note 8 & 13 of the consolidated Ind AS financial statements)		
2	<p>Unbilled Revenue balance, Trade Receivables and Retention Money of the Group aggregates Rs. 1,70,224.67 lakh as at March 31, 2019.</p> <p>The collectability of above balances is a key element of the Company's working capital management. In assessing the recoverability of the aforesaid balances, management's judgement involves consideration of status of the project, the likelihood of collection based on the terms of the contract and evaluation of litigations, if any.</p> <p>We considered this as key audit matter due to the materiality of the amounts and significant estimates and judgements as stated above.</p>	<p>As part of our audit procedures:</p> <ul style="list-style-type: none"> <li>● Testing of the design and implementation of controls involving management's assessment of recoverability of Unbilled Revenue balance, Trade Receivables and Retention Money relating to construction contracts.</li> <li>● We performed test of details, and tested relevant contracts and documents on the basis of materiality for Unbilled Revenue, Trade Receivables and Retention Money balances.</li> <li>● We also carried out additional test procedures, in respect of long outstanding balances, i.e. tested subsequent documents with customers with respect to recoverability of the same.</li> <li>● We tested contracts to determine the provisioning requirement for loss making contracts/onerous obligations, if any.</li> </ul>
<b>Pending litigations including arbitrations</b> (as described in note 48 & 50 of the consolidated Ind AS financial statements)		
3	<p>The Company is subject to number of claims and litigations including arbitrations, mainly with customers and tax authorities. The assessment of the likely outcome of these matters can be judgmental due to the uncertainty inherent in their nature.</p>	<p>Principal Audit Procedures:</p> <ul style="list-style-type: none"> <li>● Our audit approach was a combination of test of internal controls and substantive procedures including:</li> <li>● Assessing the appropriateness of the design and implementation of the Company's controls over the</li> </ul>

Sr.No.	Key Audit Matter	Auditor's Response
	<p>This area is significant to our audit, since the accounting and disclosure of claims and litigations are complex and judgmental, and the amounts involved are, or may be, material to the consolidated financial statements.</p>	<p>assessment of litigations and completeness of disclosures. Supporting documentation are tested to assess the status of Arbitration/legal proceedings with reference to related counselors' views for likely outcome of these matters.</p> <ul style="list-style-type: none"> <li>● Involving experts to assess the effect of new changes of law and relevant historical and recent judgements passed by the appropriate authorities in order to challenge the basis used for the accounting treatment and resulting disclosures.</li> </ul>

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

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this information, we are require to report that fact. We have nothing to report in this regard.

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

5. The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its Associate in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associate 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 associate and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the Group and of its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate or cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate are also responsible for overseeing the financial reporting process of the Group and of its associate.

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

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

economic decisions of users taken on the basis of these consolidated financial statements.

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

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

associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which remains unaudited by the other auditors, company's management remains responsible for the direction, supervision and performance of the work carried out by them. We remain solely responsible for our audit opinion.

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

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

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

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

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

1. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and except for the matters referred to in Basis for Qualified Opinion paragraph above, obtained all the information and explanations which



**ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act**

1. In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of Simplex Projects Limited (hereinafter referred to as "the Holding Company"), its subsidiary company and associate company, which are companies incorporated in India, as of that date.

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

2. The respective Board of Directors of the Holding Company, its subsidiary company and associate company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Holding 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditors' Responsibility**

3. 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") issued by the ICAI and the Standards on Auditing 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 ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial

controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Holding Company's internal financial controls over financial reporting with reference to these consolidated financial statements.

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

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

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

**Qualified Opinion**

8. According to the information and explanations given to us and based on our audit, the following material

weaknesses have been identified in the operating effectiveness of the holding company's internal financial controls over financial reporting as at March 31, 2019:

- (a) The holding company's internal financial controls relating to non-application of appropriate policies and procedures that provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles were not operating effectively which resulted in non provisioning of interest on cash credit and term loan.
  - (b) The holding company's internal financial controls relating to review of Advances to Trade Creditors and Sub Contractors including Staff and Project Advance for appropriate provisioning did not operate effectively which resulted in non-ascertainment of adequate provision against advances to certain Trade Creditors, Sub Contractors including Staff.
9. A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the holding company's annual

or interim financial statements will not be prevented or detected on a timely basis.

**Other Matters**

10. We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, the consolidated financial statements of the Holding Company, which comprise the Consolidated Balance Sheet as at March 31, 2019, and the Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, and our report dated January 31, 2020 expressed a qualified opinion thereon.

For **H. S. Bhattacharjee & Co.**  
Firm Registration No. 322303E  
*Chartered Accountants*

**A Ray**  
*Partner*

Place : Kolkata

Date : 31st January, 2020

Membership No.: 57516

CONSOLIDATED BALANCE SHEET OF SIMPLEX PROJECTS LTD.  
AND ITS SUBSIDIARY as at 31st March, 2019

**SIMPLEX**  
PROJECTS LIMITED



(Rs. in Lakhs, unless otherwise stated)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	7,965.41	9,595.11
Capital work-in-progress	3	3,560.57	3,534.09
Financial Assets			
i. Investments	4	103.54	99.57
ii. Other financial assets	5	998.89	834.22
Other Non-current Assets	6	2,026.78	2,535.12
<b>Total Non-current Assets</b>		<b>14,655.20</b>	<b>16,598.11</b>
<b>Current Assets</b>			
Inventories	7	6,995.77	7,059.95
Financial Assets			
i. Inventories	8	-	-
ii. Trade receivables	9	100,647.14	96,816.15
iii. Cash and cash equivalents	9	80.62	713.89
iv. Bank balances other than (iii) above	10	361.01	161.73
v. Loans	11	-	-
vi. Other financial assets	11	431.81	331.55
Current tax assets (net)	12	230.48	643.09
Other current assets	13	71,842.99	70,943.87
<b>Total current assets</b>		<b>180,589.82</b>	<b>176,670.22</b>
<b>Total Assets</b>		<b>195,245.01</b>	<b>193,268.33</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share capital	14	1,260.04	1,260.04
Other Equity	15	10,694.59	10,116.42
Equity attributable to owner's of Simplex Projects Ltd.		11,954.63	11,376.46
Non-controlling interest	32(b)	(13.59)	9.96
<b>Total Equity</b>		<b>11,941.04</b>	<b>11,386.42</b>
<b>LIABILITIES</b>			
<b>Non-current Liabilities</b>			
Financial Liabilities			
i. Borrowings	16	-	1,182.61
Provisions	17	95.92	56.01
Deferred tax liabilities (net)	18	345.40	343.97
Other non-current liabilities	19	81,432.35	79,138.00
<b>Total non-current liabilities</b>		<b>81,873.67</b>	<b>80,720.59</b>
<b>Current Liabilities</b>			
Financial Liabilities			
i. Borrowings	20	67,382.26	56,640.50
ii. Trade Payables			
Total Outstanding dues of MSE'S	21	24,154.21	31,859.75
Total Outstanding creditors other than MSE'S	22	3,016.22	2,749.91
iii. Other financial liabilities	23	6,733.73	9,795.79
Other current liabilities	24	143.88	115.38
Provisions		-	-
Current tax liabilities (net)		-	-
<b>Total current liabilities</b>		<b>101,430.30</b>	<b>101,161.33</b>
<b>Total liabilities</b>		<b>183,303.97</b>	<b>181,881.91</b>
<b>Total Equity and Liabilities</b>		<b>195,245.01</b>	<b>193,268.33</b>
Significant Accounting Policies	2		

The above Balance Sheet should be read in conjunction with the accompanying notes.

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

For and on behalf of

**H. S. BHATTACHARJEE & CO.**  
Firm Registration No. 322303E  
Chartered Accountants

**A. Roy**  
Partner  
Membership No. 57516  
Kolkata  
Dated : 31st January, 2020

For and on behalf of the Board of Directors

**Simplex Projects Limited**

**S. D. Mundhra**  
Managing Director & CFO  
(DIN:00013158)

**B. N. Thakur**  
Director  
(DIN:05250206)

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

**Sohini Shukla**  
Company Secretary  
(Membership No. A48409)

(Rs. in Lakhs, unless otherwise stated)

Particulars	Notes	Year ended 31 March, 2019	Year ended 31 March, 2018
<b>Income</b>			
Revenue from Operations	25	24,871.95	25,174.80
Other Income	26	459.29	537.06
<b>Total Revenue/Income</b>		<b>25,331.24</b>	<b>25,711.86</b>
<b>EXPENSES :-</b>			
Cost of materials consumed	27	4,077.11	4,621.86
Purchase of Trading Goods		-	9,308.52
Cost of Sub contracting and other site expenses	28	18,276.71	8,347.93
Employee Benefit Expenses	29	463.70	527.84
Finance Cost	30	479.39	562.07
Depreciation	3	1,476.78	1,574.66
Other Administrative Expenses	31	590.21	791.49
<b>Total Expenses</b>		<b>25,363.90</b>	<b>25,734.37</b>
<b>Profit before exceptional items, share of net profit / (loss) of associates accounted for using equity method and tax</b>		32.66	(22.51)
Share of net profit / (loss) of associates accounted for using equity method	32(c)	4.17	4.05
<b>Profit before exceptional items and tax</b>		(28.49)	(18.46)
Exceptional items		-	-
<b>Profit before tax</b>		<b>(28.49)</b>	<b>(18.46)</b>
Income Tax expense :			
- Current Tax		2.59	3.32
- MAT Credit entitlement		(2.59)	(3.32)
- Current Tax provision for earlier years written back (net)		-	-
- Deferred Tax - charge / (credit)		(159.41)	(131.46)
<b>Total Tax Expense</b>		<b>(159.41)</b>	<b>(131.46)</b>
<b>Profit for the year</b>		<b>130.92</b>	<b>113.00</b>
<b>Other comprehensive income</b>			
<b>(a) Items that may be reclassified to statement of Profit and Loss</b>			
Exchange differences on translation of foreign operations	15	615.84	620.81
Income Tax relating to this item	15	(160.12)	(201.35)
		455.72	419.46
<b>(b) Items that will not be reclassified to statement of Profit and Loss</b>			
Remeasurements of post - employment benefit obligations		(31.76)	29.64
Income Tax relating to this item		-	(10.25)
Changes in fair value of FVOCI equity instruments		(0.16)	0.08
		(31.92)	19.47
<b>Other comprehensive income for the year, net of tax (a+b)</b>		<b>423.80</b>	<b>438.93</b>
<b>Total comprehensive income for the year</b>		<b>554.72</b>	<b>551.93</b>

The above Consolidated Statement of Profit and Loss should be read in conjunction with the accompanying notes. This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

For and on behalf of  
**H. S. BHATTACHARJEE & CO.**  
Firm Registration No. 322303E  
Chartered Accountants

**A. Roy**  
Partner  
Membership No. 57516  
Kolkata  
Dated : 31st January, 2020

For and on behalf of the Board of Directors  
**Simplex Projects Limited**

**S. D. Mundhra**  
Managing Director & CFO  
(DIN:00013158)

**B. N. Thakur**  
Director  
(DIN:05250206)

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

**Sohini Shukla**  
Company Secretary  
(Membership No. A48409)



CONSOLIDATED STATEMENT OF PROFIT & LOSS OF SIMPLEX PROJECTS LTD. AND ITS SUBSIDIARY for the year ended 31st March, 2019



(Rs. in Lakhs, unless otherwise stated)

Particulars	Notes	Year ended 31 March, 2019	Year ended 31 March, 2018
<b>Profit/(Loss) is attributable to :</b>			
Owners of Simplex Projects Limited		154.55	132.94
Non-controlling Interests	32(b)	(23.63)	(19.94)
		<b>130.92</b>	<b>113.00</b>
<b>Other Comprehensive Income is attributable to :</b>			
Owners of Simplex Projects Limited		423.80	438.93
Non-controlling Interests		-	-
		<b>423.80</b>	<b>438.93</b>
<b>Total Comprehensive Income is attributable to :</b>			
Owners of Simplex Projects Limited		578.35	571.87
Non-controlling Interests		(23.63)	(19.94)
		<b>554.72</b>	<b>551.93</b>
<b>Earnings per equity share [Nominal Value Rs. 10/- per share (31st March, 2018 : Rs. 10/-)]</b>			
Basic & Diluted earnings per share	45	1.23	1.06

The above Consolidated Statement of Profit and Loss should be read in conjunction with the accompanying notes. This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

For and on behalf of

**H. S. BHATTACHARJEE & CO.**  
Firm Registration No. 322303E  
Chartered Accountants

**A. Roy**  
Partner  
Membership No. 57516  
Kolkata  
Dated : 31st January, 2020

For and on behalf of the Board of Directors

**Simplex Projects Limited**

**S. D. Mundhra**  
Managing Director & CFO  
(DIN:00013158)

**B. N. Thakur**  
Director  
(DIN:05250206)

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

**Sohini Shukla**  
Company Secretary  
(Membership No. A48409)

*All amounts in Rs. Lakhs*

	For the year ended 31 March, 2019		For the year ended 31 March, 2018	
<b>A CASH FLOW FROM OPERATING ACTIVITIES :</b>				
Profit before Tax		(28.49)		(18.46)
Adjustments for :				
Depreciation and Amortisation Expenses	1,476.78		1,574.66	
Finance Cost	479.39		562.07	
Dividend received	(0.05)		(0.04)	
Interest Income	139.53		(450.35)	
Fair value gain from financial assets measured at FVPL	(77.55)		(72.89)	
Liabilities no longer required written back	(5.57)		(13.79)	
Exchange (Gain) / Loss on non Integral branch	455.72		419.46	
Provision for employee benefits	(31.92)		19.47	
		2,436.33		2,038.58
<b>Operating Profit before Working Capital Changes</b>		<b>2,407.83</b>		<b>2,020.12</b>
<b>Change in operating assets and liabilities</b>				
(Increase) / Decrease in Trade and other payables	(7,705.54)		10,620.57	
(Increase) / Decrease in Trade and other receivables	(3,830.99)		(10,694.06)	
(Increase) / Decrease in Non- current Assets	(771.87)		2,665.12	
(Increase) / Decrease in Inventories	64.18		(1,513.34)	
		(12,244.22)		1,078.29
<b>Cash generated from operations</b>		(9,836.38)		3,098.41
Income Taxes (Paid) / Refund		412.61		1,238.68
		(9,423.78)		4,337.09
<b>B CASH FLOW FROM INVESTING ACTIVITIES :</b>				
(Increase) / Decrease in Investments	(3.97)		(4.15)	
Purchase of Property, plant and equipment	126.44		(368.76)	
Proceeds from Sale of Property, plant and equipment	-		73.83	
Dividend received	0.05		0.04	
Interest received	(139.53)		450.35	
<b>Net Cash used in Investing Activities</b>		(17.02)		151.30
		(9,440.80)		4,488.39
<b>C CASH FLOW FROM FINANCING ACTIVITIES :</b>				
Repayment of Non-current borrowings	(1,182.61)		(534.68)	
Intercompany loans and advances (incl. deposits)	(272.24)		(1,439.20)	
Proceeds from short term borrowings	10,741.76		(2,126.66)	
Finance cost paid	(479.39)		(562.07)	
<b>Net Cash used in Financing Activities</b>		8,807.52		(4,662.61)
<b>Net increase / (decrease) in cash and cash equivalents</b>		(633.28)		(174.22)
<b>Cash and Cash Equivalents at the beginning of the year</b>	713.89		888.11	
<b>Cash and Cash Equivalents at the end of the year</b>	80.62	(633.28)	713.89	(174.22)

**Reconciliation of cash and cash equivalents as per cash flow statement**

Description	As at 31 March, 2019	As at 31 March, 2018
<b>Cash and Cash Equivalents (Refer Note 9)</b>		
Balances with Banks		
in Current Accounts	80.62	434.55
in EEFC accounts	-	-
Cheque on hand	-	88.03
Deposits with maturity of less than three months	-	191.31
<b>Total :-</b>	<b>80.62</b>	<b>713.89</b>

Notes :

The above cash flow statement is prepared as per "Indirect method" as set out in Ind AS 7 "Statement of Cash Flows"  
The above cash flow statement should be read in conjunction with the accompanying notes.  
This is the Cash flow Statement referred to in our report of even date.

For and on behalf of

**H. S. BHATTACHARJEE & CO.**  
Firm Registration No. 322303E  
Chartered Accountants

**A. Roy**  
Partner  
Membership No. 57516  
Kolkata  
Dated : 31st January, 2020

For and on behalf of the Board of Directors

**Simplex Projects Limited**
**S. D. Mundhra**  
Managing Director & CFO  
(DIN:00013158)

**B. N. Thakur**  
Director  
(DIN:05250206)

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

**Sohini Shukla**  
Company Secretary  
(Membership No. A48409)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY OF SIMPLEX PROJECTS LTD. AND ITS SUBSIDIARY for the year ended 31st March, 2019



**A. Equity Share Capital :-**

Rs. in Lakhs

	Notes	Amount
<b>As at 01st April 2017</b>		1,260.04
Changes in Equity Share Capital		-
<b>As at 31st March 2018</b>	14	1,260.04
Changes in Equity Share Capital		-
<b>As at 31st March 2019</b>	14	1,260.04

**B. Other Equity :-**

Rs. in Lakhs

Description	Notes	Reserves and Surplus (Refer Note 15)			Other Reserves		Non-Controlling Interest	Total Other Equity
		Securities Premium Reserve	General Reserve	Retained Earnings	FVOCI-Equity Instrument	Foreign Currency Translation Reserve		
<b>Balance as at 01st April 2017</b>		<b>8,395.94</b>	<b>5,012.59</b>	<b>(4,609.28)</b>	<b>0.76</b>	<b>723.03</b>	<b>21.54</b>	<b>9,544.58</b>
Profit for the Year		-	-	113.00	-	-	-	113.00
Other Comprehensive income for the year		-	-	19.39	0.08	419.46	-	438.93
<b>Transactions with owners in their capacity as owners</b>								
Dividend		-	-	-	-	-	-	-
Transactions with non-controlling interest		-	-	-	-	-	19.91	19.91
Other Transactions		-	-	-	-	-	-	-
Transfer to General Reserve		-	-	-	-	-	-	-
Transfer to Debenture redemption Reserve		-	-	-	-	-	-	-
Transfer from foreign currency Monetary item		-	-	-	-	-	-	-
Translation difference Account (net)		-	-	-	-	-	-	-
<b>Balance as at 31st March 2018</b>		<b>8,395.94</b>	<b>5,012.59</b>	<b>(4,476.89)</b>	<b>0.84</b>	<b>1,142.49</b>	<b>41.45</b>	<b>10,116.42</b>
<b>Balance as at 01st April 2018</b>		<b>8,395.94</b>	<b>5,012.59</b>	<b>(4,476.89)</b>	<b>0.84</b>	<b>1,142.49</b>	<b>41.45</b>	<b>10,116.42</b>
Profit for the Year		-	-	130.92	-	-	-	130.92
Other Comprehensive income for the year		-	-	(31.76)	(0.16)	455.65	-	423.72
<b>Transactions with owners in their capacity as owners</b>								
Dividend		-	-	-	-	-	-	-
Transactions with non-controlling interest		-	-	-	-	-	23.53	23.53
Other Transactions		-	-	-	-	-	-	-
Dividend Distribution Tax		-	-	-	-	-	-	-
Transfer to General Reserve		-	-	-	-	-	-	-
Transfer to Debenture redemption Reserve		-	-	-	-	-	-	-
Transfer from foreign currency Monetary item		-	-	-	-	-	-	-
Translation difference Account (net)		-	-	-	-	-	-	-
<b>Balance as at 31st March 2019</b>		<b>8,395.94</b>	<b>5,012.59</b>	<b>(4,377.74)</b>	<b>0.68</b>	<b>1,598.14</b>	<b>64.98</b>	<b>10,694.59</b>

This is the statement of Changes in Equity referred to in our report of even date.

The above statement of Changes in Equity should be read in conjunction with the accompanying notes.

For and on behalf of  
**H. S. BHATTACHARJEE & CO.**  
 Firm Registration No. 322303E  
 Chartered Accountants

**A. Roy**  
 Partner  
 Membership No. 57516  
 Kolkata  
 Dated : 31st January, 2020

For and on behalf of the Board of Directors  
**Simplex Projects Limited**

**S. D. Mundhra**  
 Managing Director & CFO  
 (DIN:00013158)

**B. N. Thakur**  
 Director  
 (DIN:05250206)

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

**Sohini Shukla**  
 Company Secretary  
 (Membership No. A48409)

(All amounts Rs. In Lakhs, unless otherwise stated)

## 1. Corporate Information

Simplex Projects Limited (the company) and its subsidiary is a public company domiciled in India and incorporated under the provisions of the Companies Act. Its shares are listed on two stock exchanges in India. The Group's is primarily engaged in Engineering and Construction activities in India and abroad and started trading in commodities in India during the year. The Group's 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, 2019

This Note provides a list of the significant accounting policies adopted in the preparation of these standalone financial statements.

### 2.1 Basis of Preparation of Financial Statements

#### i) Compliance with Ind AS

These consolidated financial statements have been prepared to comply in all material aspects with Indian Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 (the Act) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other relevant provisions of the Act. Accounting policies have been consistently applied except where newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policies.

All assets and liabilities have been classified as current or noncurrent as per the Group's normal operating cycle which is more than 12 months considering the average project period in respect of its construction business and 12 months in respect of its other business and other criteria set out in the Schedule III of the Act.

These Consolidated Financial Statements were approved and authorized for issue with the resolution of the Board of Directors on 31st January, 2020.

#### ii) Historical Cost Convention

These financial statements have been prepared on a historical cost basis except for the following: assets and liabilities which have been measured at fair value amount:-

- Certain Financial assets and liabilities
- Defined benefit plans - Plan Assets

iii) Items reported in the financial statements are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The financial statements of the Group's are presented in Indian Rupee (Rs.) which is the functional and presentation currency of the Group.

### 2.2 Segment Reporting

The Group's operating segment are established on the basis of those components of the Group that are evaluated regularly by the 'Chief Operating Decision Making Group'(CODMG) as defined Ind-AS 108 -'Operating Segments', in deciding how to allocate resources and in assessing performance. CODMG examines the Group's performance both from business and geographical perspective and has identified to reportable business segments viz. Construction and others which compromises trading of goods and hiring of plant & equipment.

### 2.3 Property, Plant and Equipment.

All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The Carrying amount of any component accounted for as a separate asset is de-recognized when replaced. All other repair and maintenance are charged to Profit and loss during the reporting period in which they are incurred.

The items of property, Plant and equipment which are not yet ready for use are disclosed as Capital work-in-progress and are carried at historical cost.

An asset's carrying amount written down immediately to its recoverable amount if the asset's carrying is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Profit or loss within "Other Income/Expense."

#### Depreciation Methods, estimated useful lives and residual value

Depreciation is calculated using straight line method to allocate their cost, net of their residual values on the basis of useful lives prescribed in schedule II to the Act. In respect of the following assets, useful lives different from schedule II have been considered on the basis of technical evaluation:

Assets Category	Life
Plant and Machinery	12-15 Years
Trucks	8 Years
Motor Vehicles	8 Years
Computers	6 Years
Furniture and Fixtures	10 Years
Office Equipments	5 Years

#### 2.4 Impairment of non-financial assets (including plant & equipment)

The Group assesses at each reporting date as to whether there is any indication that any non-financial asset or group of assets, identified as Cash Generating Units (CGU) may be impaired. If any such indication exists, the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any.

An impairment loss is recognized in the Statement of Profit & Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher often asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to assets.

The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

#### 2.5 Inventories

Raw material, stores, work-in-progress and traded goods are stated at the lower of cost under FIFO method and net realisable value. Cost of inventories comprise all cost of purchase and other cost incurred in bringing them to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

#### 2.6 Financial Instruments

##### (i) Financial Assets

##### (A) Initial Recognition and Measurement

Financial assets are recognized when the Group becomes a party to the contractual provisions of the instrument on initial recognition, a financial assets is recognized at fair value. Transaction costs that are directly attributable to the acquisition of financial assets, which are not at fair value through Profit or Loss, are adjusted to the fair value on initial recognition.

##### (B) Subsequent Measurement

Financial Assets are subsequently classified as measured at

- Amortized Cost: A Financial Assets is measured at amortized cost if it is held within a business model whose objective is to hold the assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on the specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- Fair value: Through Other Comprehensive Income (FVOCI) - A financial assets is measured at FVOCI is it is held within a business model whose objects is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial assets give rise on the specified dates to cash flows that are payments of principal and interest on the principal amount outstanding.
- Fair Value through Profit or Loss (FVPL): a Financial Assets which is not classified in any of the above categories are measured at FVPL.

##### (C) Other Equity Instrument

Equity instruments which are held for trading are required to measure at FVPL. All other equity instrument are initially measured at fair value, with value changes recognized in As statement of Profit and Loss, except for those equity investments for the Group has elected to present the value changes in "Other Comprehensive Income".

For Investment in quoted equity instruments the Group has made an irrevocable election at the time of initial recognition to account for equity instruments at FVOCI. The Group makes such election on an instrument by instrument basis. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognized in OCI. Amounts recognized in OCI are non subsequently reclassified to the statement of Profit and Loss. Dividend income on the investments in equity instruments are recognized as 'Other Income' in the statement of Profit and Loss.

**(D) Impairment of financial assets and contract assets**

In accordance with Ind AS 109, the Group uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of Financial Assets other than those measured at FVPL and contract assets. Expected credit losses are measured through a loss allowances at an amount equal to:

- The 12 months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date): or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument), as applicable.

The Group assesses on a forward looking basis the expected credit losses associated with its financial and contract assets considered for ECL. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables and contract assets only, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

ECL allowances (or reversal) recognized during the period is recognized as expense/income in the Statement of Profit and Loss.

**(ii) Financial Liabilities**

**A. Initial Recognition and Measurement**

All Financial liabilities are recognized at fair value and in case of borrowings, net of directly attributable cost. Fees of recurring nature are directly recognized in the statement of Profit and Loss as finance cost.

**B. Subsequent Measurement**

Financial Liabilities are carried at amortized cost using the effective interest method.

For trade and other financial liabilities maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**(iii) Derecognition of Financial Instruments**

The Group derecognizes a Financial Asset when the contractual rights to the cash flows from the financial asset expire or it transfer the Financial Asset and the transfer qualifies for derecognition under Ind AS 109. A Financial liability (or a part of a Financial Liability) is derecognized from the Group's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

**2.7 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.

**2.8 Employee Benefits**

**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.

**2.9 Provision and Contingent Liabilities**

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.

**2.10 Revenue Recognition**

**i. Revenue from Construction Contracts**

The Group has applied Ind AS 115 'Revenue from Customers' for the first time with effect from 1<sup>st</sup> April, 2018. Ind AS 115 supersedes Ind AS 11 "Construction Contracts" and Ind AS 18 "Revenue". The Group has applied Ind AS 115 using the modified retrospective method.

Contract Revenue is recognized under 'percentage-of-completion method'. Use of the 'percentage-of-completion method' requires the Group to measure the efforts or costs expended to date to the satisfaction of a performance obligation as a

proportion of the total expected efforts or costs to be expended to the satisfaction of that performance obligation over the time. Efforts or costs expended have been used measures progress towards completion as there is a direct relationship between input and productivity. Costs incurred in the year in connection with future activity on contract are excluded from contract costs in determining the stage of completion.

Further, the Group uses significant judgments while determining the transaction price allocated to performance obligation using the expected cost plus margin approach.

When it is possible that total contract costs will exceed total contract revenue, the expected loss is recognized as an expense immediately.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognized only to the extent of contract costs incurred that are likely to be recoverable. Variations in contract work, claims and incentive payments are included in contract revenue only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and are capable of being reliably measured.

## ii. Other Revenue

### A. Interest Income

Interest income from debt instruments is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to the gross carrying amount of a financial assets. When calculating the effective interest rate, the entity estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, pre-payment, extension and similar options) but does not consider the expected credit losses.

### B. Dividends

Dividends are recognized in Profit & Loss only when the right to receive payment is established, it is probable that the economic benefits associated with dividend will flow to the Group and the amount of the dividend can be measured reliably.

### C. Sale of Trading Goods

Revenue from sale of trading goods is recognized upon transfer of significant risk and rewards of ownership of such goods without retaining effective control over the goods sold and when associated costs of purchase of such goods and related revenue can be measured reliably.

## 2.11 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.

## 2.12 Foreign Currency transactions

### i) Functional and presentation currency

Items reported in the financial statements are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The financial statement of the Group are presented in Indian Rupee which is the functional and presentation currency of the Group.

### ii) Transaction and balances

Foreign currency transactions are translated into the functional currency at the reporting date using the exchange rates at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transaction and from the transaction of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized as profit and loss. They are deferred in equity if they are attributable to part of the net investment in a foreign operation. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the Group's net investment in the foreign operation.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

## 2.13 Foreign Operation

The result and financial position of foreign operation (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities are translated at the closing rate at the date of the Balance Sheet
- Income and Expenses are translated at average exchange rates (unless this is not a reasonable approximation of cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transaction), and
- All resulting exchange differences are recognized in Other Comprehensive Income.

## 2.14 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.

## 2.15 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. Earnings considered in ascertaining the Group's earnings per share is the net profit and loss for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, if any.

## 2.16 Principles of consolidation and equity accounting.

### i) **Subsidiary**

Subsidiary is entity (including structured entity) over which the Group has controlled. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiary is fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group combines the financial statements of the parent and its subsidiary line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated. Accounting policies of subsidiary is changed, where necessary, to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiary is shown separately in the consolidated statement of profit & loss, consolidated statement of changes in equity and balance sheet.

### ii) **Associate**

Associate is entity over which the Group has significant influence but not control or joint control. This is generally the case where the group holds between 20 % and 50% of the voting rights. Investment is accounted for using the equity method of accounting.

### iii) **Joint Arrangements**

Under Ind AS 111 joint arrangements, investment in joint arrangements are classified as either joint operations or joint-ventures. Presently the Group has no joint operations.

### iv) **Equity Method**

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses of the investee in profit & loss, and the Group's share of other comprehensive income of the investee in other comprehensive income.

When the Group's share of losses in an equity- accounted investment equals or exceeds its interest in the entity including any other unsecured loan term receivables the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains or transactions between the Group and its associate is eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees are changed where necessary to ensure consistency with the policies adopted by the Groups.

### v) **Changes in ownership interests**

The Group treats transaction with non controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non controlling interests to reflect their relative interest in the subsidiary. Any difference between the amount of the adjustment to non controlling interests and any consideration paid or received is recognized within equity.

## 2A **Critical estimates and judgements**

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgement and assumptions which affect the reported amount of assets, liabilities, revenue and expenses and the accompanying disclosures. The application of accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of assumptions in these financial statements have been discussed below. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Change in estimates are reflected in the financial statements in the period in which such changes are made.

- a. Depreciation/Amortisation and useful lives of Property, Plant and Equipment: **Refer Note - 2.3, 2.4 & 3.**
- b. Revenue Recognition: **Refer Note 2.10.**
- c. Provisions: **Refer Note 2.9.**
- d. Impairment of Financial Assets and contract Assets: **Refer Note 2.6 (i) (D).**
- e. Impairment of Non-Financial Assets: **Refer Note 2.4.**




**Note 3 : Property, plant and equipment and Capital Work-in-Progress (Consolidated)**

Description	Free-hold Land	Build- ing	Plant & Machi- nery	Other Plants	Pile Frame	Winch and Engine	Tools and Imple- ment	Cranes	Com- puter & Printer	Furniture & Fittings	Motor Car	Trucks	Two Wheeler	Office Equip- ment	Air Condi- tioner	Total of Property, plant and equipments	Capital work-in progress
<b>Year ended 31st march, 2018</b>																	
Gross carrying amount	260.26	2,435.43	1,622.40	4,928.79	2,308.86	75.79	62.80	144.20	16.48	190.67	192.25	655.35	3.80	7.82	10.03	12,914.93	3,190.16
Opening gross carrying amount			73.98	5.76		0.22	0.22	0.57	0.33	4.42	4.53	31.42		0.41	0.32	121.55	
Exchange differences																0.41	343.93
Addition during the year				438.44	1.64	4.23										444.31	
Disposals																	
Transfers																	
<b>Closing Gross carrying amount</b>	<b>260.26</b>	<b>2,435.43</b>	<b>1,696.38</b>	<b>4,496.11</b>	<b>2,307.22</b>	<b>71.56</b>	<b>63.02</b>	<b>144.77</b>	<b>16.81</b>	<b>195.09</b>	<b>196.78</b>	<b>666.77</b>	<b>3.80</b>	<b>8.23</b>	<b>10.35</b>	<b>12,592.58</b>	<b>3,534.09</b>
<b>Accumulated Depreciation</b>																	
Opening accumulated depreciation		65.47	229.19	861.03	318.31	17.07	9.84	16.56	2.67	36.83	45.31	90.47	0.53	1.50	1.12	1,695.89	
Depreciation charged during the year		82.16	188.47	781.97	317.16	16.46	9.34	16.23	1.67	35.56	35.13	80.87	0.50	1.38	7.77	1,574.66	
Disposals																-273.00	
Exchange differences																	
<b>Closing accumulated depreciation</b>	<b>147.63</b>	<b>147.63</b>	<b>417.66</b>	<b>1,369.91</b>	<b>635.48</b>	<b>33.52</b>	<b>19.18</b>	<b>32.79</b>	<b>4.34</b>	<b>72.39</b>	<b>80.44</b>	<b>171.34</b>	<b>1.03</b>	<b>2.88</b>	<b>8.89</b>	<b>2,997.47</b>	
<b>Net carrying amount</b>	<b>260.26</b>	<b>2,287.80</b>	<b>1,278.72</b>	<b>3,126.20</b>	<b>1,671.74</b>	<b>38.04</b>	<b>43.84</b>	<b>111.98</b>	<b>12.47</b>	<b>122.70</b>	<b>116.34</b>	<b>515.43</b>	<b>2.77</b>	<b>5.35</b>	<b>1.46</b>	<b>9,595.10</b>	<b>3,534.09</b>
<b>Year ended 31st March, 2019</b>																	
Gross carrying amount	260.26	2,435.43	1,696.38	4,496.11	2,307.22	71.56	63.02	144.77	16.81	195.09	196.78	666.77	3.80	8.23	10.35	12,592.58	3,534.09
Opening Gross carrying amount			22.96	12.43		0.06	0.06	0.18	0.10	1.36	1.41	9.70		0.04	0.04	48.24	
Exchange differences	12.29															12.29	104.59
Addition during the year																-161.61	-78.11
Disposals																	
Transfers																-0.06	
<b>Closing Gross carrying amount</b>	<b>110.94</b>	<b>2,435.43</b>	<b>1,719.34</b>	<b>4,508.54</b>	<b>2,307.22</b>	<b>71.56</b>	<b>63.08</b>	<b>144.95</b>	<b>16.91</b>	<b>196.45</b>	<b>198.19</b>	<b>696.47</b>	<b>3.80</b>	<b>8.23</b>	<b>10.33</b>	<b>12,491.44</b>	<b>3,560.57</b>
<b>Accumulated Depreciation</b>																	
Opening accumulated depreciation		147.63	417.66	1,369.91	635.48	33.52	19.18	32.79	4.34	72.39	80.44	171.34	1.03	2.88	8.89	2,997.48	3,560.57
Depreciation charged during the year		82.16	172.67	736.57	310.10	13.69	9.17	16.12	0.91	27.85	26.82	77.97	0.51	1.30	0.94	1,476.78	
Disposals											6.16					51.77	
Exchange differences																	
<b>Closing accumulated depreciation</b>	<b>110.94</b>	<b>229.79</b>	<b>590.33</b>	<b>2,152.09</b>	<b>945.58</b>	<b>47.21</b>	<b>28.35</b>	<b>48.91</b>	<b>5.25</b>	<b>100.24</b>	<b>113.42</b>	<b>249.31</b>	<b>1.54</b>	<b>4.18</b>	<b>9.83</b>	<b>4,526.03</b>	
<b>Net carrying amount</b>	<b>110.94</b>	<b>2,205.64</b>	<b>1,129.01</b>	<b>2,356.45</b>	<b>1,361.64</b>	<b>24.35</b>	<b>34.73</b>	<b>96.04</b>	<b>11.66</b>	<b>96.21</b>	<b>84.77</b>	<b>447.16</b>	<b>2.26</b>	<b>4.05</b>	<b>0.50</b>	<b>7,965.41</b>	<b>3,560.57</b>

**Note 4 : Non Current Investments**

Rs. in Lakh

Particulars	As at 31st March, 2019	As at 31st March, 2018
<b>Investments (At cost):</b>		
<b>Investment in equity instruments in Associates :</b>		
1553800 Fully Paid-up Equity Shares of Rs.10 each in Simpark Infrastructure Pvt Ltd.	85.74	81.58
<b>Other entities :</b>		
15000 Fully Paid-up Equity Shares of Rs.10 each in Geo.Miller & Co. Ltd	1.05	1.05
5000 Fully paid equity shares of Simplex Projects Road & Highway construction Pvt. Ltd.	0.50	0.50
Investment in partnership firms (Refer Note below)	13.53	13.53
<b>Sub-Total :-</b>	<b>100.82</b>	<b>96.66</b>
<b>Quoted</b>		
1600 Fully Paid-up Equity Shares of Rs. 10 each in Uco Bank	0.30	0.35
1000 Fully Paid-up Equity Shares of Rs. 10 each in Vijaya Bank	0.46	0.52
100 Fully Paid-up Equity Shares of Rs. 10 each in Indraprasth Gas Ltd	1.52	1.39
22 Fully Paid-up Equity Shares of Rs. 10 each in Tata Consultancy Services Ltd	0.44	0.65
<b>Sub-Total :-</b>	<b>2.72</b>	<b>2.91</b>
<b>Total :-</b>	<b>103.54</b>	<b>99.57</b>

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

	Name of the firm	Share of each partner in the profits of the firm	Share of each partner in the profits of the firm
1	Simplex Projects (Netherlands) Co-operative U.A.	1%	1%
(i)	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.		
(ii)	These investments in equity instruments are not held for trading instead they are held for medium or long-term strategic purpose. Upon the application of IND-AS 109, the company has chosen to designate these investments in equity instruments as at FVOCI as the management believe that this provides a more meaningful presentation for medium or long term strategic investments than reflecting changes in fair value immediately in Profit or loss. The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated with in the FVOCI equity investments reserve within equity.		

**Note 5 : Non Current Financial Assets**

Rs. in Lakh

Description	As at 31 March, 2019	As at 31 March, 2018
Security Deposits	381.52	379.52
Deposit for Contract	390.87	278.18
Long Term Deposit with Banks with Maturity Period More than 12 Months	226.50	176.52
<b>Total :-</b>	<b>998.89</b>	<b>834.22</b>

**Note 6 : Other Non Current Assets**

Rs. in Lakh

Description	As at 31 March, 2019	As at 31 March, 2018
Advance Against Subsidiary/ Joint Venture	-	62.61
Advance against Projects	2,026.78	2,472.51
<b>Total :-</b>	<b>2,026.78</b>	<b>2,535.12</b>

**Note 7 : Inventories**

Rs. in Lakh

Description	As at 31 March, 2019	As at 31 March, 2018
At lower of cost and net relisable value		
<b>Raw Materials :-</b>		
At Sites	948.04	1,085.18
At Stores	5,510.29	5,447.27
Goods-in-transit	537.44	527.50
<b>Total :-</b>	<b>6,995.77</b>	<b>70,113.57</b>

**Note 8 : Current Trade Receivables**

Rs. in Lakh

Description	As at 31 March, 2019	As at 31 March, 2018
<b>(Unsecured, considered good)</b>		
Trade Receivables		
Considered Good		
SUNDRY DEBTORS	95,844.99	91,097.36
Less: Allowance for Expected Credit Loss	(140.82)	-
DEBTORS FOR TRADING GOODS	4,942.97	5,718.79
Considered Doubtful	489.96	1,705.27
Allowance for doubtful debts	(489.96)	(1,705.27)
<b>Receivables from related parties</b>		
Considered Good	-	-
<b>Total :-</b>	<b>100,647.14</b>	<b>96,816.15</b>

Sundry Debtors include overdue amount aggregating to Rs. **12948.42** Lakh (Previous Year - Rs. 10053.17 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.

**Note 9 : Cash and Cash Equivalents**

Rs. in Lakh

Description	As at 31 March, 2019	As at 31 March, 2018
<b>Cash and Cash Equivalents</b>		
Balances with Banks		
in Current Accounts	80.62	434.55
Cheque on hand	-	88.03
Deposits with maturity of less than three months	-	191.31
<b>Total :-</b>	<b>80.62</b>	<b>713.89</b>

**Note 10 : Bank Balances other than (iii)above**

Rs. in Lakh

Description	As at 31 March, 2019	As at 31 March, 2018
In Unpaid Dividend Account	0.50	0.50
In deposit accounts with maturity less than 12 months	-	0.20
Balances with Banks outside India*	15.48	15.18
Cash on hand	153.72	145.85
Margin Money with Bank	191.31	-
<b>Total :-</b>	<b>361.01</b>	<b>161.73</b>

**\* Note:**

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

Rs. in Lakh

Name of the Bank	As at 31 March, 2019	As at 31 March, 2018
First Gulf Libyan Bank	14.23	13.97
Sahara Bank, Libya	0.39	0.38
First Gulf Bank, Dubai	0.82	0.80
Gulf Bank, Kuwait	0.04	0.03
<b>Total</b>	<b>15.48</b>	<b>15.18</b>

- (i) Fixed Deposits **Rs. 214.63 Lakh** (Previous Year – Rs. 278.18 Lakh) are not in possession of the company as they have been lodged as security deposit with clients / Banks.
- (ii) Fixed Deposits with maturity of more than 12 months shown under 'Other non current assets'

**Note 11 : Other Current Financial Assets**

Rs. in Lakh

Description	As at 31 March, 2019	As at 31 March, 2018
<b>Unsecured considered good</b>		
Advances recoverable in cash		
Due from related parties		
Associate	97.80	0.20
Accrued Interest on Deposits with Banks and Others	334.01	331.35
<b>Total :-</b>	<b>431.81</b>	<b>331.55</b>

**Note 12 : Current Tax Assets (Net)**

Rs. in Lakh

Description	As at 31 March, 2019	As at 31 March, 2018
Advance Income Tax (net of provisions)	230.48	643.09
<b>Total :-</b>	<b>230.48</b>	<b>643.09</b>

**Note 13 : Other Current Assets**

Rs. in Lakh

Description	As at 31 March, 2019	As at 31 March, 2018
<b>Unsecured considered good</b>		
Advances to employees (Refer note (i) below)	427.38	413.45
Prepaid Expenses	4.21	6.01
<b>Balances with government authorities (Statutory Advances)</b>		
VAT credit receivable	309.41	299.41
GST credit receivable	944.84	728.60
Service Tax credit receivable	7.93	7.93
Other Advance	571.69	573.47
Contract Assets		
Retention Money on Construction Contracts	6,150.61	5,861.38
Less : Allowance for Expected Credit Loss	(24.33)	-
Unbilled Revenue for Construction Contracts	64,046.86	63,053.62
Less : Allowance for Expected Credit Loss	(595.61)	-
<b>Total :-</b>	<b>71,842.99</b>	<b>70,943.87</b>

Note: (i) Employee advance have been shown net of credit balance of Rs. **5.73 Lakh**

**Note 14 : Equity Share Capital**

Rs. in Lakh

Description	As at 31 March, 2019	As at 31 March, 2018
<b>Unsecured considered good</b>		
<b>(a) Authorised :</b>		
15000000 Equity shares of Rs. 10/- each with voting rights	1,500.00	1,500.00
	<b>1,500.00</b>	<b>1,500.00</b>
<b>(b) Issued, Subscribed and fully paid up</b>		
12600378 Equity shares of Rs. 10/- each with voting rights	1,260.04	1,260.04
<b>Total</b>	<b>1,260.04</b>	<b>1,260.04</b>

**(i) Details of shares held by each shareholder holding more than 5% shares:**

Description	As at 31 March, 2019	As at 31 March, 2018
<b>Equity Shares with voting rights</b>		
Kirti Vinimay Private Limited	5,002,603	5,002,603 39.70%
Jemtech Engineering Private Limited	1,171,572	1,171,572 9.30%

**(ii) 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 share 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.

**Note 15 : Other Equity**

Rs. in Lakh

Description	Refer following Items	As at 31 March, 2019	As at 31 March, 2018
(i) Reserve and Surplus			
Securities Premium Reserve	(a)	8,395.94	8,395.94
General Reserve	(b)	5,012.59	5,012.59
Retained earnings	(c)	(4,312.76)	(4,435.44)
<b>Total</b>		<b>9,095.78</b>	<b>8,973.09</b>
(ii) Other Reserves			
FVOCI Equity instruments	(d)	0.68	0.84
Foreign Currency translation Reserve	(e)	1,598.14	1,142.49
<b>Total</b>		<b>1,598.82</b>	<b>1,143.33</b>
<b>Total Other Equity ( i + ii )</b>		<b>10,694.59</b>	<b>10,116.42</b>

Description	As at 31 March, 2019	As at 31 March, 2018
(a) Securities Premium Reserve - Balance at the beginning and end of the year	8,395.94	8,395.94
(b) General Reserve		
Balance at the beginning of the year	5,012.59	5,012.59
Add : Transferred from Retained Earnings		
Balance at the end of the year	5,012.59	5,012.59
(c) Retained Earnings		
Balance at the beginning of the year	(4,435.44)	(4,587.74)
Profit for the year	130.92	113.00
Surplus brought from subsidiary	23.53	19.91
Remeasurement of post-employment benefit obligations	(31.76)	19.39
Balance at the end of the year	(4,312.76)	(4,435.44)
<b>Total</b>	<b>9,095.77</b>	<b>8,973.09</b>

Description	FVOCI-Equity Instruments	Total Other reserves
<b>As at 1st April, 2017</b>	0.76	723.79
Changes in fair value of FVOCI- Equity instruments	0.08	0.08
Exchange difference on translation of foreign operation	-	620.80
Income Tax relating to this item	-	(201.35)
<b>As at 31st March, 2018</b>	<b>0.84</b>	<b>1,143.32</b>
Changes in fair value of FVOCI- Equity instruments	(0.16)	(0.16)
Exchange difference on translation of foreign operation	-	615.78
Income Tax relating to this item	-	(160.12)
<b>As at 31st March, 2019</b>	<b>0.68</b>	<b>1,598.82</b>

**Nature and purpose of Reserves**

**Securities Premium Reserve** : The amount received from share holders in excess of face value of the equity shares is recognised in Securities Premium Reserve and will be utilised as per provisions of the Companies Act, 2013.

**General Reserve** : The Company has transferred a portion of the net profit of the company before declaring to dividend to General Reserve pursuant to the earlier provisions of companies act, 1956. Mandatory transfer to General Reserve is not required under the companies act, 2013. General Reserve will be utilised as per provisions of the companies act, 2013.

**FVOCI-Equity Instruments** : The company has elected to recognise changes in the fair value of certain investments in equity securities through other comprehensive income. These changes are accumulated within the FVOCI-Equity Instruments reserve within equity. Transfer of amounts from this reserves to retained earnings are effected when the relevant equity securities are de-recognised.

**Foreign Currency Translation Reserve** : Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income and accumulated in a foreign currency translation reserve within equity. The cumulative amount of foreign currency translation reserve is re classified to profit or loss when the net investment is disposed-off.

**Note 16 : Non Current Borrowings**

Rs. in Lakh

Description	As at 31 March, 2019	As at 31 March, 2018
<b>Secured Borrowings</b>		
From Banks	-	1089.45
From Other parties	-	93.16
<b>Total :-</b>	<b>-</b>	<b>1,182.61</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 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.

**Note 17 : Non Current Provisions**

Rs. in Lakh

Description	As at 31 March, 2019	As at 31 March, 2018
<b>Provision for Employee Benefits</b>		
Leave Encashment	13.62	15.44
Gratuity	82.30	40.57
<b>Total :-</b>	<b>95.92</b>	<b>56.01</b>

**Note 18 : Deferred Tax Liabilities (Net)**

Rs. in Lakh

Description	As at 31 March, 2019	As at 31 March, 2018
MAT Credit Entitlement	(227.71)	(228.45)
Liability on account of difference in value of Assets as per books and tax Laws	573.11	572.41
<b>Total :-</b>	<b>345.40</b>	<b>343.97</b>

**Note 19 : Other Non current liabilities**

Rs. in Lakh

Description	As at 31 March, 2019	As at 31 March, 2018
Trade / Security Deposits received	2,425.57	1,540.61
<b>Contract Liabilities</b>		
Advance from Customers	76,306.13	75,836.77
Advance against projects	2,700.65	1,760.62
<b>Total :-</b>	<b>81,432.35</b>	<b>79,138.00</b>



Notes forming part of the consolidated financial statements of Simplex Projects Limited and its subsidiary

**Note 20 : Current Borrowings**

Rs. in Lakh

Description	As at 31 March, 2019	As at 31 March, 2018
<b>A. Secured Borrowings</b>		
Term Loans from Banks	3,260.77	1,391.23
Working Capital Loans repayable on demand from Banks	62,152.31	52,320.08
<b>Sub-Total</b>	<b>65,413.08</b>	<b>53,711.31</b>
<b>B. Unsecured Borrowings</b>		
Intercorporate Deposit (repayable on demand)	1,969.18	2,929.18
<b>Sub-Total</b>	<b>1,969.18</b>	<b>2,929.18</b>
<b>Total :-</b>	<b>67,382.26</b>	<b>56,640.50</b>

**Notes to Current 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 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.

**Note 21 : Trade Payables**

Rs. in Lakh

Description	As at 31 March, 2019	As at 31 March, 2018
Acceptances	-	9,228.74
Other Trade Payables to other parties	24,154.21	22,631.01
<b>Total :-</b>	<b>24,154.21</b>	<b>31,859.75</b>

- 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 31.03.2019.
- Trade payable have been shown net of advances of Rs. 10197.00 Lakh (Previous Year Rs. 10201.08 Lakh) paid to suppliers and sub contractors.

**Note 22 : Other Current Financial Liabilities**

Rs. in Lakh

Description	As at 31 March, 2019	As at 31 March, 2018
Current maturities of long term debts (refer note below)	421.36	284.33
Unpaid matured long term debt	289.33	289.33
Interest accrued and due on borrowings	849.77	828.51
Unclaimed dividends	0.49	0.49
Liability for expenses and obligations	1,455.27	1,347.25
<b>Total :-</b>	<b>3,016.22</b>	<b>2,749.91</b>

Note:

Description	As at 31 March, 2019	As at 31 March, 2018
Term loans		
From Banks, Secured	-	-
From other parties, Secured	421.36	284.33
<b>Total</b>	<b>421.36</b>	<b>284.33</b>

**Note 23 : Other Current Liabilities**

Rs. in Lakh

Description	As at 31 March, 2019	As at 31 March, 2018
Contract Liability		
Advance from Customers	2,790.74	5,323.82
Others		
Statutory Dues	1,859.64	1,635.38
Trade / Security Deposits received	301.33	733.67
Advance against projects	1,593.66	1,906.56
Advances from related parties	-	-
Other Advances	188.36	196.35
<b>Total :-</b>	<b>6,733.73</b>	<b>9,795.79</b>

**Note 24 : Current Provisions**

Rs. in Lakh

Description	As at 31 March, 2019	As at 31 March, 2018
Provision for employee benefits :		
Exgratia	124.09	104.98
Leave encashment	19.79	10.40
<b>Total :-</b>	<b>143.88</b>	<b>115.38</b>

**Note 25 : Revenue from Operations**

Rs. in Lakh

	For the year ended 31 March, 2019	For the year ended 31 March, 2018
<b>Construction Contract Works</b>		
Gross Billing	25,261.58	16,289.92
Add : Accretion/(Decretion) in Work in Progress	(581.18)	(710.22)
	<b>24,680.40</b>	<b>15,579.70</b>
<b>Other Operating Revenue</b>		
Rent	191.55	245.30
<b>Sale of Trading Goods</b>	-	9,349.80
<b>Total</b>	<b>24,871.95</b>	<b>25,174.80</b>

Work-in-progress include overdue amount aggregating to Rs. **3680.67** lakh (Previous Year - Rs. 1679.28 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 **Rs. 2109.19** lakh on account of bills submitted but not certified as on the Balance Sheet date.

**Note 26 : Other Income**

Rs. in Lakh

	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Dividend Income from Equity Instruments	0.05	0.04
Interest Income from Fixed Deposits	139.53	422.08
Excess Provision written back (refer note below)	5.57	13.78
Fair value gain from financial assets measured at FVPL	77.55	72.89
Profit on Disposal of Fixed Asset	47.78	-
Other Income	188.81	28.26
<b>Total</b>	<b>459.29</b>	<b>537.06</b>

Note: Interest on Fixed Deposits with Banks and laying with other party (as EMD) has not been considered as income.

**Note 27 : Cost of Material Consumed**

Rs. in Lakh

	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Opening Stock	6,532.46	6,638.07
Add : Purchases	4,002.98	4,516.25
	10,535.44	11,154.32
Less : Closing Stock	6,458.33	6,532.46
<b>Total</b>	<b>4,077.11</b>	<b>4,621.86</b>

**Note 28 : Cost of subcontracting, other site and Trading expenses**

Rs. in Lakh

	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Subcontracting Expenses	15,507.13	2,411.30
Other site Expenses	2,769.58	5,936.63
<b>Total</b>	<b>18,276.71</b>	<b>8,347.93</b>

**Note 29 : Employee benefits expenses**

Rs. in Lakh

	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Salaries and wages	409.94	462.30
Contributions to provident and other funds (Refer Note 40)	47.85	54.09
Staff welfare expenses	5.91	11.44
<b>Total</b>	<b>463.70</b>	<b>527.84</b>

**Note 30 : Finance costs**

Rs. in Lakh

	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Interest expenses on Borrowings	357.07	287.73
Other Borrowing costs	122.32	274.34
<b>Total</b>	<b>479.39</b>	<b>562.07</b>

**Note 31: Other Administrative Expenses**

Rs. in Lakh

	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Rent including lease rentals	35.97	36.17
Repairs and maintenance:		
Others	39.45	27.77
Buildings	0.74	0.06
Insurance	19.61	21.32
Rates and taxes	0.30	10.05
Travelling and Conveyance	55.93	99.79
Motor Vehicles Expenses	22.66	24.33
Stores and Godown Expenses	2.49	2.52
Legal and professional	107.12	181.02
Bank Charges	21.20	151.06
Payments to auditors (Refer Note below)	6.41	6.37
Net loss on foreign currency transactions and translation	-	57.48
Loss on fixed assets sold	2.17	5.60
Advances written off	189.26	73.83
Miscellaneous expenses	86.90	94.13
<b>Total</b>	<b>590.21</b>	<b>791.49</b>

**Notes: Payments to Auditors**

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Payments to the auditors:		
For Statutory audit	5.68	5.59
For Tax Audit	0.73	0.68
For Certification	0.00	0.10
<b>Total</b>	<b>6.41</b>	<b>6.37</b>



**Note : 32 Interest in Subsidiary**  
**(a) Interests in subsidiaries**

The Group's subsidiary at 31st March, 2019 is set out below, unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the group.

Name	Country of Incorporation	Ownership Interest held by the group		Ownership Interest held by non controlling interests		Non-controlling Interests		Principal Business Activities
		As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018	
<b>Subsidiaries</b> Simplex Agri Infra Services Pvt Ltd	India	66.56%	66.56%	33.44%	33.44%	13.59	-9.99	Warehousing
<b>Total</b>						<b>13.59</b>	<b>-9.99</b>	

**Note : 32(b) Non- Controlling Interests(NCI)**

Set out below is summarised financial information of each subsidiary that has non-controlling Interest and are material to the Group

Rs. in Lakhs

Summarised Balance Sheet	Simplex Agri Infra Services Pvt Ltd	
	As at 31st March,2019	As at 31st March,2018
Current Assets	105.15	111.39
Current Liabilities	934.93	915.54
Net Current Asstes	<b>-829.78</b>	<b>-804.15</b>
Non Current Assets	5629.72	5607.64
Non Current Liabilities	4840.69	4773.60
Net Non Current Assets	<b>789.03</b>	<b>834.04</b>
Net Assets	<b>-40.75</b>	<b>29.89</b>
Accumulated NCI	<b>-13.59</b>	<b>9.96</b>

Summarised Statements of Profit and Loss	Simplex Agri Infra Services Pvt Ltd	
	As at 31st March,2019	As at 31st March,2018
Revenue	193.94	251.07
Profit for the year	-70.66	-59.53
Other Comprehensive Income	0	0
<b>Total Comprehensive Income</b>		
Total Profit/(loss ) Allocated to NCI	<b>-23.63</b>	<b>-19.94</b>
Other Comprehensive Income allocated to NCI	-	-
<b>Total Comprehensive Income allocated to NCI</b>	<b>-23.63</b>	<b>-19.94</b>

Summarised Cash Flows	Simplex Agri Infra Services Pvt Ltd	
	As at 31st March,2019	As at 31st March,2018
Cash flows from operating activities		(3,543.00)
Cash flows from investing activities		(477.26)
Cash flows from financing activities		4,149.16
Effects of Exchange Differences on cash and cash equivalents	-	-
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>-</b>	<b>128.90</b>

**(C) Interests in associate**

**Summarised financial information for associate**

The tables below provide summarised financial information for the associate of the Group. The information disclosed reflects the amounts presented in the financial statements of the relevant associate and not Group's share of those amounts.

They have been amended to reflect adjustments made by the entity when using the equity method

Rs. in Lakhs

Summarised Balance Sheet	Simpark Infrastructure Pvt Ltd	
	As at 31st March, 2019	As at 31st March, 2018
Current Assets	1721.31	1597.24
Non Current Assets	1315.65	1244.68
<b>Total Assets</b>	<b>3036.96</b>	<b>2841.92</b>
Current Liabilities	2479.24	2292.74
Non Current Liabilities	381.95	381.94
<b>Total Liabilities</b>	<b>2861.19</b>	<b>2674.68</b>
Net Assets	<b>175.77</b>	<b>167.24</b>

Reconciliation to Carrying amounts	Simpark Infrastructure Pvt Ltd	
	As at 31st March, 2019	As at 31st March, 2018
Opening net assets	167.24	158.94
Profit/(Loss) for the year	8.54	8.30
Other Comprehensive income	-	-
<b>Closing net assets</b>	<b>175.78</b>	<b>167.24</b>
Group Share in %	48.78%	48.78%
Group Share in Rs.	85.75	81.58
Carrying amount	<b>85.75</b>	<b>81.58</b>

Summarised statement of profit and loss	Simpark Infrastructure Pvt Ltd	
	As at 31st March, 2019	As at 31st March, 2018
Revenue	561.92	359.15
Profit from operations	8.54	8.30
<b>Profit for the year</b>	<b>8.54</b>	<b>8.30</b>
Other Comprehensive income	-	-
<b>Total Comprehensive income</b>	<b>-</b>	<b>-</b>
Group Share in %	48.78%	48.78%
Group Share of :		
Profit/(Loss) for the Year	<b>4.17</b>	<b>4.05</b>

**(C) Interests in associate (Contd.)**

Set out below is the associate of the Group as at 31st March, 2019. The entity listed below have share capital consisting solely of equity shares, which are held directly by the Group.

Name of the entity	Country of In-corporation	Percentage of ownership interest	Principal Business Activities	Accounting Method	Quoted fair Value				Carrying amount	
					As at 31st March, 2019	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2019	As at 31st March, 2018	
Simpark Infrastructure Pvt Ltd	India	48.78%	Construction of Multilevel Automatic Car Parking	Equity Method	#	#	#	85.74	81.58	
<b>Total</b>								<b>85.74</b>	<b>81.58</b>	

# unlisted entity therefore, no quoted rate available





**(Rs. in Lakhs, unless otherwise stated)**

- 33** 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.
- 34** The Company 's cash credit accounts with Bank of Baroda, DBS bank, Yes bank, ICICI, State bank of India, State bank of Travancore ,Axis Bank, IDBI bank & UCO bank & term loan facilities with Kotak Mahindra & ICICI have been classified as Non performing assets & no provision of interest amounting Rs. 8423.41 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.
- 35** Capital Working Progress amounting to Rs. 3560.57 lakhs which includes Rs.465.29 lakhs pertaining to materials imported and kept at port.
- 36** 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 depreciation of Rs. 258.55 Lakhs (previous year Rs.286.51 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. The Company has filed a claim of INR 770.00 Crores against State of Libya in International Arbitration.

**37 Earnings in Foreign Currency :**

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
On Contract Work (Gross Billing at Overseas Branch)	<b>8300.25</b>	10645.01

**38 Expenditure in Foreign Currency :**

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
Travelling	<b>5.47</b>	58.37



**39. Transaction with related parties**

	Associates		Joint Control Entity		Other Related Parties		Relatives of KMP		Key Management Personnel		Post Employment Benefir plan entity		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
<b>Loans and Advances Taken (Repaid) (Net)</b>														
Simpark Infrastructure Pvt. Ltd.	-	15.98	-	-	-	-	-	-	-	-	-	-	-	15.98
Balkrishan Das Mundhra	-	-	-	-	1209.95	1,210.75	-	-	-	-	-	-	-	1,210.75
Jemtec Engineering Pvt. Ltd.	-	-	-	-	231.27	174.33	-	-	-	-	-	-	-	174.33
Kirti Vinimay Pvt. Ltd.	-	-	-	-	-	890.14	-	-	-	-	-	-	-	890.14
Datson Exports Ltd.	-	-	-	-	15.80	3.52	-	-	-	-	-	-	15.80	3.52
<b>Loans given/repaid</b>														
Simpark Infrastructure Pvt. Ltd.	97.60	-	-	-	-	-	-	-	-	-	-	-	97.60	-
Simplex Warehousing Services Co.	-	-	0.60	0.60	-	-	-	-	-	-	-	-	0.60	-
Kirti Vinimay Pvt. Ltd.	-	-	-	-	561.51	-	-	-	-	-	-	-	561.51	-
<b>Contribution during the year</b>														
Simplex Employees Provident Fund	-	-	-	-	-	-	-	-	-	-	20.56	35.98	20.56	35.98
Simplex Gratuity Fund	-	-	-	-	-	-	-	-	-	-	9.50	-	9.50	-
<b>Managerial Remuneration</b>														
Mr. B. K. Mundhra	-	-	-	-	-	-	-	-	16.41	60.00	-	-	16.41	60.00
Mr. J. K. Bagri*	-	-	-	-	-	-	-	-	-	21.80	-	-	-	21.80
Mr. S. D. Mundhra	-	-	-	-	-	-	-	-	19.37	19.37	-	-	19.37	19.37
<b>Sittings Fees</b>														
Anand Chopra #	-	-	-	-	-	-	-	-	-	0.12	-	-	-	0.12
Nandini Jhavar \$	-	-	-	-	-	-	-	-	-	0.15	-	-	-	0.15
Keshav Das Mundhra	-	-	-	-	-	-	-	-	0.06	0.25	-	-	0.06	0.25
Bhabya Nath Thakur	-	-	-	-	-	-	-	-	0.26	0.16	-	-	0.26	0.16
<b>Guarantees Given/(released)(net)</b>														
Simpark Infrastructure Pvt. Ltd.	90.78	90.78	-	-	-	-	-	-	-	-	-	-	-	-
Simplex Agri Infra Services Pvt Ltd.	-	-	13.34	13.34	-	-	-	-	-	-	-	-	-	-
<b>Grand Total</b>	<b>188.38</b>	<b>106.76</b>	<b>13.94</b>	<b>13.94</b>	<b>2,018.53</b>	<b>2,278.74</b>	<b>-</b>	<b>-</b>	<b>36.10</b>	<b>101.85</b>	<b>30.06</b>	<b>35.98</b>	<b>2,182.89</b>	<b>2,432.54</b>

\* Registered w.e.f 19th March, 2018

# Registered w.e.f 22nd August, 2017

\$ Registered w.e.f 16th July, 2018

**Note39 Related party transactions**

**Related Party disclosures pursuant to Ind AS 24 prescribed under the Act.**

Serial No.	Relationship	Name of Related Parties
<b>A</b>	<b>Where Control exists :</b>	
	<b>Joint Control Entity</b>	Simplex Warehousing Services Co.
<b>B</b>	<b>Others with whom transaction</b>	
	<b>were carried out during the year etc :-</b>	
	<b>Associates</b>	Simpark Infrastructure Pvt. Ltd.
<b>C</b>	<b>Key Management Personnels (KMP)</b>	<b>Executive Directors</b>
		Mr. Sudarshan Das Mundhra
		<b>Non-Executive Directors</b>
		Mr. Balkrishan Das Mundhra
		Mr. Bhabya Nath Thakur
		<b>Company Secretary</b>
		Mrs. Sohini Shukla
<b>D</b>	<b>Relaives of KMP</b>	Mrs. Pushpa Mundhra
		Mr. Raghav Das Mundhra
<b>E</b>	<b>Entities Contol by Directors</b>	Jemtec Engineering Pvt. Ltd.
	<b>Or relatives of Directors</b>	Kirti Vinimay Pvt. Ltd.
		Datson Exports Ltd.
		Simplex Foundation
<b>F</b>	<b>Post employment benefit plan entity</b>	Simplex Employees Provident Fund
		Simplex Gratuity Fund

#### 40. Stores Consumed :

Particulars	Year ended 31st March, 2019		Year ended 31st March, 2018	
	Value	% of total consumption	Value	% of total consumption
Imported (Into India)	-	-	-	-
Indigenous	4,077.11	100	4,621.86	100
<b>Total</b>	<b>4,077.11</b>	<b>100</b>	<b>4,621.86</b>	<b>100</b>

#### 41 Segment Information:

##### Description of segments and principal activities

The Company's chief operating decision making group [CODMG] (as set out in note 2.2), examines the Company's performance both from business, geographical perspective and has identified two reportable business segments viz. Construction and Others which comprises trading of goods and hiring of plant & equipment. Segment disclosures are consistent with the information provided to CODMG which primarily uses operating profit/ loss of the respective segments to assess their performance. CODMG also periodically receives information about the segments revenue and assets.

##### a) Summarised Segment information

Particulars	Construction	Others	Total
External Sales (i.e. Revenue from operation)	<b>24680.41</b> 15579.71	191.55 9595.09	<b>24871.95</b> 25174.80
Other Income	<b>456.89</b> 531.29	2.39 5.77	<b>459.29</b> 537.29
Segment Revenue #	<b>25137.30</b> 16111.11	193.94 9600.86	<b>25331.24</b> 25711.86
Segment Result	<b>1815.69</b> 1905.80	111.99 212.47	<b>1927.68</b> 2118.27

#Company deals with various customers and revenue from transaction with a single customer does not amount to 10% or more of the Company's revenue.

##### b) Specified amounts included in Segment Results

Particulars	Construction	Others	Total
Depreciation and Amortisation	<b>1476.78</b> 1574.66	- -	<b>1476.00</b> 1574.66
Net Foreign Exchange loss/(gain)	-	-	-
Net Non cash expense/(Income) other than depreciation and amortisation	<b>(77.55)</b> (72.89)	- -	<b>(77.55)</b> (72.89)

**c) Reconciliation of Segment Results with Profit after tax**

Particulars	Construction	Others	Total
Segment Result	<b>1815.69</b> <i>1905.80</i>	<i>111.99</i> <i>212.47</i>	<b>1927.68</b> <i>2118.27</i>
Finance Costs	<b>479.39</b> <i>562.07</i>	- -	<b>479.39</b> <i>562.07</i>
Provision for Taxation-Current Tax (Net of Excess Current Tax provision for earlier years written back)	-	-	-
Provision for Taxation- Deferred Tax	<b>(159.41)</b> <i>(131.46)</i>	- -	<b>(159.41)</b> <i>(131.46)</i>
Profit after Tax as per Financial Statements	<b>(18.93)</b> <i>(99.47)</i>	<i>111.99</i> <i>212.47</i>	<b>130.92</b> <i>113.00</i>

**d) Other Information**

Particulars	Construction	Others	Total
Segment Assets	<b>185370.04</b> <i>184858.24</i>	<b>9874.97</b> <i>8410.09</i>	<b>195245.01</b> <i>193268.33</i>
Segment Liabilities	<b>190488.06</b> <i>189506.88</i>	<b>4756.95</b> <i>3761.45</i>	<b>195245.01</b> <i>193268.33</i>

Figures for previous year ended 31st March, 2018 have been presented in Italics

**e) Addition Segment Information By Geographic**

	Year ended 31st March, 2019			Year ended 31st March, 2018		
	India	Kuwait	Total	India	Kuwait	Total
Segment Revenue- External	<b>16,313.15</b>	<b>8,558.80</b>	<b>24,871.95</b>	14,243.28	10,931.52	25,174.80

**42. The Company has recognised, in the statement of Profit and Loss for “Employee Benefits” are given below :**

**Defined Contribution plan**

**Contribution to Defined Contribution Plan, recognized/charged off for the year is as under :**

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Employer’s Contribution to Provident Fund	<b>11.10</b>	20.79
Employer’s Contribution to Superannuation Fund	-	-
Employer’s Contribution to Pension Scheme	<b>9.87</b>	14.28

**43. 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.

**a. Reconciliation of opening and closing balances of Defined Benefit obligation**

Particulars	For the year ended 31 March, 2019		For the year ended 31 March, 2018	
	Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
Defined Benefit obligation at beginning of the year	121.53	25.83	147.74	29.82
Current Service Cost	8.07	5.92	11.68	3.04
Interest Cost	8.87	1.88	10.93	2.20
Actuarial gain/(loss)	12.12	(15.16)	(48.82)	(9.23)
Benefits paid	-	-	-	-
Defined Benefit obligation at year end	150.60	18.47	121.53	25.83

**b. Reconciliation of opening and closing balances of fair value of plan assets**

Particulars	For the year ended 31 March, 2019		For the year ended 31 March, 2018	
	Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
Fair value of plan assets at beginning of the year	80.96	-	90.19	-
Expected return on plan assets	5.91	-	6.67	-
Actuarial gain/(loss)	(19.63)	-	(19.19)	-
Employer contribution	1.06	-	3.29	-
Benefits paid	-	-	-	-
Fair value of plan assets at year end	68.30	-	80.96	-
Actual return on plan assets	7.30%	-	7.40%	-

**c. Reconciliation of fair value of assets and obligations**

Particulars	For the year ended 31 March, 2019		For the year ended 31 March, 2018	
	Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
Fair value of plan assets	68.30	-	80.96	-
Present value of obligation	150.60	-	121.53	-
Amount recognized in balance Sheet	(82.30)	-	(40.57)	-

**d. Expenses recognized during the year**

Particulars	For the year ended 31 March, 2019		For the year ended 31 March, 2018	
	Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
Current Service Cost	8.07	5.93	11.68	3.05
Interest Cost	8.87	1.88	10.93	2.21
Expected return on plan assets	5.91	-	(6.67)	-
Actuarial gain / (loss) recognized in the year	31.76	(15.16)	(29.64)	(9.23)
Net Cost	54.61	(7.35)	13.70	(3.98)

**e. Investment Details**

Particulars	% invested as at 31st March, 2019	% invested as at 31st March, 2018
L.I.C. Group Gratuity (Cash Accumulation) Policy	100	100

**f. Actuarial assumptions**

Particulars	For the year ended 31 March, 2019		For the year ended 31 March, 2018	
	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)	7.30%	7.30%	7.40%	7.40%
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 **Rs. 383.06 Lakhs** ( Previous Year Rs. 1,910.01 Lakh). The Company has taken interest free advance from Simpark Infrastructures Pvt Ltd, (its associate) having no repayment schedule and advance balance is **Rs. 97.60 Lakh** on the Balance sheet date. (Previous year loan given Rs. 15.98 Lakh).

**45. Earnings per Share:**

Sl. No.	Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
a)	Net Profit / (Loss) after tax available for equity (in lakhs)	130.92	113.00
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)	FV of each equity share (Rs.)	10.00	10.00
e)	Basic EPS	1.23	1.06
f)	Diluted EPS	1.23	1.06

**46 a) Information in accordance with the requirements of the Indian Accounting Standard (Ind AS 115) on 'Revenue from Contracts with Customer'.**

**(i) Revenue from operations**

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>Income</b>		
Income from Contracts and Services (Refer Note 25)	24680.41	15579.71
Sale of Trading Goods	191.55	9545.09

(ii) The Company recognises revenue from contracts with customers which included Government and Non-Government customers, for construction/project activities over a period of time. During the year substantial part of the Company's business has been carried out in India. For geographical disaggregation Refer Note 41.

(iii) **Contract balances**

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Trade receivables (Refer Note 8)	100647.14	96816.15
Contract assets (Refer Note 13)	69577.53	68915.00
Contract liabilities (Refer Note 19 & 23)	79096.87	81160.59

(iv) **Set out below is the amount of revenue recognised during the period from Contract liability balance at the beginning of the period:**

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Revenue recognised during the period from Contract liability balance at the beginning of the period	708.91	-

(v) **Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price:**

There is no difference in the contract price negotiated and the revenue recognised during the period in the statement of profit and loss.

(vi) **Performance Obligation**

Method used to recognise revenue and timing of satisfaction of performance obligations have been disclosed in note 2.10. Generally the project duration of contracts with customers is more than 12 months.

**b): The nature and effect of the changes as a result of adoption of Ind AS115 'Revenue from Contracts with Customers' and amendments in existing Ind AS.**

**New and amended standards and Interpretations**

On March, 2018, the Ministry of Corporate Affairs (MCA) has notified Ind AS115 'Revenue from Contracts with Customers' and certain amendment to existing Ind AS which are applicable to the Company with effect from 1st April, 2018. Some of these amendments in existing Ind AS do not have an impact on these financial statements of the Company.

The Company applied Ind AS115 for the first time and adopted the amendment in Ind AS 109 'Financial Instruments'. The nature and effect of the changes as a result of adoption of Ind AS 115 is not material.

**47 Assets pledged as security**

The carrying amounts of certain categories of assets pledged as security for current and non-current borrowings pursuant to the requirements of Ind AS 2, Ind AS 16, Ind 38 and Ind AS 107.

Particulars	As at 31st March 2019	As at 31st March 2018
Current assets	704.47	701.14
Financial assets	1067.11	1031.07
Total (A+B)	1771.58	1732.21

**Note: 44,24,839 shares of the Promoters are placed with the bank.**



**48 Contingent Liabilities- Attributable to Claims against the Company not acknowledge as debts**

- i) In respect of the contingent liabilities set out below, pending resolution of the respective proceedings, it is not practicable for the Company to estimate the timings of cash outflows, if any:

Particulars	As at 31st March 2019	As at 31st March 2018
a) Interest (others)	<b>22314.02</b>	13890.61
b) Sales Tax/Value Added Tax	<b>2798.94</b>	2775.20
c) Service Tax	<b>946.85</b>	946.85

**49 Contingent Liabilities - Attributable to Guarantees:**

Particulars	As at 31st March 2019	As at 31st March 2018
i) Corporate Guarantees given to Banks against credit facilities extended to third parties	<b>2200.00</b>	2200.00
a) In respect of Associates	<b>Nil</b>	Nil
ii) Bank Guarantees	<b>97741.76</b>	98998.88
a) In respect of Subsidiary	<b>13.34</b>	13.34
b) In respect of Associate	<b>90.78</b>	90.78

- 50** Arbitration/Legal proceedings are on in respect of company's claims on certain completed/suspended contracts against which certain customers have also raised counter claims on the company. Pending disposal of the proceedings, an effect has been given in these financial statements for such matters. Based on the company's internal evaluation supported by legal opinion obtained, management believes that it is probable that the outcome of such proceedings will be in favour of the Company and there will be no adverse impact in this regards.

All amounts Rs. in Lakhs, unless otherwise stated

Note : 51 Additional information required by Schedule III  
Additional information, as required under schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary/Associates/  
Joint Ventures for the year ended 31st March, 2019.

Name of the Enterprise	As at 31st March, 2019		for the year ended 31st March, 2019		for the year ended 31st March, 2019		for the year ended 31st March, 2019	
	Net Assets i.e. total Assets minus Total Liabilities		Share in Profit & Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Total Consoli- dated Net Assets	Amount	As % of Total Consoli- dated Profit & Loss	Amount	As % of Total Consoli- dated Other Compre- hensive Income	Amount	As % of Total Consoli- dated Total Compre- hensive Income	Amount
<b>Parent</b>								
Simplex Projects Ltd	105.37	12582.72	150.78	197.40	100	423.80	100	621.20
<b>Subsidiary (Group's Share)</b>								
Simplex Agri Infra Services Pvt Ltd	(1.18)	(141.29)	(53.97)	(70.66)	-	-	-	-
<b>Associate (Investment accounted for as per equity method)</b>								
Simpark Infrastructure Pvt Ltd	(4.19)	(500.39)	3.19	4.17	-	-	-	-
<b>Total Consolidated</b>	<b>100.00</b>	<b>11,941.04</b>	<b>100.00</b>	<b>130.91</b>	<b>100.00</b>	<b>423.80</b>	<b>100.00</b>	<b>621.20</b>

\* Amount is below the rounding off norm adopted by the Group.

@ Financial impact is inclusive of its subsidiary / Associate, as applicable.

# All Components of the Group follow same reporting date as that of the Parent Company i.e. 31st March.



All amounts Rs. in Lakhs, unless otherwise stated

**Note : 51 Additional Information required by Schedule III**  
 Additional information, as required under schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary/Associates/  
 Joint Ventures for the year ended 31st March, 2018.

Name of the Enterprise	As at 31st March, 2019		for the year ended 31st March, 2019		for the year ended 31st March, 2019		for the year ended 31st March, 2019	
	Net Assets i.e. total Assets minus Total Liabilities		Share in Profit & Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Total Consoli- dated Net Assets	Amount	As % of Total Consoli- dated Profit & Loss	Amount	As % of Total Consoli- dated Other Compre- hensive Income	Amount	As % of Total Consoli- dated Total Compre- hensive Income	Amount
Simplex Projects Ltd	105.05	11961.59	149.09	168.47	100.00	438.93	100.00	551.93
<b>Subsidiary (Group's Share)</b>								
Simplex Agri Infra Services Pvt Ltd	(0.62)	(70.62)	(52.68)	(59.53)	-	-	-	-
<b>Associate (Investment accounted for as per equity method)</b>								
Simpark Infrastructure Pvt Ltd	(4.43)	(504.55)	3.59	4.06	-	-	-	-
<b>Total Consolidated</b>	<b>100.00</b>	<b>11,386.42</b>	<b>100.00</b>	<b>113.00</b>	<b>100.00</b>	<b>438.93</b>	<b>100.00</b>	<b>551.93</b>

\* Amount is below the rounding off norm adopted by the Group.

@ Financial impact is inclusive of its subsidiary / Associate, as applicable.

# All Components of the Group follow same reporting date as that of the Parent Company i.e. 31st March.

## 52 Financial Risk Management

The Company's business activities are exposed to variety of financial risks namely liquidity risk, market risks and credit risk. The Company's senior management has the overall responsibility for establishing and governing the Company's financial risk management framework. The Company has constituted a Risk Management Committee, which is responsible for developing and monitoring the Company's financial risk management policies. The Company's financial risk management policies are established to identify and analyse the risk faced by the Company, to set and monitor appropriate controls.

### (A) Credit Risk

Credit risk refers to risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables, bank balances, loans, investments and other financial assets.

At each reporting date the Company measures loss allowance for certain class of financial assets and based on historical trend, industry practices and the business environment in which the company operates.

Credit risk with respect to trade receivable are limited, due to the Company's customer profile are well balanced in Government and Non-Government customers and diversified amongst in various construction verticals and geographies. All trade receivable are reviewed and assessed on a quarterly basis.

Credit risk arising from investments, derivative financial instruments and balances with bank is limited because the counterparties are banks and recognised financial institutions with high credit worthiness.

#### Provision for expected credit losses

The Company measures Expected Credit Loss (ECL) for financial instruments based on historical trend, industry practices and the business environment in which the Company operates

For financial assets, a credit loss is the present value of the difference between:

- (a) the contractual cash flows that are due to an entity under the contract: and
- (b) the cash flows that the entity expects to receive

The Company recognises in profit or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date.

### (B) Liquidity risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The Company manages the liquidity risk by maintaining adequate funds in cash and cash equivalents.

### (C) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of changes in the market prices

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

54 Previous year's figures are reclassified, where necessary, to conform to the current year's classification.

## SIGNATURES TO NOTES "1" TO "54"

For and on behalf of

**H. S. BHATTACHARJEE & CO.**

Firm Registration No. 322303E

Chartered Accountants

**A. Roy**

Partner

Membership No. 57516

Kolkata

Dated : 31st January, 2020

For and on behalf of the Board of Directors

**Simplex Projects Limited**

**S. D. Mundhra**

Managing Director & CFO

(DIN:00013158)

**B. N. Thakur**

Director

(DIN:05250206)

**B. K. Mundhra**

Chairman & Director

(DIN:00013125)

**Sohini Shukla**

Company Secretary

(Membership No. A48409)







**SIMPLEX PROJECTS LIMITED**

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