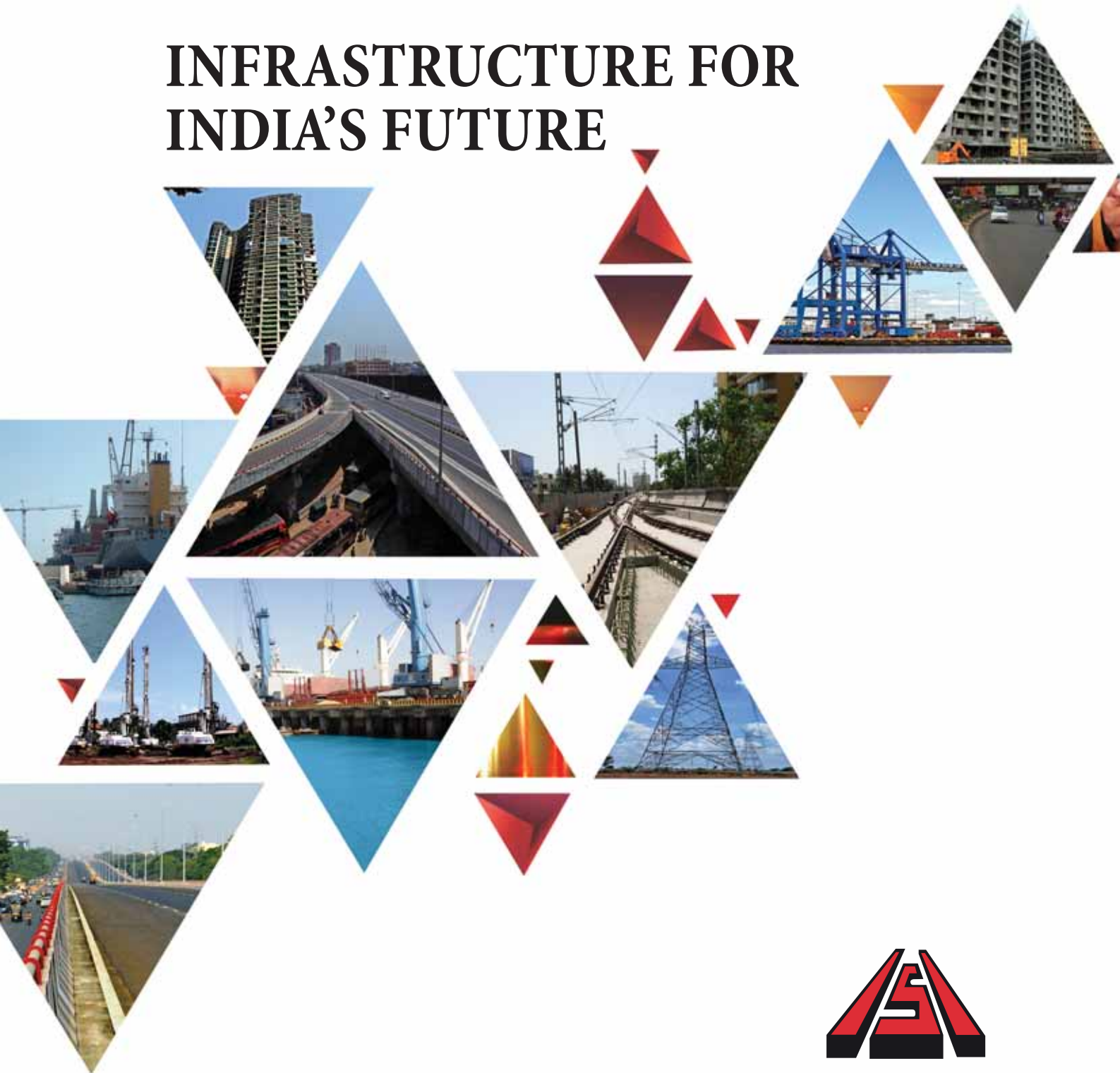


Annual Report
2013-14

INFRASTRUCTURE FOR INDIA'S FUTURE



Simplex Infrastructures Limited
Simple solutions for complex structures



*8 KM long 4 lane Jatrabari Gulistan Double
Decker Flyover at Dhaka, Bangladesh*

In a turbulent decade that has seen the fortunes of infrastructure industry rise and fall, Simplex Infrastructures has consistently powered ahead, armed with the wisdom of experience, the flexibility of skills, pragmatic business decisions and a positive attitude.

This is the story of what makes Simplex Infrastructure a growing, around ₹ 6000 crore corporation

Airports 🏗️ Bridges 🏗️ Buildings 🏗️ Industrial Structures

Pipelines 🏗️ Railways 🏗️ Roads 🏗️ Marine Ports

Towers 🏗️ Tunnels 🏗️ Power Plants

Complex becomes *simple* with SIMPLEX

CONTENTS

2	We have the Vision to Lead and Win
4	Corporate Information
6	Masters of Construction Engineering
8	A History of Innovations
10	Simplex in on the Ground
12	Simplex in Transportation
16	Urban Infrastructure
18	Simplex for Industry
20	Simplex Abroad
22	Message from Chairman Emeritus
24	Vice-Chairman's Review
26	Directors' Report
36	Management Discussion & Analysis
46	Report on Corporate Governance
56	Auditors' Report
62	Financial Statement
111	Auditors' Report on Consolidated Financial Statement
114	Consolidated Financial Statement
160	Summary of Financial Information of Subsidiary Companies

WE HAVE THE VISION TO LEAD AND WIN

The Vision

To execute projects with consistent quality assurance, cost control and adherence to milestones in a safe environment as per customer requirements

The Leadership

To sustain the position as a leader in foundation technology, general civil engineering and construction

The Winning Edge

To promote the culture of sharing rich and varied experience with staff members, as also with clients

And thereby benefit and help the growth of the construction fraternity and society at large.

Sewer Line of dia. Upto 900mm being laid by Horizontal Direction Drilling method for PWD Goa



*Six Laning of Chandikhole – Jagatpur
section of NH5 near Bhubaneswar*



*5X800 MW Ultra Mega Power Plant for
Tata Power at Mundra, Gujarat*



CORPORATE INFORMATION

Chairman Emeritus

Dr. B. D. Mundhra

Board of Directors

Shri A.D. Mundhra

(Vice Chairman)

Shri Rajiv Mundhra

(Whole-time Director)

Shri S. Dutta

(Whole-time Director)

Shri A.K. Chatterjee

(Whole-time Director)

Dr. R. Natarajan

(Independent Director)

Shri B. Sengupta

(Independent Director)

Shri N.N. Bhattacharyya

(Independent Director)

Shri Sheo Kishan Damani

(Independent Director)

Shri Asutosh Sen

(Independent Director)

Company Secretary

Shri B.L. Bajoria

Bankers

United Bank of India,

Leader of Consortium along with other
Consortium Banks

Auditors

Price Waterhouse

Chartered Accountants

Plot No Y – 14

Block – EP, Sector – V,

Salt Lake Electronic Complex

Bidhan Nagar, Kolkata – 700 091

H.S. Bhattacharjee & Co.

Chartered Accountants

Kamalalaya Centre

3rd Floor, Room No – 316

156A, Lenin Sarani

Kolkata – 700 013

Registered Office

‘SIMPLEX HOUSE’

27 Shakespeare Sarani, Kolkata-700017

Tel: (033) 23011600, 2289-1476-81, 71002216

Fax: (033) 2283 5964

CIN:- L45209WB1924PLC004969

Email: secretarial.legal@simplexinfra.net

Web: www.simplexinfrastructures.com

MASTERS OF CONSTRUCTION ENGINEERING

For nearly 100 years, Simplex Infrastructures has ranked among the top infrastructure builders in India. Today, across sectors, it is often the first choice when it comes to meeting difficult engineering challenges. This mastery in solving complex construction problems reflects in a record of construction 'firsts'

- 📌 FIRST to introduce cast-in-situ driven piles in India and South East Asia in 1924
- 📌 FIRST to design and construct a 17-storied RCC structure in Asia - National Tower in Kolkata in 1958
- 📌 FIRST to introduce the simplex system of piling in India
- 📌 FIRST to develop technique for jointed pre-cast concrete piles of up to 150 metres depth
- 📌 FIRST to construct housing complex using 'Aarding Tunnel Form' technology
- 📌 FIRST to construct basement using top down construction technique
- 📌 FIRST to construct 2000 mm dia bored pile foundation
- 📌 FIRST to construct the largest two-tier overhead tank (of 6000 M³ capacity) in India
- 📌 FIRST to construct rail over-bridge with 50 m span P.S.C Girder over running electrified section
- 📌 FIRST to construct hi-speed track with automatic track laying
- 📌 FIRST Indian company to partner for construction of residential building over 100 storeys high

Water Supply line of 1800mm Dia being installed by Microtunneling Method at Kolkata for PHE and HIDCO



Marine Structures being built for Modernization of GOA Shipyards Ltd.



A HISTORY OF INNOVATIONS

Laying a strong foundation

Established in Kolkata in 1924 by Mr. H P Lancaster as Simplex Concrete Piles (India) Ltd., Simplex pioneered the famous simplex system of piling in India and South East Asia to enable a quantum jump in building stronger structures. Over the next 25 years, the Company was entrusted with the ground engineering for many of India's most prestigious buildings, industrial plants and famous, prestigious King George Docks (now Jawaharlal Nehru Port) in Mumbai.

Building an industrial nation

After Independence, ownership of Simplex passed into the hands of the Mundra family and the Company began building 'temples of modern India' for the new nation. In time this would include some of India's largest steel plants for companies such as SAIL, IISCO, Tata, Jindal, Essar, Bhushan, Usha Ispat, etc. Civil and structural construction of thermal power plants became another specialty.

Improving India's cities

In 1958 Simplex touched a new high by erecting the first RCC framed structure in Asia – the 17- storey National Tower in Kolkata. This was followed by construction foray into urban utilities such as sewerage and water supply. Many of India's largest cities have since turned to Simplex for building essential civic infrastructure.

Growing in ports and transport

Since the 1960s Simplex has acquired wide-ranging expertise in marine construction. It has introduced several innovations in underwater piling and has enduring associations with all major ports in India. Another major diversification occurred in the early 1980s when Simplex entered road, bridge and railway construction to make a mark in the transport sector.



*208 KM long Transmission line of 765KV Single Circuit
for Raichur Sholapur Transmission Co. LTD*



*Motion Wagon loading Silo
constructed for South West Port Ltd.
- JSW Group, Goa*

SIMPLEX IN ON THE GROUND



*Installation of piles in progress for 2X600 MW
ITPCL Power Project at Cuddalore for Shandong
Tiejun Electric Power Engineering Co. Ltd.*

*18 Nos., ground +22 storied Residential Tower for
Neepea Real Estate Pvt. Ltd. at Vasant, Mumbai*

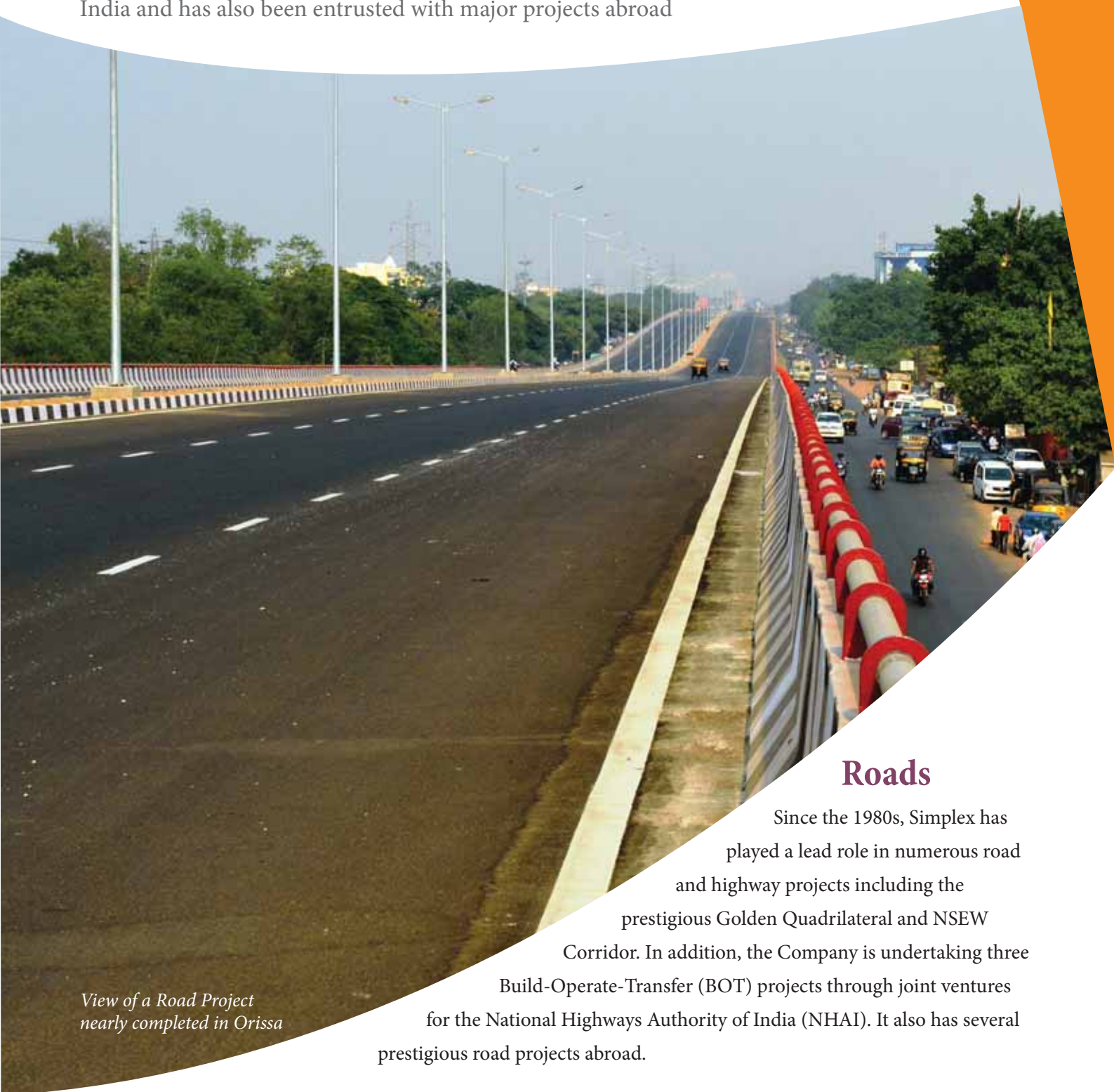


A Company that has built its reputation for ground engineering across nine decades, Simplex continues to be called upon to meet the challenge of laying the foundation for stronger, bigger and higher structures, even by other construction companies. The expertise spans pre-cast piling and jointed piling; cast in-situ, driven and bored piling. Other ground engineering tasks include soil investigation, soil compaction, diaphragm walls, grouting, stone columns, etc. The Company is currently constructing some of India's tallest structures, including the 117-storey "World One", Mumbai.



SIMPLEX IN TRANSPORTATION

Road, rail, air or sea, Simplex is ranked among the top infrastructure companies in India and has also been entrusted with major projects abroad



*View of a Road Project
nearly completed in Orissa*

Roads

Since the 1980s, Simplex has played a lead role in numerous road and highway projects including the prestigious Golden Quadrilateral and NSEW Corridor. In addition, the Company is undertaking three Build-Operate-Transfer (BOT) projects through joint ventures for the National Highways Authority of India (NHAI). It also has several prestigious road projects abroad.

Railways

Simplex has long worked for the Indian Railways to build infrastructure such as rail tracks, station buildings, bridges and culverts across the country. The experience ranges from automatic track laying of new sections to setting up metro and light railway projects in major cities. The completed 200km Gooty-Pullampet section deserves special mention. The 512 km Kota to Bina track doubling for the western freight corridor is currently under way.

Overall Construction view of Electric Locomotive Unit including Track, O.H.E. Shed, Buildings etc. for RVNL at Dankuni, West Bengal



Airports

Simplex's experience with airports began the renovation and modernization of Jaipur and Udaipur airports, and it has also been associated with the construction of Indira Gandhi International Airport in Delhi. Most recently, it has distinguished itself by designing & building a Greenfield airport on turnkey basis at Andal near Durgapur in West Bengal. This was completed in record time under the supervision of Changi Airport & International Authority, Singapore.

View of recently completed Airport at Andal near Durgapur. The Greenfield Airport has been designed and constructed by Simplex, completed with all works involving HVAC, electrical works, Airport lighting etc.





Ports

Simplex is among the few companies with long expertise in the complex challenge of underwater piling, including steel piling under adverse sea conditions. Since 1940, it has been associated with building many of India's major ports such as Goa, Haldia, Vizag, Kochi, Mundra, Mumbai, Paradip, Dahej, Hazira etc. This includes, jetties, wharves, terminals, dolphins breakwaters, quays, shipyards etc.

*Marine Structures being built for Modernization of
GOA Shipyard Ltd.*

*Installation of 1200 MM dia
and 17 M long piles in
progress for Srinagar fly-over,
Jammu and Kashmir*

URBAN INFRASTRUCTURE

Construction of urban infrastructure has emerged as a major sector of growth with important Indian cities being modernized, mainly under the Jawaharlal Nehru National Urban Renewal Mission (JNNURM)

Pipelines

Rapid urbanization has led to severe pressures on the civic infrastructure of India's major cities, particularly water supply and sewerage disposal. Simplex has experience in setting up water supply and drainage systems in Kolkata, Hyderabad, Bilaspur, Jabalpur, Chennai, Indore and Hyderabad. A major project underway is laying an 11 km pipeline from the Ganges in Cossipore to Newtown in Kolkata. A 50 km sewerage line is also being built in Goa.

The setting up of the cable network in Pune, Nagpur, Goa and Delhi NCR for Reliance 4 G is another challenging assignment

Roads & Flyovers

Simplex has successfully built roads and flyovers in several cities of India, including Delhi, Jaipur, Kolkata, Bangalore and Hyderabad, including the 12km flyover on PVNR Expressway, Hyderabad: the longest elevated road in India. The Lalbaug flyover and the Eastern Expressway in Mumbai, the Ring Road Bypass in Delhi and the Golden Quadrilateral Corridor in Chennai are some other notable structures. Simplex has also undertaken several road projects abroad, notably in Bangladesh and the Middle East.

Metro Rail

Simplex has been associated with metro rail projects in Mumbai, Delhi, Kolkata and Bangalore. This spans building tunnels and elevated tracks, track laying and construction of station complex. It is also engaged in overseas rail projects, notably in Dubai.





MODERN LANDMARKS

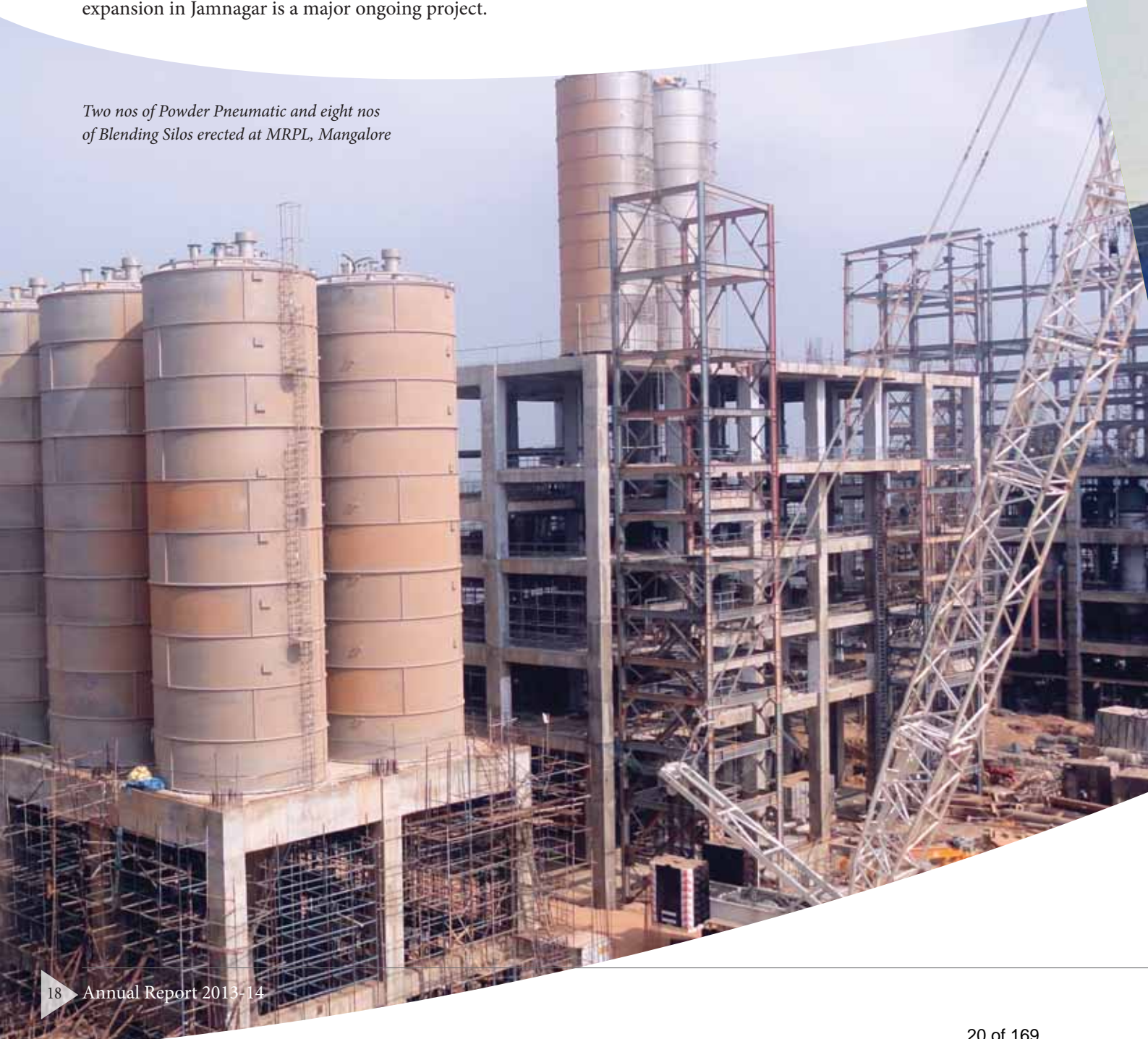
- 🏗️ Campus of IIT (Guwahati)
- 🏗️ Campus of IIM (Indore)
- 🏗️ ISRO, Sriharikota, Bangalore
- 🏗️ Capital Complex, Imphal
- 🏗️ RBI Building, Lucknow
- 🏗️ Mega Sports Complex, Ranchi
- 🏗️ Salt Lake Stadium, Kolkata
- 🏗️ Palais Royale tower at Worli, Mumbai
- 🏗️ Ritz Carlton, Bangalore
- 🏗️ Beaumonde Towers, Mumbai
- 🏗️ Jaitkhamb Tower, Chhattisgarh
- 🏗️ Hotel Hilton, Doha
- 🏗️ Saud Bhawan Plaza, Muscat

SIMPLEX FOR INDUSTRY

Industry

Simplex has mastered the complexities of creating specialized industrial infrastructure with Greenfield and modernization projects for cement, aluminium, copper, engineering, automobiles, petrochemicals, fertilizers, paper, textiles, pharmaceuticals, chemicals and other industrial plants. It can also claim to have helped build India's modern steel framework with projects for SAIL, Tata, Jindal, Essar, Reliance, Hindalco, etc. The Company is also experienced in designing and engineering of CFR Tanks and Raw Water Intake and delivery system. The Reliance Refinery expansion in Jamnagar is a major ongoing project.

Two nos of Powder Pneumatic and eight nos of Blending Silos erected at MRPL, Mangalore





2X685 MW Thermal Power Plant at Chhattisgarh for GMR, Bangalore

Power

Since 1960 Simplex has been associated with most major power plants in India. Simplex has impressive credentials in constructing thermal, hydel and nuclear power plants. The company also erects transmission lines to command comprehensive capabilities in the power sector. The Raichur Sholapur transmission line and the 240 m high transmission tower on the turbulent waters of the Hugli near Haldia, are among significant achievements.

SIMPLEX ABROAD

Construction of Cement Handling and Allied Storage facilities for QATAR Primary Materials Co., Qatar



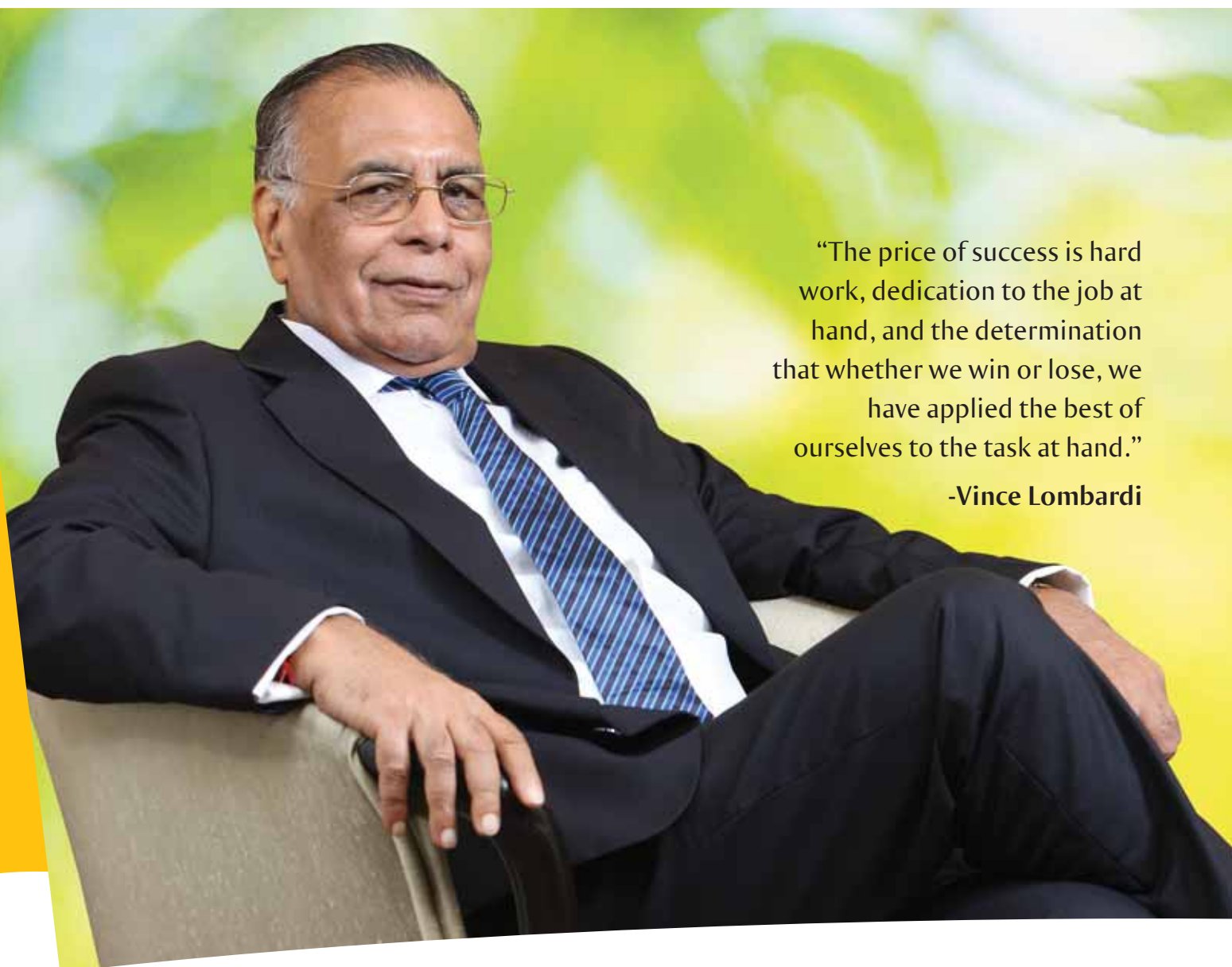


Cement Plant - UMM - BAB at Doha, Qatar



Simplex established its first overseas office in Sri Lanka in 1980 and has since enlarged its global footprint to execute construction projects in Africa, West Asia, CIS countries and SAARC countries. It has overseas branches in Sri Lanka, Bangladesh, Oman, Qatar, Bahrain, Saudi Arabia, Ethiopia and Dubai. International projects currently account for about 16% of the turnover.

The company's overseas projects range from hotels, residential and commercial buildings to flyovers, power plants, marine works, sports complex and de-watering plants. It has built international hotels in Tashkent, Uzbekistan and Qatar; factories, waterworks and power utilities in West Asia and Africa, and a number of buildings and flyovers. It is particularly strong in the Middle East and scheduled to play a significant role in the construction efforts for the region.



“The price of success is hard work, dedication to the job at hand, and the determination that whether we win or lose, we have applied the best of ourselves to the task at hand.”

-Vince Lombardi

MESSAGE FROM CHAIRMAN EMERITUS

Dear shareholders,

My role as Chairman of the Board concluded on March 15, 2014. As I write, a mosaic of images from the past whiz through my mind. The Company is nearing its 100 years of operations. Needless to say, it has been a tremendous journey. I started my career with this Company in the year 1961 when the Company had a small turnover of ₹0.64 crores and had not more than 250 employees. My father, Late Shri Madho Das Mundhra passed the baton to me in the year 1987, when I took charge as Managing Director of the Company. Today your Company has grown to be one of the foremost construction companies in India with a

turnover over ₹5800 crores and is a family of more than 8000 employees. Your Company has spread its wings in almost all verticals of construction industry and all geographies of India and selective locations internationally. It has always been our passion to build unmatched structures with innovative designs, fresh ideas and high end technology. Our attributes are reflected in our work. What we promise, we endeavour to deliver.

The Indian economy has gone through tremendous changes particularly in last decade. Your Company remained strong in all weathers and never deviated from its core values & principles.

Robust order books and greater profit margins did not allure us. We remained loyal to our clients and determined in our commitments, the reason for getting repeat orders from clients. Through it all, our employees have been the biggest asset and your Company's performance has been driven by their hard work, commitments and perseverance. Their commitment has enabled your Company to succeed to this level. Appreciation from clients and industry bodies corroborate the confidence we have in our strengths and capabilities.

India is in for a big turnaround. Indian economy is seeing a tentative positive change in momentum while most of the major economies are witnessing improved growth prospects. Prospects of economic recovery in India look bright following the formation of a stable government. We expect huge prospects and excitement in store for construction industry. India is integral to our vision for sustainable growth.

In every sphere of your Company's operations, technology is the key enabler, reinforcing its leadership position, and sustaining its competitive strengths. Simplex believes in adopting new technology and following new methodologies which improves the construction progress. It also invests in modernization of existing technology which acts as a valuable input for the Company by developing new products, materials, advanced construction processes to meet the customer requirements and to address the economic, environmental and resource constraints. Many ERP programmes are already in place and some are being developed in order to enable our workers/employees progress fast and respond promptly to the requirement of the construction projects. Your Company has also pitched in with skill development mission aiming to have a pool of trained and skilled manpower. As a CSR initiative, Simplex is imparting training to unskilled workers to make them more productive, enhance their employability and earning potential and to tide over the manpower shortages. For this purpose, it has joined hands with Construction Industry Development Council (CIDC), Govt. of India to provide training to unskilled workers and is also focusing on comprehensive training programmes, seminars, workshops on various social, cultural, soft skills and technical topics in collaboration with Bharatiya Vidya Mandir with the object of fulfilling corporate citizenship and social responsibility.

This is the right time when the baton should now be passed to the younger generation, brimming with ideas and energy to take up the responsibilities and take the Company forward. Its time for new hopes, new dreams, new aspirations and a change of guard. Mr. A.D.Mundhra, started working in front of his grand-father in the year 1994 and rapidly rose to positions of responsibility as he moved from Senior Commercial Executive to Director,

culminating in his appointment as Vice-Chairman on September 26, 2013. His dynamism has successfully led the Company through some of its most challenging times and enabled it to emerge stronger. Mr. Rajiv Mundhra started his career with the Company in the year 1997 and was gradually promoted to Vice - President and then inducted to the Board in 2003. He has been instrumental in Company's growth and profitability. Both the brothers are well known in the construction industry for their innovative ideas and dynamic personality. I feel indeed confident that Simplex will scale greater heights under their leadership. At this time, after attaining age of 72 years, I want to relieve myself from the day-to-day responsibility and devote my time to philosophy, literature and philanthropy in my pursuit to contribute to the society, construction industry and our country as a whole so that in this rapidly changing time our core values - our heritage-our culture does not take a back-seat and also focus on corporate social responsibility activities so that Simplex emerge as a true corporate citizen.

I am grateful to you for the affection, support, confidence and kindness you have shown me over the years. I am sure that you will continue to show the same courtesy to the new generation in the quest to make Simplex one of the best Company in the construction industry. I wish my people the very best in their journey forward. The board has been kind enough to allow me to serve as Chairman-Emeritus. This means I will leave the Board and the Company but I will always be there to add value, when required.

In my over five decades of experience, I have realised an entrepreneurial life is one of challenge, hard work, dedication, perseverance, exhilaration, agony, accomplishment, failure, sacrifice, control, powerlessness...but ultimately, extraordinary satisfaction. Creating an engine of growth for the Indian construction industry that fosters such large scale sustainable and inclusive development is at once a humbling and satisfying experience. When I see your Company's initiatives achieve positions of leaderships, when I see projects being completed and delivered and yet another unique construction springing to life, there is a moment of quiet fulfilment that this journey so far has indeed been worthwhile. Yet, there are many more milestones to cross, and I am sure I can draw upon the collective wisdom and efforts of the dedicated professionals who constitute a world-class Team Simplex to take this Company to even greater heights in the future.

Thank you,

B.D.Mundhra

Chairman Emeritus



VICE- CHAIRMAN'S REVIEW

Dear shareholders,

I want to convey a deep sense of gratitude to Dr.B.D.Mundhra for being the guiding light and mentor to your Company for last five decades. He works tirelessly and relentlessly for your Company, caring and nurturing all the time. He is very original thinker and has been devoting all his spare time to pursuits of philosophy, literature, art and philanthropy. He is a pioneer of a unique skill development programme from which not only your Company, but the entire industry has benefited immensely. He has made our 'Human Resource' department a 'Human Relation' department. To him the

Company is ever indebted, and in his transition from Chairman to Chairman Emeritus, we will continue to receive his valuable mentorship, guidance and most valuable advice on all important issues. He has expressed his keen desire to work for his above mentioned passion, which also will be of great use to society at large as well as to your Company.

2013-14 has been a challenging year for Indian industry. The economy, impacted by slowing growth, rising inflation and depreciating rupee has seen lacklustre investment momentum in infrastructure, development. The few positives

to emerge from this scenario is that India continues to be one of the fastest growing country among the large economies and infrastructure creation continues to be a national priority. Also with a progression to decisive India and having a government with a clear mandate, a stable macro-economic environment is not far away. With a better scenario at home, coupled with a series of developments across the globe, will improve investors appetite for infrastructure projects and also help in retaining the attractiveness in the infrastructure sector in India.

Witnessing the growth opportunities, your company bagged contract worth ₹78,760 mns in the fiscal 2013-14. Some of the notable contracts which the Company was awarded is construction of 1620 Apartments including sports complex, community centre, sports facility at Mohali, Punjab, execution of infrastructure facilities for Jamnagar Petrochemical J3 project at Jamnagar, Gujarat, modernization of Marine structures at Vasco-da-gama, Goa on domestic front and construction of an Expressway class road for Batinah Expressway Package-3, Sultanate of Oman and a bridge at Jeddah, Saudi Arabia, internationally. Its revenue from operations stood at ₹55130 mns and profit before tax at ₹856 mns and profit after tax at ₹606 mns. The Company's profitability is impacted due to finance cost which the Company has to shed out in order to meet the project cost and working capital requirements.

Simplex has performed well in good times and also sailed smoothly through bad times and being in existence for nearly hundred years now, Simplex has its own standing in the industry. In order to pursue a multi-dimensional growth strategy and maintain the growth momentum, your company believes it is imperative to nurture human capital and embrace technological development. Your Company has in-house developed ERP for real-time major project management. Your Company functions smoothly while taking on new challenges owing to its large fleet of construction equipments worth ₹20074 mns. Robust systems, processes, procedures and policies are also in place for projects, plants and work force and those are being reviewed and improved upon on a continuous basis in order to cope with the changing dynamics of business.

As befits an engineering organisation, human resources are being continuously developed at your Company through training of workers, supervisors, artisans, construction engineers. The Company also invests in high caliber professionals in engineering, finance and business administration. People remains the cornerstone of the organisation. Your Company ensure that employees gain ample opportunities for personal and professional growth.

Simplex team is extremely dedicated, innovative and consumer oriented. The cohesive and collective team work ensures a bright future.

Your Company remained pragmatic in critical areas such as bidding and cash flow management, sacrificing the lure of raising the top-line when the risks were blurred. One example is the relatively low and selective exposure to Build-Operate-Transfer (BOT) road projects that have been taken up in road sector. Conservative bidding practices and entire focus on EPC contracts ensures that every project undertaken by your Company is profitable even if margins shrink during hard times. Simplex philosophy has always been to focus on providing superior engineering solutions. In the time of crisis, it remain relatively conservative, preferring to add skills rather than stretch its resources. As a result, Simplex enjoys an esteemed presence in virtually all major construction verticals, which makes it less vulnerable to sectoral cycles. For instance, in the current year, urban infrastructure and building projects have served to offset shortfalls in other sectors. In times of challenge, a mix of long range strategy and agile tactical responses are critical to success. Your Company has countered the slowdown in the domestic market by expanding its footprint and intensifying operations in geographies with promising business potential. The thrust on penetration into international markets may not be so lucrative at the given moment but going to yield significantly in near future as these geographies have low infrastructure development while being rich in natural resources. Moreover the undoubted expertise in complex ground engineering and construction means that Simplex is called upon to undertake critical parts of major project even when the bid has been won by another company. As we say, 'when the engineering is complex, the solution is Simplex'.

I would like to thank our clients who continued to repose confidence in our ability, our banks who have continued to support us with timely funding, our shareholders who have stayed with us, as well as our business associates and employees who have persevered to grow the Company. It would not have been possible for your Company to come so far without your timely and valuable contribution.

Thus with renewed commitment to growth coupled with sustainability will help build on the current performances and would drive the growth of the Company for years to come.

Thank you,

A.D.Mundhra
Vice-Chairman

DIRECTORS' REPORT



To The Members,

Your Directors are pleased to present the Ninety-Sixth Annual Report along with Company's Audited Accounts for the financial year ended 31st March, 2014.

Financial Results

The financial performance of the Company, for the year ended March 31, 2014 is summarized below:

₹ in Million (mn)

Particulars	Standalone		Consolidated	
	31st March, 2014	31st March, 2013	31st March, 2014	31st March, 2013
Revenue from Operations	55130	58208	56154	58975
Earning before finance costs, tax, depreciation and amortisation (EBITDA)	5553	5101	5606	5078
Less: Finance Costs	3341	2894	3349	2899
Less: Depreciation and amortisation	1356	1304	1401	1350
Profit before tax	856	903	856	829
Less: tax expenses				
Current tax	373	200	391	204
MAT credit Entitlement	(84)	-	(84)	-
Deferred tax	24	105	25	105
Current tax provision for earlier years written back	(63)	-	(63)	-
Profit after tax and before share of results of associates & Minority Interest	606	598	587	520
Less: Minority Interest	-	-	2	(13)
Share of Profit/ loss in Associate	-	-	0.2	0.3
Profit for the period	606	598	585	533
Balance brought forward from the previous year	5504	5024	5485	5071
Profit available for appropriation	6110	5622	6071	5604
Appropriations:				
General Reserve	61	60	61	60
Debenture Redemption Reserve	115	-	115	-
Proposed Dividend	25	50	25	50
Tax thereon	4	8	4	8
Balance carried to Balance Sheet	5905	5504	5866	5486

Review of Operations

During the year under review, on standalone basis, the Company reported revenue from operations at ₹55130 mns as compared to ₹58208 mns in the previous year. Profit before tax decreased to

₹856 mns from ₹903 mns last year mainly due to high finance cost. Profit after tax increased to ₹606 mns from ₹598 mns in previous financial year owing to MAT credit adjustment and write back of previous years' tax provisions.

On a consolidated basis, the revenue from operations stood

at ₹56154 mns during the financial year under review as compared to ₹58975 mns in the previous year. Profit before tax increased to ₹856 mns as compared to ₹829 mns in the previous year and profit after tax increased to ₹587 mns as against ₹520 mns in the previous financial year.

During the year under review, the Company bagged a number of high value projects amounting to ₹78760 mns in various vertical it operates, which includes among others construction of 1620 Apartments including Sports Complex, Community Centre & Sports facility at Mohali, Punjab, execution of infrastructure facilities for Jamnagar Petrochemical J3 project at Jamnagar, Gujarat, modernization of marine structures at Vasco-da-gama, Goa, in India and overseas projects includes construction of an expressway class road for Batinah Expressway Package-3, Sultanate of Oman and a bridge at Jeddah, Saudi Arabia.

Dividend

Your Directors are pleased to recommend a dividend of ₹0.50/- per equity share (Previous year ₹1/- per equity share) of face value of ₹2/- each for the financial year ended 31st March, 2014, amounting to ₹29 mns (including tax on dividend), which if approved at the forthcoming Annual General Meeting will be paid to Members whose names appear in the Register of Members as on 29th August, 2014 and in respect of shares held in dematerialized form, the dividend will be paid to Members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as at the close of business hours on Friday, 29th August, 2014.

Management Discussion and Analysis

Management Discussion and Analysis for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange(s) in India is presented in a separate section forming part of the Annual Report.

Corporate Governance

All Directors of the Company and Senior Management

Personnel have affirmed the compliance with the Code of Conduct framed by the Company. A separate section titled 'Corporate Governance' including a certificate from M/s. H.S.Bhattacharjee & Co., Chartered Accountants, Statutory Auditors of the Company confirming compliance of the Clause 49 of the Listing Agreement is annexed hereto and forms a part of the Report.

Capital Expenditure

During the year under review, the Company has made additions of ₹676 mns to its Fixed Assets consisting tangible assets of ₹670mns and intangible assets of ₹6 mns.

Fixed Deposit

As in the previous year, the Company has not accepted/ renewed any fixed deposits during the year. All deposits have matured and have been repaid when claimed by the depositors together with interest accrued upto the date of maturity. All unclaimed deposits along with interest accrued upto the date of maturity has been deposited as and when they became due, with the Investor Education and Protection Fund (IEPF). As on 31st March, 2014, the Company had an unclaimed deposit amounting to ₹0.05 mn and on the date of this Report, deposits aggregating to ₹0.01 mn out of the aforesaid unclaimed amount has been transferred to the Investor Education & Protection Fund.

Issue of Secured Redeemable Non-Convertible Debentures on Private Placement Basis

During the year under review, the Company raised ₹1000 mns (previous year ₹2000 mns) by issue of 1000 secured redeemable non-convertible debentures (NCDs) of face value of ₹10,00,000/- each for a tenure of 7 years at coupon rate of 11.25 % p.a., on private placement basis. These NCDs are listed in the wholesale debt market (WDM) segment of the Bombay Stock Exchange. These NCDs were issued for the purpose of raising funds for the normal business purposes/ activities including augmentation of long term resources for the requirement of working capital and regular capital expenditure.

Subsidiaries

As on 31st March, 2014, your Company has six Subsidiaries namely (i) Simplex Infrastructures LLC (ii) Simplex (Middle East) Limited (iii) Simplex Infrastructures Libya Joint Venture Co. (iv) Simplex Infra Development Limited (v) Maa Durga Expressways Private Limited and (vi) Jaintia Highway Private Limited.

In accordance with the General Circular no. 2/2011 dtd. 8th February, 2011 issued by the Ministry of Corporate Affairs, Govt. of India, the Balance Sheet, Profit and Loss Account and other documents of the Subsidiary Companies are not being attached with the Balance Sheet of the Company. However a statement of summarized financials of all Subsidiaries of your Company including capital, reserves, total assets, total liabilities, details of investment, turnover, profit before and after taxation, provision for taxation and proposed dividend is disclosed in the Annual Report in compliance with the said circular. The Company will make available the Annual Accounts of the Subsidiary Companies and the related detailed information to any Member of the Company as well as shareholder of the Subsidiary Companies, who may be interested in obtaining the same. The Annual Accounts of the Subsidiary Companies will also be kept open for inspection at the Registered Office of the Company and also at the Registered Office of the Subsidiary Companies concerned on any working day during business hours.

Consolidated Financial Statement

Your Company has prepared Consolidated Financial Statements in accordance with Accounting Standards AS-21, AS-23 and AS-27 issued by the Institute of Chartered Accountants of India. The Consolidated Statements reflect the results of the Company and that of its Subsidiaries, Joint Ventures and Associates.

The current political situation in Libya has improved to some extent but yet to be fully normalized. Subsequent to the year end, Management's Representative had visited Libya to take stock of the current situation and also follow up of the recovery of dues with the local government which was a

substantial amount. The Representative also carried out physical inspection of Simplex Libya's tangible assets i.e. plant and machinery etc. and also got its valuation done by an independent valuer and as per his report the present market value of these assets are more than the amount due to the Company. Upon further improvement of the political situation and on assessment of recoverability of the total exposure, the Management is of the opinion that on recovery of Simplex Libya's dues, financial position of the subsidiary is expected to improve substantially together with positive net worth.

As required by clause 32 of the Listing Agreement with the Stock Exchanges, the Audited Consolidated Financial Statements together with the Auditors Report thereon are annexed and form part of this Annual Report.

Companies Act, 2013

The Companies Act, 2013 ('the Act') has been passed replacing the Companies Act, 1956 and a large portion of the Act has already become effective. Several Rules under various sections of the Act have also been notified. Your Company is taking necessary steps to comply with the requirements of the new Act. The Company has already formed, reconstituted and renamed various committees in terms of the requirements of the Act.

The MCA vide Circular No.08/2014 dated April 4, 2014 clarified that the financial statements and the documents required to be attached thereto, the auditors' and directors' report in respect of the financial year under reference shall continue to be governed by the relevant provisions of the Companies Act, 1956, schedules and rules made thereunder. The Company has accordingly prepared this balance sheet, statement of profit and loss, the schedules and notes thereto and the Directors' Report in accordance with the relevant provisions of the Companies Act, 1956, schedules and rules made there under.

The Company has taken cognizance of the new legislation and shall comply with the provisions of the Companies Act, 2013, as applicable.

Corporate Social Responsibility (CSR) and CSR Committee

In terms of the requirement of Section 135 of the Companies Act, 2013 and rules made there under, the Board of Directors in their meeting held on 30th May, 2014 constituted a CSR Committee comprising of Mr.A.D.Mundhra, Vice-Chairman, Mr. S.Dutta and Mr. Rajiv Mundhra, Whole-time Directors and Mr. B.Sengupta, Independent Director of the Company. The Committee has been entrusted with the responsibility of formulation and recommending to the Board, a Corporate Social Responsibility Policy indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of CSR Policy and recommending the amount to be spent on CSR activities.

Vigil Mechanism (Whistle Blower Policy)

The Company has formulated a vigil mechanism (whistle blower policy) for its directors and employees of the Company for reporting genuine concerns about unethical practices and suspected or actual fraud or violation of the code of conduct of the Company as prescribed under the Companies Act, 2013 and Clause 49 of the Listing Agreement. This vigil mechanism shall provide a channel to the employees and Directors to report to the management concerns about unethical behavior, and also provide for adequate safeguards against victimization of persons who use the mechanism and also make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.

Directors' Responsibility Statement

Pursuant to sub-section (2AA) of Section 217 of the Companies Act, 1956, the Board of Directors of the Company hereby state and confirm that:

- (i) In the preparation of the Annual Accounts, the applicable accounting standards read with requirements set out under Schedule VI to the Companies Act, 1956, have been followed with proper explanation relating to material departures, if any;
- (ii) 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 true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

- (iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting of fraud and other irregularities; and
- (iv) The Directors have prepared the accounts for the financial year ended 31st March, 2014 on a going concern basis.

Particulars of Employees

A statement of Particulars of Employees as required under section 217 (2A) of the Companies Act, 1956. Read with the Rules made thereunder, are provided in Annexure "A" to this report.

Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo as required to be disclosed under section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, are provided in the Annexure 'B' to this report.

Auditors

M/s. Price Waterhouse, Chartered Accountants (Firm Registration no.301112E) and M/s. H.S.Bhattacharjee & Co., Chartered Accountants (Firm Registration No.322303E), Statutory Auditors of the Company, hold office till the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment.

M/s. Price Waterhouse, Chartered Accountants are proposed to be re-appointed as Auditors of the company for three consecutive years from the conclusion of the ensuing

Annual General Meeting of the Company, upon ratification of the appointment by the members at each subsequent Annual General Meeting.

M/s.H.S.Bhattacharjee & Co., Chartered Accountants are proposed to be re-appointed as Auditors of the company for five consecutive years from the conclusion of the ensuing Annual General Meeting of the Company, upon ratification of the appointment by the members at each subsequent Annual General Meeting.

As required under Section 139 of the Companies Act, 2013, the Company has obtained written consent from both the Auditors to such appointment and also a certificate to the effect that their appointment, if made, would be in accordance with Section 139(1) of the Companies Act, 2013 and the Rules made there under, as may be applicable and within the limits prescribed under section 141(3)(g) of the Act and that they are not disqualified for reappointment. The Audit Committee and the Board of Directors recommend their appointment as Statutory Auditors of the Company.

Auditors' Report

With respect to paragraph no 6, 7 and 9 (a) (b) & (d) of the Independent Auditors Report, we would like to inform that the matter pertaining to one of the subsidiaries of the Company, namely, Simplex Infrastructures Libya Joint Venture Co., operating in Libya, has been explained in Note no. 32 forming part of the Balance Sheet.

The Board is of the opinion that the matter being elucidated in detail at note no.32 is self-explanatory and do not call for further explanation.

Directors

Dr. B.D.Mundhra, Non-Executive Chairman relinquished his Office on 15.03.2014 having rendered the yeoman's service for more than five decades to the Company in various capacities. His contributions are reflected in the growth and sustained performance of the Company during his tenure. Considering his valuable contribution and vast experience in various facets of the construction industry, he was requested to perpetuate his association with the

Company as Chairman Emeritus. The Board of Directors placed on record its appreciation of the valuable contribution, commitment and guidance rendered by Dr. Mundhra during his tenure of service.

Mr. A.K. Chatterjee, whole-time Director and Mr. Asutosh Sen, Independent Director were inducted to the Board of Directors w.e.f 30.05.2013. Their appointment had been approved by the Shareholders in the Annual General Meeting of the Company held on 30.08.2013.

Mr. A.D. Mundhra relinquished his office as Whole-time Director of the Company, effective 01.03.2014 due to his increased involvement in other business activities of the Company. However he is continuing as Vice-Chairman of the Company.

The term of office of Mr. Sukumar Dutta and Mr. A.K.Chatterjee, Whole-time Directors is due to expire on 31.08.2015 and 29.05.2015 respectively. In view of their expertise in their respective field, the Board of Directors of the Company at their meeting held on 30.05.2014 recommended their re-appointment as Whole-time Directors, retiring by rotation, for a further period of three years, to the Members in the ensuing Annual General Meeting. Their appointment are appropriate and in the best interest of the Company.

Section 149 and other applicable provisions of the Companies Act, 2013, require the Company to have atleast one-third of the total number of Directors as Independent Directors. In the opinion of the Board, Mr. B.Sengupta, Dr. R.Natrajan, Mr.N.N.Bhattacharyya, Mr. S.K.Damani and Mr. Asutosh Sen, Independent Directors in terms of the Listing Agreement, meet the criteria of independence in terms of section 149 (6) of the Act, are being considered for appointment as Independent Directors of the Company under sections 149,150 and 152 read with Schedule IV of the Act. The Company has received declarations from all these Directors of the Company confirming that they meet with the criteria of independence as prescribed both under section 149 (6) and Schedule IV of the Companies Act, 2013 and clause 49 of the Listing Agreement with the Stock

Exchanges. Accordingly resolutions will be placed at the ensuing Annual General meeting (AGM) for their appointment as Independent Directors for a period of five consecutive years from the date of ensuing AGM.

Mr. A.D. Mundhra, Vice-Chairman, retire by rotation and being eligible, offer himself for re-appointment at the ensuing Annual General Meeting.

The appropriate resolution(s) seeking your approval and brief resume / details for the appointment/ re-appointment of Directors are furnished in the notice of the ensuing Annual General Meeting.

Acknowledgment

Your Directors would like to express their sincere

appreciation for the co-operation and support received from the Financial Institutions, Banks, Customers, Vendors, Central and State Government Authorities, Regulatory Authorities, Stock Exchanges and the Company's' valued stakeholders. Your Directors also take this opportunity to place on record their gratitude for the efforts and continuous hard work of all the employees and their contribution to the progress of the Company.

By Order of the Board

Rajiv Mundhra

S. Dutta

Whole -Time Director Whole -Time Director

Place: Kolkata

Dated: 30th May, 2014

ANNEXURE A

Statement Pursuant to Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 and forming part of the Directors' Report for the year ended 31st March, 2014

Employed through out the year and in receipt of remuneration aggregating ₹ 60,00,000/- or more per annum

Name of the Employee	Age	Designation/Nature of Duties	Remuneration/Salary (In ₹)	Nature of Employment	Qualification	Date of Commencement of Employment	Total Experience (Years)	Previous Employment and Position held
Mr. N. K. Kakani	60	Executive Director	8667875	Non-Contractual	B. Com. (Pass), C. A.	10/04/05	39	Rathi Global Finance Limited- Executive Director
Mr. Amitava Ghosh	56	Overseas Director	10876800	Non-Contractual	B. E. (Civil)	01/01/79	35	First Employment
Mr. Pradip Sengupta	60	Senior Vice President	6621360	Non-Contractual	B. E. (Civil)	04/26/76	38	First Employment

Note:

1. Remuneration as shown above includes, inter-alia, value of perquisites and Company's contribution to Provident Funds as applicable.
2. The above employees were the Whole-time employees during the financial year ended 31st March 2014.
3. None of the above employees is related to any Director of the Company within the meaning of Section 6 of the Companies Act, 1956

By Order of the Board

Kolkata

Dated: 30th May, 2014

Rajiv Mundhra

Whole -Time Director

S. Dutta

Whole -Time Director

ANNEXURE B

Additional information pursuant to Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rule, 1988.

A. Conservation of Energy

a) Energy Conservation measures taken:

To conserve energy we have started using 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. Since most of our work is carried out in remote locations and is subjected to harsh environment conditions, the rate of depreciation is very high. 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 investment and proposals, if any, being implemented for reduction of consumption of energy:

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

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

The company has been able to reduce electrical energy and fuel oil consumption. Though it is not possible to quantify the impact, the measures are expected to result in considerable savings.

d) Total energy consumption and energy consumption 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


e) Efforts made in technology absorption as per Form B of the annexure.

Form B

(Particulars with respect to technology absorption)

Research and Development:

1. Specific areas in which R & D is carried out by the Company:

 We are continually increasing the use of Fly Ash with concrete and minimizing use of cement without sacrificing the strength of concrete. The benefit derived as a result of above R & D:

- i) Less use of cement i.e. saving of natural resources like lime stone etc.
- ii) Saving of energy due to lesser need of production of cement.
- iii) Recycling of harmful disposal of coal burnt (Fly Ash) from Thermal Power Plant in large volume, which otherwise is big problem for stacking the disposal in large volume.
- iv) Less use of cement i.e. less emission of carbon dioxide in nature during cement production.

🏗️ Actively pursuing R & D works and to introduce ourselves as an executor for generation of power using non-conventional resources like Solar energy & wind power.

Benefits derived from above-

- i) Pollution free power generation
- ii) Natural resource of Coal & Oil will not be required

🏗️ Continuous efforts are made to innovate new methods of construction. Methods are developed to make optimum utilization of both manpower and machinery.

🏗️ New techniques in foundation engineering have been developed specifically in the field of stone column by Simplex in-house developed highly production system and also imported technology of Vibro floatation, sand piles, Geo pier system of piling, jointed piles, pre-cast piles and introduction of band drain and drilling piling technique.

🏗️ Use of alternative materials such as neoprene, fiberglass and bake-lite has been developed to replace wood.

🏗️ Computer aided design techniques have been developed in the fields of soil analysis, structural analysis and machine design.

🏗️ Micro piling technique and band drain have been developed through in-house research.

🏗️ New shuttering methods have been developed to reduce use of wood and minimize waste of accessories.

🏗️ New forms of steel sleepers have been introduced to replace wooden sleepers.

🏗️ Hydraulic grab is manufactured for diaphragm wall.

🏗️ For segmental bridge construction, a whole system of casting and erection has been improved to speed up the work more effectively.

🏗️ By using latest technique and modern equipment - deepest bore pile ever installed in India with Hydraulic drilling rig.

🏗️ New system of Aluminum shuttering has been introduced to reduce timber consumption and save nature.

🏗️ New Jump form system of self-climbing form works system for construction of Highrise Building had been introduced for safety of workers & improve progress.

🏗️ Micro tunneling techniques had been introduced for installing 750mm diameter Hume sewerage pipe lines.

🏗️ Osterberg 'O' cell technique for load testing had been introduced for Load testing on 2400mm diameter piles.

🏗️ Concrete wastage from Concrete pump had been eliminated by introducing new techniques of reverse pumping using soft ball & compressed air.

🏗️ Introduced HDD technique for laying 800 mm diameter HDPE sewerage pipe lines & joining of HDPE pipes by Butt welding.

🏗️ For precast long length Girder erection in bridges, the new Launching Girder system developed for erection, including bend section up to 800 MT self-weight.

🏗️ For lifting of heavy sections, a rod has been developed which replaces high strength pre-stress wire or imported rods.

🏗️ Manufacturing of spares for imported machinery locally with further improvement.

🏗️ Pneumatic Hammer has been manufactured indigenous for Piling works.

🏗️ Introduced Tunnel boring Machine for Laying of 1800 mm dia steel Pipe Line for water supply.

2. Benefit derived as a result of the above R&D

🏗️ New and modern methods of construction have made the process faster and safer. Wastage of materials reduced significantly. Pollution reduced to great extent. Downtime was cut considerably.

🏗️ Use of valve system and grabs helped the Company achieve a faster pace in piling.

🏗️ Cost effective machines enabled the Company to substitute expensive, imported and heavy machinery.

🏗️ Both structural and soil analysis were upgraded to perform complicated work accurately.

🏗️ Launching of Girder can be done at the bridge level, saving the cost of cranes and space as well as imported rods.

🏗️ Use of Pneumatic Hammer helped the Company to achieve a faster pace in piling and early completion of projects.

3. Future plan of action

- Introduced prefabricated Hollow Piles in foundation in Oman and likely to be installed in India very soon.
- To improve R&D activities specifically in developing new machinery, shuttering and staging equipment, soil improvement techniques, pile driving and drilling technology.
- To introduce new soil reinforcement and pile foundation system.
- To introduce modern construction project management techniques, a thorough manpower analysis is done prior to start up.
- To tighten quality control system and safety.
- To carry on research in soil mechanics, foundation engineering and structural engineering.
- To develop new and low-cost construction material for housing, industrial structure and foundations.
- To develop improved techniques in solid waste disposal system.
- To develop improved technology that is also environment-friendly.
- To implement quality assurance programme in accordance with modern management technique.
- To introduce pre-fabricated concrete technology in mass scale.
- To introduce new products to replace wooden products.
- To introduce new technology in recycling of existing Road materials.
- Be a partner for generating electricity from non-conventional and renewable source of energy like Geothermic to meet the future energy demand and pollution free power generation.

4. Expenditure on R&D

(₹ in million)

a) Capital	-
b) Recurring	3
c) Total	3
d) Total R&D Expenditure as percentage of total turnover (%)	0.01%

Technology Absorption, Adaptation and Innovation:

1. Efforts, in brief, made towards technology absorption, adaptation and innovation:

- The company has absorbed foreign technology in the field of Slip form system, cooling tower, soil improvement, foundation engineering and commercial building techniques, road construction and the low cost housing technology.

2. Benefit derived as a result of the above efforts:

- International standards in construction of tall chimneys, high rise structures and cooling towers, low cost house building technology and road construction.
- New and low cost methods of CNS technology in foundation engineering.

3. Technology imported during the last five years:

Technology Imported	Year of Import	Has technology been fully absorbed
Composite shuttering system	2010	in process

Foreign Exchange Earnings and Outgo:

- a) Activities relating to exports, initiatives taken to increase exports development and new export markets for products and service:
- b) Total foreign exchange used and earned.

(₹ in million)

	2013-2014	2012-2013
Foreign Exchange earned	8267	9032
Foreign Exchange used	4585	4505

By Order of the Board

Rajiv Mundhra **S. Dutta**
Whole -Time Director Whole -Time Director

Kolkata

Dated: 30th May, 2014

MANAGEMENT DISCUSSION AND ANALYSIS

Economic Overview

On almost all parameters, FY 2013-14 proved to be a difficult year. Slowing growth, rising inflation and a depreciating rupee marked its progress, setting in motion diverse challenges for economic and business managers. The Indian Economy experienced its worst slowdown in nearly a decade on the back of global headwinds, domestic macro-economic imbalances, policy paralysis and burgeoning deficits. The situation was worsened by implementation bottlenecks such as regulatory delay, judicial activism and extreme risk aversion among bankers and financial markets. The much awaited economic reforms moved slowly, in fits and starts.

As a result, economic activity continued to slide despite attempts by the government to stem the tide. The Gross Domestic Product, usually taken as a barometer of growth, slipped below 4.5% in the first quarter and stayed below 5% throughout the financial year. Through most of 2013, an air of pessimism prevailed in business circles.

Fortunately, the first signs of an uptick in the economy began to emerge with the dawn of 2014. Apart from some positive steps by the government backed by an improving global economy, the General Elections culminating in May 2014 turned the national sentiment to one of hope. Today with a new and stable government in place, the worst seems over for the Indian economy. In the current year, India has already displaced Japan to emerge as the world's third largest economy in purchasing power parity. While the heady days of 8%+ growth may still be some distance away, there is genuine expectations that India will once again resume its journey as one of the fastest growing major economies in the world. Certainly investors have turned bullish on India and the country is back on the global radar as an attractive destination.

Industry Overview

As the Construction Industry has strong direct and indirect linkages with overall economic development – its multiplier effect on the economy is one of the highest at 1.85 times the assets being created – it is regarded as a primary driver of growth. In India, it contributes about 8% of the GDP and the second largest employer after agriculture, providing a livelihood to over 35 million people or 14% of the workforce. Indirectly it also creates investment and employment opportunities across various related sectors. It also accounts for nearly half of the fixed capital formation.

The industry is fragmented, with a handful of major companies involved in the construction activities across all segments; medium sized companies specializing in niche activities; and small and medium contractors who work on the subcontractor basis and carry out the



*Construction of Bombay Metro
Project at Mumbai*

work in the field. While smaller organizations are dependent mainly on local conditions for growth, the larger construction companies have struggled for the last few years due to the slowing economy and issues such as land availability and environmental clearances. The slow pace of construction growth in turn has been cited as a significant cause for the economy failing to take off.

The reasons for the headwinds faced by the construction sector are several. In infrastructure, major projects in power, road and industry have been inordinately delayed as the government clearances, fuel and land proved hard to obtain. Industrial infrastructure also took a back seat as most companies were faced with problems of over capacity in the face of slack demand. Building of residential and commercial space also slowed as high interest rates capped buying interest. In addition to the elongated working capital cycle the construction industry also faced the problems of idle equipment, project delays, cost inflation, high debt and high interest cost.

There is no doubt that India needs to expedite stalled projects to meet an urgent capacity addition in infrastructure. This is the surest way forward for stimulating domestic demand, increasing productive capacity and helping the economy return to the high-growth trajectory in the immediate future. The infrastructure fraternity is eagerly looking up to the government at the Centre to provide a supportive working environment. It should be recognized that infrastructure building is the first step in fulfilling the collective dream of inclusive growth.

Business Overview

Simplex continues its journey of nearly 100 years during which it has consistently delivered value to its clients by executing over 2700 projects in almost all verticals of construction industry. The Company has a good quality order book diversified across 211 contracts and nearly 200 project sites. Of the total order book of ₹15257 crores the Company has an exposure of 32% in building & housing, followed by 30% in roads & bridges, 11% in urban infrastructure and 11% in power sector. Its domestic business accounts for 84% and it has established a reputation for strong customer support throughout India. Customer-focus, world-class engineering and state-of-art construction equipment worth ₹2007 crores, backed by over 8000

dedicated employees, have enabled it to sustain leadership in all its major lines of business

Apart from Indian operation, Simplex has an international presence, particularly in Qatar, Oman, Saudi Arabia, Bangladesh, Sri Lanka and Ethiopia. Though international business accounts for just 16% of Company's business, it is expected that its share will increase significantly in near future as the share in order book is 20% and these geographies have low infrastructure development while being rich in natural resources.

Highlights of the year:

Ongoing Projects

Domestic

- Awarded contract for construction of 1620 Apartments including Sports Complex, Community Centre, Sports facility at Mohali, Punjab
- Awarded contract for execution of infrastructure facilities for Jamnagar Petrochemical J3 project at Jamnagar, Gujarat
- Civil, finishing, MEP Services & external development works for Godrej Summit, Gurgaon
- Modernization of marine structures at Vasco-da-gama, Goa
- Water supply and pipe arrangement from Rani Debendrabal Ghat on river Hooghly to Water Treatment Plant in New Town, Kolkata



- 🏗️ Bridge from Jahangir Chowk to Rambagh-Natipara in Jammu & Kashmir
- 🏗️ Railway work from Kota (Rajasthan) to Bina (Madhya Pradesh)
- 🏗️ High end high-rise towers from reputed builders including DLF, Godrej, Tata, among others.

Overseas

- 🏗️ Construction of an expressway class road for Batinah Expressway Package-3 , Sultanate of Oman
- 🏗️ Bridge in Jeddah, Saudi Arabia
- 🏗️ Construction of Moghbazar-Mouchak flyover, Dhaka, Bangladesh

Completed Projects

- 🏗️ Eastern Freeway, Mumbai- 12 Km long elevated 6 lane road corridor
- 🏗️ Versova to Ghatkopar Mumbai Metro-12 Km long 2 lane elevated rail corridor
- 🏗️ Construction of Elevated Structure excluding Station portion in reach-3 between Yeswanthpur and Swastik Section, Bangalore
- 🏗️ Civil work of Unit 2 main power house and CHP for 2×660 MW power project, Jharli, Haryana
- 🏗️ Main Civil works for UNOSUGEN combined cycle power plant, Surat
- 🏗️ Piling & foundation work for 5X800MW coal based power plant project, Mundra

- 🏗️ Civil & Structural works for pipe racks and Equipment foundation for Diesel Hydro Treater project, Vizag Refinery

Opportunities

Positive growth forecasts for India

The medium and long term prospects for the Indian building and construction industry are very promising. Given the size, population and development stage of the country, the potential for infrastructure investments for the next 15 years remains huge. As a result, the infrastructure industry in India has been experiencing rapid growth in its different sectors with greater urbanization and increasing involvement of foreign investments in this field. This growth is visible throughout the country in the form of new highways, roads, ports, railways and airports, power plants as well as urban and rural infrastructure, including water supply, sewerage, and drainage, irrigation and agriculture systems. The Asian Development Bank (ADB) and the Government of India signed loan agreements valued at US\$ 605 million in February, 2014, for three separate projects to improve rail services, power and roads in India. The Government of India has contemplated US\$ 1 trillion for infrastructure for the 12th Five-Year Plan (2012–17).

Structural Shed with Crane Gantry under construction at Electric Locomotive Factory for RVNL at Dankuni, West Bengal



Power

Increased manufacturing activities and a growing population are causing a surge in power usage. India has the fifth largest electricity grid in the world with 135 GW capacity, and the world's third largest transmission and distribution (T&D) network. Large investments are needed to meet growing demand and provide universal access. A rush is on to develop new assets, harness natural resources, and attract global finance – but an industry focus and strategy is necessary to properly tap into this opportunity. E&C companies may want to consider involvement in the construction of power stations, and T&D networks, particularly if sustainable building and generation technologies can be leveraged. The Indian Government is also looking to encourage the generation of wind and solar power by providing generation-based incentives to those companies who do not claim accelerated depreciation, so E&C companies with experience in building these types of alternative energy projects may find excellent opportunities.

Simplex has been undertaking civil and structural work for coal, gas, oil-based thermal power plants as well as hydel and nuclear power plants since 1960 and since then it has set standards in the industry. It is associated with 150 thermal power plants in India, backed by its state-of-art construction and erection methodologies, quality and safety standards. For Simplex, the power sector contributed 22 % in terms of revenue during FY 13-14 and the share in order book from this sector is 11%.

Roads & Bridges

India has one of the largest road networks in the world, behind only the United States and China. Roads account for 80 percent of passenger traffic and 65 percent of freight traffic in India. The annual growth of road network in India is projected at over 12% for passenger traffic and over 15% for cargo traffic. The value of total roads and bridges infrastructure in the country is projected to grow at a compound annual growth rate (CAGR) of 17.4 per cent over FY 12–17 to reach US\$ 19.2 billion by 2017. For the 12th Five-Year Plan, the government targets to develop national highways at the rate of 20 km per day. It estimates around US\$ 27 billion plus private investment is required over FY12-FY17 to improve the country's road infrastructure.

The National Highways Development Project is a project to

upgrade, rehabilitate and widen major highways. Extensive contribution of the private sector is being utilized for implementation of NHDP through contracting and Public Private Partnership (PPP). The procurement process for highway developers/ contractors is highly streamlined and concession agreements and other agreements have been standardized by the government. The processes are oriented towards players with good experience and sound financial strength. Additionally, a lot of states are also actively developing their highways with the help of private sector.

Simplex has invested in a couple of Special Purpose Vehicles (SPVs) for undertaking road projects from NHAI on toll basis DBFOT (Design, build, finance, operate and transfer). It has also been entrusted with major road and flyover projects, most notably PVNR Expressway, Hyderabad, Eastern Freeway, Mumbai, both India's longest flyover at 12 Km. The road sector is expected to be a priority sector for the new government. The roads & bridges sector contributed 21% in terms of revenue during FY 13-14 and the share in order book from this sector is 30% .

Railways

Indian Railways has the world's fourth largest rail network comprising 115,000 km of track over a route of 65,000 km with nearly 7,500 stations. It operates over 19,000 trains every day and, in 2012-13, the Railways carried 1,009 mn tonnes of Freight Traffic and 8,501 mn passengers with an estimated annual traffic growth of 4% to 5%. Indian Railways is also the world's second largest employers with a workforce of 1.5 mn. The Indian Government has recognized existing infrastructure gaps and capacity constraints in the rail system, and as a consequence plans large scale investment over the next five years. Projected investments total US\$ 86.5 billion, of which 19% is expected to be contributed by the private sector. A system of freight corridors connecting Mumbai and Kolkata to New Delhi, expansion in North Eastern India and upgrading of existing tracks are some major investments envisaged.

Simplex is a pioneer in automatic track-laying in India. It has wide ranging experience in railway construction and has successfully completed trial runs for hi-speed 200 km Gooty-Pullampt section for RVNL. The railway sector contributed 2% in terms of revenue during FY 13-14 and the share in order book from this sector is 4%.

Ports

India enjoys a strategic location in the Indian Ocean and has a vast coastline of around 7,500 km. As India globalizes its economy fast, it needs to handle a growing volume of international trade. Thus, the upgrading and expansion of its ports will be a key success factor for India's economic development programme. In addition to improving road and rail connections, projects related to port development (construction of jetties, berths, container terminals, deepening of channels, etc.), will provide major opportunities for E&C companies. It is projected that by the end of 2017, port traffic will amount to 943.06 million tonnes (mt) for India's major ports and 815.20 mt for its minor ports.

Simplex's marine projects include a variety of structures like undersea piling, including steel piling under adverse sea conditions, apart from design and construction of on-shore and off-shore structures like ports, wharfs, harbours, jetties and berths. These structures serve as hubs for trade and transport. Beginning in India in this sector since 1940, Simplex has a stellar track record of building marine structures. This is accomplished in complicated geographical conditions with great attention to detail and quality. Simplex's reputation has sailed far, and it has to its credit projects like Mumbai JNPT Port as well as Cochin, Adani, Karaikal, Paradeep and Mundra Ports. It has also commissioned the largest ICTT Kochi for DP World at JNPT for Maersk. The port sector contributed 1 % in terms of revenue during FY 13-14 and the share in order book from this sector is 3%

Urban Infrastructure

Only 30% of Indian population lives in urban areas. As per Government of India estimates, urbanization in India is expected to grow at an astonishing rate of 38%. A report by Tata Strategic Management Group (TSMG) indicates that the number of million plus cities will reach 75 in 2026, from 35 in 2001.

Unfortunately, Indian urban infrastructure and services, parts of which still bear markings of its British heritage, clearly isn't adequate to deal with such pressure. To keep the cities and towns from crumbling under the weight of population, it is estimated that US\$ 650 billion investment is required in urban infrastructure over the next 20 years. Of this, almost 45% is required for development of urban roads. The Twelfth Five Year Plan document expects 48% of

the Plan investment to come from private sources, conditional on several national policy initiatives to restore investor confidence. To boost urban infrastructure across the country, the government has initiated numerous measures and has allocated almost US\$ 2 billion under JNNURM. The government has also launched the Urban Infrastructure Development Scheme for Small and Medium Towns with an outlay of US\$ 1 billion to address infrastructure needs of small towns and cities. Additionally, there is a renewed push towards PPPs in the sector. There are key investment opportunities for firms in this sector, particularly in the sphere of Solid Waste Management, Urban Transport, Water management etc. Further, with tier II cities also opting for metro rail systems, there is a space for foreign participation through technological and equipment supply.

Simplex has undertaken a number of public utility projects since 1965 in the fields of water, waste, water and sewerage treatment plants, water supply projects, metro rails, airports, stadia, hospitals, capital city complexes and educational campuses. These projects have been designed and constructed keeping in mind the end users, the people who will live and work in them everyday. Our structures are design-centric, with a strong engineering base to pass the test of time. Simplex is associated with the construction of metro in three metropolitan cities: Mumbai, Delhi and Kolkata and also in Bangalore and Dubai. The contribution from this sector has been 10% in terms of revenue during FY 2013-14 and the share in order book from this sector is 11%.

Building & Housing

Real Estate is a critical sector as it is linked to about 250 ancillary industries, ranging from cement and brick to furniture and fittings. It therefore plays a critical role in industrial development. The sector comprises four sub-sectors – housing, retail, commercial and hospitality. The contribution of the real estate sector to India's GDP has been estimated at 5.9 per cent in 2012-2013 with a CAGR of 7.2% and is expected to touch US\$ 180 billion by the end of the current decade. According to CREDAI the real estate sector employs nearly 7.6 million people, which could increase to about 17 million by 2025.

Housing is the largest constituent of real estate. As per estimates, during the Twelfth Five Year Plan Period (2012-17), the housing requirement in urban areas is 18.7 million units of which 18.5 million are for the EWS/LIG segment.

By 2030 the demand for affordable housing is expected to touch 38 million. There will be a demand for over 24.3 million new dwellings for self-living in urban India alone by 2015. Cushman and Wakefield estimate the overall housing shortage to be almost 63 million units at present, translating a demand for 26.3 million units in the next 3 years,

Despite economic slowdown, non-residential space demand too has continued to grow. Office space absorption across the country's seven major cities – Delhi-NCR, Mumbai, Bengaluru, Chennai, Pune, Hyderabad and Kolkata – is likely to increase seven per cent this year to 29 million square feet (sq ft), according to global real estate consultant DTZ. New supply of retail space in shopping malls in India's top seven cities is also expected to be more than double to 11.7 million sq ft in 2014 according to Jones Lang LaSalle.

Since 1955, Simplex has built elegant residential and commercial structures, earning its reputation in this sector when it first introduced RCC framed structure for the 17-storey National Tower at Kolkata. Since then it has been associated with numerous prestigious projects. Today, among other projects, the Company is building one of the World's tallest residential towers the 117-storey World One in Mumbai. The 64 storey One Avighna Park is another notable project. Simplex is associated with almost all reputed promoters and developers including Sheth, Lodha, Brigade, DLF, HDIL, Keppel, Unitech, Tata Housing, Mantri, Salarpuria, Al-Arab Contractor, Al-Tejir etc. as well as hotel chains like Ritz Carlton, Hilton and ITC for construction of buildings, which testifies to its efficiency and commitment. The contribution from this sector has been 26% in terms of revenue during FY 2013-14 and the share in order book from this sector is 32%.

Industrial Structures

Indian economy has undergone major structural changes in recent decades creating new demands for the industrial sector. Industry is recognized as the prime engine of development because the sector has strongest forward and backward growth linkages. It also enables increasing returns for longer duration and greater labour absorption capacity than other sectors. Currently, the Industrial sector makes up 18 percent of India's GDP and employs 19 percent of the labour force. Among the major sub-industries include textiles (the largest industry in terms of employment),

chemicals, food processing, steel, transportation equipment, cement, mining, petroleum, machinery, software and pharmaceuticals. The growing economy demands expansion of all core industries: crude oil, petroleum refinery products, natural gas, fertilizers, coal, electricity, cement and finished steel, to support expansion of end-user demand.

Simplex creates the engineering solutions that deliver cost-effective and sustainable answers to challenges posed to these industries by new technologies, manufacturing standards and environmental norms. Simplex designs and builds streamlined structures that allow maximum usage of available resources in tune with client requirements. This has enabled it to enjoy a favoured status among leading industrial groups and enjoy repeat orders from its clients.

Simplex has been closely associated with building many large industrial structures since 1935. It has presence across various industries-cement, steel, aluminum, copper, engineering, automobile, petrochemicals, oil & gas, fertilizers, paper, textiles, chemicals, pharmaceuticals, etc. The contribution from this sector has been 12% in terms of revenue during FY 2013-14 and the share in order book from this sector is 6%.

Threats, Risks and Concerns

The use of modern technology equipment and deployment of project management strategies in construction industry has made it possible to undertake projects of mega scale. However, the industry is still faced with some major challenges, including skilled labour shortage, elongated working capital cycle, delayed approvals and clearances and project delays due to external factors.

Simplex has over the years judiciously diversified its operations across various projects and sectors in India and also geographically, focusing on fast-track projects with lower risks. Simplex maintains a good quality order book as it has stringent project selection and diligence process. Simplex follows a systematic approach to identify the risks pertaining to contractors, clients, even government bodies, subcontractors, suppliers and external issues. We endeavor to work from the feasibility phase onwards to address potential risks in time and also deploy people with construction and management knowledge and skills from the inception to make sound preparation for carrying out safe, efficient and quality construction activities.

The gains of large investments in the mega-projects eventually will feedback to the construction industry itself in the form of better economy and improved work conditions. Recent experiences of several new mega-projects are clear indicators that the industry is poised for a bright future. It is the second homecoming of the civil engineering profession to the forefront amongst all professions in the country, given the enormous potential of growth of Indian economy led by surge in infrastructure demand and investment.

Risk Management

In today's challenging construction environment, with diverse stakeholders, complicated joint ventures, and huge project values, delay and disruption claims are increasingly more complex, difficult to quantify, and require careful analysis to present and/or defend. Simplex tries to understand the potential causes of delay and disruption claims leading to pro-active risk management strategies. Simplex believes in 'simplifying the complex' which commissions at setting the strategic goals and taking appropriate precautionary actions.

While risk in a project environment cannot be totally eliminated or transferred, Simplex does its best to monitor, minimize or mitigate the risks wherever possible. Simplex commits itself to addressing risk management throughout the project life cycle thereby minimizing the impact of unplanned incidents on the project by identifying and addressing potential risks before significant negative consequences occur. Simplex engages itself in risk analysis exercise which determines beforehand the relative exposure in terms of time and cost. With this risk management exercise it not only identifies risks, but also reduces risks to an acceptable level. It includes maximizing the probability of positive events and minimizing the probability and consequences of adverse events. Simplex has in place appropriate project managers for different sites who ensures that minor, day-to-day project level risks are being effectively managed on an ongoing basis, while significant risks are quickly escalated to the appropriate higher level.

Expert teams perform risk assessments on construction projects in preventing and mitigating costly potential delays and disruptions, which assists in taking informed decisions and keep the project moving forward. Simplex also has risk

management policies which are reviewed periodically by senior management of the Company and reviewed by the Directors of the Company.

Simplex involves the entire project team, including design, engineering, business, contracts, finance, purchasing, estimating, and project controls in managing the risks associated with the projects. The process is ongoing, a never-ending cycle and repetitive process of identification, quantification, modeling, management and monitoring.

Overall, the opportunities to develop a significant business in India are extremely promising for E&C companies, if they are carefully selected. Simplex's close integration with its people has instilled valuable practical know-how, cost and time awareness as well as an instinct for both innovation and risk control. These attributes allow the employees of Simplex to seamlessly 'design in' economy, safety, and sustainability and to mitigate risk at every step.

Internal Control System and their Adequacy

Simplex maintains a system of internal accounting controls which is sufficient to provide reasonable assurance regarding the reliability of financial reporting. The Company's structure, work and authority flows, people and management information system is well controlled by the internal control mechanism of the company which helps it to accomplish its specific goals. The Company has systematic measures such as reviews, checks and balances, methods and procedures to conduct its business in an orderly and efficient manner, safeguard its assets and resources, deter and detect errors, fraud and theft, ensure accuracy and completeness of its accounting data, produce reliable and timely financial and management information, and ensure adherence to its policies and plans. The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations, which provide, reliability of financial reporting, timely feedback on the achievement of operational or strategic goals, and compliance with laws and regulations. The Company also has Enterprise Resource Planning (ERP) package in place at various levels, which aids in business operation running more efficiently and effectively.

The Company deploys outside professionals for internal audit to examine the various compliance with plans and policies, which are backed by our in-house internal audit

department. All the audit observations together with action taken reports are placed before the Audit Committee of the Company which deals with the issues and peruses the internal audit report. The minutes of audit committee are noted by the Board and the Board make recommendations where control improvements are needed. Internal control systems of the Company are continuously monitored which assesses the quality of the system's performance over time. Any deficiencies in the system are reported upstream and immediate steps are taken to rectify it as internal control systems change over time as once effective procedures can become less effective in changing conditions, therefore management determines whether the internal control system continues to be relevant and whether it is able to address new risks. In addition to above, Simplex has formulated a Vigil Mechanism (Whistle Blower Policy) for its Directors and Employees of the Company for reporting genuine concern about unethical practices and suspected mal-practices.

Financial Performance

During the year under review, on standalone basis, the Company reported, revenue from operations at ₹55130 mns as compared to ₹58208 mns in the previous year. Profit before tax decreased to ₹856 mns from ₹903 mns last year mainly due to high finance cost. Profit after tax increased to ₹606 mns from ₹598 mns in previous financial year owing to MAT credit adjustment and write back of previous years' tax provisions.

On a consolidated basis, the revenue from operations stood at ₹56154 mns during the financial year under review as compared to ₹58975 mns in the previous year. Profit before tax increased to ₹856 mns as compared to ₹829 mns in the previous year and profit after tax increased to ₹587 mns as against ₹520 mns in the previous financial year.

Human Resource Development

Human capital is the most important asset to a construction company. Clearly the success of the construction industry is based on the quality of its people. And this quality of human capital will depend on the possible employment opportunities. Indian Construction Industry of today is continually looking for leaders who want to help shape the

world we live in at the highest level. The private sector offers wide employment opportunities, particularly for those trained in architecture and construction/ project management. Large construction houses, multinationals, builders and promoter firms, real estate developers, and construction consultancy firms, employs professional construction managers. The banking, and housing finance sector, also take in qualified construction managers to handle construction finance and project appraisal activities.

The construction industry is one of the largest global employment sectors, providing work for a significant proportion of the labour market and accounting for a significant share of the world gross domestic product (GDP). The industry also represents one of the most risky, complex and dynamic industrial environments. A construction project relies on skilled manual labour supported by a management framework, which has to coordinate many professional, construction and supplier organisations whose sporadic involvement changes through the course of the project. The fragmentation and dynamism of this process and the need to integrate a wide range of occupational cultures renders construction one of the most complex project-based industries.

At Simplex, its success as a company is dependent on every person who works here. The collective commitment of every employee to common goals and common values is what makes Simplex a leader in this industry. Simplex is proud to provide career opportunities that offer current rewards in the form of comprehensive and competitive compensation and benefits as well as meaningful advancement opportunities. Simplex endeavors to attract, develop and retain the most highly skilled workforce in this industry. Simplex stand behind its commitment to an excellent work force of 8115 employees as on March 31, 2014 with a commitment to training and development opportunities for employees in every position in the company. Simplex considers training as the most effective way to maintain, update and enhance the intellectual capital of the company's workforce and to ensure that its activities contribute positively to the well-being of society as whole.

Simplex has a befitting mix of youth and experience. It helps its employees by creating an environment of trust between the employees and employers by looking into the every

aspect of the employees' needs at all levels as per the requirement of each individual. Providing the employees with a healthy work environment, growth plan and sound mechanism of evaluation of personnel and performance based incentives, contributes significantly in deriving the best from its human resource.

Future Outlook

India requires quality infrastructure. This simple fact is the long term driver of the construction sector as infrastructure investments are the most important growth driver for construction companies. While short term factors may keep the sentiments subdued, over the long term, demand will remain strong. The proposed increase in allocation in the twelfth five-year plan (2012-2017) will translate into a healthy business for construction companies. Demand-supply gap for residential housing, favourable demographics, rising affordability levels, availability of financing options as well as fiscal benefits available on availing of home loan are the key drivers supporting the demand for residential construction. According to a technical committee set up by the Ministry of Housing & Poverty Alleviation, the total housing shortage in the country alone stood at about 18.78 m at the start of the twelfth five-year plan. This provides a big investment opportunity.

While long-term factors are likely to work in favour of construction companies, the outlook for the short term remains uncertain. High interest rates, longer working capital cycles and negative consumer sentiments continue to impact business for the real estate players. Project delays continue to plague the infrastructure industry with resultant cash flow problems. Also, the fact that banks have been turning cautious towards rescheduling debt or issuing fresh loans is a dampener for the sector. The overall long term

risks also include increased prices of the essential raw materials like cement, bricks and steel coupled with the increasing in labour costs, which together make for almost 75% of overall construction cost.

The link between infrastructure and economic development is not a once and for all affair. It is a continuous process; and progress in development has to be preceded, accompanied, and followed by progress in infrastructure, if we are to fulfill our declared objectives of generating a self-accelerating process of economic development.

Indian infrastructure and construction industry has grown exponentially, in part due to massive government impetus and in part due to high market sentiments. The country, which has initially targeted the low-hanging fruits, is now poised to take up more complex and technologically intense projects. The focus has moved from cost efficiency to time and competence. This has created excellent opportunities for technologically sophisticated construction companies to conduct business in India.

Cautionary Statement

Statements in the Management Discussion and Analysis report concerning our future growth prospects are forward looking statements, which are subject to a number of risks, uncertainties and assumptions that could cause actual results to differ materially from those contemplated in such forward-looking statements. Neither our company, nor our Directors, nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after this date or to reflect the occurrence of underlying events even if the underlying assumptions do not come to fruition.

REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy

Simplex believes that good Corporate Governance is essential to achieve long-term corporate goals and to enhance stakeholders' value. The Company's business objective and that of its management and employees is to provide customer satisfaction through the Company's quality services strictly adhering to time schedule in such a way so as to create value that can be sustained over a long term for all its stakeholders, including shareholders, employees, customers, Government and the lenders. In addition to compliance with regulatory requirements, Simplex endeavors to ensure that highest standards of ethical conduct are met throughout the organization. The principles of good Corporate Governance through accountability and transparency have always been followed by the Company.

2. Board of Directors

Simplex has an optimum combination of executive and non-executive Directors. As on 31st March, 2014, the Board comprised of nine Directors. Out of these, three are Executive Directors and six are Non-executive Directors. Of the six Non-executive Directors, five are Independent Directors and one is Non-executive Vice Chairman, who is a Promoter Director.

The composition of the Board during the financial year was in conformity with Clause 49 of the Listing Agreement entered into with the Stock Exchanges.

Considering the requirement of skill sets on the Board,

eminent people having an independent standing in their respective field, who can effectively contribute to the Company's business have been appointed as Independent Directors on the Board. They have vast experience in civil engineering, construction, finance and management and because of their association the Board has been enriched with wide range of skill and experience. None of the Independent Directors on the Board of the Company have any pecuniary or business relationship with the Company other than receiving sitting fees.

Every independent Director, at the first meeting of the Board in every financial year, gives a declaration that he meets the criteria of independence as provided under law.

During the year 2013-14, Dr. B.D. Mundhra due to his indifferent health stepped down from the Board and ceased to be the Chairman of the Company w.e.f. 15.03.2014. However at the request of the Board he agreed to act as Chairman Emeritus to continue his association with the Company. The Company will be immensely benefitted by his knowledge and wisdom. Mr. A.D. Mundhra resigned from his office of Whole-time Director and continues to be the Vice-Chairman and Non- Executive Director of the Company.

The Directors of the Company met six times during the year on 30th May, 2013, 14th August, 2013, 30th August, 2013, 14th November, 2013, 14th February, 2014 and 14th March, 2014.

Composition of the Board, Number of Board Meetings, Attendance of Directors, Directorship, Committee positions held and shareholding in the Company as on 31st March, 2014 is given below:

Name of the Directors	Status	Number of Board Meetings attended (out of six meetings held during the year)	Attendance at the last AGM held on 30th August 2013	Directorships held in other Public Limited Companies incorporated in India	Committee positions held in other Indian Public Limited Companies *		Share holding in the Company
					As Chairman	As Member	
Dr. B. D. Mundhra #	Chairman Emeritus	4	Present	N.A.	-	-	2794950
Mr.A.D. Mundhra##	Promoter & Non-Executive Director (Vice-Chairman)	4	Present	8	1	-	2011570**
Mr. Rajiv Mundhra	Promoter & Executive Director	6	Present	6	-	-	1868790***
Mr. S. Dutta	Non-independent Executive Director	6	Present	2	-	-	500
Mr. A.K. Chatterjee	Non-Independent Executive Director	3	Present	1	-	-	750
Mr. B. Sengupta	Non-Executive Independent Director	6	Present	-	-	-	-
Dr.R. Natarajan	Non-Executive Independent Director	2	Absent	-	-	-	-
Mr.N.N. Bhattacharyya	Non-Executive Independent Director	6	Present	-	-	-	-
Mr.Sheo Kishan Damani	Non-Executive Independent Director	4	Present	-	-	-	-
Mr.Asutosh Sen	Non-Executive Independent Director	5	Present	-	-	-	-

* Membership of only Audit & Stakeholders Relationship Committee (previously known as Shareholders' Committee) considered for this purpose

** Includes 50000 equity shares held on behalf of his minor son

*** Includes 233920 equity shares held as a Trustee, 65000 equity shares held on behalf of his minor son.

Dr. B.D. Mundhra stepped down from the Board as Non-Executive Director and Chairman w.e.f 15.03.2014 and is associated with the Company as Chairman Emeritus

Mr. A.D. Mundhra relinquished the office of Whole-time Director w.e.f 28.02.2014 and has been continuing as Non-Executive Director and Vice-chairman of the Company since then

Dr.B.D.Mundhra, Mr. A. D. Mundhra and Mr. Rajiv Mundhra are related inter-se

Code of Conduct

The Members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Company's Code of Conduct. The Code is posted in the Company's website www.simplexinfrastructures.com. A declaration to this effect signed by Mr. Rajiv Mundhra, Whole-time Director of the Company is annexed to this Report.

3. Committee of Directors

The Board of Directors has delegated its certain powers to the Committee of Directors. The Committee comprises four Directors of which one is an independent Director. The Committee met six times during the year under review on 29th April, 2013, 24th June, 2013, 24th September, 2013, 24th October, 2013, 16th December, 2013 and 29th January, 2014.

The composition of the Committee of Directors and the attendance at the meetings out of six meetings held during the year are stated below:

Name of Directors	Meetings Attended
Dr.B.D.Mundhra#	5
Mr.A.D.Mundhra	6
Mr.B.Sengupta	6
Mr.S.Dutta	6
Mr.Rajiv Mundhra	6

In view of Dr. B.D. Mundhra's resignation from the Board of Directors of the Company, his membership in the Committee of Directors has ceased w.e.f. 15.03.2014.

4. Audit Committee

The composition and terms of reference of the Audit Committee meets with the requirements of Clause 49 of the Listing Agreement.

The Audit Committee comprises three Independent Directors. All members of the Committee are eminent persons with varied knowledge in their respective fields. The Chairman of the Committee is a senior Chartered Accountant with vast knowledge and expertise. The Whole-time Director designated as CFO and Head of internal audit are invitees to the meetings of the Committee. The Statutory Auditors are also invitees to the meeting. The Company Secretary acts as the Secretary to the Committee. The minutes of the Audit Committee meetings are noted by the Board of Directors at the subsequent board meetings.

The Audit Committee met four times during the year under review on 30th May, 2013, 14th August, 2013, 14th November, 2013 and 14th February, 2014.

The composition of the Audit Committee and the attendance at the meetings out of four meetings held during the year are stated below:

Name of Directors	Position	Meetings Attended
Mr. N. N. Bhattacharyya	Chairman	4
Dr. R. Natarajan	Member	2
Mr. B. Sengupta	Member	4

The Audit Committee reviewed the annual financial statements for the year ended 31st March, 2013 and auditors' report thereon on 30th May, 2013 before recommending the same to the Board for approval. During the year the Committee also reviewed the quarterly Un-audited Financial Results before they were placed before the Board of Directors for approval.

The financial statements containing significant transactions and arrangements entered into by the Subsidiary Companies were placed before the Audit Committee Meeting.

The Chairman of the Audit committee was present at the last Annual General Meeting held on 30th August, 2013.

The Company has formulated a vigil mechanism (whistle blower policy) for its directors and employees of the Company for reporting genuine concerns about unethical practices and suspected or actual fraud or violation of the code of conduct of the Company as prescribed under the Companies Act, 2013 and Clause 49 of the Listing Agreement.

5. Nomination and Remuneration Committee

The Board of Directors renamed/re-constituted Remuneration Committee as "Nomination and Remuneration Committee" in their board meeting held on 30.05.2014, in accordance with the provisions of the Listing Agreement and Companies Act, 2013. As on 31st March, 2014, the Committee comprised of 3 Independent Directors. Dr. B.D.Mundhra ceased to be a member of this committee pursuant to his stepping down from the Board w.e.f. 15.03.2014.

The Committee's strength was increased to five members by nominating Mr.A.D.Mundhra and Mr. A.K.Chatterjee, Directors in the Committee w.e.f 30.05.2014. The Committee met twice during the year on 30th May, 2013 and 30th August, 2013. Mr. B. Sengupta is the Chairman of the Committee. The non-executive Directors are paid sitting fees at the rate of ₹5,000/- for attending each meeting of the Board or Committees thereof and do not draw any other remuneration from the Company.

The composition of the Committee and the attendance at the meetings out of two meetings held during the year

are stated below:

Name of Directors	Position	Meetings Attended
Mr. B. Sengupta	Chairman	2
Dr. R. Natarajan	Member	1
Mr. N.N. Bhattacharyya	Member	2
Dr. B. D. Mundhra *	Member	2
Mr. A.D. Mundhra **	Member	NA
Mr. A.K. Chatterjee **	Member	NA

* Dr. B.D. Mundhra ceased to be the Member of this Committee w.e.f.15.03.2014

** Mr.A.D. Mundhra & Mr. A.K. Chatterjee were inducted to this Committee w.e.f.30.05.2014

Remuneration paid/payable for the financial Year 2013-2014

(in ₹)

Directors	Salaries & Allowances	Contribution to Provident & Gratuity Fund	Estimated Cost of Benefit	Sitting fee	Total
	(1)	(2)	(3)	(4)	(5)
Dr. B.D.Mundhra*	-	-	-	55,000	55,000
Mr. A.D. Mundhra**	46,31,596	6,82,243	1,47,321	-	54,61,160
Mr. A. K.Chatterjee	37,50,000	1,40,400	5,95,629	-	44,86,029
Mr. Rajiv Mundhra	44,37,014	5,56,036	3,43,384	-	53,36,434
Mr. S. Dutta	31,77,800	1,29,911	12,17,004	-	45,24,715
Dr. R. Natarajan	-	-	-	35,000	35,000
Mr. B.Sengupta	-	-	-	1,10,000	1,10,000
Mr. N.N. Bhattacharyya	-	-	-	80,000	80,000
Mr. Sheo Kishan Damani	-	-	-	20,000	20,000
Mr.Ashutosh Sen	-	-	-	25,000	25,000
Total	1,59,96,410	15,08,590	23,03,338	3,25,000	2,01,33,338

* Dr. B.D. Mundhra stepped down from the Board as Non-Executive Director and Chairman w.e.f.15.03.2014

** Mr. A.D.Mundhra relinquished the office of whole-time Director w.e.f 28.02.2014 and has been continuing as Non-Executive Director and Vice-Chairman of the Company since then.

The appointments of Whole-time Directors are governed by resolutions passed by the Board and the Shareholders of the Company, which cover the terms and conditions of such appointment read with the service rules of the Company.

The terms of employment of Mr. S. Dutta, Mr. Rajiv Mundhra and Mr. A.K. Chatterjee, Whole-time Directors, stipulate a severance notice of six months on either side.

The Company follows a market linked remuneration policy, which is aimed at enabling the Company to attract and retain the best talent. The Company does not have any Employee Stock Option Policy.

6. Stakeholders' Relationship Committee

The Board of Directors renamed Shareholders' Committee as "Stakeholders Relationship Committee" in their board meeting held on 30.05.2014, in accordance with the provisions of the revised Listing Agreement and Companies Act, 2013. The committee comprises three members of the Board who are Independent Directors, responsible for resolving the grievances of the shareholders and debenture holders of the Company. The Committee met four times during the year on 30th May, 2013, 14th August, 2013, 14th November, 2013 and 14th February, 2014.

The composition of the Committee and attendance at the meetings out of four meetings held during the year are stated below:

Name of Directors	Position	Meetings Attended
Mr. B. Sengupta	Chairman	4
Dr. R. Natarajan	Member	2
Mr. N.N. Bhattacharyya	Member	4

Mr. B.L. Bajoria, Company Secretary is the Compliance Officer of the Company.

A summarized position with regard to security holder's complaints is given below:

Particulars	No. of Complaints
As on 1st April, 2013	Nil
Received during the year	Nil
Attended to / resolved during the year	Nil
Pending as on 31st March, 2014	Nil

Number of shares pending for transfer as on 31st March, 2014: Nil

7. Corporate Social Responsibility (CSR) Committee

The Corporate Social Responsibility Committee was constituted by the Board on 30th May, 2014 considering requirements of the Companies Act, 2013. The Committee comprises of 4 directors of which two are Whole-time Directors, one Independent Director and one Non-Executive Director. The Committee is responsible for formulating and recommending to the Board, a corporate social responsibility (CSR) policy indicating activities to be undertaken by the Company during a financial year in accordance with Schedule VII of the Companies Act, 2013 and recommending the amount of expenditure to be incurred on individual projects and in aggregate for each financial year and monitoring the implementation of the framework of CSR policy.

The composition of the Committee is stated below:

Name of Directors	Position
Mr. A.D.Mundhra	Chairman
Mr. S. Dutta	Member
Mr. Rajiv Mundhra	Member
Mr. B.Sengupta	Member

8. General Body Meetings:

Location and time of the last three AGMs held:

Year	Venue	Date	Time	Special Resolution Passed
2012-2013	"Kala Kunj", 48, Shakespeare Sarani, Kolkata-700017	30th August, 2013	10.30 am	YES
2011-2012	Gyan Manch, 11, Pretoria Street, Kolkata-700071	31st August, 2012	10.30 am	YES
2010-2011	Gyan Manch, 11, Pretoria Street, Kolkata-700071	16th September, 2011	10.30 am	YES

No Special Resolution through Postal Ballot is proposed in the forthcoming Annual General Meeting. No Resolution has been passed through Postal Ballot during the financial year ended 31st March, 2014.

As required under Clause 49IV(G)(i) of the Listing Agreement, the particulars of the Directors who are proposed for appointment/re-appointment are given in the Notice to the shareholders of the ensuing 96th Annual General Meeting.

9. Disclosures

- **Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature with its promoters, Directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large.**

None of the transaction with any of the related parties were in conflict with the interest of the Company. As required by the Accounting Standard 18, details of the related party transactions are given in Note 42 of the Annual Accounts.

- **Details of non-compliance by the Company, penalties, strictures imposed on the Company by stock exchange or SEBI or any statutory authority, on any other matter related to the capital market during the last three years.**

There was no non-compliance during the last three years on any matter related to the capital market. Consequently there were no penalties imposed nor strictures passed on the Company by stock exchanges, SEBI or any other statutory authority.

- The Company has formulated a vigil mechanism (Whistle Blower Policy) as prescribed in the Companies Act, 2013 and Listing Agreement and no personnel of the Company have been denied access to the Audit Committee.
- All mandatory requirements have been appropriately complied with and the non-mandatory requirements are dealt with at the end of the report.

10. Means of communication:

In compliance with the requirements of Clause 41 of the Listing Agreement, the Company regularly intimates quarterly Un-audited financial results to the Stock Exchanges immediately after they are approved by the Board of Directors. Further coverage is given for the benefit of the shareholders and investors by publication of the financial results in English daily, Business Standard and Bengali daily, Dainik Statesman.

The financial results are posted on the website – www.simplexinfrastructures.com

The official news releases and presentations made to institutional investors/analysts are also posted on the website of the Company.

The Management Discussion and Analysis is covered in the Directors' Report to the Shareholders and forms part of the Annual Report.

11. Shareholders Information

a) 96th Annual General Meeting

Date & time : 4th September, 2014, Thursday at 10:30 a.m.

Venue : Gyan Manch, 11, Pretoria Street, Kolkata-700071

b) Financial Year : 1st April, 2013 to 31st March, 2014

c) Dates of book closure : 30th August 2014-4th September 2014 (both days inclusive).

d) Dividend payment date : Within 30 days from the date of the AGM

e) Registered office : "SIMPLEX HOUSE"
27, Shakespeare Sarani,
Kolkata-700017.
Website: www.simplexinfrastructures.com

f) Listing details:

Equity shares	Stock Code/Symbol
The Calcutta Stock Exchange Ltd. 7, Lyons Range, Kolkata- 700001	29053
BSE Ltd. Phiroze Jeejeebhoy Towers Dalal Street, Mumbai -400001	523838
National Stock Exchange of India Limited Exchange Plaza Bandra Kurla Complex Bandra (E), Mumbai-400051	SIMPLEXINF

Listing fees for the year 2014-2015 have been paid to the Stock Exchanges.

g) **Stock Prices Data and Performance of Company's Share Prices Vis-a-Vis BSE and Sensex, NSE and Nifty**

(i) **BSE Limited**

Month	High (₹)	Low (₹)	Close (₹)	Sensex (closing)
April 2013	132.05	105.70	115.05	19504.18
May 2013	128.95	100.70	102.55	19760.30
June 2013	105.95	73.00	77.90	19395.81
July 2013	93.90	57.00	62.25	19345.70
August 2013	62.50	39.05	39.95	18619.72
September 2013	78.95	39.00	56.80	19379.77
October 2013	60.00	49.60	53.90	21164.52
November 2013	86.70	53.95	85.40	20791.93
December 2013	96.10	81.35	86.90	21170.68
January 2014	113.50	79.95	80.85	20513.85
February 2014	100.00	80.00	95.00	21120.12
March 2014	124.00	92.05	116.75	22386.27

j) **Distribution of shareholding as on 31st March 2014:**

Shares Held	2014				2013			
	No. of share holders	% of total share holders	No. of shares held	% of share holding	No. of share holders	% of total share holders	No. of shares held	% of share holding
1-500	6563	84.91	829695	1.68	6581	88.47	783561	1.58
501-1000	600	7.76	473304	0.96	481	6.47	376209	0.76
1001-10000	452	5.85	1272406	2.57	265	3.56	720883	1.46
10001-50000	56	0.72	1296673	2.62	52	0.70	1471303	2.97
50001 & above	58	0.75	45600252	92.17	60	0.80	46120374	93.23
Total	7729	100.00	49472330	100.00	7439	100.00	49472330	100.00

k) **Categories of Shareholders as on 31st March 2014:**

Category	2014			2013		
	No. of share holders	% of share holding	No. of shares held	No. of share holders	% of share holding	No. of shares held
Promoters & Directors	25	55.76	27586564	23	54.95	27186823
UTI & Mutual Funds	15	17.34	8577436	35	19.46	9628828
Banks & Financial Institutions	1	1.50	740958	1	1.96	968488
Foreign Institutional Investors	11	11.42	5648648	21	11.77	5823651
Non Resident Indians/Overseas Corporate Bodies	166	0.85	420862	180	0.81	398950
Corporates	359	5.75	2843324	329	5.68	2809141
Individuals/ Trustees/ AOP	7152	7.38	3654538	6850	5.37	2656449
Total	7729	100	49472330	7439	100	49472330

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

Month	High (₹)	Low (₹)	Close (₹)	Nifty (closing)
April 2013	132.95	104.10	115.85	5930.20
May 2013	120.00	100.35	102.60	5985.95
June 2013	108.80	71.10	77.70	5842.20
July 2013	94.75	58.25	61.05	5742.20
August 2013	62.65	39.00	39.50	5471.80
September 2013	78.70	38.65	56.75	5735.30
October 2013	59.70	49.65	53.50	6299.15
November 2013	86.40	53.05	85.15	6176.10
December 2013	97.35	81.20	86.35	6304.00
January 2014	113.50	79.60	81.15	6089.50
February 2014	99.00	79.60	95.10	6276.95
March 2014	125.00	92.00	115.80	6704.20

h) **Registrar and share transfer agent:**

Physical & Dematerialized

MCS Share Transfer Agent Limited, 12/1/5,
Manoharpukur Road, Ground Floor, Kolkata-700026
Phone: (033) 4072 4051/52/53, Fax: (033) 4072 4050
E-mail: mcssta@rediffmail.com

i) **Share transfer system:**

Share transfers in physical forms are attended to, within 15 days from the date of receipt.

The Board or Committee of Directors approves the transfer when they meet at regular intervals.

l) Dematerialisation of shares and liquidity:

As per the agreement with NSDL and CDSL, the investors of the Company have an option to dematerialise their shares.

Company's ISIN NO. is: INE059B01024

As on 31st March, 2014, 94.09 % of the Company's Shares are held in dematerialized form.

m) Details regarding non-convertible debentures

The Company had in financial year 2012-13 raised ₹200 crores by issue of 2000 secured redeemable non-convertible debentures (NCDs) of face value of ₹10,00,000/- each for a tenure of 10 years. During the year under review, the Company further raised ₹100 crores by issue of 1000 (NCDs) of face value of ₹10,00,000/- each for a tenure of 7 years at coupon rate of 11.25 % p.a., on private placement basis. These NCDs are listed in the wholesale debt market (WDM) segment of the Bombay Stock Exchange. The details of debenture trustee are as follows

IL &FS Trust Company limited
The IL & FS Financial Center,
Plot No. C-22, G Block, 3rd Floor,
Bandra Kurla Complex,
Bandra (East), Mumbai-400051
Tel No:- 022 22659 3612

n) Address for Correspondence:

Secretarial Department
Simplex Infrastructures Limited
"Simplex House"
27 Shakespeare Sarani, Kolkata-700017
Tel No:- (033) 23011600, 2289-1476-81, 71002216
CIN:- L45209WB1924PLC004969
Email: secretarial.legal@simplexinfra.net
Website : www.simplexinfrastructures.com

Non – Mandatory requirements:

(a) The Board

The Company does not have a Chairman. A Non-Executive Director who is the Vice-Chairman presides over the Board, if present. He is not taking any reimbursement of expenses incurred in performance of his duties. All the Independent Directors appointed have the requisite qualifications and experience which is beneficial to the Company.

(b) Nomination and Remuneration Committee

The Board of Directors re-constituted Remuneration Committee as Nomination and Remuneration Committee meeting the requirements of Clause 49 of the revised Listing Agreement and the Companies Act, 2013. The Chairman of the Remuneration Committee, Mr. B.Sengupta was present at the last Annual General Meeting held on 30th August, 2013.

(c) Shareholders' Rights

The Company does not send any communication to shareholders covering financial performance or summary of the significant events on half yearly basis. Instead, the Company publishes the quarterly financial results in major newspapers and posts the same on the website of the Company. Further, significant events are informed to Stock Exchanges from time to time and then the same is posted on the website of the Company.

(d) Audit qualification

Audit qualifications in the Auditors' Report to the members are appropriately addressed in the Directors' Report and notes to the accounts.

(e) Mechanism of evaluating non-executive Board Members

Non-Executive Directors were always being evaluated by their own Peer in the board meetings during the year 2013-14, although there was no formal Peer Group review by the entire Board.

Declaration regarding Compliance by the Board Members and Senior Management Personnel with the Code of Conduct

To the best of my knowledge and belief, I hereby declare that all the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company for the year ended March 31, 2014, as adopted by the Board of Directors.

Date: 30th May, 2014

RAJIV MUNDHRA
Whole-time Director

Auditors' Certificate regarding compliance of conditions of Corporate Governance

To The Members of
Simplex Infrastructures Limited

We have examined the compliance of conditions of Corporate Governance by **Simplex Infrastructures Limited**, for the year ended 31st March 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's 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 Agreement.

We state that no investor grievance(s) is/are pending for a period exceeding one month against the company as per the records maintained by the Shareholders/ Investors Grievance Committee.

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

For H. S. Bhattacharjee & Co.,
Chartered Accountants
Firm Registration Number: 322303E

(H.S.Bhattacharjee)

Partner

Membership No: 50370

Date: 30th May, 2014

Place: Kolkata

INDEPENDENT AUDITORS' REPORT



To the Members of
Simplex Infrastructures Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of Simplex Infrastructures Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

Management's Responsibility for the Financial Statements

2. The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 (the "Act") read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control 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.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence, about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the

Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

6. We draw your attention to Note 32 to the financial statements with regard to following matters:
 - a) Non ascertainment and non-provision for
 - (i) diminution, other than temporary, in the carrying amount of investments aggregating Rs.387 Lakhs in one of the subsidiaries of the Company, which is not in accordance with Accounting Standard 13 "Accounting for Investments" and
 - (ii) advances of Rs. 410 Lakhs due from the aforesaid subsidiary, recovery of which is doubtful in view of erosion of its net worth and other factors as stated in the Note referred above.

Had the aforesaid provisions been considered, Non-current Investments would have been Rs. 11,077 Lakhs instead of the reported amount of Rs. 11,464 Lakhs; Short-term Loans and Advances would have been Rs. 71,847 Lakhs instead of the reported amount of Rs. 72,257 Lakhs; Reserves and Surplus would have been Rs. 137,989 Lakhs instead of the reported amount of Rs. 138,786 Lakhs; Other Expenses would have been Rs.258,214 Lakhs instead of the reported amount of Rs. 257,417 Lakhs; Total Expenses would have been Rs. 547,475 Lakhs instead of the reported amount of Rs. 546,678 Lakhs; Profit before Tax would have been Rs. 7,763 Lakhs instead of the reported amount of Rs. 8,560 Lakhs; Profit for the period would have been Rs. 5,261 Lakhs instead of the reported amount of Rs.6,058 Lakhs and Earnings Per Equity Share would have been Rs. 10.63 instead of the reported amount of Rs. 12.25.

b) *In view of the lack of adequate information, we are unable to comment on the extent of eventual recoverability of amount due from the aforesaid subsidiary classified as Other Current Assets aggregating Rs. 1,428 Lakhs as at the period end. The impact of this matter on the Other Current Assets, Other Expenses, Total Expenses, Reserves and Surplus, Profit before Tax, Profit for the period and Earnings per Equity Share of the Company is presently not ascertainable at this stage.*

Qualified Opinion

7. In our opinion, and to the best of our information and according to the explanations given to us, the accompanying financial statements give the information required by the Act in the manner so required and give, *except for the effect of the matter referred to in paragraph 6 (a) above and indeterminate effect of the matter referred to in paragraph 6 (b) above*, a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

8. As required by 'the Companies (Auditor's Report) Order, 2003', as amended by 'the Companies (Auditor's Report) (Amendment) Order, 2004', issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and

explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

9. As required by section 227(3) of the Act, we report that:

- (a) *Except for indeterminate effect of the matter referred to in paragraph 6 (b) above*, we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
- (b) In our opinion, *except for the effect of the matter referred to in paragraph 6 (a) above and indeterminate effect of the matter referred to in paragraph 6 (b) above*, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, *except for the effect of the matter referred to in paragraph 6 (a) above and indeterminate effect of the matter referred to in paragraph 6 (b) above*, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this report comply with the Accounting Standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;
- (e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

(Pradip Law)
Partner
Membership Number: 51790
Kolkata
May 30, 2014

For H.S.Bhattacharjee & Co.
Firm Registration Number: 322303E
Chartered Accountants

(H.S.Bhattacharjee)
Partner
Membership Number: 50370
Kolkata
May 30, 2014

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 8 of the Independent Auditors' Report of even date to the members of Simplex Infrastructures Limited on the financial statements as of and for the year ended March 31, 2014

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) In our opinion, and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed off by the Company during the year.
- ii. (a) The inventory [excluding stocks with third parties and work-in-progress (comprising site developments costs, etc. as indicated in Note 1.10 to the financial statements)] has been physically verified by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion, the procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory other than work-in-progress. As regards work-in-progress, as explained by the Management, it is not practicable to maintain cumulative quantitative records, since it comprises site development costs, etc. as indicated in Note 1.10 to the financial statements. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- iii. (a) The Company has not granted/taken any loans, secured or unsecured, to / from companies, firms or other parties covered in the register maintained under Section 301 of the Act. Therefore, the provisions of Clause 4(iii)(b),(c), (d), (f) and (g) of the said Order are not applicable to the Company.
- iv. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.
- v. (a) According to the information and explanations given to us, we are of the opinion that the particulars of all contracts or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion, and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of Rupees Five Lakhs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- vi. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 58A and 58AA or any other relevant provisions of the Act and the 'Companies (Acceptance of Deposits) Rules, 1975' with regard to the deposits accepted from the public. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company in respect of the aforesaid deposits.

- vii. In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.
- viii. We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the rules made by the Central Government of India, the maintenance of cost records has been prescribed under clause (d) of sub-section (1) of Section 209 of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- ix. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of

provident fund, employees' state insurance, tax deducted at source, professional tax and service tax, though there have been delays in few cases, and is regular in depositing undisputed statutory dues, including investor education and protection fund, sales tax, income tax, wealth tax, customs duty, excise duty and other material statutory dues, as applicable, with the appropriate authorities.

- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of wealth tax and customs duty which have not been deposited on account of any dispute. The particulars of dues of income tax, sales tax, service tax and excise duty as at March 31, 2014 which have not been deposited on account of a dispute, are as follows

Name of the statute	Nature of dues	Amount (Rs. in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Andhra Pradesh General Sales Tax Act, 1957	Demand against Inter-state purchase	8	2003-04	Sales Tax Appellate Tribunal
Goa Sales Tax Act, 1964	Disallowance of tax paid on inter-state purchases	64	2004-05	Sales Tax Appellate Tribunal
Central Sales Tax Act, 1956	Penalty under Section 10A	7	2003-04	Sales Tax Appellate Tribunal
Central Sales Tax Act, 1956	Interest	2	2008-09	Sales Tax Appellate Tribunal
Orissa Sales Tax Act, 1947 [For Angul]	WCT disallowance of labour component	1	2002-03	Sales Tax Appellate Tribunal
Orissa Sales Tax Act, 1947 [For Paradeep]	Disallowance on machinery hire charges	6	2001-02	Sales Tax Appellate Tribunal
Orissa Sales Tax Act, 1947 [For Sambalpur]	Levy of tax on free issue of materials	3	1985-86, 1988-89 and 1989-90	Sales Tax Appellate Tribunal
Central Excise Act, 1944	Excise Duty	973	2007-08 to 2011-12	Customs, Excise & Service Tax Appellate Tribunal
Finance Act, 1994-Service Tax	Service Tax	9,524	2004-05 to 2008-09	High Court at Calcutta
Finance Act, 1994-Service Tax	Service Tax on construction of port	215	2004-05 and 2005-06	High Court at Calcutta
Finance Act, 1994-Service Tax	Service Tax	2,122	2008-09 & 2009-10	Appeal to be filed
Finance Act, 1994-Service Tax	Service Tax	2,579	2004-05 to 2011-12	Customs, Excise & Service Tax Appellate Tribunal

Name of the statute	Nature of dues	Amount (Rs. in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Finance Act, 1994-Service Tax	Service Tax	5	2007-08 and 2008-09	Commissioner of Central Excise (Appeals)
Finance Act, 1994-Service Tax	Service Tax	1,584	2004-05 to 2009-10	Supreme Court of India
Law No. (21) of 2009 - Tax Law - State of Qatar	Income Tax	331	2010-11	Justice of the Honorable First Instance Plenary Court

- x. The Company has no accumulated losses as at March 31, 2014 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- xi. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date.
- xii. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the provisions of Clause 4(xii) of the Order are not applicable to the Company.
- xiii. As the provisions of any special statute applicable to chit fund/ nidhi/ mutual benefit fund/ societies are not applicable to the Company, the provisions of Clause 4(xiii) of the Order are not applicable to the Company.
- xiv. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of Clause 4(xiv) of the Order are not applicable to the Company.
- xv. In our opinion, and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company for loans taken by others from banks during the year, are not prejudicial to the interest of the Company. The Company has not given any guarantee for loans taken by others from financial institutions during the year.
- xvi. In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.
- xvii. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- xviii. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year. Accordingly, the provisions of Clause 4(xviii) of the Order are not applicable to the Company.
- xix. The Company has created security in respect of debentures issued and outstanding at the year-end.
- xx. The Company has not raised any money by public issues during the year. Accordingly, the provisions of Clause 4(xx) of the Order are not applicable to the Company.
- xxi. 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 fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants
(Pradip Law)
Partner
Membership Number: 51790
Kolkata
May 30, 2014

For H.S.Bhattacharjee & Co.
Firm Registration Number: 322303E
Chartered Accountants
(H.S.Bhattacharjee)
Partner
Membership Number: 50370
Kolkata
May 30, 2014

Balance Sheet

as at 31st March, 2014

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Note No.	As at 31st March, 2014	As at 31st March, 2013
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	993	993
Reserves and Surplus	3	138,786	127,411
		139,779	128,404
Non-current Liabilities			
Long-term Borrowings	4	37,697	27,684
Deferred Tax Liabilities (Net)	5	20,733	20,491
Other Long-term Liabilities	6	917	963
Long-term Provisions	7	890	837
		60,237	49,975
Current Liabilities			
Short-term Borrowings	8	253,047	237,880
Trade Payables	9	174,419	160,265
Other Current Liabilities	10	100,143	129,797
Short-term Provisions	11	1,040	999
		528,649	528,941
TOTAL		728,665	707,320
ASSETS			
Non-current Assets			
Fixed Assets			
Tangible Assets	12	116,157	121,750
Intangible Assets	13	225	351
Capital Work-in-progress		5,311	1,752
Non-current Investments	14	11,464	10,857
Long-term Loans and Advances	15	3,630	3,036
Other Non-current Assets	16	10,975	14,475
		147,762	152,221
Current Assets			
Current Investments	17	1,941	1,832
Inventories	18	86,189	78,494
Trade Receivables	19	209,510	227,434
Cash and Bank Balances	20	8,070	7,198
Short-term Loans and Advances	21	72,257	74,156
Other Current Assets	22	202,936	165,985
		580,903	555,099
TOTAL		728,665	707,320

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

The Notes are an integral part of these financial statements.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

For H. S. Bhattacharjee & Co.
Firm Registration Number: 322303E
Chartered Accountants

(Pradip Law)
Partner
Membership Number: 51790
Kolkata, 30th May, 2014

(H. S. Bhattacharjee)
Partner
Membership Number: 50370

B. L. Bajoria
Secretary

Rajiv Mundhra
Whole-time Director

S. Dutta
Whole-time Director

Statement of Profit and Loss for the year ended 31st March, 2014

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Note No.	Year ended 31st March, 2014	Year ended 31st March, 2013
Revenue from Operations	23	551,298	582,081
Other Income	24	3,940	4,196
Total Revenue		555,238	586,277
EXPENSES			
Construction Materials Consumed		197,030	219,544
Purchases of Stock-in-Trade		851	-
Changes in Inventories of Work-in-progress and Stock-in-Trade	25	(1,759)	2,610
Employee Benefits Expense	26	46,166	48,976
Finance Costs	27	33,417	28,937
Depreciation and Amortisation Expense	28	13,556	13,036
Other Expenses	29	257,417	264,142
Total Expenses		546,678	577,245
Profit before Exceptional and Extraordinary Items and Tax		8,560	9,032
Exceptional Items		-	-
Profit before Extraordinary Items and Tax		8,560	9,032
Extraordinary Items		-	-
Profit before Tax		8,560	9,032
Tax Expense			
Current Tax		3,725	2,000
Less: MAT Credit Entitlement (Refer Note 49)		837	-
Net Current Tax		2,888	2,000
Deferred Tax		242	1,050
Current Tax provision for earlier years written back		(628)	-
Total Tax Expense		2,502	3,050
Profit for the period		6,058	5,982
Earnings per Equity Share [Nominal value per share ₹2/- (2013: ₹2/-)]			
Basic (₹)	44	12.25	12.09
Diluted (₹)	44	12.25	12.09

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

The Notes are an integral part of these financial statements.

For Price Waterhouse
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S. Dutta
Whole-time Director

Cash Flow Statement

for the year ended 31st March, 2014

(All amounts in ₹ Lakhs, unless otherwise stated)

	Year ended 31st March, 2014		Year ended 31st March, 2013	
A. CASH FLOW FROM OPERATING ACTIVITIES:				
Profit before Tax		8,560		9,032
Adjustments for:				
Depreciation and Amortisation Expense	13,556		13,036	
Finance Costs	33,417		28,937	
Interest Income	(2,307)		(1,393)	
Company's Share in profit of Joint Ventures	(186)		(69)	
Loss on disposal of Fixed Assets	55		99	
Bad Debts / Advances written off (Net of Provision written back)	46		48	
Provision for Doubtful Debts / Advances	355		763	
Provision for Diminution in carrying amount of Investments	193		-	
Tools written off	6,830		7,006	
Liabilities no longer required written back	(1,375)		(2,152)	
Excess Provision for gratuity Written Back	(173)		-	
Wealth Tax	8		9	
Provision for mark-to-market losses on derivatives	235		58	
Dividend Income from Current Investments	-		(7)	
Dividend Income from Long - term Investments	(16)		(12)	
Forward Premium Amortised	240		462	
Net Gain on sale of Long - term Investments	-		(541)	
Exchange Loss (Net) - Unrealised	1,010		755	
Effect of Changes in Foreign Exchange Translation	(129)		126	
		51,759		47,125
Operating Profit before Working Capital Changes		60,319		56,157
Adjustments for:				
Trade and Other Payables	(17,925)		18,440	
Trade and Other Receivables	(13,873)		(81,304)	
Investment in Joint Ventures	77		*	
Long-term Loans and Advances / Other Non-current Assets	361		(4,079)	
Inventories	(10,759)		4,891	
		(42,119)		(62,052)
Cash generated from / (used in) operations		18,200		(5,895)
Direct Taxes (Paid) / Refund		1,658		(7,437)
Net Cash from / (used in) Operating Activities		19,858		(13,332)
B. CASH FLOW FROM INVESTING ACTIVITIES:				
Purchase of Fixed Assets	(10,453)		(4,686)	
Sale of Fixed Assets	357		33	
Sale of Investments	-		65	
Investment in Associate Company	(800)		(902)	
Disposal of a Subsidiary Company	-		4,370	
Investment in Subsidiary Companies	-		(7,810)	
Dividend Received	16		12	
Interest Received	1,935		1,027	
Term Deposits - Matured / (Invested)	255		(91)	
Inter Corporate Loans Given	(1,100)		(2,686)	
Inter Corporate Loans Recovered	1,450		2,960	
Net Cash used in Investing Activities		(8,340)		(7,708)
Carried Over		11,518		(21,040)

* Amount is below the rounding off norm adopted by the Company.

Cash Flow Statement

for the year ended 31st March, 2014 (contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

	Year ended 31st March, 2014		Year ended 31st March, 2013	
Brought Forward		11,518		(21,040)
C. CASH FLOW FROM FINANCING ACTIVITIES:				
Proceeds from long - term borrowings	11,894		20,863	
Repayment of long - term borrowings	(1,505)		(3,973)	
Short - term borrowings - Receipts	12,941		36,231	
Finance Cost paid	(32,896)		(27,746)	
Debenture Issue Expenses	(393)		(497)	
Dividend Paid [including Dividend Tax ₹84 (2013: ₹161)]	(579)		(1,149)	
Net Cash from / (used in) Financing Activities		(10,538)		23,729
Net Increase in Cash and Cash Equivalents		980		2,689
D. Effects of Foreign Exchange Differences on Cash and Cash Equivalents		120		104
		1,100		2,793
Cash and Cash Equivalents as at 31st March, 2013	6,923		4,130	
Cash and Cash Equivalents as at 31st March, 2014	8,023	1,100	6,923	2,793

	As at 31st March, 2014	As at 31st March, 2013
(a) Cash and cash equivalents comprise:		
Cash on hand	47	30
Remittances in Transit	5,946	269
Balances with Banks on current accounts	2,012	6,606
Unpaid Dividend Accounts @	18	18
	8,023	6,923
@ Earmarked for payment of unclaimed dividend		

(b) The above Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard - 3 on Cash Flow Statements prescribed under the Companies Act, 1956.

(c) Refer Note 51 to the Financial Statements.

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

For Price Waterhouse
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Notes to the Financial Statements

(All amounts in ₹ Lakhs, unless otherwise stated)

1. Significant Accounting Policies

1.1 BASIS OF PREPARATION

These Financial Statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to circular 15/2013 dated 13th September, 2013 read with circular 08/2014 dated 4th April, 2014, both issued by the Ministry of Corporates Affairs, Government of India, till the Standards of Accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and the other relevant provisions of the Companies Act, 1956 (the Act).

All assets and liabilities have been classified as current or non-current 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 businesses and other criteria set out in the Schedule VI to the Act.

1.2 USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in India requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities as of the Balance Sheet date, reported amount of revenue and expenses for the year and disclosure of contingent liabilities as of the Balance Sheet date. The estimates and assumptions used in the financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of the financial statements. Actual results could differ from these estimates.

1.3 FIXED ASSETS

Tangible Assets are stated at cost of acquisition net of accumulated depreciation and accumulated impairment losses, if any.

Intangible Assets are stated at cost of acquisition net of accumulated amortisation and accumulated impairment losses, if any.

Subsequent expenditures related to an item of fixed asset (tangible or intangible) are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

1.4 DEPRECIATION AND AMORTISATION

Depreciation (including Amortisation) is provided on Straight Line Method over the estimated useful lives of the assets at the rates prescribed in Schedule XIV to the Act, except as indicated below:

- i) Leasehold Land and Buildings on leasehold land are amortised over the period of lease on Straight Line Method.
- ii) Building on contractee's land is depreciated @ 5% on Straight Line Method.
- iii) Construction Equipments included in Plant and Equipment are depreciated @ 12.5% and 20% on Straight Line Method.
- iv) In case of branches outside India, depreciation is provided on Plant and Equipment @ 10% on Straight Line Method.
- v) Computer Software are amortised @ 33.33% on Straight Line Method.

1.5 IMPAIRMENT LOSS

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. An Impairment loss is recognised wherever the carrying amount of the fixed assets exceeds the recoverable amount i.e. the higher of the asset's net selling price and value in use.

Notes to the Financial Statements (contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

1. Significant Accounting Policies (contd..)

1.6 INVESTMENTS

Long Term investments are stated at cost and diminution in carrying amount, other than temporary, is written down/ provided for. Current investments which are expected to be liquidated within one year are valued at lower of cost and fair value. Investment in integrated Joint Ventures are carried at cost net of adjustments for Company's share in profits or losses as recognised.

1.7 INVENTORIES

Inventories are valued at lower of cost and net realisable value. Cost of inventories comprise all costs of purchase and other cost incurred in bringing them to their present location and condition. The cost, in general, is determined under FIRST IN FIRST OUT method.

1.8 REVENUE RECOGNITION

Contract revenue is recognised under percentage of completion method. The stage of completion is determined on the basis of completion of physical proportion of the contract work. Extra work and variation in contract (as mutually agreed), to the extent that it is probable that they will result in revenue and can be reliably measured is also covered. Future expected loss, if any, is recognised as expenditure.

Revenue from oil drilling service is recognised when the service is performed on a time basis at rates mutually agreed with the customer.

Income from Plant and Equipment on hire contract are recognised on accrual basis over the contract period.

Other items are recognised on accrual basis.

1.9 OTHER INCOME

Interest: Interest income is generally recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend: Dividend income is recognised when the right to receive dividend is established.

All other items are recognised on accrual basis.

1.10 SITE DEVELOPMENT AND INITIAL EXPENSES

Site development including initial expenses (included in Work-in-progress) thereon is absorbed in the project cost proportionately within the stipulated period of contract from the date of revenue recognition.

1.11 BORROWING COST

Borrowing cost attributable to the acquisition of qualifying assets (i.e. the assets that necessarily take substantial period of time to get ready for their intended use) are added to the cost up to the date when such assets are ready for their intended use. Other borrowing costs are recognised as expenses in the period in which these are incurred.

1.12 CLAIMS AND COUNTER CLAIMS

Claims and counter claims (related to customers), including those under arbitration, are accounted for on their final disposal. Other contract related claims are recognised when there is reasonable certainty as to their recoverability.

1.13 TRANSACTIONS IN FOREIGN CURRENCIES

Transactions in respect of Foreign Currencies are recorded at exchange rates prevailing on the date of the transaction. Foreign currency non-monetary items carried in terms of historical cost are reported using the exchange rate at the date of transactions.

1. Significant Accounting Policies (contd..)**1.13 TRANSACTIONS IN FOREIGN CURRENCIES (contd..)**

All monetary assets and liabilities in foreign currency are restated at the end of accounting period. With respect to long-term foreign currency monetary items, from 1st April, 2011 onwards, the Company has adopted the following policy:

Foreign exchange difference on account of a depreciable asset, is adjusted in the cost of the depreciable asset, which would be depreciated over the balance life of the asset.

In other cases, the foreign exchange difference is accumulated in a Foreign Currency Monetary Item Translation Difference Account, and amortised over the balance period of such long term asset / liability.

A monetary asset or liability is termed as a long-term foreign currency monetary item, if the asset or liability is expressed in a foreign currency and has a term of 12 months or more at the date of origination of the asset or liability.

Exchange differences on restatement / settlement of all other monetary items are recognised in the Statement of Profit and Loss.

In respect of the financial statements of foreign branches (having been treated as non-integral operations) the assets and liabilities, both monetary and non-monetary, are translated at the closing rate and income and expense items are translated at the average rate for the period. The resultant exchange differences are accumulated in Foreign Currency Translation Reserve Account.

1.14 DERIVATIVE INSTRUMENTS

The Company uses derivative financial instruments such as forward exchange contracts, options, currency swaps, etc. to hedge its risks associated with foreign currency fluctuations relating to the underlying transactions, highly probable forecast transactions and firm commitments.

In respect of Forward Exchange Contracts entered into to hedge an existing asset / liability, the premium or discount arising at the inception of such contracts is amortised as expense or income over the life of the contract. Exchange differences on such a contract are recognised in the Statement of Profit and Loss in the reporting period in which the exchange rates change.

Forward exchange contracts on account of firm commitment / highly probable forecast transactions and other derivative instruments outstanding as at the year - end are marked to market and the losses, if any, are recognised in the Statement of Profit and Loss and gains are ignored in accordance with the Announcement of Institute of Chartered Accountants of India on 'Accounting for Derivatives' issued in March, 2008.

Any profit or loss arising on cancellation or renewal of derivative instruments are recognised as income or as expense in the Statement of Profit and Loss for the period.

1.15 EMPLOYEE BENEFITS**a) Short term Employee Benefits:**

The undiscounted amount of Short-term Employee Benefits expected to be paid in exchange for the services rendered by employees is recognised during the period when the employee renders the service.

b) Post Employment Benefit Plans:

Contributions under Defined Contribution Plans payable in keeping with the related schemes are recognised as expenses for the year, in which the employee has rendered the service.

1. Significant Accounting Policies (contd..)**1.15 EMPLOYEE BENEFITS (contd..)**

For Defined Benefit Plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in full in the Statement of Profit and Loss for the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, and as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of any economic benefit available in the form of refunds from the plan or reductions in future contributions to the plan.

c) Other Long-term Employee Benefits (unfunded):

The cost of providing long term employee benefits is determined using Projected Unit Credit Method with actuarial valuation being carried out at each Balance Sheet date. Actuarial gains and losses and past service cost are recognised immediately in the Statement of Profit and Loss for the period in which they occur. Other long term employee benefit obligation recognised in the Balance Sheet represents the present value of related obligation.

1.16 TAXATION

Current Tax in respect of taxable income is provided for the year based on applicable tax rates and laws. Deferred tax is recognised subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods and is measured using tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are reviewed at each Balance Sheet date to re-assess realisation.

Current tax assets and current tax liabilities are offset when there is legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is legally enforceable right to set off assets and liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Minimum Alternative Tax (MAT) Credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

1.17 RESEARCH AND DEVELOPMENT EXPENDITURE

Revenue expenditure on Research and Development (R & D) is charged in the year in which it is incurred. Fixed assets for R & D are capitalised.

1.18 PROVISION AND CONTINGENT LIABILITIES

The Company recognises a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not,

(All amounts in ₹ Lakhs, unless otherwise stated)

1. Significant Accounting Policies (contd..)

1.18 PROVISION AND CONTINGENT LIABILITIES (contd..)

require an outflow of resources or there is a present obligation, reliable estimate of the amount of which cannot be made. Where there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure for contingent liability is made.

1.19 LEASES

Leases in which a significant portion of the risk and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of lease.

1.20 SEGMENT REPORTING

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the Company as a whole and are not allocable to segments on a reasonable basis, have been included under "Corporate-Unallocated (Net)".

1.21 CASH AND CASH EQUIVALENTS

In the Cash Flow Statement, cash and cash equivalents include cash on hand, demand deposits with banks, other short - term highly liquid investments, if any, with original maturities of three months or less.

1.22 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing 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 Company's earnings per share is the net profit or loss for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, if any, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Notes to the Financial Statements (contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

	As at 31st March, 2014	As at 31st March, 2013
2. Share Capital		
Authorised:		
374,900,000 (2013: 374,900,000) Equity Shares of ₹2/- each	7,498	7,498
20,000 (2013: 20,000) 15% Cumulative Preference Shares of ₹10/- each	2	2
	7,500	7,500
Issued, Subscribed and Paid-up:		
49,472,330 (2013: 49,472,330) Equity Shares of ₹2/- each	989	989
Add: 126,000 Equity Shares of ₹10/- each (equivalent of 630,000 Equity Shares of ₹2/- each) forfeited in earlier years	4	4
Total	993	993

(a) Rights, preferences and restrictions attached to shares

The Company has one class of equity shares having a par value of ₹2/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(b) Details of Equity Shares held by shareholders holding more than 5% of the aggregate shares in the Company

Details of shareholder	As at 31st March, 2014	As at 31st March, 2013
(1) Anupriya Consultants Pvt. Ltd.	7,089,912	7,089,912
	14.33%	14.33%
(2) RBS Credit And Financial Developments Private Ltd.	4,756,849	4,497,396
	9.62%	9.09%
(3) HDFC Trustee Company Limited - HDFC Prudence, HDFC Equity Fund, HDFC Infrastructures, HDFC Monthly Income	4,434,780	-
	8.96%	-
(4) Bithal Das Mundhra	2,794,950	2,794,950
	5.65%	5.65%

Notes to the Financial Statements (contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

	As at 31st March, 2014	As at 31st March, 2013
3. Reserves and Surplus		
Capital Reserve	2,158	2,158
Capital Redemption Reserve	1	1
Securities Premium Account		
Balance at the beginning of the year	48,924	49,421
Less: Adjusted on account of Debenture Issue Expenses	393	497
Balance at the end of the year	48,531	48,924
Debenture Redemption Reserve		
Transferred during the year from surplus in Statement of Profit and Loss	1,155	-
Contingency Reserve [Refer (a) below]	3,500	3,500
Foreign Currency Translation Reserve Account (Refer Note 1.13)		
Balance at the beginning of the year	6,231	2,884
Add: Transferred during the year	5,796	3,347
Balance at the end of the year	12,027	6,231
Foreign Currency Monetary Item Translation Difference Account (Refer Note 1.13)		
Balance at the beginning of the year	(3)	(119)
Add: Additions during the year	(628)	(629)
Less: Transfer during the year	831	745
Balance at the end of the year	200	(3)
General Reserve [Refer (b) below]		
Balance at the beginning of the year	11,555	10,955
Add: Transferred from Surplus in Statement of Profit and Loss	606	600
Balance at the end of the year	12,161	11,555
Surplus in Statement of Profit and Loss		
Balance at the beginning of the year	55,045	50,242
Add: Profit for the year	6,058	5,982
	61,103	56,224
Less: Appropriations		
Transfer to General Reserve	606	600
Transfer to Debenture Redemption Reserve	1,155	-
Proposed Dividend on Equity Shares (Refer Note 34)	247	495
Dividend Tax on above	42	84
Balance at the end of the year	59,053	55,045
Total	138,786	127,411

(a) Created out of Surplus in Statement of Profit and Loss for meeting future contingencies, if any.

(b) Represents a free reserve and is not meant for meeting any specific liability, contingency or commitment.

Notes to the Financial Statements (contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

	As at 31st March, 2014	As at 31st March, 2013
4. Long-term Borrowings		
Secured Borrowings		
Bonds / Debentures [Refer (a) below]	30,000	20,000
Term Loans from Banks		
Rupee Loans [Refer (b) below]	3,089	2,826
Foreign Currency Loans [Refer (c) below]	4,493	4,614
Term Loans from Financial Companies [Refer (d) below]	103	216
Sub - Total	37,685	27,656
Unsecured Borrowings		
Term Loans from Banks		
Rupee Loans [Refer (e) below]	12	28
Sub - Total	12	28
Total	37,697	27,684

a) Bonds / Debentures

- 11% Non-Convertible Debentures of Face value of ₹1,000,000 each amounting to ₹7,500 (2013 : ₹7,500) are secured by First Charge by way of mortgage and charge on the specified immovable and movable Properties/Assets of the Company. The Principal is repayable in three Annual Instalments at the end of 8th year - 30%, 9th year - 30 % & 10th year - 40% with put & call option at the end of 7th year from the date of allotment being 29th June, 2012.
- 10.75% Non-Convertible Debentures of Face value of ₹1,000,000 each amounting to ₹7,500 (2013 : ₹7,500) are secured by way of First pari passu charge on specified immovable Fixed Assets & First charge on specified movable Fixed Assets of the Company. The Principal is repayable in three annual Instalments at the end of 8th year - 30%, 9th year - 30 % & 10th year - 40% with put & call option at the end of 7th year from the date of allotment being 6th December, 2012 and 31st December, 2012.
- 10.75% Non-Convertible Debentures of Face value of ₹1,000,000 each amounting to ₹5,000 (2013: ₹5,000) are secured by way of First pari passu charge on specified immovable Fixed Assets & First charge on specified movable Fixed Asset of the Company. The Principal is repayable by way of bullet payment at the end of 10th year with put & call option at the end of 7th year from the date of disbursement being 12th February, 2013. If the put & call option is not exercised at the end of the 7th year, the coupon shall be 10.80% per annum from the beginning of the 8th year.
- 11.25% Non-Convertible Debentures of Face value of ₹1,000,000 each amounting to ₹4,000 (2013 : ₹Nil) are secured by way of First pari passu charge on specified immovable Fixed Assets & First charge on specified movable Fixed Assets of the Company. The Principal is repayable on 26th December, 2020 i.e. 7th year from the date of allotment being 26th December, 2013.
- 11.25% Non-Convertible Debentures of Face value of ₹1,000,000 each amounting to ₹3,000 (2013 : ₹Nil) are secured by way of First pari passu charge on specified immovable Fixed Assets & First charge on specified movable Fixed Assets of the Company. The Principal is repayable on 11th March, 2021 i.e. 7th year from the date of allotment being 11th March, 2014.

Notes to the Financial Statements (contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

4. Long-term Borrowings (contd..)

- vi) 11.25% Non-Convertible Debentures of Face value of ₹ 1,000,000 each amounting to ₹2,500 (2013 : ₹Nil) are secured by way of First pari passu charge on specified immovable Fixed Assets & First charge on specified movable Fixed Assets of the Company. The Principal is repayable on 18th March, 2021 i.e. 7th year from the date of allotment being 18th March, 2014.
- vii) 11.25% Non-Convertible Debentures of Face value of ₹1,000,000 each amounting to ₹500 (2013 : ₹Nil) are secured by way of First pari passu charge on specified immovable Fixed Assets & First charge on specified movable Fixed Assets of the Company. The Principal is repayable on 28th March, 2021 i.e. 7th year from the date of allotment being 28th March, 2014.
- b) Rupee Term Loans from Banks
 - i) Term Loans from a Bank ₹34 (2013 : ₹17) are secured by way of hypothecation/exclusive charge on the assets financed. Repayable along with Interest ranging from 9.78% to 10.53% p.a (as on 31.03.2014) in Monthly Instalments ranging from 17 to 41 numbers.
 - ii) Term Loans from a Bank ₹363 (2013 : ₹248) are secured by way of hypothecation/exclusive charge on the assets financed. Repayable along with Interest ranging from 8.50% to 11.00% p.a (as on 31.03.2014) in Monthly Instalments ranging from 4 to 48 numbers.
 - iii) Term Loans from a Bank ₹49 (2013 : ₹69) are secured by way of hypothecation/exclusive charge on the assets financed. Repayable along with Interest ranging from 10.50% to 10.89% p.a (as on 31.03.2014) in Monthly Instalments ranging from 22 to 27 numbers.
 - iv) Term Loan from a Bank ₹493 (2013 : ₹886) is secured by an exclusive charge on assets purchased with the loan fund. Repayable along with Interest of Base Rate (as on 31.03.2014) in 5 Quarterly Instalments.
 - v) Term Loan from a Bank ₹589 (2013 : ₹1,214) is secured by an exclusive charge on assets purchased out of said loans. Repayable along with Interest of Base Rate + 1.25% p.a. (as on 31.03.2014) in 4 Quarterly Instalments.
 - vi) Term Loans from a Bank ₹1,021 (2013 : ₹392) are secured by way of hypothecation/exclusive charge on assets purchased out of said loans. Repayable along with Interest ranging from 9.75% to 10.30% p.a (as on 31.03.2014) in Monthly Instalments ranging from 34 to 43 numbers.
 - vii) Term Loan from a Bank ₹540 (2013 : ₹Nil) is secured by way of exclusive hypothecation of specific equipments. Repayable along with Interest of Base Rate + 0.50% p.a. (as on 31.03.2014) in 18 equal quarterly Instalments.
- c) Foreign Currency Term Loans from Banks

Foreign Currency Term Loan from a Bank ₹4,493 (2013 : ₹4,614) is secured by an exclusive charge over Moveable Fixed Assets purchased out of said loans. Repayable along with Interest of 6 month USD LIBOR+1.9% p.a. (as on 31.03.2014) in 7 Half Yearly Instalments.
- d) Term Loans from Financial Companies

Rupee Term Loan from a Financial Company ₹103 (2013 : ₹216) is secured by an exclusive charge on specific assets purchased out of said loan. Repayable along with Interest of 10 % p.a (as on 31.03.2014) in 10 Monthly Instalments.
- e) Rupee Term Loans from Banks

Term Loans from a Bank ₹12 (2013: ₹28) repayable along with Interest ranging from 8.75% to 11.00% p.a.(as on 31.3.2014) in Monthly Instalments ranging from 5 to 20 numbers.
- f) Outstanding balances of loans as indicated in (a) to (e) above are exclusive of current maturities of such loans as disclosed in Note 10.

Notes to the Financial Statements (contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

	As at 31st March, 2014	As at 31st March, 2013
5. Deferred Tax Liabilities (Net)		
Tax impact due to timing differences resulting in liabilities / (assets) on account of:		
Depreciation as per tax law and books	7,026	7,446
Part of the revenue not taxable based on terms of contract (Net)	14,520	13,644
Provision for doubtful debts / advances etc.	(626)	(420)
Items admissible on payment basis	(187)	(179)
Total	20,733	20,491

	As at 31st March, 2014	As at 31st March, 2013
6. Other Long-term Liabilities		
Derivative Liabilities	917	963
Total	917	963

	As at 31st March, 2014	As at 31st March, 2013
7. Long-term Provisions		
Provision for Employee Benefits		
Employees End of Service Benefit / Severance Pay	630	565
Gratuity (Unfunded)	12	8
Leave Encashment Liability	198	212
Other Long-term Employee Benefits	50	52
Total	890	837

Notes to the Financial Statements (contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

	As at 31st March, 2014	As at 31st March, 2013
8. Short-term Borrowings		
A. Secured Borrowings		
Term Loans from Banks		
Rupee Loans [Refer (a) below]	1,077	2,398
Foreign Currency Loans [Refer (b) below]	7,975	6,990
Term Loans from Financial Companies		
Rupee Loans [Refer (c) below]	666	2,244
Working Capital Loans repayable on demand from Banks		
Rupee Loans [Refer (d)(i) below]	200,432	109,531
Foreign Currency Loans [Refer (d)(i) and (d)(ii) below]	20,520	19,935
Sub-Total	230,670	141,098
B. Unsecured Borrowings		
Term Loans from Banks		
Rupee Loans	15,000	64,029
Foreign Currency Loans	-	4,342
Commercial Papers [including from Banks ₹5,000 (2013: ₹22,500)] [Maximum balance outstanding at any time during the year ₹36,000 (2013: ₹48,500)]	7,000	26,000
Working Capital Loans repayable on demand from a Bank	372	2,406
Intercompany Deposit (repayable on demand)	5	5
Sub-Total	22,377	96,782
Total	253,047	237,880

- a) Rupee Term Loans from Banks
Term Loans from Banks ₹1,077 (2013 : ₹2,398) are secured by an exclusive charge on assets acquired out of the said loans.
- b) Foreign Currency Term Loans from Banks
i) Foreign Currency Term Loans from a Bank ₹2,691 (2013 : ₹4,180) are secured by an exclusive charge on Specific assets.
ii) Foreign Currency Term Loans from Banks ₹5,284 (2013 : ₹2,810) are secured by way of security as recited in (d)(i) below.
- c) Rupee Term Loans from Financial Companies
Rupee Term Loans from Financial Companies ₹666 (2013 : ₹2,244) are secured / to be secured by an exclusive hypothecation/charge on assets acquired out of the said loans.
- d) Working Capital Loans repayable on demand from Banks
i) Working Capital Rupee Loans from Banks ₹200,432 (2013 : ₹109,531) and Working Capital Foreign Currency Loans from Banks ₹9,102 (2013 : ₹6,850) are secured by first charge by way of hypothecation of stocks, stores, trade receivables, second charge on movable Plant and Equipment (other than those which are exclusively charged in favour of the respective lenders) ranking pari passu amongst the Banks on the point of security, as also by second charge on specific immovable properties by deposit of title deeds / documents in India subject to first charge created / to be created in favour of term lenders.
ii) Working Capital Foreign Currency Loans from Banks ₹11,418 (2013 : ₹13,085) are secured by assignment of receivables at overseas branches.

Notes to the Financial Statements (contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

	As at 31st March, 2014	As at 31st March, 2013
9. Trade Payables		
Acceptances	2,900	1,632
Trade Payables (Refer Note 41)	171,519	158,633
Total	174,419	160,265

	As at 31st March, 2014	As at 31st March, 2013
10. Other Current Liabilities		
Current maturities of long-term debt (Refer Note 4)	2,220	2,214
Advances from Clients	81,418	110,685
Interest accrued but not due on borrowings	1,286	1,269
Interest accrued and due on borrowings	596	668
Interest accrued on Others	641	526
Unpaid dividends [Refer (a) below]	18	18
Unpaid matured deposits and interest accrued thereon [Refer (a) below]	1	2
Temporary Book Overdraft	246	205
Employee related liabilities	6,144	5,912
Statutory Dues (Service Tax, Sales Tax, TDS, etc)	3,673	5,373
Derivatives Liabilities	342	242
Billing in Excess of Revenue	2,857	2,166
Capital Liabilities (Refer Note 41)	621	507
Security Deposits	9	8
Other Payables	71	2
Total	100,143	129,797

- (a) There are no amounts due for payment to the Investor Education and Protection Fund under section 205C of the Companies Act, 1956 as at the year-end.

	As at 31st March, 2014	As at 31st March, 2013
11. Short-term Provisions		
Provision for Employee Benefits		
Employees End of Service Benefit / Severance Pay	48	14
Leave Encashment Liability	167	160
Gratuity (Unfunded)	*	*
Other Long-term Employee Benefits	103	48
Proposed Dividend	247	495
Tax on Proposed Dividend	42	84
Provision for mark -to-market losses on derivatives	433	198
Total	1,040	999

* Amount is below the rounding off norm adopted by the Company.

(All amounts in ₹ Lakhs, unless otherwise stated)

12. Tangible Assets

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 31st March, 2013	Additions during the Year	Disposals during the year	Other Adjustments during the year [Refer (c) below]	As at 31st March, 2013	For the Year	Disposals during the year	Other Adjustments during the year	As at 31st March, 2014	As at 31st March, 2013
Freehold Land	1,077	-	-	-	-	-	-	-	1,077	1,077
Leasehold Land	50	-	-	-	10	*	-	-	40	40
Building	3,875	-	-	-	309	63	-	-	3,503	3,566
Plant and Equipment	168,757	5,726	635	2,781	57,540	12,233	299	1,490	70,964	111,217
Furniture and Fittings	1,167	320	-	29	639	86	-	18	743	528
Office Equipment	1,462	90	6	58	514	95	2	23	630	948
Motor Vehicles	5,433	428	202	284	2,174	559	120	127	2,740	3,259
Computer	3,156	126	9	28	2,087	328	8	21	2,428	1,069
Electrical Equipment	64	8	-	-	18	5	-	-	23	46
Total	185,041	6,698	852	3,180	63,291	13,369	429	1,679	77,910	121,750
As at 31st March, 2013	175,874	7,259	456	2,364	49,892	12,864	323	858	63,291	121,750

* Amount is below the rounding off norm adopted by the Company.

- (a) Certain Freehold /Leasehold land and buildings were revalued by an approved Valuer as at 31st December, 2002 and 31st December, 2003, (the aggregate Book Value ₹75 and ₹230 respectively) but the resultant increase in the Net Book value on such revaluation ₹470 and ₹1,082 respectively have not been considered in the financial statements.
- (b) Buildings include ₹9 (2013: ₹9) being the original cost of a building erected on land taken on lease and depreciated over the period of lease and also includes another building [original cost of ₹2 (2013: ₹2)] erected on land belonging to the contractee who will take over the building at depreciated value in due course.
- (c) Other adjustments is net of ₹627 (2013: ₹159) being capitalisation of exchange differences on long term foreign currency monetary items relating to Fixed Assets and includes ₹3,807 (2013: ₹2,523) being adjustments on account of exchange fluctuations relating to fixed assets in case of non integral operations.

Notes to the Financial Statements

(contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

13. Intangible Assets

Particulars	GROSS BLOCK					AMORTISATION				NET BLOCK	
	As at 31st March, 2013	Additions during the Year	Disposals during the year	Other Adjustments during the year	As at 31st March, 2014	As at 31st March, 2013	For the Year	Disposals during the year	Other Adjustments during the year	As at 31st March, 2014	As at 31st March, 2013
Computer	1,299	61	-	-	1,360	948	187	-	-	1,135	351
Software - Acquired											
Total	1,299	61	-	-	1,360	948	187	-	-	1,135	351
As at 31st March, 2013	945	354	-	-	1,299	776	172	-	-	948	351

Notes to the Financial Statements (contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

	As at 31st March, 2014	As at 31st March, 2013
14. Non-current Investments		
Trade Investments (Valued at cost unless stated otherwise)		
Unquoted		
Investments in Equity Instruments		
Investments in Joint Ventures (Refer Note 43.1)		
9,799 (2013: 9,799) Shares of Thai Baht (THB) 100 each of Simplex Infrastructures (Thailand) Limited - Fully paid up, a joint venture company	14	14
Less: Provision for diminution in carrying amount of Investments	(14)	(14)
4,900 (2013: 4,900) Shares of Bahraini Dinars (BHD) 50 each of Simplex Almoayyed W.L.L.- Fully paid up, a joint venture company	287	287
250,000 (2013: 250,000) Equity Shares of ₹10/- each in Arabian Construction Company - Simplex Infra Private Limited - Fully paid up, a joint venture company	25	25
Investments in Subsidiary Companies		
10,000 (2013: 10,000) Equity Shares of ₹10/- each in Maa Durga Expressways Private Limited - Fully paid up	1	1
10,000 (2013: 10,000) Equity Shares of ₹10/- each in Jaintia Highway Private Limited - Fully paid up	1	1
175,000 (2013: 175,000) Shares of Omani Rial (OMR) 1 each in Simplex Infrastructures LLC - Fully paid up	135	135
520 (2013: 520) Shares of United Arab Emirates Dirham (AED) 1,000 each in Simplex (Middle East) Limited - Fully paid up	68	68
9,750 (2013: 9,750) Shares of Libyan Dinar (LYD) 100 each in Simplex Infrastructures Libya Joint Venture Co. - Fully paid up	387	387
74,590,000 (2013: 74,590,000) Equity Shares of ₹10/- each in Simplex Infra Development Limited - Fully paid up	7,459	7,459
Investments in Associates		
2,600 (2013: 2,600) Equity Shares of ₹10/- each of Shree Jagannath Expressways Private Limited -Fully paid up [Refer (a) below]	*	*
23,997,600 (2013: 15,998,400) Equity Shares of ₹10/- each of Raichur Sholapur Transmission Company Limited -Fully paid up [Refer (b) below]	2,400	1,600
Sub - Total	10,763	9,963
Other than Trade Investments (Valued at cost unless stated otherwise)		
Unquoted		
Others:		
Investments in Equity Instruments		
5 (2013: 5) -Fully paid-up Ordinary Shares of ₹50/- each in Mercantile Apartments Co-operative Housing Society Ltd., Mumbai - Face value ₹250/-	*	*
5 (2013: 5) - Fully paid-up Ordinary Shares of ₹50/- each in Pallavi Beach Angle Co-operative Housing Society Ltd., Mumbai - Face value ₹250/-	*	*
5 (2013: 5) - Fully paid-up Ordinary Shares of ₹50/- each in Borlo Co-operative Housing Society Ltd.,Chembur, Mumbai - Face value ₹250/-	*	*
5 (2013: 5) - Fully paid-up Ordinary Shares of ₹50/- each in Saket Co-operative Housing Society Ltd., Mumbai-Face value ₹250/-	*	*

Notes to the Financial Statements (contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

	As at 31st March, 2014	As at 31st March, 2013
14. Non-current Investments (contd..)		
Quoted		
Others:		
Investments in Equity Instruments		
20,000 (2013: 20,000) Equity Shares of ₹10/- each (₹5/- paid up) of Parasrampur Synthetics Ltd. @	1	1
Less: Provision for diminution in carrying amount of Investments	(1)	(1)
4,700 (2013: 4,700) Equity Shares of ₹10/- each of Pennar Patterson Securities Ltd. - Fully Paid up @	2	2
Less: Provision for diminution in carrying amount of Investments	(2)	(2)
370,500 (2013: 370,500) Equity Shares of ₹2/- each of Emami Paper Mills Limited - Fully paid up	185	185
Less: Provision for diminution in carrying amount of Investments	(60)	-
165,450 (2013: 110,300) Equity Shares of ₹1/- each of Emami Limited - Fully paid up (55,150 Shares received as bonus shares during the year)	434	434
17,500 (2013: 17,500) Equity Shares of ₹2/- each of Dalmia Bharat Sugar and Industries Limited - Fully paid up	70	70
Less: Provision for diminution in carrying amount of Investments	(41)	-
17,500 (2013: 17,500) Equity Shares of ₹2/- each of Dalmia Bharat Enterprises Limited - Fully paid up [Refer (c) below]	-	-
2,000,000 (2013: 2,000,000) Equity Shares of ₹10/- each of Electrosteel Steels Limited - Fully paid up	205	205
Less: Provision for diminution in carrying amount of Investments	(92)	-
Sub - Total	701	894
Total	11,464	10,857
Aggregate amount of Quoted Investments	701	894
Market Value of Quoted Investments other than that marked @ for which year-end official quotation is not available.	1,073	877
Aggregate amount of Unquoted Investments	10,763	9,963
Aggregate provision for diminution in carrying amount of investments	210	17

* Amount is below the rounding off norm adopted by the Company.

- 1,792 (2013: 1,792) Equity Shares of Shree Jagannath Expressways Private Limited are pledged in favour of Axis Trustee Services Ltd., Security Trustee for the benefit of consortium of lending Banks.
- 6,397,227 (2013: 4,797,920) Equity Shares of Raichur Sholapur Transmission Company Limited are pledged in favour of IDBI Trusteeship Services Limited, Security Trustee for the benefit of Axis Bank Limited (DIFC Branch), Lender.
- Acquired in earlier year without consideration pursuant to a Scheme of Arrangement between Dalmia Cement (Bharat) Limited (DCBL) and Dalmia Bharat Enterprises Limited involving demerger of certain business of DCBL.
- For classification of investments in accordance with AS-13 : Accounting for Investments, refer Note 50.
- Refer Note 31(d)(i) for certain undertakings given by the Company in respect of Non-current Investments.

Notes to the Financial Statements (contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

	As at 31st March, 2014	As at 31st March, 2013
15. Long-term Loans and Advances		
Unsecured, Considered Good		
Capital Advances	2,090	1,841
Security Deposits	611	623
Deposit for Contract	6	6
Deposit under Investment Deposit Scheme	15	15
Receivable relating to forward contracts	908	551
Total	3,630	3,036

	As at 31st March, 2014	As at 31st March, 2013
16. Other Non-current Assets		
Unamortised Premium on Forward Contracts	369	532
Tools (Refer Note 45)	10,599	13,937
Long Term Deposits with Banks with Maturity period more than 12 months [Refer (a) below]	7	6
Total	10,975	14,475

(a) Includes ₹3 (2013: ₹2) held as Margin money against bank guarantee.

	As at 31st March, 2014	As at 31st March, 2013
17. Current Investments		
Unquoted [Refer Note 1.6]		
Trade Investments		
Investments in Joint Ventures (Unincorporated being Association of Persons) (Refer Note 43.1)		
Simplex - Subhash Joint Venture	19	107
Jaybee Simplex Consortium	117	105
Simplex - Meinhardt Joint Venture	23	20
Simplex Gayatri Consortium	205	186
Laing-Simplex Joint Venture	226	226
Simplex - Somdatt Builders Joint Venture	971	962
Somdatt Builders - Simplex Joint Venture	202	189
Simplex - Somdatt Builders Joint Venture (Assam)	62	37
Simplex Infrastructures Limited - Kashmirilal Constructions Pvt. Ltd. Joint Venture	23	-
Simplex - Navana Joint Venture	93	-
Sub - Total	1,941	1,832
Other than Trade Investments		
Investments in Government or Trust Securities		
6 Year National Savings Certificates (Matured) (Lodged as Security Deposits)	*	*
7 Year National Savings Certificates (Matured) (Lodged as Security Deposits)	*	*
Sub - Total	*	*
Total	1,941	1,832
Aggregate amount of Unquoted Investments	1,941	1,832

* Amount is below the rounding off norm adopted by the Company.

(a) For classification of investments in accordance with AS-13: Accounting for Investments, refer Note 50.

Notes to the Financial Statements (contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

	As at 31st March, 2014	As at 31st March, 2013
18. Inventories		
At lower of cost and net realisable value		
Work-in-progress [Refer (a) below]	13,166	11,492
Stock in Trade - Traded Goods [Refer (b) below]	85	-
Construction Materials [includes in transit ₹272 (2013: ₹577)]	55,348	52,078
Stores and Spares	10,302	9,274
Loose Tools	7,288	5,650
Total	86,189	78,494
(a) Represents construction work at initial stage including site development activities as indicated in Note 1.10.		
(b) Details of Traded Goods		
Plant and Equipment	85	-
Total	85	-

	As at 31st March, 2014	As at 31st March, 2013
19. Trade Receivables		
Unsecured considered good, unless otherwise stated		
Outstanding for a period exceeding six months from the date they are due for payment.		
Considered Good	92,341	89,959
Considered Doubtful	1,110	762
Less: Provision for doubtful debts	(1,110)	(762)
Others [Refer (a) below]	117,169	137,475
Total	209,510	227,434

(a) Includes retention money ₹58,176 (2013: ₹61,000) not due for payment as per related terms of contract.

	As at 31st March, 2014	As at 31st March, 2013
20. Cash and Bank Balances		
Cash and Cash Equivalents		
Cash on hand	47	30
Remittances in Transit	5,946	269
Balances with Banks on current accounts	2,012	6,606
Unpaid Dividend Accounts @	18	18
	8,023	6,923
Other Bank Balances		
Deposit Accounts lodged as Security Deposits (Matured)	*	*
Term Deposits with maturity more than 3 months and up to 12 months [Refer (a) below]	5	224
Term Deposits with maturity more than 12 months (Current Portion) [Refer (b) below]	42	51
Total	8,070	7,198

* Amount is below the rounding off norm adopted by the Company.

@ Earmarked for payment of unclaimed dividend.

(a) Includes ₹4 (2013: ₹Nil) held as Margin money against bank guarantee.

(b) Held as Margin money against bank guarantee.

Notes to the Financial Statements (contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

	As at 31st March, 2014	As at 31st March, 2013
21. Short-term Loans and Advances		
Unsecured considered good, unless otherwise stated		
Security deposits		
Considered Good [Refer (a) below]	5,620	5,674
Considered Doubtful	7	6
Less: Provision for Doubtful Security deposit	(7)	(6)
Loans and advances to related parties:		
Subsidiaries	417	457
Associate Companies	2	5
Joint Ventures		
Considered Good	836	1,080
Considered Doubtful	154	154
Less: Provision for Doubtful loans and advances	(154)	(154)
Inter Corporate Loans	6,530	6,880
Prepaid Expenses	1,944	2,484
Loans and Advances to Employees		
Considered Good	625	635
Considered Doubtful	64	58
Less: Provision for Doubtful loans and advances to Employees	(64)	(58)
Deposit for Contracts		
Considered Good	2,239	2,742
Considered Doubtful	5	5
Less: Provision for Doubtful Deposit for Contracts	(5)	(5)
Excise Duty Recoverable	975	970
MAT Credit Entitlement [after set off of ₹483 (2013: ₹Nil) utilised]	2,144	1,790
Claims Recoverable		
Considered Good	5,752	6,016
Considered Doubtful	189	189
Less: Provision for Doubtful Claims	(189)	(189)
Advance to Suppliers for Goods and Services		
Considered Good	9,234	9,864
Considered Doubtful	106	106
Less: Provision for Doubtful Advances	(106)	(106)
Advances to / Balances with Government Authorities (Service Tax, Sales Tax, VAT etc.)	28,363	23,814
Advance Current Tax [Advance Tax ₹12,965 (2013: ₹19,374), netted off against Provision for Tax to the extent of ₹5,795 (2013: ₹7,924) after netting off of MAT Credit Entitlement utilised ₹483 (2013: ₹Nil)]	7,170	11,450
Receivable relating to forward contracts	70	191
Advance Fringe Benefit Tax [Advance Tax ₹73 (2013: ₹73), Provision for Tax ₹64 (2013: ₹64)]	9	9
Other recoverables and prepayments	327	95
Total	72,257	74,156

Notes to the Financial Statements (contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

	As at 31st March, 2014	As at 31st March, 2013
21. Short-term Loans and Advances (contd..)		
Summarised position of Short-term Loans and Advances		
Unsecured		
Considered Good	72,257	74,156
Considered Doubtful	525	518
Less: Provision for Doubtful Loans and Advances	(525)	(518)
Total	72,257	74,156
(a) Includes amount due by a Firm in which a Director of the Company is Partner - Security Deposit with Mundhra Estates, a related party	-	1

	As at 31st March, 2014	As at 31st March, 2013
22. Other Current Assets		
Unsecured considered good, unless otherwise stated		
Accrued Interest on Deposits with Banks and Others	1,648	1,276
Accrued Interest on Loans to a Joint Venture		
Considered Doubtful	5	5
Less: Provision for Doubtful Accrued Interest	(5)	(5)
Unbilled Revenue	199,210	161,552
Accruals under Duty Free Credit Entitlement	248	1,646
Receivable on account of sale of fixed assets		
Including due from a subsidiary	1,428	1,292
Others	12	-
Unamortised Premium on Forward Contracts	390	219
Total	202,936	165,985
Summarised position of Other Current Assets		
Unsecured		
Considered Good	202,936	165,985
Considered Doubtful	5	5
Less: Provision for Doubtful Other Current Assets	(5)	(5)
Total	202,936	165,985

Notes to the Financial Statements (contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

	Year ended 31st March, 2014	Year ended 31st March, 2013
23. Revenue from Operations		
Sale of Services		
Contract Turnover	546,472	578,242
Oil Drilling Service	2,638	2,511
Sale of Products - Traded Goods [Refer (a) below]	817	-
Other Operating Revenues		
Accruals under Duty Free Credit Entitlement	-	313
Company's Share in profit of Joint Ventures	186	69
Miscellaneous Receipts	917	727
Sale of Scrap	268	219
Total	551,298	582,081
(a) Details of Sales (Traded Goods)		
Plant and Equipment	817	-
Total	817	-

	Year ended 31st March, 2014	Year ended 31st March, 2013
24. Other Income		
Dividend Income		
From Long-term Investments	16	12
From Current Investments	-	7
Interest Income	2,307	1,393
Net Gain on sale of Long-term Investments	-	541
Liabilities no longer required written back	1,375	2,152
Excess Provision for gratuity written back	173	-
Other non-operating income	69	91
Total	3,940	4,196

	Year ended 31st March, 2014	Year ended 31st March, 2013
25. Changes in Inventories of Work-in-progress and Stock-in-Trade		
Work-in-progress		
Opening Stock	11,492	14,102
Closing Stock	13,166	11,492
	(1,674)	2,610
Stock-in-Trade		
Opening Stock	-	-
Closing Stock	85	-
	(85)	-
Changes in Inventories of Work-in-progress and Stock-in-Trade - (Increase) / Decrease	(1,759)	2,610

Notes to the Financial Statements (contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

	Year ended 31st March, 2014	Year ended 31st March, 2013
26. Employee Benefits Expense		
Salaries and Wages	43,612	46,142
Contribution to Provident and Other Funds	1,014	1,258
Staff Welfare Expenses	1,540	1,576
Total	46,166	48,976

a) Defined Contribution Plans

The Company has recognised, in the Statement of Profit and Loss for the year ended 31st March, 2014 an amount of ₹511 (2013: ₹527) as expenses under defined contribution plans.

b) Post Employment Defined Benefit Plans

i) a) Gratuity (Funded)

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. As per the scheme, the Gratuity Trust fund managed by the Trust, make payment to vested employees on retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's eligible salary (half month's salary) depending upon the tenure of service subject to a maximum limit of twenty months salary or amount payable under Payment of Gratuity Act whichever produces higher benefit. Vesting occurs upon completion of five years of service. Liabilities with regard to the Gratuity plan are determined by actuarial valuation as set out in Note 1.15, based upon which, the Company makes contribution to the Gratuity fund.

b) Gratuity (Unfunded)

The Company provides for gratuity, a defined benefit retirement plan covering employees of a foreign branch. As per the scheme, the Company makes payment to vested employees on retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's eligible salary (one month's salary) depending upon the tenure of service subject to a maximum limit of twenty month's salary. Vesting occurs upon completion of one year of service. Liabilities with regard to the unfunded Gratuity plan are determined by actuarial valuation as set out in Note 1.15.

ii) End of Service Benefit / Severance Pay [ESB/SP] (Unfunded)

The Company provides for End of Service Benefit / Severance Pay (unfunded) defined benefit retirement plans for certain foreign branches covering eligible employees. As per the schemes, the Company makes payment to vested employees on retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's eligible salary for specified number of days (ranging from fifteen days to one month) depending upon the tenure of service (maximum limit varies from one month to twenty four months). Vesting occurs upon completion of one year of service. Liabilities with regard to the End of Service Benefit / Severance Pay Scheme are determined by actuarial valuation as set out in Note 1.15.

iii) Leave Encashment Scheme [LES] (Unfunded)

The Company provides for accumulated leave benefit for eligible employees payable at the time of retirement of service subject to maximum of ninety / one hundred twenty days and in case of foreign branches actual number of days outstanding based on last drawn salary. Liabilities with regard to leave encashment scheme are determined by actuarial valuation as set out in Note 1.15.

Notes to the Financial Statements (contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

26. Employee Benefits Expense (contd..)

The following Table sets forth the further particulars in respect of Gratuity (Funded), Gratuity (Unfunded), ESB/SP (Unfunded) and LES (Unfunded) of the Company :-

	Gratuity (Funded)	Gratuity (Unfunded)	ESB/SP (Unfunded)	LES (Unfunded)
I. Reconciliation of opening and closing balances of the present value of the Defined Benefit Obligation				
(a) Present Value of Obligation at the beginning of the year	2,631 2,478	8 4	579 488	372 375
(b) Current Service Cost	356 388	7 4	233 224	30 31
(c) Interest Cost	213 199	1 -	47 35	21 26
(d) Actuarial (Gain)/Loss	(490) (37)	(4) (1)	(90) 37	178 107
(e) (Benefits Paid)	(121) (397)	- -	(145) (233)	(241) (170)
(f) Exchange differences of foreign plans	- -	(1) 1	54 28	5 3
(g) Present Value of Obligation at the end of the year	2,589 2,631	11 8	678 579	365 372
II. Reconciliation of opening and closing balances of the Fair Value of Plan Assets				
(a) Fair Value of Plan Assets at the beginning of the year	2,650 2,414	- -	- -	- -
(b) Expected Return on Plan Assets	219 206	- -	- -	- -
(c) Actuarial Gain/(Loss)	33 153	- -	- -	- -
(d) Contributions by employer	102 274	- -	- -	- -
(e) (Benefits Paid)	(121) (397)	- -	- -	- -
(f) Fair Value of Plan Assets as at the end of the year	2,883 2,650	- -	- -	- -

Notes to the Financial Statements (contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

26. Employee Benefits Expense (contd..)

	Gratuity (Funded)	Gratuity (Unfunded)	ESB/SP (Unfunded)	LES (Unfunded)
III. Reconciliation of the present value of Defined Benefit Obligation in 'I' above and the fair value of Plan Assets in 'II' above				
(a) Present Value of Obligation as at the end of the year	2,589 2,631	11 8	678 579	365 372
(b) Fair Value of Plan Assets as at the end of the year	2,883 2,650	- -	- -	- -
(c) (Asset)/Liability recognised in the Balance Sheet	(294) @ (19)	11 8	678 579	365 372
Recognised under:				
Long - term Provisions (Refer Note 7)	- -	12 8	630 565	198 212
Short - term Provisions (Refer Note 11)	- -	* *	48 14	167 160
@ Included in Other recoverables and prepayments (Note 21)				
* Amount is below the rounding off norm adopted by the Company.				
IV. Expense charged to the Statement of Profit and Loss				
(a) Current Service Cost	356 388	7 4	233 224	30 31
(b) Interest Cost	213 199	1 -	47 35	21 26
(c) Expected Return on Plan Assets	(219) (206)	- -	- -	- -
(d) Actuarial (Gain)/Loss	(523) (190)	(4) (1)	(90) 37	178 107
(e) Total expense charged to the Statement of Profit and Loss	(173) @ 191 #	4 ## 3	190 ## 296	229 ## 164

@ recognised as 'Excess Provision for gratuity written back' in Note 24

recognised under Contribution to Provident and Other Funds in Note 26

recognised under Salaries and Wages in Note 26

Notes to the Financial Statements (contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

26. Employee Benefits Expense (contd..)

	Gratuity (Funded)	Gratuity (Unfunded)	ESB/SP (Unfunded)	LES (Unfunded)
V. Category of Plan Assets				
Central Government Securities	685 585	NA NA	NA NA	NA NA
State Government Securities	511 483	NA NA	NA NA	NA NA
Public Sector Securities	1,295 1,245	NA NA	NA NA	NA NA
Private Sector Bonds	250 210	NA NA	NA NA	NA NA
Bank Balances	42 92	NA NA	NA NA	NA NA
Others	100 35	NA NA	NA NA	NA NA
	2,883 2,650	NA NA	NA NA	NA NA
VI. Actual Return on Plan Assets	252 359	NA NA	NA NA	NA NA
VII. Principal Actuarial Assumptions as at 31st March, 2014				
(a) Discount Rate (per annum)	9.14% 8.30%	9.14% 8.30%	9.14% 8.30%	9.14% 8.30%
(b) Expected Rate of Return on Plan Assets (per annum)	8.30% 8.75%	NA NA	NA NA	NA NA
(c) Salary Escalation				
Permanent Employees	4.00% 4.00%	4.00% 4.00%	4.00% 4.00%	4.00% 4.00%
Contractual Employees	4.00% 4.00%	- -	- -	- -

Figures in italics pertain to previous year

(All amounts in ₹ Lakhs, unless otherwise stated)

26. Employee Benefits Expense (contd..)**VIII. Other Disclosures**

	2013-2014				2012-2013				2011-2012				2010-2011				2009-2010			
	Gratuity (Fun-ded)	Gratuity (Un-fund-ed)	ESB/SP (Un-fund-ed)	LES (Un-fund-ed)	Gratuity (Fun-ded)	Gratuity (Un-fund-ed)	ESB/SP (Un-fund-ed)	LES (Un-fund-ed)	Gratuity (Fun-ded)	Gratuity (Un-fund-ed)	ESB/SP (Un-fund-ed)	LES (Un-fund-ed)	Gratuity (Fun-ded)	Gratuity (Un-fund-ed)	ESB/SP (Un-fund-ed)	LES (Un-fund-ed)	Gratuity (Fun-ded)	Gratuity (Un-fund-ed)	ESB/SP (Un-fund-ed)	LES (Un-fund-ed)
a) Present Value of the Plan obligation as at the end of the year	2,589	11	678	365	2,631	8	579	372	2,478	4	488	375	2,092	2	505	278	1,816	539	252	252
b) Fair Value of Plan Assets as at the end of the year	2,883	-	-	-	2,650	-	-	-	2,414	-	-	-	2,118	-	-	-	1,851	-	-	-
c) (Surplus) / Deficit as at the end of the year	(294)	11	678	365	(19)	8	579	372	64	4	488	375	(26)	2	505	278	(35)	539	252	252
d) Experience Adjustments on Plan Obligation [(Gain)/Loss]	(407)	(4)	(39)	192	2	*	56	110	(14)	(3)	88	213	12	2	134	114	(50)	88	24	24
e) Experience Adjustments on Plan Assets [Gain / (Loss)]	33	-	-	-	153	-	-	-	23	-	-	-	8	-	-	-	39	-	-	-

* Amount is below the rounding off norm adopted by the Company.

The estimates of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors.

The expected rate of return on plan assets is based on the portfolio of assets held, investment strategy and market scenario.

The Company expects to contribute ₹Nil (2013: ₹230) to gratuity fund in the next year.

iv) Provident Fund

Provident Fund contributions in respect of employees are made to Trust administered by the Company and such Trust invests funds following a pattern of investments prescribed by the Government. Both the employer and employee contribute to this Fund and such contributions together with interest accumulated thereon are payable to employees at the time of their separation from the Company or retirement, whichever is earlier. The benefit vests immediately on rendering of services by the employee. The interest rate payable to the members of the Trust is not lower than the rate of interest declared annually by the Government under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, on account of interest is to be made good by the Company. In terms of the Guidance on implementing Accounting Standard (AS) 15 on Employee Benefits issued by the Accounting Standards Board of the Institute of Chartered Accountants of India, a provident fund set up by the Company is treated as a defined benefit plan in view of the Company's obligation to meet interest shortfall, if any.

Notes to the Financial Statements (contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

26. Employee Benefits Expense (contd..)

iv) Provident Fund (contd.)

The Actuary has carried out actuarial valuation of interest rate guarantee obligations as at the Balance Sheet date using Projected Unit Credit Method and Deterministic Approach as outlined in the Guidance Note 29 issued by the Institute of Actuaries of India. Based on such valuation, there is no future anticipated shortfall with regard to interest rate guarantee obligation of the Company as at the Balance Sheet date. Further during the year, the Company's contribution of ₹503 (2013: ₹540) to the Provident Fund Trust, has been expensed under "Contribution to Provident and Other Funds". Disclosures given hereunder are restricted to the information available as per the Actuary's report.

Principal Actuarial Assumptions	Year ended 31st March, 2014	Year ended 31st March, 2013
Discount Rate	9.19%	8.07%
Expected Investment Return	8.88%	8.72%
Guaranteed Interest Rate	8.75%	8.50%

	Year ended 31st March, 2014	Year ended 31st March, 2013
27. Finance Costs		
Interest Expense	33,088	26,068
Other Borrowing Costs	329	2,869
Total	33,417	28,937

	Year ended 31st March, 2014	Year ended 31st March, 2013
28. Depreciation and Amortisation Expense		
Depreciation on Tangible Assets	13,369	12,864
Amortisation on Intangible Assets	187	172
Total	13,556	13,036

Notes to the Financial Statements (contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

	Year ended 31st March, 2014	Year ended 31st March, 2013
29. Other Expenses		
Consumption of Stores and Spare Parts	12,455	11,952
Power and Fuel	11,456	13,137
Rent	7,903	7,700
Repairs to Buildings	160	130
Repairs to Machinery	11,601	8,879
Repairs to Others	1,211	1,390
Insurance	2,822	2,804
Rates and Taxes [includes Wealth Tax ₹8 (2013: ₹9)]	547	537
Sub-Contractors' Charges	141,860	148,993
Equipment Hire Charges	13,872	18,887
Freight and Transport	5,472	6,086
Bad Debts / Advances written off [Net of Provision written back ₹Nil (2013: ₹17)]	46	48
Provision for doubtful debts and advances	355	763
Provision for diminution in value of long-term Investments	193	-
Derivative Loss	362	141
Net Loss on disposal of Fixed Assets	55	99
Net loss on foreign currency transaction and translation [Refer (a) below]	1,236	623
Tools written off	6,830	7,006
Bank Charges	19	19
Miscellaneous Expenses [Refer (b) below]	38,962	34,948
Total	257,417	264,142
(a) Includes amortisation of Foreign Currency Monetary Items Translation Difference	831	745
(b) Includes Auditors' Remuneration paid / payable for the year		
As Auditors		
Audit Fee	90 #	90 #
Tax Audit Fee	5	5
Certificates etc.	48	50
Service Tax	18	16
Reimbursement of Expenses	2	2

including audit of consolidated financial statements

	31st March, 2014	31st March, 2013
30. Contingent Liabilities:		
30.1 Claims against the Company not acknowledged as debts		
a) Interest (others)	6	6
b) Professional Tax	4	4
c) Sales Tax / Value Added Tax	11,771	9,163
d) Entry Tax	311	443
e) Excise Duty	1,093	150
f) Income Tax	2,638	1,936
g) Service Tax [Also refer item (h) below]	3,144	2,300

Notes to the Financial Statements (contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

30. Contingent Liabilities: (contd..)

30.1 Claims against the Company not acknowledged as debts (contd..)

- h) Show-cause cum demand notices for ₹9,892 (2013: ₹9,892) on certain matters up to 2008 - 09 relating to Service Tax issued by the concerned Tax Authorities in Kolkata during previous years have been challenged by the Company by writ petitions currently pending before the Hon'ble Calcutta High Court. Department has also issued show-cause cum demand notices for ₹2,122 (2013: ₹Nil) on similar matter for which the Company is in the process of filing writ petition before the Hon'ble Calcutta High Court. Further, show-cause cum demand notices aggregating ₹1,585 (2013: ₹1,585) on similar matter relating to Service Tax issued by the concerned Tax Authorities in Delhi during previous years have also been challenged by the Company and currently the matter is pending before the Hon'ble Supreme Court of India. According to a legal opinion obtained in this regard, the contention of the Tax Authorities and consequent demand of Service Tax is not valid in law. Based on the aforesaid legal opinion the management is of the view that the disputed tax amount, though not admitted, in this regard should not exceed ₹1,206 (2013: ₹1,057).

	31st March, 2014	31st March, 2013
30.2 Guarantees		
i) Corporate Guarantees given to Banks against credit facilities extended to third parties.		
a) In respect of Subsidiary @	10,166	9,394
b) In respect of Associate #	23,725	21,496
ii) Bank Guarantees		
a) In respect of Joint Ventures	17,554	20,873
b) In respect of Associates	-	13,590
c) In respect of Subsidiaries	6,658	6,658
d) In respect of other Body Corporate	50	1,190

@ Represents amount of credit facilities utilised against corporate guarantee given to banks of ₹78,253 (2013: ₹20,903).

Corporate Guarantee outstanding as at 31st March, 2014 given to the Lender for any shortfall of funds for repayment of last instalment of facility given amounting to USD 196 Lakhs (Equivalent ₹11,743) [2013: USD 196 Lakhs (Equivalent ₹10,640)], has been jointly provided by the Company with its consortium members. Further, Corporate Guarantee has also been jointly provided with its consortium members for any adverse variation in foreign currency exchange rate at the time of repayment of facility given, other than the aforesaid last instalment, subject to maximum limit of USD 200 Lakhs (Equivalent ₹11,982) [2013: USD 200 Lakhs (Equivalent ₹10,856)]. In terms of the Deed of Guarantee, guarantors' obligations are joint and several.

30.3 In respect of the contingent liabilities mentioned in Note 30.1 above, pending resolution of the respective proceedings, it is not practicable for the Company to estimate the timings of cash outflows, if any. In respect of matters mentioned in Note 30.2 above, the cash outflows, if any, could generally occur during the validity period of the respective guarantees. The Company does not expect any reimbursements in respect of the above contingent liabilities, other than the matter set out in Note 30.2 (i)(b) above.

	31st March, 2014	31st March, 2013
30.4 Other money for which the Company is contingently liable		
Bills Discounted with Bank	351	-

Notes to the Financial Statements (contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

	31st March, 2014	31st March, 2013
31. Commitments		
a) Estimated amount of contracts remaining to be executed on capital account and not provided for	2,291	889
b) Uncalled liability on partly paid shares	1	1
c) Estimated amount of committed funding by way of equity to subsidiaries and associate companies	14,022	14,822

d) Other Commitments

The Company has given, inter alia, the following undertakings in respect of Non-current Investments :

- To National Highways Authority of India, to hold together with its associates, other sponsors/shareholders, not less than 26% of the issued and paid up equity share capital in Shree Jagannath Expressways Private Limited (SJEPL), an associate company, during construction period of the project being executed by SJEPL and two years thereafter. As at 31st March, 2014, the Company singly holds 2,600 (2013: 2,600) equity shares of ₹10/- each fully paid up of SJEPL (Note 14) representing 0.002% (2013: 0.002%) of the total paid up equity share capital of SJEPL.
- To National Highways Authority of India, to invest and maintain at all times either by itself and/or through its associates/subsidiaries/affiliates together with its other sponsors/shareholders, not less than 51% of the issued and paid up equity share capital of Maa Durga Expressways Private Limited (MDEPL), a subsidiary company, during construction period of the project being executed by MDEPL and two years thereafter. As at 31st March, 2014, the Company holds 10,000 (2013: 10,000) equity shares of ₹10/- each fully paid up of MDEPL (Note 14) representing 0.10% (2013: 0.10%) of the total paid up equity share capital of MDEPL.
- To Long Term Transmission Customers, to hold together with its other sponsors/shareholders, not less than 51% in the issued and paid up equity share capital of Raichur Sholapur Transmission Company Limited (RSTCL), an associate company, up to a period of two years after Commercial Operation Date of the project being executed by RSTCL and not less than 26% in the issued and paid up equity share capital of RSTCL for a period of three years thereafter. As at 31st March, 2014, the Company holds 23,997,600 (2013:15,998,400) equity shares of ₹10/- each fully paid up of RSTCL (Note 14) representing 33.33% (2013: 33.33%) of the total paid up equity share capital of RSTCL.
- To National Highways Authority of India, to invest and maintain at all times either by itself and/or through its associates/subsidiaries/affiliates together with its other sponsors/shareholders, not less than 51% of the issued and paid up equity share capital of Jaintia Highway Private Limited (JHPL), a subsidiary company, during construction period of the project being executed by JHPL and two years thereafter. As at 31st March, 2014, the Company holds 10,000 (2013: 10,000) equity shares of ₹10/- each fully paid up of JHPL (Note 14) representing 0.28% (2013: 0.28%) of the total paid up equity share capital of JHPL.
- To the lender of RSTCL, an associate company, to hold together with its other sponsors/shareholders, at least 51% of issued and paid up equity share capital, up to the final settlement date of facility given.
- To the lender of SJEPL, an associate company, to hold together with its associates and/or affiliates, other sponsors/shareholders, the management and control, up to the final settlement date of facility given.
- To the lender of MDEPL, a subsidiary company, to hold and continue to hold at all times either by itself and/or through its associates/subsidiaries/ affiliates, together with its other sponsors/shareholders, at least 51% of the issued and paid up equity share capital, up to the final settlement date of facility given.
- To the lender of JHPL, a subsidiary company, to hold and continue to hold at all times either by itself and/or through its associates/subsidiaries/ affiliates, together with its other sponsors/shareholders, at least 51% of the issued and paid up equity share capital, up to the final settlement date of facility given.

Notes to the Financial Statements (contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

32. The Company has long term strategic investments in shares of Simplex Infrastructures Libya Joint Venture Co. (Simplex Libya), a subsidiary company, located in Libya. The year-end book value of which is ₹387 (2013: ₹387) (Note - 14) and its year-end exposure in Other Current Assets (Note - 22) (arising from sale of certain tangible assets) and Short-term Loans and Advances (Note - 21) due from Simplex Libya amounting to ₹ 1,428 (2013: ₹ 1,292) and ₹ 410 (2013: ₹ 401) respectively. The current political situation in Libya has improved to some extent but yet to be fully normalised. Subsequent to the year end, Management's Representative had visited Libya to take stock of the current situation and also follow up of the recovery of dues with the local Government which is a substantial amount. The Representative also carried out physical inspection of Simplex Libya's tangible assets i.e. plant and machinery etc. These plant and machinery were originally purchased from the Company for which ₹1,428 (2013: ₹1,292) is due by Simplex Libya to the Company as on 31st March, 2014. Further, a valuation of these plant and machinery was done by an independent valuer and as per his report the present market value of these assets are more than the amount due to the Company.

Upon further improvement of the political situation and on assessment of recoverability of the total exposure as aforesaid, Management is of the opinion that on recovery of Simplex Libya's dues, financial position of Simplex Libya is expected to be improved substantially together with positive net worth.

In the context of the above, the Company is of the opinion that the diminution in the carrying amount of the above investments is temporary in nature and no provision in this regard is considered necessary at this stage. Similarly, in view of the position explained above, the Company is of the opinion that the advance of ₹410 (2013: ₹401) due from Simplex Libya is recoverable and no provision in this regard is required to be made at this stage.

33. (a) The Company has entered into non-cancellable operating lease for office, warehouses and employee accommodation. Terms of the lease include renewal of the lease period at the end of the non - cancellable period, increase in rent in future periods, etc. The obligation for non-cancellable operating lease is ₹969 (2013: ₹624) payable within one year and ₹1,232 (2013: ₹1,017) payable later than one year but not later than five years and payable after five years ₹1,156 (2013: ₹1,447) as on 31st March, 2014.
- (b) The Company has entered into cancellable operating lease for office, warehouses, employee accommodation and equipments. Tenure of leases generally vary between 6 months to 3 years. Terms of the lease include operating term for renewal, terms of cancellation, etc.
- (c) Lease payments in respect of (a) and (b) above are recognised in the Statement of Profit and Loss under the heads 'Rent' and 'Equipment Hire Charges' in Note 29.

	2013-2014	2012-2013
34. Proposed Dividend		
The final dividend proposed on Equity Shares for the year is as follows:		
Amount of dividend proposed	247	495
Dividend per Share	₹ 0.50 per Share	₹ 1 per Share

Notes to the Financial Statements (contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

	2013-2014	2012-2013
35. C.I.F. Value of Imports		
Capital Goods	6,150	3,010
Tools	82	1,080
Components and Spare Parts	1,285	1,295
Construction Materials	773	721
Traded goods	178	-

	2013-2014	2012-2013
36. Expenditure in Foreign Currency		
Travelling	1,402	926
Interest Expenses	1,399	1,949
Other Borrowing Costs	10	225
Contract Expenses (Overseas Branches)	38,348	37,405
Consultation Fees	322	338
Other Administrative Expenses (Overseas Branches)	4,332	4,172
Other matters	35	39

	2013-2014	2012-2013
37. Earning in Foreign Currency		
Contract Turnover	78,463	87,568
Proceeds from sale of Fixed Assets, Tools etc.	65	18
Interest Income	*	1
Sale of Scrap, etc	120	99
Hire Charges	239	-
Guarantee Charges	256	31
Oil Drilling Services	2,638	2,511
Maintenance and Labour Supply	69	80
Rent Income	-	7
FOB value of Exports of trading Goods	817	-

* Amount is below the rounding off norm adopted by the Company

Notes to the Financial Statements (contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

	2013-14		2012-13	
	Value	% of total Consumption	Value	% of total Consumption
38. a) Value of Imported and Indigenous Consumption				
Construction Materials				
Imported	901	0.46	1,683	0.77
Indigenous	196,129	99.54	217,861	99.23
	197,030	100	219,544	100
Stores and Spare parts				
Imported	671	5.39	1,012	8.47
Indigenous	11,784	94.61	10,940	91.53
	12,455	100	11,952	100

	2013-2014	2012-2013
38. b) Purchase of Traded goods		
Plant & Equipment	851	-

	2013-2014	2012-2013
39. Information in accordance with the requirements of the Accounting Standard (AS) 7 on 'Construction Contracts' prescribed under the Act.		
Contract revenue recognised for the year ended 31st March, 2014	546,472	578,242
Aggregate amount of contract costs incurred and recognised profits (less recognised losses) up to 31st March, 2014 for all the contracts in progress	1,736,750	1,664,477
The amount of customer advances outstanding for contracts in progress as at 31st March, 2014	77,643	102,240
The amount of retention due from customers for contracts in progress as at 31st March, 2014	32,406	51,936
Gross amount due from customers for contracts in progress	210,009	170,798
Gross amount due to customers for contracts in progress	2,857	2,166

	2013-2014	2012-2013
40. Dividend remitted in Foreign Currency		
Number of Non Resident Shareholders	2	2
Number of Shares held	325,500	355,500
Year for which Dividend Paid	2012-2013	2011-2012
Dividend remitted	3	7

Notes to the Financial Statements (contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

	2013-2014	2012-2013
41. Information relating to Micro and Small Enterprises (MSEs):		
(I) The principal amount and interest due thereon remaining unpaid to any supplier as at the end of the year		
Principal	31	28
Interest	-	4
(II) The amount of interest paid by the buyer in terms of Section 16 to the Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the year		
Principal	81	27
Interest	Nil	Nil
(III) The amount of interest accrued and remaining unpaid at the end of accounting year	96	96
(IV) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest due on above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006	-	19 #

included in (III) above.

The above particulars, as applicable, have been given in respect of MSEs to the extent they could be identified on the basis of information available with the Company.

42. Related Party Disclosures pursuant to Accounting Standard 18 prescribed under the Act.

Names of Related Parties	Relationship
(a) Where control exists:	
Simplex Infrastructures L.L.C.	Subsidiary
Simplex (Middle-East) Limited	- Do -
Simplex Infrastructures Libya Joint Venture Co.	- Do -
Simplex Infra Development Limited	- Do -
Maa Durga Expressways Private Limited	- Do -
Jaintia Highway Private Limited	- Do -
(b) Others with whom transactions were carried out during the year etc:	
Simplex – Gayatri Consortium	Joint Venture
HO-HUP Simplex Joint Venture	- Do -
Simplex - Subhash Joint Venture	- Do -
Somdatt Builders - Simplex Joint Venture	- Do -
Simplex Almoayyed W.L.L.	- Do -
Simplex - Somdatt Builders Joint Venture	- Do -
Laing - Simplex Joint Venture	- Do -
Simplex Meinhardt Joint Venture	- Do -
Jaybee Simplex Consortium	- Do -
Simplex Infrastructures (Thailand) Limited	- Do -

Notes to the Financial Statements (contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

42. Related Party Disclosures pursuant to Accounting Standard 18 prescribed under the Act. (contd..)

Names of Related Parties	Relationship
(b) Others with whom transactions were carried out during the year etc: (contd..)	
Arabian Construction Co - Simplex Infra Private Limited	Joint Venture
Simplex - Somdatt Builders Joint Venture, Assam	- Do -
Simplex Infrastructures Limited - Kashmirilal Constructions Pvt Limited Joint Venture	- Do -
Simplex - Navana Joint Venture #	- Do -
Shree Jagannath Expressways Private Limited	Associate
Raichur Sholapur Transmission Company Limited	- Do -
Mr. B.D.Mundhra ##	Key Management Personnel (KMP)
Mr. A.D.Mundhra \$	- Do -
Mr. Apurba Mukherjee ##	- Do -
Mr. Rajiv Mundhra	- Do -
Mr. S.Dutta	- Do -
Mr. A.K.Chatterjee \$\$	- Do -
Mrs. Krishna Devi Mundhra ##	Relatives of KMP
Mrs. Yamuna Mundhra	- Do -
Mrs. Savita Bagri	- Do -
Mrs. Sarmistha Dutta	- Do -
Mr. Subhabrata Dutta	- Do -
Mr. Sumit Dutta	- Do -
Mrs.Anuja Mundhra	- Do -
Mrs. Savita Mundhra	- Do -
Master Shreyan Mundhra	- Do -
Mr.Sreemohan Das Mundhra ##	- Do -
Mr. B.D.Mundhra	- Do -
Giriraj Apartments Pvt Ltd	Entities over which KMP has significant influence
Mundhra Estates	- Do -
Safe Builders	- Do -
RBS Credit & Financial Development Private Limited	- Do -
Anupriya Consultants Private Limited	- Do -
Baba Basuki Distributors Private Limited	- Do -
Asnew Finance & Investment Private Limited	- Do -
Parop Finance & Investment Private Limited	- Do -
Anjali Trade Links Private Limited	- Do -
Universal Earth Engineering Consultancy Private Limited	- Do -
Varuna Multifin Pvt. Ltd.	- Do -
East End Trading & Engineering Co. Pvt. Ltd.	- Do -
Ajay Merchants Pvt. Ltd.	- Do -
Sandeepan Exports (P) Ltd.	- Do -
Simplex Technologies Pvt. Ltd	- Do -
Regard Fin-Cap Private Limited	- Do -
Simplex Mining Limited	- Do -
JMS Mining Services Pvt Ltd #	- Do -

with effect from 1 April, 2013

upto 26 September,2012

\$ upto 28 February,2014

\$\$ with effect from 30 May,2013

(contd..)

42. Related party disclosures pursuant to Accounting Standard 18 prescribed under the Act. (contd..)

Simplex Infrastructures Limited ◀ 101

(All amounts in ₹ Lakhs, unless otherwise stated)

-	420	11,315	4	-	*	10,530
-	432	9,528	4	6,345	-	10,530
-	567	54	2	19	2,400	26,178
-	465	1,269	1	1,316	1,600	24,556
-	987	11,369	2	19	2,400	36,708
-	597	9,657	5	7,661	1,600	35,086
-	948	-	-	2	205	-
-	948	-	4	2	186	-

(All amounts in ₹ Lakhs, unless otherwise stated)

Name and Relationship	Transactions during the year													Balance outstanding at the year end										
	Dividend Paid	Contract Turn-over	Sale of Products	Advance Taken/ (Repaid)	Miscellaneous Receipts	Loans & Advances Given/ (Refund)	Interest Expense	Rent Paid/ Hire Charges	Hire Charges Received/ Receivable	Provision on for Doubtful Advances	Managerial Remuneration	Reimbursement/ (Recovery) Expenses (Net)	Other Expenses	Share of Income from joint Venture	Investment made during the year	Investment Sold during the Year	Trade Receivables	Other Current Assets (net of Provision)	Loans & Advances (net of Provision)	Other Current Liabilities /Trade Payables	Investment (net of Provision) [Refer a below]	Guarantees Given		
Relatives of Key Management Personnel	23	-	-	-	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	46	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	2	-	-	-	-	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	-	-	-	-	-	-	-	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	-	-	-	-	-	-	-	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	-	-	-	-	-	-	-	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	-	-	-	-	-	-	-	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	28	-	-	-	-	-	-	-	-	-	-	-	-	1	-	-	-	-	-	-	-	-		
Total	55	-	-	-	-	-	-	10	-	-	-	-	1	-	-	-	-	-	-	-	-	-		
	61	-	-	-	-	-	-	10	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Associates	-	25,335	-	-	-	-	-	-	-	-	-	-	-	-	-	-	420	11,315	-	4	2	205	-	
	-	27,465	-	-	-	-	-	-	-	-	-	3	-	-	-	-	132	9,528	4	6,345	-	10,530	10,530	
	-	6,290	-	(1,297)	-	-	-	-	-	-	-	6	-	-	800	-	567	54	2	19	2,400	26,178		
	-	2,038	-	1,316	-	-	-	-	-	-	-	24	-	-	-	-	465	129	1	1,316	1,600	24,556		
	-	31,625	-	(1,297)	-	-	-	-	-	-	-	6	-	-	800	-	987	11,369	2	19	2,400	36,708		
	-	29,503	-	1,316	-	-	-	-	-	-	-	27	-	-	902	-	597	9,657	5	7,661	1,600	35,086		
	Joint Venture	-	-	-	-	-	-	-	-	-	-	-	-	-	19	-	-	948	-	-	4	2	205	-
		-	-	-	-	-	-	-	-	-	-	-	-	-	16	-	-	948	-	-	1	2	186	-
		-	-	-	-	-	-	-	-	-	-	-	-	-	31	-	-	1,634	-	74	-	-	1,156	-
		-	-	-	-	-	-	-	-	-	-	-	-	-	(18)	-	-	-	-	117	-	-	3,753	-
		-	-	-	-	-	-	-	-	-	-	-	-	-	5	-	-	-	-	9	-	19	-	
		-	1,455	-	-	-	-	-	-	-	-	-	8	-	13	-	-	2,575	1,684	331	-	202	980	-
		-	373	-	(30)	-	-	-	-	-	-	-	35	-	(16)	-	-	2,674	229	323	189	980	2,400	
		-	785	-	-	-	-	-	-	-	-	-	-	-	9	-	-	342	343	35	73	971	3,331	
		-	-	-	-	-	-	-	-	-	-	-	-	-	5	-	-	462	336	-	103	962	4,031	
		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	462	-	-	-	287	-	
-		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	287	-		
-		-	-	-	-	-	-	-	-	-	-	-	-	12	-	-	14	-	99	-	117	-		
-		-	-	-	-	-	-	-	-	-	-	-	-	4	-	-	64	-	99	-	105	504		
-		958	-	-	-	-	-	-	-	-	-	2	-	3	-	-	444	1,573	2	23	48	23	48	
-		810	-	-	-	-	-	-	-	-	-	-	-	2	-	-	385	1,342	6	20	48	20	48	
Lang - Simplex Joint Venture		-	-	-	-	-	-	-	-	-	-	-	-	-	*	-	-	1,000	-	-	-	-	226	1,260
	-	-	-	-	-	-	-	-	-	-	-	-	-	(11)	-	-	2,698	-	-	-	226	1,260	-	
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	-	7,559	-	(1,102)	-	-	-	-	-	-	-	-	-	-	-	-	1,617	3,781	-	871	62	3,367	-	
	-	6,169	-	(198)	-	-	-	-	-	-	-	-	-	25	-	-	1,283	1,438	*	1,983	37	4,158	-	
	-	13,426	-	(577)	-	-	-	-	-	-	-	102	-	23	-	-	3,657	3,641	175	1,042	25	4,482	-	
	-	11,012	-	(5,523)	-	-	-	-	-	-	-	69	-	-	-	-	867	4,328	525	1,619	25	3,500	-	
	-	1,606	-	74	-	-	-	-	-	-	-	-	-	-	23	-	145	115	-	1,300	23	2,730	-	
	-	-	-	1,226	-	-	-	-	-	-	-	-	-	-	*	-	-	-	*	1,226	*	2,639	-	
	-	-	-	-	5	-	-	-	-	-	-	152	-	-	93	-	-	234	-	116	-	93	-	
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	-	25,377	-	(1,635)	5	-	-	-	-	-	-	299	-	-	186	-	-	12,610	11,137	836	3,288	2,253	17,554	-
	-	18,776	-	(4,495)	-	11	-	-	-	-	11	69	-	-	69	-	-	11,015	7,673	1,080	4,933	2,144	20,873	-
	Grand Total	269	59,016	817	1,959	261	11	92	19	237	11	198	474	1	186	800	-	14,033	25,749	1,264	11,588	12,704	139,223	139,223
545		49,765	-	(3,179)	31	11	150	19	-	-	239	152	*	69	4,882	4,370	11,612	20,108	1,545	13,016	11,795	83,520	83,520	

Notes to the Financial Statements (contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

43.1 Disclosure in respect of Joint Ventures:

Sr. No.	Name of Joint Venture	Description of Interest	Proportion of Ownership Interest	Country of Incorporation/ Residence
1	HO-HUP - Simplex Joint Venture (HHSJV)	Jointly Controlled Entity	@ 50% @ 50%	India
2	Simplex - Gayatri Consortium (SGC)	Jointly Controlled Entity	70% 70%	India
3	Simplex - Subhash Joint Venture (SSJV)	Jointly Controlled Entity	50% 50%	India
4	Somdatt Builders-Simplex Joint Venture (SBSJV)	Jointly Controlled Entity	@ 50% @ 50%	India
5	Simplex-Somdatt Builders Joint Venture (SSBJV)	Jointly Controlled Entity	@ 50% @ 50%	India
6	Simplex Meinhardt Joint Venture (SMJV)	Jointly Controlled Entity	@ 50% @ 50%	India
7	Laing - Simplex Joint Venture (LSJV)	Jointly Controlled Entity	@ 49% @ 49%	India
8	Jaybee Simplex Consortium (JBC)	Jointly Controlled Entity	66.67% 66.67%	India
9	Simplex - Almoayyed W.L.L. (SAWLL)	Jointly Controlled Entity	49% 49%	Kingdom of Bahrain
10	Simplex Infrastructures (Thailand) Limited (SITL)	Jointly Controlled Entity	48.995% 48.995%	Thailand
11	Simplex-Somdatt Builders Joint Venture - Assam (SSBJVA)	Jointly Controlled Entity	@ 51% @ 51%	India
12	Arabian Construction Co. - Simplex Infra Private Limited (ACC -SIPL)	Jointly Controlled Entity	50% 50%	India
13	Simplex Infrastructures Limited - Kashmirilal Constructions Pvt Limited JV (SKJV)	Jointly Controlled Entity	@ 80% @ 80%	India
14	Simplex Navana Joint Venture (SNJV)	Jointly Controlled Entity	49% -	Bangladesh

@ The above proportion of ownership interest of the Venture's has been modified, inter se, based on the revised scope of work of the individual venturer in terms of the relevant clauses of the Joint Venture Agreement, Supplementaries thereof and Working Agreement etc., and with a stipulation to pay a guaranteed profit to the venturers in appropriate cases.

Figures in italics pertain to previous year

43.2 (i) Financial interest in Jointly Controlled Entities as at 31st March 2014

	SSJV	SBSJV	SSBJV	SMJV	LSJV	JBC	SAWLL	SITL	SGC	HHSJV	SSBJVA	ACC-SIPL	SKJV	SNJV
Post acquisition Reserves and Surplus as at 31st March, 2014														
Foreign Currency Translation Reserve Account	-	-	-	-	-	-	33	(23)	-	-	-	-	-	-
	-	-	-	-	-	-	38	(23)	-	-	-	-	-	-
Surplus in Statement of Profit and Loss	19	202	971	23	226	117	(80)	(93)	205	(237)	61	(46)	23	91
	107	189	962	20	226	105	(79)	(90)	186	(244)	37	(52)	*	-
Total	19	202	971	23	226	117	(47)	(116)	205	(237)	61	(46)	23	91
	107	189	962	20	226	105	(41)	(113)	186	(244)	37	(52)	*	-

Figures in normal type relate to previous year

* Amount is below the rounding off norm adopted by the Company.

Notes to the Financial Statements (contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

43.2 (i) Financial interest in Jointly Controlled Entities as at 31st March 2014 (contd..)

	SSJV	SBSJV	SSBJV	SMJV	LSJV	JBC	SAWLL	SITL	SGC	HHSJV	SSBJVA	ACC-SIPL	SKJV	SNJV
Liabilities as at 31st March, 2014														
Non-current Liabilities														
Deferred Tax Liabilities (Net)	-	16	-	-	-	-	-	-	-	-	-	-	-	-
	-	11	-	-	-	-	-	-	-	-	-	-	-	-
Long-term Provisions	-	-	-	-	-	-	7	-	-	-	-	4	-	-
	-	-	-	-	-	-	17	-	-	-	-	4	-	-
Current Liabilities														
Short-term Borrowings	-	-	-	-	-	-	-	84	-	-	-	-	-	-
	-	-	-	-	-	-	-	83	-	-	-	-	-	-
Trade Payables	*	4,330	703	2,018	1,001	27	86	-	768	1,659	4,870	1,819	202	361
	*	2,950	814	1,728	2,698	60	97	*	768	1,659	2,722	2,513	*	-
Other Current Liabilities	10	378	121	5	68	67	28	14	2	326	943	637	1,359	578
	14	355	118	41	69	67	22	14	*	376	2,059	1,373	1,448	-
Short-Term Provisions	-	5	-	-	-	10	26	-	-	-	-	*	-	-
	-	-	-	-	-	-	10	-	-	-	-	*	-	-
Total	10	4,729	824	2,023	1,069	104	147	98	770	1,985	5,813	2,460	1,561	939
	14	3,316	932	1,769	2,767	127	146	97	768	2,035	4,781	3,890	1,448	-
Assets as at 31st March, 2014														
Non-current Assets														
Fixed Assets														
Tangible Assets	-	217	-	-	-	6	4	-	-	211	-	-	-	8
	-	233	-	-	-	6	11	1	-	233	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	*	-	-	-	-	-	-
Long-term Loans and Advances	-	-	-	-	-	-	-	-	-	473	-	-	-	-
	-	-	-	-	-	-	-	*	-	473	-	-	-	-
Other Non - current Assets	-	-	-	-	-	-	-	-	-	396	-	-	-	-
	-	-	-	-	-	-	-	-	-	354	-	-	*	-
Current Assets														
Inventories	-	-	-	-	-	-	-	-	-	-	-	-	-	174
	-	-	-	-	-	*	-	-	-	-	-	-	-	-
Trade Receivables	-	4,659	1,522	199	1,144	201	53	-	578	578	1,499	1,214	85	691
	-	3,150	1,455	198	2,862	182	91	-	578	578	1,146	366	-	-
Cash and Bank Balances	6	3	2	243	1	11	118	-	327	5	106	88	13	50
	58	3	5	9	1	11	67	2	306	33	32	72	85	-
Short-term Loans and Advances	23	52	271	145	150	3	314	-	67	27	922	1,136	1,365	107
	62	119	434	186	130	32	283	-	69	55	2,131	1,148	1,363	-
Other Current Assets	-	-	-	1,459	-	*	1	-	3	58	3,347	-	121	-
	1	-	-	1,396	-	1	5	-	1	65	1,509	2,278	*	-
Total	29	4,931	1,795	2,046	1,295	221	490	-	975	1,748	5,874	2,438	1,584	1,030
	121	3,505	1,894	1,789	2,993	232	457	3	954	1,791	4,818	3,864	1,448	-

Figures in normal type relate to previous year

* Amount is below the rounding off norm adopted by the Company.

Notes to the Financial Statements (contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

43.2 (i) Financial interest in Jointly Controlled Entities as at 31st March 2014 (contd..)

	SSJV	SBSJV	SSBJV	SMJV	LSJV	JBC	SAWLL	SITL	SGC	HHSJV	SSBJVA	ACC-SIPL	SKJV	SNJV
Revenue for the year 2013-2014														
Revenue from Operations	- 53	1,046 -	309 442	165 139	- -	- -	213 201	- -	- -	- -	3,511 3,127	5,150 5,796	1,002 -	1,575 -
Other Income	14 4	20 -	37 -	* -	- -	* 5	10 11	- -	27 24	39 36	46 76	- -	* *	- -
Total	14 57	1,066 -	346 442	165 139	- -	* 5	223 212	- -	27 24	39 36	3,557 3,203	5,150 5,796	1,002 *	1,575 -
Expenses for the year 2013-2014														
Construction Materials Consumed	- -	- -	- -	- -	- -	- -	107 94	- -	- -	- -	- -	- -	- -	647 -
Changes in Inventories of Work - in - progress	- -	- -	- -	- -	- -	- -	- 3	- -	- -	- -	- -	- -	- -	- -
Employee Benefits Expense	- -	- -	- -	- -	- -	- 1	34 29	- -	- -	- -	- -	198 221	- -	74 -
Finance Costs	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	47 76	- -	- -	- -
Depreciation and Amortisation Expense	- -	15 15	- -	- -	- -	* *	10 113	* *	- -	22 22	- -	- -	- -	1 -
Other Expenses	32 50	1,032 1	331 432	161 136	* 1	(18) (2)	73 45	3 5	- -	1 1	3,442 3,065	4,947 5,648	953 *	677 -
Total	32 50	1,047 16	331 432	161 136	* 1	(18) (1)	224 284	3 5	- -	23 23	3,489 3,141	5,145 5,869	953 *	1,399 -
Results														
Profit / (Loss) before Tax	(18) 7	19 (16)	15 10	4 3	* (1)	18 6	(1) (72)	(3) (5)	27 24	16 13	68 62	5 (73)	49 *	176 -
Current Tax	- 2	* -	6 5	1 1	- -	6 2	- -	- -	8 8	9 (18)	43 39	- -	26 -	83 -
Deferred Tax	- -	6 -	- -	- -	- -	- *	- -	- -	- -	- -	- -	- -	- -	- -
Profit / (Loss) after Tax	(18) 5	13 (16)	9 5	3 2	* (1)	12 4	(1) (72)	(3) (5)	19 16	7 31	25 23	5 (73)	23 *	93 -

Figures in normal type relate to previous year

(ii) Share in Contingent Liabilities of Joint Ventures for which the Company is contingently liable ₹589 (2013: ₹759)

(iii) There was no capital commitments at the year-end as per accounts of Joint Ventures.

* Amount is below the rounding off norm adopted by the Company.

Notes to the Financial Statements (contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

	2013-2014	2012-2013
44. Computation of Earnings per Equity Share (Basic and Diluted)		
(I) Basic		
(a) (i) Number of Equity Shares at the beginning of the year	49,472,330	49,472,330
(ii) Number of Equity Shares at the end of the year	49,472,330	49,472,330
(iii) Weighted average number of Equity Shares outstanding during the year	49,472,330	49,472,330
(iv) Face Value of each Equity Share (In ₹)	2/-	2/-
(b) Amount of Profit after tax attributable to Equity Shareholders		
Profit for the period	6,058	5,982
(c) Basic Earnings per Equity Share [(b)/(a)(iii)]	12.25	12.09
(II) Diluted		
(a) Dilutive Potential Equity Shares	-	-
(b) Diluted Earnings per Equity Share [Same as (I)(c) above]	12.25	12.09

45. Other Non-current Assets – Tools

Tools represent various construction accessories which are expected to be used in construction over a period beyond normal operating cycle.

These are initially recorded at cost and carried thereafter at below cost after considering write-off based on their usage.

46. Derivative instruments and unhedged foreign currency exposure

(a) Derivatives outstanding as at the reporting date

Particulars	Purpose	As at 31st March, 2014			As at 31st March, 2013		
		Currency	Amount in foreign currency	Amount in ₹ Lakhs	Currency	Amount in foreign currency	Amount in ₹ Lakhs
Forward Contracts	Hedge of Foreign Currency Loans	USD	16,039,727	9,609	USD	16,415,367	8,910
	Hedge of Foreign Currency Receivables	USD	425,000	255	USD	5,000,000	2,714
Currency Swaps	Hedge of Foreign Currency Loans	JPY	-	-	JPY	61,794,118	356
Interest Rate Swaps/ Coupon Swaps	Hedge of Floating Interest Rate and Interest Amount on Foreign Currency Loans	JPY	-	-	JPY	61,794,118	356
	Hedge of Floating Interest Rate and Interest Amount on Foreign Currency Loans	USD	11,700,805	7,010	USD	8,929,813	4,847
	Hedge of Floating Interest Rate on Foreign Currency Loans	USD	8,500,000	5,092	USD	9,500,000	5,157
Options	Hedge of Foreign Currency Loans	USD	-	-	USD	8,973,599	4,871

Notes to the Financial Statements (contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

46. Derivative instruments and unhedged foreign currency exposure (contd..)

(b) Particulars of unhedged foreign currency exposures as at the reporting date

Particulars	As at 31st March, 2014			As at 31st March, 2013		
	Currency	Amount in foreign currency	Amount in ₹ Lakhs	Currency	Amount in foreign currency	Amount in ₹ Lakhs
Loans Payable	USD	21,878,180	13,107	USD	18,195,055	9,876
Payables	USD	65,133	39	USD	104,181	57
Payables	USD	132,392	81	USD	959	1
Payables	EURO	7,396	6	EURO	3,575	3
Receivables	USD	232,754	139	USD	2,317	1
Receivables	USD	530,453	318	USD	-	-
Receivables	LYD	3,847,402	1,863	LYD	3,847,402	1,693

	2013-2014	2012-2013
(c) Mark-to-Market losses provided for	433	198

47. Segment information for the year ended 31st March, 2014

The Company considers business segment as primary segment for disclosure of segment information. Business segments have been identified as Construction business and Others which include income from oil drilling services, windmill, real estate and hire of plant and equipment including oil drilling rig.

	Construction	Others	Total of Reportable Segment
External Sales (i.e. Revenue from Operations)	547,830 579,567	3,468 2,514	551,298 582,081
Inter Segment Sales	- -	- -	- -
Other Income	1,443 2,243	- -	1,443 2,243
Segment Revenue	549,273 581,810	3,468 2,514	552,741 584,324
Segment Result (PBIT)	46,832 43,171	842 558	47,674 43,729
Segment Assets	696,289 673,018	6,529 6,500	702,818 679,518
Segment Liabilities	268,662 284,043	634 603	269,296 284,646
Capital Expenditure	10,230 4,840	88 89	10,318 4,929
Depreciation and Amortisation	13,094 12,582	445 437	13,539 13,019
Non cash expenses other than depreciation and amortisation	7,319 7,721	106 100	7,425 7,821

Notes to the Financial Statements (contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

47. Segment information for the year ended 31st March, 2014 (contd..)

Reconciliation of Reportable Segments with the Financial Statements

	Revenues	Results / Net Profit	Assets	Liabilities
Total of Reportable Segment	552,741	47,674	702,818	269,296
	584,324	43,729	679,518	284,646
Corporate - Unallocated (Net)	2,497	(5,697)	25,847	319,590
	1,953	(5,760)	27,802	294,270
Inter Segment Sales	-	-	-	-
	-	-	-	-
Finance Costs	-	(33,417)	-	-
	-	(28,937)	-	-
Provision for Taxation - Current	-	(2,260)	-	-
(Net of Provision for earlier years written back)	-	(2,000)	-	-
Provision for Taxation - Deferred	-	(242)	-	-
	-	(1,050)	-	-
As per Financial Statements	555,238	6,058	728,665	588,886
	586,277	5,982	707,320	578,916

Secondary Segment Reporting (by Geographical Segments)

	India	Other Asian Countries	Africa	Total
Revenues	473,578	75,052	4,111	552,741
	496,240	81,336	6,748	584,324
Total Assets	590,550	105,750	6,518	702,818
	567,914	103,069	8,535	679,518
Capital Expenditure	9,002	1,301	15	10,318
	3,000	1,916	13	4,929

Figures in italics pertain to Previous Year.

	2013-2014	2012-2013
48. Research and Development Expenditure		
(as allocated by the Management)		
Revenue	34	50
Capital	-	-

49. MAT Credit Entitlement of ₹837 (2013: ₹Nil), recognised in these financial statements, relates to earlier years which has been allowed by the Income Tax authorities after completion of assessment / receipt of favourable appellate order.

Notes to the Financial Statements (contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

50. The following Table includes the classification of investments in accordance with AS -13: Accounting for Investments

	As at 31st March, 2014	As at 31st March, 2013
Long Term Investments		
5 (2013: 5) Fully Paid-up Ordinary Shares of ₹50/- each in Mercantile Apartments Co-operative Housing Society Ltd., Mumbai - Face value ₹250/-	*	*
5 (2013: 5) Fully Paid-up Ordinary Shares of ₹50/- each in Pallavi Beach Angle Co-operative Housing Society Ltd., Mumbai - Face value ₹250/-	*	*
5 (2013: 5) Fully Paid-up Ordinary Shares of ₹50/- each in Borlo Co-operative Housing Society Ltd., Chembur, Mumbai - Face value ₹250/-	*	*
5 (2013: 5) Fully Paid-up Ordinary Shares of ₹50/- each in Saket Co-operative Housing Society Ltd., Mumbai - Face value ₹250/-	*	*
Investments in Joint Ventures (Unincorporated being Association of Persons)		
Simplex - Subhash Joint Venture	19	107
Jaybee Simplex Consortium	117	105
Simplex - Meinhardt Joint Venture	23	20
Simplex Gayatri Consortium	205	186
Laing-Simplex Joint Venture	226	226
Simplex - Somdatt Builders Joint Venture	971	962
Somdatt Builders - Simplex Joint Venture	202	189
Simplex - Somdatt Builders Joint Venture (Assam)	62	37
Simplex Infrastructures Limited - Kashmirilal Constructions Pvt. Ltd. Joint Venture	23	-
Simplex - Navana Joint Venture	93	-
9,799 (2013: 9,799) Shares of Thai Baht (THB) 100 each of Simplex Infrastructures (Thailand) Limited - Fully paid up, a joint venture company	14	14
4,900 (2013: 4,900) Shares of Bahraini Dinars (BHD) 50 each of Simplex Almoayyed W.L.L.- Fully paid up, a joint venture company	287	287
250,000 (2013: 250,000) Equity Shares of ₹10/- each in Arabian Construction Company - Simplex Infra Private Limited - Fully paid up, a joint venture company	25	25
10,000 (2013: 10,000) Equity Shares of ₹10/- each in Maa Durga Expressways Private Limited - Fully paid up	1	1
10,000 (2013: 10,000) Equity Shares of ₹10/- each in Jaintia Highway Private Limited - Fully paid up	1	1
175,000 (2013: 175,000) Shares of Omani Rial (OMR) 1 each in Simplex Infrastructures LLC - Fully paid up	135	135
520 (2013: 520) Shares of United Arab Emirates Dirham (AED) 1,000 each in Simplex (Middle East) Limited - Fully paid up	68	68
9,750 (2013: 9,750) Shares of Libyan Dinar (LYD) 100 each in Simplex Infrastructures Libya Joint Venture Co. - Fully paid up	387	387
74,590,000 (2013: 74,590,000) Equity Shares of ₹10/- each in Simplex Infra Development Limited - Fully paid up	7,459	7,459
2,600 (2013: 2,600) Equity Shares of ₹10/- each of Shree Jagannath Expressways Private Limited -Fully paid up [Refer Note 14 (a)]	*	*

Notes to the Financial Statements (contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

50. The following Table includes the classification of investments in accordance with AS -13: Accounting for Investments (contd..)

	As at 31st March, 2014	As at 31st March, 2013
Long Term Investments (contd..)		
23,997,600 (2013: 15,998,400) Equity Shares of ₹10/- each of Raichur Sholapur Transmission Company Limited - Fully paid up [Refer Note 14 (b)]	2,400	1,600
20,000 (2013: 20,000) Equity Shares of ₹10/- each (₹5/- paid up) of Parasrampur Synthetics Ltd.	1	1
4,700 (2013: 4,700) Equity Shares of ₹10/- each at a Premium of ₹35/- each of Pennar Patterson Securities Ltd.- Fully Paid up	2	2
370,500 (2013: 370,500) Equity Shares of ₹2/- each of Emami Paper Mills Limited - Fully paid up	185	185
165,450 (2013: 110,300) Equity Shares of ₹1/- each of Emami Limited - Fully paid up (55,150 Shares received as bonus shares during the year)	434	434
17,500 (2013: 17,500) Equity Shares of ₹2/- each of Dalmia Bharat Sugar and Industries Limited - Fully paid up	70	70
17,500 (2013: 17,500) Equity Shares of ₹2/- each of Dalmia Bharat Enterprises Limited - Fully paid up [Refer Note 14 (c)]	-	-
2,000,000 (2013: 2,000,000) Equity Shares of ₹10/- each of Electrosteel Steels Limited - Fully paid up	205	205
6 Year National Savings Certificates (Matured) (Lodged as Security Deposits)	*	*
7 Year National Savings Certificates (Matured) (Lodged as Security Deposits)	*	*
Less: Provision for diminution in carrying amount of Investments	(210)	(17)
Total	13,405	12,689
Disclosed Under:		
Non-current Investments (Refer Note 14)	11,464	10,857
Current Investments (Refer Note 17)	1,941	1,832
Total	13,405	12,689

* Amount is below the rounding off norm adopted by the Company.

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

Signatures to Notes 1 to 51

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

For H. S. Bhattacharjee & Co.
Firm Registration Number: 322303E
Chartered Accountants

(Pradip Law)
Partner
Membership Number: 51790
Kolkata, 30th May, 2014

(H. S. Bhattacharjee)
Partner
Membership Number: 50370

B. L. Bajoria
Secretary

Rajiv Mundhra
Whole-time Director

S. Dutta
Whole-time Director

INDEPENDENT AUDITORS' REPORT



To the Board of Directors of

Simplex Infrastructures Limited

1. We have audited the accompanying consolidated financial statements (the “Consolidated Financial Statements”) of Simplex Infrastructures Limited (“the Company”) and its subsidiaries, its jointly controlled entities and associate companies; hereinafter referred to as the “Group” [refer Note 30 (a) to the attached consolidated financial statements] which comprise the consolidated Balance Sheet as at March 31, 2014, and the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information which we have signed under reference to this report.

Management’s Responsibility for the Consolidated Financial Statements

2. The Company’s Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors’ Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable

assurance about whether the consolidated financial statements are free from material misstatement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors’ judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company’s preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

6. We report that the consolidated financial statements have been prepared by the Company’s Management in accordance with the requirements of Accounting Standard (AS) 21 – Consolidated Financial Statements, Accounting Standard (AS) 23 – Accounting for Investments in Associates in Consolidated Financial Statements, and Accounting Standard (AS) 27 – Financial Reporting of Interests in Joint Ventures notified under the Companies Act, 1956 read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.

7. Based on our audit and on consideration of reports of other auditors on separate financial statements and on

the other financial information of the components of the Group as referred to in paragraph 8 below, and to the best of our information and according to the explanations given to us, in our opinion, the accompanying consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2014;
- (b) in the case of the consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Other Matters

8. We did not audit the financial statements of (i) 5

subsidiaries and 5 jointly controlled entities included in the consolidated financial statements, which constitute total assets of Rs 23,097 Lakhs and net assets of Rs (1,822) Lakhs as at March 31, 2014, total revenue of Rs. 8,891 Lakhs, net profit of Rs 152 Lakhs and net cash flows amounting to Rs. 68 Lakhs for the year then ended; and (ii) 2 associate companies which constitute net loss of Rs 2 Lakh for the year then ended including the audited financial statements of Simplex Infrastructures Libya Joint Venture Co., a subsidiary whose net worth has been eroded as at March 31, 2014. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion on the consolidated financial statements to the extent they have been derived from such financial statements is based solely on the report of such other auditors.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

(Pradip Law)
Partner
Membership Number: 51790
Kolkata
May 30, 2014

For H.S.Bhattacharjee & Co.
Firm Registration Number: 322303E
Chartered Accountants

(H.S.Bhattacharjee)
Partner
Membership Number: 50370
Kolkata
May 30, 2014

Consolidated Balance Sheet of Simplex Infrastructures Limited and its Subsidiaries

as at 31st March, 2014

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Note No.	As at 31st March, 2014	As at 31st March, 2013
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	993	993
Reserves and Surplus	3	142,400	129,081
		143,393	130,074
Minority Interest		1,042	984
Non-current Liabilities			
Long-term Borrowings	4	37,697	27,684
Deferred Tax Liabilities (Net)	5	20,750	20,502
Other Long-term Liabilities	6	917	963
Long-term Provisions	7	922	873
		60,286	50,022
Current Liabilities			
Short-term Borrowings	8	253,140	237,880
Trade Payables	9	179,193	164,792
Other Current Liabilities	10	113,109	130,478
Short-term Provisions	11	1,085	1,011
		546,527	534,161
TOTAL		751,248	715,241
ASSETS			
Non-current Assets			
Fixed Assets			
Tangible Assets	12	119,311	123,133
Intangible Assets	13	241	351
Capital Work-in-progress		8,213	1,752
Intangible Assets under Development	13A	2,257	2,539
Non-current Investments	14	13,439	10,730
Long-term Loans and Advances	15	5,103	4,509
Other Non-current Assets	16	12,119	15,090
		160,683	158,104
Current Assets			
Current Investments	17	147	287
Inventories	18	91,692	79,785
Trade Receivables	19	215,735	230,491
Cash and Bank Balances	20	9,384	8,303
Short-term Loans and Advances	21	74,633	75,319
Other Current Assets	22	198,974	162,952
		590,565	557,137
TOTAL		751,248	715,241

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

The Notes are an integral part of these financial statements.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

For H. S. Bhattacharjee & Co.
Firm Registration Number: 322303E
Chartered Accountants

(Pradip Law)
Partner
Membership Number: 51790
Kolkata, 30th May, 2014

(H. S. Bhattacharjee)
Partner
Membership Number: 50370

B. L. Bajoria
Secretary

Rajiv Mundhra
Whole-time Director

S. Dutta
Whole-time Director

Consolidated Statement of Profit and Loss of Simplex Infrastructures Limited and its Subsidiaries

for the year ended 31st March, 2014

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Note No.	Year ended 31st March, 2014	Year ended 31st March, 2013
Revenue from Operations	23	561,541	589,749
Other Income	24	4,106	4,292
Total Revenue		565,647	594,041
EXPENSES			
Construction Materials Consumed		200,543	222,633
Purchase of Stock-in-Trade		851	-
Changes in Inventories of Work-in-progress and Stock-in-Trade	25	(4,860)	2,581
Employee Benefits Expense	26	48,976	50,424
Finance Costs	27	33,493	28,994
Depreciation and Amortisation Expense	28	14,009	13,501
Other Expenses	29	264,073	267,619
Total Expenses		557,085	585,752
Profit before Exceptional and Extraordinary Items and Tax		8,562	8,289
Exceptional Items		-	-
Profit before Extraordinary Items and Tax		8,562	8,289
Extraordinary Items		-	-
Profit before Tax		8,562	8,289
Tax Expense			
Current Tax		3,910	2,038
Less : MAT Credit Entitlement		837	-
Net Current Tax		3,073	2,038
Deferred Tax		248	1,050
Current Tax provision for earlier years written back		(628)	-
Total Tax Expense		2,693	3,088
Profit after tax before share of results of associates and minority interest		5,869	5,201
Add : Minority Interest		(20)	127
Share of (Loss) in Associates		(2)	(3)
Profit for the period		5,847	5,325
Earnings per Equity Share [Nominal value per share ₹2/- (2013: ₹2/-)]			
Basic (₹)	37	11.82	10.76
Diluted (₹)	37	11.82	10.76

This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

The Notes are an integral part of these financial statements.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

For H. S. Bhattacharjee & Co.
Firm Registration Number: 322303E
Chartered Accountants

(Pradip Law)
Partner
Membership Number: 51790
Kolkata, 30th May, 2014

(H. S. Bhattacharjee)
Partner
Membership Number: 50370

B. L. Bajoria
Secretary

Rajiv Mundhra
Whole-time Director

S. Dutta
Whole-time Director

Consolidated Cash Flow Statement of Simplex Infrastructures Limited and its Subsidiaries for the year ended 31st March, 2014

(All amounts in ₹ Lakhs, unless otherwise stated)

	Year ended 31st March, 2014		Year ended 31st March, 2013	
A. CASH FLOW FROM OPERATING ACTIVITIES:				
Profit before Tax		8,562		8,289
Adjustments for:				
Depreciation and Amortisation Expense	14,009		13,501	
Finance Costs	33,493		28,994	
Interest Income	(2,456)		(1,472)	
Loss on disposal of Fixed Assets	54		93	
Bad Debts / Advances written off (Net of Provision written back)	46		22	
Provision for Diminution in carrying amount of Investments	193		-	
Provision for Doubtful Debts / Advances	386		771	
Tools written off	6,987		7,130	
Excess Provision for gratuity written back	(173)		-	
Liabilities no longer required written back	(1,375)		(2,155)	
Wealth Tax	8		9	
Provision for mark-to-market losses on derivatives	235		58	
Dividend Income from Current Investments	(3)		(13)	
Dividend Income from Long-term Investments	(16)		(12)	
Net Gain on sale of a Subsidiary	-		(541)	
Forward Premium Amortised	240		462	
Exchange Loss (Net) - Unrealised	992		770	
Effect of Changes in Foreign Exchange Translation	(287)		536	
		52,333		48,153
Operating Profit before Working Capital Changes		60,895		56,442
Adjustments for:				
Trade and Other Payables	(5,756)		19,082	
Trade and Other Receivables	(17,563)		(80,997)	
Long-term Loans and Advances / Other Non-current Assets	(8)		(5,055)	
Inventories	(14,997)		5,636	
		(38,324)		(61,334)
Cash generated from / (used in) operations		22,571		(4,892)
Direct Taxes (Paid) / Refund		1,967		(7,959)
Net Cash from / (used in) Operating Activities		24,538		(12,851)
B. CASH FLOW FROM INVESTING ACTIVITIES:				
Purchase of Fixed Assets [Refer (c) below]	(15,225)		(7,302)	
Sale of Fixed Assets	358		59	
Sale of Investments	151		157	
Investment in Associate Companies	(800)		(4,519)	
Acquisition of a Subsidiary Company	-		(3,830)	
Disposal of a Subsidiary Company	-		4,370	
Interest Received	2,101		1,071	
Term Deposits - Matured / (Invested)	418		(96)	
Dividend Received	16		12	
Inter Corporate Loans Given	(1,100)		(2,681)	
Inter Corporate Loans Recovered	1,450		2,960	
Net Cash used in Investing Activities		(12,631)		(9,799)
Carried Over		11,907		(22,650)

Consolidated Cash Flow Statement of Simplex Infrastructures Limited and its Subsidiaries

for the year ended 31st March, 2014 (contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

	Year ended 31st March, 2014		Year ended 31st March, 2013	
Brought Forward		11,907		(22,650)
C. CASH FLOW FROM FINANCING ACTIVITIES:				
Proceeds from long - term borrowings	11,894		20,863	
Repayments of long - term borrowings	(1,505)		(3,973)	
Short - term borrowings - Receipts	12,982		36,231	
Finance Cost Paid	(32,970)		(27,804)	
Debenture Issue Expenses	(393)		(497)	
Dividend Paid [including Dividend Tax ₹84 (2013: ₹161)]	(579)		(1,149)	
Net Cash from / (used in) Financing Activities		(10,571)		23,671
Net Increase in Cash and Cash Equivalents		1,336		1,021
D. Effects of Foreign Exchange Differences on Cash and Cash Equivalents		161		170
		1,497		1,191
Cash and Cash Equivalents as at 31st March, 2013	7,830		6,639	
Cash and Cash Equivalents as at 31st March, 2014	9,327	1,497	7,830	1,191

	As at 31st March, 2014	As at 31st March, 2013
(a) Cash and cash equivalents comprise :		
Cash on hand	75	33
Remittances in Transit	5,947	269
Balances with Banks on current accounts	2,960	7,207
Fixed Deposits (less than 3 months maturity)	327	303
Unpaid Dividend Accounts @	18	18
	9,327	7,830
@ Earmarked for payment of unclaimed dividend		

(b) The above Consolidated Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard - 3 on Cash Flow Statements prescribed under the Companies Act, 1956.

(c) Includes Finance Costs capitalised ₹8 (2013 : ₹644).

(d) Refer Note 44 to the Financial Statements.

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

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

For H. S. Bhattacharjee & Co.
Firm Registration Number: 322303E
Chartered Accountants

(Pradip Law)
Partner
Membership Number: 51790
Kolkata, 30th May, 2014

(H. S. Bhattacharjee)
Partner
Membership Number: 50370

B. L. Bajoria
Secretary

Rajiv Mundhra
Whole-time Director

S. Dutta
Whole-time Director

(All amounts in ₹ Lakhs, unless otherwise stated)

1. Significant Accounting Policies

1.1 BASIS OF PREPARATION

These Financial Statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to circular 15/2013 dated 13th September, 2013 read with circular 08/2014 dated 4th April, 2014, till the Standards of Accounting or any addendum there are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] of the Companies Act, 1956 (the Act). All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Revised Schedule VI to the Act.

1.2 USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in India requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities as of the Balance Sheet date, reported amount of revenue and expenses for the year and disclosure of contingent liabilities as of the Balance Sheet date. The estimates and assumptions used in the financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of the financial statements. Actual results could differ from these estimates.

1.3 FIXED ASSETS

Tangible Assets are stated at cost of acquisition net of accumulated depreciation and accumulated impairment losses, if any.

Intangible Assets are stated at cost of acquisition net of accumulated amortisation and accumulated impairment losses, if any.

Subsequent expenditures related to an item of fixed asset (tangible or intangible) are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

1.4 DEPRECIATION AND AMORTISATION

Depreciation (including Amortisation) is provided on Straight Line Method over the estimated useful lives of the assets at the rates prescribed in Schedule XIV to the Act, except as indicated below:

- i) Leasehold Land and Buildings on leasehold land are amortised over the period of lease on Straight Line Method.
- ii) Building on contractee's land is depreciated @ 5% on Straight Line Method.
- iii) Construction equipments included in Plant and Equipment are depreciated @ 12.5% and 20% on Straight Line Method.
- iv) In case of branches outside India, depreciation is provided on Plant and Equipment @ 10% on Straight Line Method.
- v) Computer Software are amortised @ 33.33% on Straight Line Method.
- vi) In case of foreign subsidiaries and foreign Joint Venture Companies, depreciation is provided on "Straight Line Method" at the following rates which are different from those applied by the Parent Company:

<u>Class of Assets</u>	<u>Straight Line Method</u>
Plant and Equipment	10% - 20%
Furniture and Fittings	10% - 25%
Computer	10% - 20%
Motor Vehicles	25% - 33.33%
Office Equipment	10% - 25%

(All amounts in ₹ Lakhs, unless otherwise stated)

1. Significant Accounting Policies (contd..)

1.4 DEPRECIATION AND AMORTISATION (contd..)

vii) In case of an associate company, depreciation is provided under "Written Down Value Method" at the rates prescribed in Schedule XIV to the Act.

1.5 IMPAIRMENT LOSS

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. An Impairment loss is recognised wherever the carrying amount of the fixed assets exceeds the recoverable amount i.e. the higher of the asset's net selling price and value in use.

1.6 INVESTMENTS

Long Term investments are stated at cost and diminution in carrying amount, other than temporary, is written down/ provided for. Current investments which are expected to be liquidated within one year are valued at lower of cost and fair value.

1.7 INVENTORIES

Inventories are valued at lower of cost and net realisable value. Cost of inventories comprise all costs of purchase and other cost incurred in bringing them to their present location and condition. The cost, in general, is determined under FIRST IN FIRST OUT method.

1.8 REVENUE RECOGNITION

Contract Revenue is recognised under percentage of completion method. The stage of completion is determined on the basis of completion of physical proportion of the contract work. Extra work and variation in contract (as mutually agreed), to the extent that it is probable that they will result in revenue and can be reliably measured is also covered. Future expected loss, if any, is recognised as expenditure.

Revenue from oil drilling service is recognised when the service is performed on a time basis at rates mutually agreed with the customer.

Income from Plant and Equipment on hire contract are recognised on accrual basis over the contract period.

Other items are recognised on accrual basis.

1.9 OTHER INCOME

Interest: Interest income is generally recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend: Dividend income is recognised when the right to receive dividend is established.

All other items are recognised on accrual basis.

1.10 SITE DEVELOPMENT AND INITIAL EXPENSES

Site development including initial expenses (included in Work-in-progress) thereon is absorbed in the project cost proportionately within the stipulated period of contract from the date of revenue recognition.

1.11 BORROWING COST

Borrowing cost attributable to the acquisition of qualifying assets (i.e. the assets that necessarily take substantial period of time to get ready for their intended use) are added to the cost up to the date when such assets are ready for their intended use. Other borrowing costs are recognised as expenses in the period in which these are incurred.

(All amounts in ₹ Lakhs, unless otherwise stated)

1. Significant Accounting Policies (contd..)**1.12 CLAIMS AND COUNTER CLAIMS**

Claims and counter claims (related to customers), including those under arbitration, are accounted for on their final disposal. Other contract related claims are recognised when there is reasonable certainty as to their recoverability.

1.13 TRANSACTIONS IN FOREIGN CURRENCIES

Transactions in respect of Foreign Currencies are recorded at exchange rates prevailing on the date of the transaction. Foreign currency non-monetary items carried in terms of historical cost are reported using the exchange rate at the date of transactions.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period. With respect to long-term foreign currency monetary items, from 1st April, 2011 onwards, the Group has adopted the following policy: Foreign exchange difference on account of a depreciable asset, is adjusted in the cost of the depreciable asset, which would be depreciated over the balance life of the asset.

In other cases, the foreign exchange difference is accumulated in a Foreign Currency Monetary Item Translation Difference Account, and amortised over the balance period of such long term asset / liability.

A monetary asset or liability is termed as a long-term foreign currency monetary item, if the asset or liability is expressed in a foreign currency and has a term of 12 months or more at the date of origination of the asset or liability.

Exchange differences on restatement / settlement of all other monetary items are recognised in the Statement of Profit and Loss.

In respect of the financial statements of foreign branches (having been treated as non-integral operations) the assets and liabilities, both monetary and non-monetary, are translated at the closing rate and income and expense items are translated at the average rate for the period. The resultant exchange differences are accumulated in Foreign Currency Translation Reserve Account.

1.14 DERIVATIVE INSTRUMENTS

The Group uses derivative financial instruments such as forward exchange contracts, options, currency swaps, etc. to hedge its risks associated with foreign currency fluctuations relating to the underlying transactions, highly probable forecast transactions and firm commitments.

In respect of Forward Exchange Contracts entered into to hedge an existing asset / liability the premium or discount arising at the inception of such contracts is amortised as expense or income over the life of the contract. Exchange differences on such a contract are recognised in the Statement of Profit and Loss in the reporting period in which the exchange rates change.

Forward exchange contracts on account of firm commitment / highly probable forecast transactions and other derivative instruments outstanding as at the year - end are marked to market and the losses, if any, are recognised in the Statement of Profit and Loss and gains are ignored in accordance with the Announcement of Institute of Chartered Accountants of India on 'Accounting for Derivatives' issued in March, 2008.

Any profit or loss arising on cancellation or renewal of derivative instruments are recognised as income or as expense in the Statement of Profit and Loss for the period.

1.15 EMPLOYEE BENEFITS**a) Short term Employee Benefits:**

The undiscounted amount of Short-term Employee Benefits expected to be paid in exchange for the services rendered by employees is recognised during the period when the employee renders the service.

(All amounts in ₹ Lakhs, unless otherwise stated)

1. Significant Accounting Policies (contd..)**1.15 EMPLOYEE BENEFITS (contd..)****b) Post Employment Benefit Plans:**

Contributions under Defined Contribution Plans payable in keeping with the related schemes are recognised as expenses for the year, in which the employee has rendered the service.

For Defined Benefit Plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in full in the Statement of Profit and Loss for the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, and as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of any economic benefit available in the form of refunds from the plan or reductions in future contributions to the plan.

c) Other Long-term Employee Benefits (unfunded):

The cost of providing long term employee benefits is determined using Projected Unit Credit Method with actuarial valuation being carried out at each Balance Sheet date. Actuarial gains and losses and past service cost are recognised immediately in the Statement of Profit and Loss for the period in which they occur. Other long term employee benefit obligation recognised in the Balance Sheet represents the present value of related obligation.

1.16 TAXATION

Current Tax in respect of taxable income is provided for the year based on applicable tax rates and laws. Deferred tax is recognised, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods and is measured using tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are reviewed at each Balance Sheet date to re-assess realisation. Current tax assets and current tax liabilities are offset when there is legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets and liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Minimum Alternative Tax (MAT) Credit is recognised as an asset only when and to the extent there is convincing evidence that the Parent Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Parent Company will pay normal income tax during the specified period.

1.17 RESEARCH AND DEVELOPMENT EXPENDITURE

Revenue expenditure on Research and Development (R & D) is charged in the year in which it is incurred. Fixed assets for R & D are capitalised.

1.18 PROVISION AND CONTINGENT LIABILITIES

The Group recognises a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a

(All amounts in ₹ Lakhs, unless otherwise stated)

1. Significant Accounting Policies (contd..)**1.18 PROVISION AND CONTINGENT LIABILITIES (contd..)**

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 or there is a present obligation, reliable estimate of the amount of which cannot be made. Where there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure for contingent liability is made.

1.19 LEASES

Leases in which a significant portion of the risk and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of lease.

1.20 SEGMENT REPORTING

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Group. Revenue and expenses are identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the Group as a whole and are not allocable to segments on a reasonable basis, are included under "Corporate-Unallocated (Net)".

1.21 CASH AND CASH EQUIVALENTS

In the Cash Flow Statement, cash and cash equivalents include cash on hand, demand deposits with banks, other short-term highly liquid investments, if any, with original maturities of three months or less.

1.22 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing net profit or loss for the period attributable to equity shareholders of the Parent Company 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 or loss for the period after minority interest and share of earnings from associates. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, if any, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the Parent Company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.23 CONSOLIDATION

- i) (a) Consolidated Financial Statements relate to Simplex Infrastructures Limited ("SIMPLEX" or "the Parent Company") and its subsidiaries, jointly controlled entities (i.e. Joint Ventures) and associate companies. The Consolidated Financial Statements are in conformity with the Accounting Standard (AS) - 21 on Consolidated Financial Statements, prescribed under the Companies Act, 1956 of India (the 'Act') and are prepared as set out below:

The Financial Statements of the Parent Company and its subsidiaries are combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after adjustments/eliminations of inter-company balances and transactions including unrealised profits on assets etc.

The consolidated financial statements are prepared by adopting uniform accounting policies for like transactions and other events in similar circumstances in all material respects and are presented to the extent possible, in the same manner as the Parent Company's separate financial statements.

(All amounts in ₹ Lakhs, unless otherwise stated)

1. Significant Accounting Policies (contd..)**1.23 CONSOLIDATION (contd..)**

The excess of the Parent's portion of equity of the subsidiaries over the cost to the Parent Company of its investments in the subsidiaries at the date they became the subsidiaries is recognised in the financial statements as capital reserve.

Minority interest in the Consolidated Financial Statements is identified and recognised after taking into consideration :

- The amount of equity attributable to minorities at the date on which investment in a subsidiary is made.
 - The minorities' share of movement in equity since the date parent - subsidiary relationship came into existence.
 - Adjustment of the losses attributable to the minorities against the minority interest in the equity of the subsidiaries and thereafter adjustment of the excess of loss, if any, over the minority interest in the equity against the majority interest.
- (b) The translation of the functional currencies into Indian Rupees (reporting currency) is performed for assets and liabilities of foreign subsidiaries and joint ventures using the closing exchange rates at the Balance Sheet date; and for revenues, costs and expenses using average exchange rates prevailing during the year. The resultant exchange difference arising out of such transactions is recognised as part of equity (Foreign Currency Translation Reserve Account) by the Parent Company until the disposal of investment.
- ii) Investments in Joint Ventures which are in the nature of jointly controlled entities, have been consolidated by using the proportionate consolidation method, as per the AS 27 "Financial Reporting of Interests in Joint Ventures" prescribed under the Act, wherein intra-group balances and intra-group transactions are eliminated to the extent of SIMPLEX's share in the Joint Ventures.
- iii) Investments in Associate Companies is accounted for in accordance with AS 23 "Accounting for Investments in Associates in Consolidated Financial Statements" prescribed under the Act, under equity method.

	As at 31st March, 2014	As at 31st March, 2013
2. Share Capital		
Authorised:		
374,900,000 (2013: 374,900,000) Equity Shares of ₹2/- each	7,498	7,498
20,000 (2013: 20,000) 15% Cumulative Preference Shares of ₹10/- each	2	2
	7,500	7,500
Issued, Subscribed and Paid-up:		
49,472,330 (2013: 49,472,330) Equity Shares of ₹2/- each	989	989
Add: 126,000 Equity Shares of ₹10/- each (equivalent of 630,000 Equity Shares of ₹2/- each) forfeited in earlier years	4	4
Total	993	993

(All amounts in ₹ Lakhs, unless otherwise stated)

	As at 31st March, 2014	As at 31st March, 2013
3. Reserves and Surplus		
Capital Reserve		
Arising on Consolidation	*	*
Others		
Balance at the beginning of the year	3,890	2,158
Add: Share of the post acquisition reserve of an associate [Refer Note 14(a)]	2,104	1,732
	5,994	3,890
Capital Redemption Reserve	1	1
Securities Premium Account		
Balance at the beginning of the year	48,924	49,421
Less: Adjusted on account of Debenture Issue Expenses	393	497
Balance at the end of the year	48,531	48,924
Debenture Redemption Reserve		
Transferred during the year from surplus in Statement of Profit and Loss	1,155	-
Contingency Reserve [Refer (a) below]	3,500	3,500
Legal Reserve [Refer (b) below]	98	98
Foreign Currency Translation Reserve Account [Refer Notes 1.13 and 1.23(i)(b)]		
Balance at the beginning of the year	6,258	2,876
Add: Transferred during the year	5,847	3,382
Balance at the end of the year	12,105	6,258
Foreign Currency Monetary Item Translation Difference Account (Refer Note 1.13)		
Balance at the beginning of the year	(3)	(119)
Add: Additions during the year	(628)	(629)
Less: Transfer during the year	831	745
Balance at the end of the year	200	(3)
General Reserve [Refer (c) below]		
Balance at the beginning of the year	11,555	10,955
Add: Transferred from Surplus in Statement of Profit and Loss	606	600
Balance at the end of the year	12,161	11,555
Surplus in Statement of Profit and Loss		
Balance at the beginning of the year	54,858	50,708
Add: Movement consequent to change in Group's Interest	-	4
Add: Profit for the year	5,847	5,325
	60,705	56,037
Less: Appropriations		
Transfer to General Reserve	606	600
Transfer to Debenture Redemption Reserve	1,155	-
Proposed Dividend on Equity Shares	247	495
Dividend Tax on above	42	84
Balance at the end of the year	58,655	54,858
Total	142,400	129,081

* Amount is below the rounding off norm adopted by the Group.

(a) Created out of Surplus in Statement of Profit and Loss for meeting future contingencies, if any.

(b) In case of a subsidiary, Legal Reserve is created by appropriating 10% of the net profit for the year as required by the Article 154 of the Commercial Companies Law of Oman, 1974. The subsidiary may resolve to discontinue such annual transfer when the reserve totals 33.33% of the paid-up share capital of the said subsidiary. The reserve is not available for distribution.

(c) Represents a free reserve and is not meant for meeting any specific liability, contingency or commitment.

(All amounts in ₹ Lakhs, unless otherwise stated)

	As at 31st March, 2014	As at 31st March, 2013
4. Long-term Borrowings		
Secured Borrowings		
Bonds / Debentures	30,000	20,000
Term Loans from Banks		
Rupee Loans	3,089	2,826
Foreign Currency Loans	4,493	4,614
Term Loans from Financial Companies	103	216
Sub-Total	37,685	27,656
Unsecured Borrowings		
Term Loans from Banks		
Rupee Loans	12	28
Sub-Total	12	28
Total	37,697	27,684

	As at 31st March, 2014	As at 31st March, 2013
5. Deferred Tax Liabilities (Net)		
Tax impact due to timing differences resulting in liabilities / (assets) on account of :		
Depreciation as per tax law and books	7,043	7,457
Part of the revenue not taxable based on terms of contract (Net)	14,520	13,644
Provision for doubtful debts / advances etc.	(626)	(420)
Items admissible on payment basis	(187)	(179)
Total	20,750	20,502

	As at 31st March, 2014	As at 31st March, 2013
6. Other Long-term Liabilities		
Derivative Liabilities	917	963
Total	917	963

(All amounts in ₹ Lakhs, unless otherwise stated)

	As at 31st March, 2014	As at 31st March, 2013
7. Long-term Provisions		
Provision for Employee Benefits		
Employees End of Service Benefit / Severance Pay / Indemnities Benefit Scheme	655	583
Gratuity (Unfunded)	16	12
Leave Encashment Liability	201	214
Other Long-term Employee Benefits	50	64
Total	922	873

	As at 31st March, 2014	As at 31st March, 2013
8. Short-term Borrowings		
A. Secured Borrowings		
Term Loans from Banks		
Rupee Loans	1,077	2,398
Foreign Currency Loans	7,975	6,990
Term Loans from Financial Companies		
Rupee Loans	666	2,244
Working Capital Loans repayable on demand from Banks		
Rupee Loans	200,432	109,531
Foreign Currency Loans	20,613	19,935
Sub-Total	230,763	141,098
B. Unsecured Borrowings		
Term Loans from Banks		
Rupee Loans	15,000	64,029
Foreign Currency Loans	-	4,342
Commercial Papers	7,000	26,000
Working Capital Loan repayable on demand from a Bank	372	2,406
Inter Corporate Deposit (repayable on demand)	5	5
Sub-Total	22,377	96,782
Total	253,140	237,880

	As at 31st March, 2014	As at 31st March, 2013
9. Trade Payables		
Acceptances	2,900	1,632
Trade Payables	176,293	163,160
Total	179,193	164,792

(All amounts in ₹ Lakhs, unless otherwise stated)

	As at 31st March, 2014	As at 31st March, 2013
10. Other Current Liabilities		
Current maturities of long-term debt	2,220	2,214
Advances from Clients	93,988	111,031
Interest accrued but not due on borrowings	1,286	1,269
Interest accrued and due on borrowings	596	668
Interest accrued on others	641	526
Unpaid dividends	18	18
Unpaid matured deposits and interest accrued thereon	1	2
Temporary Book Overdraft	324	208
Employee related liabilities	6,159	5,928
Statutory Dues (Service Tax, Sales Tax, TDS, etc)	3,730	5,520
Derivatives Liabilities	342	242
Billing in Excess of Revenue	2,884	2,187
Capital Liabilities	625	507
Security Deposits	9	8
Other Payables	286	150
Total	113,109	130,478

	As at 31st March, 2014	As at 31st March, 2013
11. Short-term Provisions		
Provision for Employee Benefits		
Employees End of Service Benefit / Severance Pay / Indemnities Benefit Scheme	52	15
Leave Encashment Liability	169	161
Gratuity (Unfunded)	1	*
Other Long-term Employee Benefits	126	58
Provision for Current Tax (Net of advance payment)	15	-
Proposed Dividend	247	495
Tax on Proposed Dividend	42	84
Provision for mark-to-market losses on derivatives	433	198
Total	1,085	1,011

* Amount is below the rounding off norm adopted by the Group.

(All amounts in ₹ Lakhs, unless otherwise stated)

12. Tangible Assets

Particulars	GROSS BLOCK					DEPRECIATION					NET BLOCK	
	Original Cost as at 31st March, 2013	Additions during the Year	Disposals during the year	Other Adjustments during the year [Refer (c) below]	Original Cost as at 31st March, 2014	As at 31st March, 2013	For the Year	Disposals during the year	Other Adjustments during the year	As at 31st March, 2014	As at 31st March, 2014	As at 31st March, 2013
Freehold Land	1,077	-	-	-	1,077	-	-	-	-	-	1,077	1,077
Leasehold Land	50	-	-	-	50	10	*	-	-	10	40	40
Buildings	3,875	-	-	-	3,875	309	63	-	-	372	3,503	3,566
Plant and Equipment	172,134	7,452	646	3,057	181,997	59,614	12,594	310	1,682	73,580	108,417	112,520
Furniture and Fittings	1,178	332	1	25	1,534	647	88	1	17	751	783	531
Office Equipment	1,538	156	6	60	1,748	557	109	2	21	685	1,063	981
Motor Vehicles	5,716	730	209	314	6,551	2,420	628	126	153	3,075	3,476	3,296
Computer	3,175	152	9	31	3,349	2,099	334	9	22	2,446	903	1,076
Electrical Equipment	64	8	-	-	72	18	5	-	-	23	49	46
Total	188,807	8,830	871	3,487	200,253	65,674	13,821	448	1,895	80,942	119,311	123,133
As at 31st March, 2013	179,447	7,334	506	2,532	188,807	51,762	13,329	374	957	65,674	123,133	

* Amount is below the rounding off norm adopted by the Group.

- (a) Certain Freehold /Leasehold land and buildings were revalued by an approved Valuer as at 31st December, 2002 and 31st December, 2003, (the aggregate Book Value ₹75 and ₹230 respectively) but the resultant increase in the Net Book value on such revaluation ₹470 and ₹1,082 respectively have not been considered in the financial statements.
- (b) Buildings include ₹9 (2013: ₹9) being the original cost of a building erected on land taken on lease and depreciated over the period of lease and also includes another building [original cost of ₹2 (2013: ₹2)] erected on land belonging to the contractee who will take over the building at depreciated value in due course.
- (c) Other Adjustments is net of ₹627 (2013: ₹159) being capitalisation of exchange differences on long term foreign currency monetary items relating to Fixed Assets and includes ₹4,114 (2013: ₹2,691) being adjustments on account of exchange fluctuations relating to fixed assets in case of non integral operations.

(All amounts in ₹ Lakhs, unless otherwise stated)

13. Intangible Assets

Particulars	GROSS BLOCK				AMORTISATION				NET BLOCK			
	Original Cost as at 31st March, 2013	Additions during the Year	Disposals during the year	Other Adjustments during the year	Original Cost as at 31st March, 2014	As at 31st March, 2013	For the Year	Disposals during the year	Other Adjustments during the year	As at 31st March, 2014	As at 31st March, 2013	As at 31st March, 2014
Computer	1,299	77	*	1	1,377	948	188	*	*	1,136	351	241
Software - Acquired												
Total	1,299	77	*	1	1,377	948	188	*	*	1,136	351	241
As at 31st March, 2013	945	354	-	-	1,299	776	172	-	-	948		351

* Amount is below the rounding off norm adopted by the Group.

13A. Intangible Assets under Development

	As at 31st March, 2014	As at 31st March, 2013
Construction Cost	1,486	1,486
Finance Costs	652	644
Salaries and Wages	33	18
Rent	*	*
Rates and Taxes	*	*
Bank Charges	*	*
Depreciation on Tangible Assets	*	*
Miscellaneous Expenses	100	397
	2,271	2,545
Less : Other Income		
Miscellaneous Income	14	6
Total	2,257	2,539

* Amount is below the rounding off norm adopted by the Group.

The above represents cost pertaining to development of rights, obtained in consideration for rendering services for construction of highway projects, to collect toll revenue during the concession period in respect of Build-Operate-Transfer projects undertaken by the Group.

(All amounts in ₹ Lakhs, unless otherwise stated)

	As at 31st March, 2014	As at 31st March, 2013
14. Non-current Investments		
Trade Investments		
Unquoted		
Investments in Equity Instruments		
Investments in Associates [Refer Note 1.23(iii)]		
50,275,800 (2013: 50,275,800) Equity Shares of ₹10/- each of Shree Jagannath Expressways Private Limited -Fully paid up [Refer (a) below]	10,363	8,259
23,997,600 (2013: 15,998,400) Equity Shares of ₹10/- each of Raichur Sholapur Transmission Company Limited.-Fully paid up [Refer (b) below]	2,375	1,577
Sub - Total	12,738	9,836
Other than Trade Investments (Valued at cost unless stated otherwise)		
Unquoted		
Others:		
Investments in Equity Instruments		
5 (2013: 5) Fully paid-up Ordinary Shares of ₹50/- each in Mercantile Apartments Co-operative Housing Society Ltd., Mumbai - Face value ₹250/-	*	*
5 (2013: 5) Fully paid-up Ordinary Shares of ₹50/- each in Pallavi Beach Angle Co-operative Housing Society Ltd., Mumbai - Face value ₹250/-	*	*
5 (2013: 5) Fully paid-up Ordinary Shares of ₹50/- each in Borlo Co-operative Housing Society Ltd.,Chembur, Mumbai - Face value ₹250/-	*	*
5 (2013: 5) Fully paid-up Ordinary Shares of ₹50/- each in Saket Co-operative Housing Society Ltd., Mumbai - Face value ₹250/-	*	*
Quoted		
Others:		
Investments in Equity Instruments		
20,000 (2013: 20,000) Equity Shares of ₹10/- each (₹5/- paid up) of Parasrampur Synthetics Ltd. @	1	1
Less: Provision for diminution in carrying amount of Investments	(1)	(1)
4,700 (2013: 4,700) Equity Shares of ₹10/- each of Pennar Patterson Securities Ltd.- Fully Paid up @	2	2
Less: Provision for diminution in carrying amount of Investments	(2)	(2)
370,500 (2013: 370,500) Equity Shares of ₹2/- each of Emami Paper Mills Limited - Fully paid up	185	185
Less: Provision for diminution in carrying amount of Investments	(60)	-
165,450 (2013: 110,300) Equity Shares of ₹1/- each of Emami Limited - Fully paid up (55,150 Shares received as bonus shares during the year)	434	434
17,500 (2013: 17,500) Equity Shares of ₹2/- each of Dalmia Bharat Sugar and Industries Limited - Fully paid up	70	70
Less: Provision for diminution in carrying amount of Investments	(41)	-
17,500 (2013: 17,500) Equity Shares of ₹2/- each of Dalmia Bharat Enterprises Limited - Fully paid up [Refer (c) below]	-	-
2,000,000 (2013: 2,000,000) Equity Shares of ₹10/- each of Electrosteel Steels Limited - Fully paid up	205	205
Less: Provision for diminution in carrying amount of Investments	(92)	-
Sub - Total	701	894
Total	13,439	10,730

* Amount is below the rounding off norm adopted by the Group.

(All amounts in ₹ Lakhs, unless otherwise stated)

	As at 31st March, 2014	As at 31st March, 2013
14. Non-current Investments (contd..)		
Aggregate amount of Quoted Investments	701	894
Market Value of Quoted Investments other than that marked @ for which year-end official quotation is not available	1,073	877
Aggregate amount of Unquoted Investments	12,738	9,836
Aggregate provision for diminution in carrying amount of investments	196	3

	As at 31st March, 2014	As at 31st March, 2013
a) Investment in Shree Jagannath Expressways Private Limited (Associate Company)		
Share in Net Assets on Acquisition	5,027	5,027
Add: Goodwill arising on Acquisition	1,500	1,500
	6,527	6,527
Add: Share in post acquisition Capital Reserve (Refer Note 3)	3,836	1,732
	10,363	8,259

The Group has pledged 25,640,658 (2013: 25,640,658) Equity Shares of Shree Jagannath Expressways Private Limited in favour of Axis Trustee Services Ltd., Security Trustee for the benefit of consortium of lending Banks.

	As at 31st March, 2014	As at 31st March, 2013
b) Investment in Raichur Sholapur Transmission Company Limited (Associate Company)		
Share in Net Assets on Acquisition (Cost of Investments)	2,400	1,600
Less : Group's share in post acquisition accumulated losses:		
As per last account	(23)	(20)
Loss for the year	(2)	(3)
	2,375	1,577

The Group has pledged 6,397,227 (2013: 4,797,920) Equity Shares of Raichur Sholapur Transmission Company Limited in favour of IDBI Trusteeship Services Limited, Security Trustee for the benefit of Axis Bank Limited (DIFC Branch), Lender.

- Acquired in earlier year without consideration pursuant to a Scheme of Arrangement between Dalmia Cement (Bharat) Limited (DCBL) and Dalmia Bharat Enterprises Limited involving demerger of certain business of DCBL.
- For classification of investments in accordance with AS-13: Accounting for Investments, refer Note 42.
- Refer Note 33(d)(ii) for certain undertakings given by SIMPLEX in respect of its Non-current Investments.

(All amounts in ₹ Lakhs, unless otherwise stated)

	As at 31st March, 2014	As at 31st March, 2013
15. Long-term Loans and Advances		
Unsecured, Considered Good		
Capital Advances	2,600	2,351
Security Deposits	611	623
Deposit for Contract	6	6
Advance against Investments	490	490
Deposit under Investment Deposit Scheme	15	15
Claim Recoverable	473	473
Receivable relating to forward contracts	908	551
Total	5,103	4,509

	As at 31st March, 2014	As at 31st March, 2013
16. Other Non-current Assets		
Unsecured, Considered Good		
Unamortised Premium on Forward Contracts	369	532
Tools (Refer Note 39)	11,347	14,197
Long Term Deposits with Banks with Maturity period more than 12 months [Refer (a) below]	403	361
Total	12,119	15,090

(a) Includes ₹3 (2013: ₹2) held as Margin money against bank guarantee.

	As at 31st March, 2014	As at 31st March, 2013
17. Current Investments		
Unquoted		
Other than Trade Investments		
Investments in Government or Trust Securities (valued at cost)		
6 Year National Savings Certificates (Matured) (Lodged as Security Deposits)	*	*
7 Year National Savings Certificates (Matured) (Lodged as Security Deposits)	*	*
Investments in Mutual Funds (valued at lower of cost and fair value)		
LIC Nomura Mutual Fund - Daily Dividend Plan	49	66
Axis Liquid Fund - Daily Dividend Reinvestment	98	221
Total	147	287
Aggregate amount of Unquoted Investments	147	287

* Amount is below the rounding off norm adopted by the Group.

(a) For classification of investments in accordance with AS-13: Accounting for Investments, refer Note 42.

(All amounts in ₹ Lakhs, unless otherwise stated)

	As at 31st March, 2014	As at 31st March, 2013
18. Inventories		
At lower of cost and net realisable value		
Work-in-progress [Refer (a) below]	16,903	12,128
Stock-in-Trade - Traded Goods	85	-
Construction Materials [includes in transit ₹272 (2013: ₹577)]	56,473	52,443
Stores and Spares	10,705	9,382
Loose Tools	7,526	5,832
Total	91,692	79,785

(a) Represents construction work at initial stage including site development activities as indicated in Note 1.10.

	As at 31st March, 2014	As at 31st March, 2013
19. Trade Receivables		
Unsecured considered good, unless otherwise stated		
Outstanding for a period exceeding six months from the date they are due for payment		
Considered Good	92,697	89,920
Considered Doubtful	1,143	780
Less: Provision for doubtful debts	(1,143)	(780)
Others [Refer (a) below]	123,038	140,571
Total	215,735	230,491

(a) Includes retention money ₹59,150 (2013: ₹61,360) not due for payment as per related terms of contract.

	As at 31st March, 2014	As at 31st March, 2013
20. Cash and Bank Balances		
Cash and Cash Equivalents		
Cash on hand	75	33
Remittances in transit	5,947	269
Balances with Banks on current accounts	2,960	7,207
Fixed Deposits (less than 3 months maturity)	327	303
Unpaid Dividend Accounts @	18	18
	9,327	7,830
Other Bank Balances		
Deposit Accounts lodged as Security Deposits	9	8
Term Deposits with maturity more than 3 months and up to 12 months [Refer (a) below]	6	414
Term Deposits with maturity more than 12 months (Current Portion) [Refer (b) below]	42	51
Total	9,384	8,303

@ Earmarked for payment of unclaimed dividend.

(a) Includes ₹5 (2013: ₹1) held as Margin money against bank guarantee.

(b) Held as Margin money against bank guarantee.

(All amounts in ₹ Lakhs, unless otherwise stated)

	As at 31st March, 2014	As at 31st March, 2013
21. Short-term Loans and Advances		
Unsecured considered good, unless otherwise stated		
Security deposits		
Considered Good	5,648	5,813
Considered Doubtful	7	6
Less: Provision for Doubtful Security deposit	(7)	(6)
Loans and advances to related parties:		
Associate Companies	2	5
Joint Ventures		
Considered Good	181	311
Considered Doubtful	79	79
Less: Provision for Doubtful loans and advances	(79)	(79)
Inter Corporate Loans	6,530	6,880
Prepaid Expenses	2,733	2,563
Loans and Advances to Employees		
Considered Good	662	673
Considered Doubtful	237	215
Less: Provision for Doubtful loans and advances to employees	(237)	(215)
Deposit for Contracts		
Considered Good	2,239	2,742
Considered Doubtful	5	5
Less: Provision for Doubtful Deposit for Contracts	(5)	(5)
Excise Duty Recoverable	975	970
MAT Credit Entitlement [after set off of ₹483 (2013: ₹Nil) utilised]	2,144	1,790
Claims Recoverable		
Considered Good	5,752	6,016
Considered Doubtful	189	189
Less: Provision for Doubtful Claims	(189)	(189)
Advance to Suppliers for Goods and Services		
Considered Good	10,028	10,020
Considered Doubtful	106	106
Less: Provision for Doubtful Advances	(106)	(106)
Advances to / Balances with Government Authorities (Service Tax, Sales Tax, VAT etc.)	29,003	24,135
Advance Current Tax [Net of Provision and including utilisation of MAT Credit Entitlement ₹483 (2013: ₹Nil)]	7,783	12,544
Receivable relating to forward contracts	69	191
Advance Fringe Benefit Tax (Net of Provision)	9	9
Other recoverables and prepayments	875	657
Total	74,633	75,319

(All amounts in ₹ Lakhs, unless otherwise stated)

	As at 31st March, 2014	As at 31st March, 2013
21. Short-term Loans and Advances (contd..)		
Summarised position of Short-term Loans and Advances		
Unsecured		
Considered Good	74,633	75,319
Considered Doubtful	623	600
Less: Provision for Doubtful Loans and Advances	(623)	(600)
Total	74,633	75,319

	As at 31st March, 2014	As at 31st March, 2013
22. Other Current Assets		
Unsecured considered good, unless otherwise stated		
Accrued Interest on Deposits with Banks and Others	1,710	1,356
Accrued Interest on Loans to a Joint Venture		
Considered Doubtful	3	3
Less: Provision for Doubtful Accrued Interest	(3)	(3)
Unbilled Revenue	196,614	159,731
Accruals under Duty Free Credit Entitlement	248	1,646
Receivable on account of sale of fixed assets	12	-
Unamortised Premium on Forward Contracts	390	219
Total	198,974	162,952
Summarised position of Other Current Assets		
Unsecured		
Considered Good	198,974	162,952
Considered Doubtful	3	3
Less : Provision for Doubtful Other Current Assets	(3)	(3)
Total	198,974	162,952

(All amounts in ₹ Lakhs, unless otherwise stated)

	Year ended 31st March, 2014	Year ended 31st March, 2013
23. Revenue from Operations		
Sale of Services		
Contract Turnover	557,312	586,004
Oil Drilling Service	2,638	2,511
Sale of Products - Traded Goods	767	-
Other Operating Revenues		
Accruals under Duty Free Credit Entitlement	-	313
Miscellaneous Receipts	556	697
Sale of Scrap	268	224
Total	561,541	589,749

	Year ended 31st March, 2014	Year ended 31st March, 2013
24. Other Income		
Dividend Income		
From Long-term Investments	16	12
From Current Investments	3	13
Interest Income	2,456	1,472
Net Gain on sale of a Subsidiary	-	541
Liabilities no longer required written back	1,375	2,155
Excess Provision for gratuity written back	173	-
Other non-operating income	83	99
Total	4,106	4,292

	Year ended 31st March, 2014	Year ended 31st March, 2013
25. Changes in Inventories of Work-in-progress and Stock-in-Trade		
Work-in-progress		
Opening Stock	12,128	14,709
Closing Stock	16,903	12,128
	(4,775)	2,581
Stock-in-Trade		
Opening Stock	-	-
Closing Stock	85	-
	(85)	-
Changes in Inventories of Work-in-progress and Stock-in-Trade - (Increase) / Decrease	(4,860)	2,581

(All amounts in ₹ Lakhs, unless otherwise stated)

	Year ended 31st March, 2014	Year ended 31st March, 2013
26. Employee Benefits Expense		
Salaries and Wages	46,326	47,542
Contribution to Provident and Other Funds	1,083	1,294
Staff Welfare Expenses	1,567	1,588
Total	48,976	50,424

a) Defined Contribution Plans

The Group has recognised, in the Statement of Profit and Loss for the year ended 31st March, 2014 an amount of ₹580 (2013: ₹563) as expenses under defined contribution plans.

b) Post Employment Defined Benefit Plans

i) a) Gratuity (Funded)

The Group provides for gratuity, a defined benefit retirement plan covering eligible employees of SIMPLEX working in India. As per the scheme, the Gratuity Trust fund managed by the Trust, makes payment to vested employees on retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's eligible salary (half month's salary) depending upon the tenure of service subject to a maximum limit of twenty months' salary or amount payable under Payment of Gratuity Act whichever produces higher benefit. Vesting occurs upon completion of five years of service. Liabilities with regard to the Gratuity plan are determined by actuarial valuation as set out in Note 1.15, based upon which, the Group makes contribution to the Gratuity fund.

b) Gratuity (Unfunded)

The Group provides for gratuity, a defined benefit retirement plan, covering eligible employees of a Joint Venture. As per the scheme, gratuity benefit equivalent to eligible salary (half month's salary) depending upon the tenure of service subject to a maximum limit of twenty months' salary or amount payable under Payment of Gratuity Act whichever produces higher benefit. Vesting generally occurs upon completion of five years of service.

Further, the Group also provides for gratuity, a defined benefit retirement plan covering employees of a foreign branch of SIMPLEX. As per the scheme, the Group makes payment to vested employees, on retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's eligible salary (one month's salary) depending upon the tenure of service subject to a maximum limit of twenty month's salary. Vesting occurs upon completion of one year of service.

Liabilities with regard to the aforesaid unfunded gratuity plans are determined by actuarial valuation as set out in Note 1.15.

ii) End of Service Benefit / Severance Pay / Indemnities Benefit Scheme [ESB/SP/IBS] (Unfunded)

The Group provides for End of Service Benefit / Severance Pay / Indemnities Benefit Scheme (unfunded) defined benefit retirement plans covering eligible employees. As per the schemes, the Group makes payment to vested employees on retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's eligible salary for specified number of days (ranging from fifteen days to one month) depending upon the tenure of service (maximum limit varies from one month to twenty four months). Vesting occurs upon completion of one year of service. Liabilities with regard to the End of Service Benefit / Severance Pay / Indemnities Benefit Scheme (unfunded) are determined by actuarial valuation as set out in Note 1.15.

iii) Leave Encashment Scheme [LES] (Unfunded)

The Group provides for accumulated leave benefit for eligible employees payable at the time of retirement from service subject to maximum of ninety / one hundred twenty days and in case of foreign branches actual number of days' undrawn leave based on last drawn salary.

An overseas joint venture company provides for accumulated leave benefit for eligible employees payable at the time of retirement from service based on last drawn salary. Liabilities with regard to leave encashment scheme are determined by actuarial valuation as set out in Note 1.15.

(All amounts in ₹ Lakhs, unless otherwise stated)

26. Employee Benefits Expense (contd..)

The following Table sets forth the further particulars in respect of Gratuity (Funded), Gratuity (Unfunded), ESB/SP/IBS (Unfunded) and LES (Unfunded) of the Group :

	Gratuity (Funded)	Gratuity (Unfunded)	ESB/SP/IBS (Unfunded)	LES (Unfunded)
I. Reconciliation of opening and closing balances of the present value of the Defined Benefit Obligation				
(a) Present Value of Obligation at the beginning of the year	2,631 2,478	12 8	598 503	375 376
(b) Current Service Cost	356 388	10 8	246 245	32 33
(c) Interest Cost	213 199	1 *	49 36	21 25
(d) Actuarial (Gain)/Loss	(490) (37)	(7) (1)	(92) 23	188 117
(e) (Benefits Paid)	(121) (397)	- -	(150) (236)	(251) (180)
(f) Exchange differences of foreign plans	- -	1 (3)	56 27	5 4
(g) Present Value of Obligation at the end of the year	2,589 2,631	17 12	707 598	370 375
II. Reconciliation of opening and closing balances of the Fair Value of Plan Assets				
(a) Fair Value of Plan Assets at the beginning of the year	2,650 2,414	- -	- -	- -
(b) Expected Return on Plan Assets	219 206	- -	- -	- -
(c) Actuarial Gain/(Loss)	33 153	- -	- -	- -
(d) Contributions by employer	102 274	- -	- -	- -
(e) (Benefits Paid)	(121) (397)	- -	- -	- -
(f) Fair Value of Plan Assets as at the end of the year	2,883 2,650	- -	- -	- -

* Amount is below the rounding off norm adopted by the Group.

(All amounts in ₹ Lakhs, unless otherwise stated)

26. Employee Benefits Expense (contd..)

	Gratuity (Funded)	Gratuity (Unfunded)	ESB/SP/IBS (Unfunded)	LES (Unfunded)
III. Reconciliation of the present value of Defined Benefit Obligation in 'I' above and the fair value of Plan Assets in 'II' above				
(a) Present Value of Obligation as at the end of the year	2,589 2,631	17 12	707 598	370 375
(b) Fair Value of Plan Assets as at the end of the year	2,883 2,650	- -	- -	- -
(c) (Asset)/Liability recognised in the Balance Sheet	(294) @ (19)	17 12	707 598	370 375
Recognised under :				
Long-term Provisions (Refer Note 7)	- -	16 12	655 583	201 214
Short-term Provisions (Refer Note 11)	- -	1 *	52 15	169 161
	- -	17 12	707 598	370 375
@ Included in "Other recoverables and prepayments" in Note 21				
* Amount is below the rounding off norm adopted by the Group.				
IV. Expense charged to the Statement of Profit and Loss				
(a) Current Service Cost	356 388	10 8	246 245	32 33
(b) Interest Cost	213 199	1 *	49 36	21 25
(c) Expected Return on Plan Assets	(219) (206)	- -	- -	- -
(d) Actuarial (Gain)/Loss	(523) (190)	(7) (1)	(92) 23	188 117
(e) Total expense charged to the Statement of Profit and Loss	(173) @ 191 #	4 ## 7	203 ## 304	241 ## 175

* Amount is below the rounding off norm adopted by the Group.

@ recognised as 'Excess Provision for Gratuity written back' in Note 24.

recognised under Contribution to Provident and Other Funds in Note 26.

recognised under Salaries and Wages in Note 26.

(All amounts in ₹ Lakhs, unless otherwise stated)

26. Employee Benefits Expense (contd..)

	Gratuity (Funded)	Gratuity (Unfunded)	ESB/SP/IBS (Unfunded)	LES (Unfunded)
V. Category of Plan Assets				
Central Government Securities	685	NA	NA	NA
	585	NA	NA	NA
State Government Securities	511	NA	NA	NA
	483	NA	NA	NA
Public Sector Securities	1,295	NA	NA	NA
	1,245	NA	NA	NA
Private Sector Bonds	250	NA	NA	NA
	210	NA	NA	NA
Bank Balances	42	NA	NA	NA
	92	NA	NA	NA
Others	100	NA	NA	NA
	35	NA	NA	NA
	2,883	NA	NA	NA
	2,650	NA	NA	NA
VI. Actual Return on Plan Assets	252	NA	NA	NA
	359	NA	NA	NA
VII. Principal Actuarial Assumptions as at 31st March, 2014				
(a) Discount Rate (per annum)	9.14%	9.14%	9.14%	9.14%
	8.30%	8.30%	8.30%	8.30%
(b) Expected Rate of Return on Plan Assets (per annum)	8.30%	NA	NA	NA
	8.75%	NA	NA	NA
(c) Salary Escalation				
Permanent Employees	4.00%	4.00%	4.00%	4.00%
	4.00%	4.00%	4.00%	4.00%
Contractual Employees	4.00%	4.00%	-	-
	4.00%	4.00%	-	-

Figures in italics pertain to previous year

(All amounts in ₹ Lakhs, unless otherwise stated)

26. Employee Benefits Expense (contd..)**VIII. Other Disclosures**

	2013-2014				2012-2013				2011-2012				2010-2011				2009-2010			
	Gratuity (Fun-ded)	Gratuity (Un-fund-ed)	ESB/SP (Un-fund-ed)	LES (Un-fund-ed)	Gratuity (Fun-ded)	Gratuity (Un-fund-ed)	ESB/SP (Un-fund-ed)	LES (Un-fund-ed)	Gratuity (Fun-ded)	Gratuity (Un-fund-ed)	ESB/SP (Un-fund-ed)	LES (Un-fund-ed)	Gratuity (Fun-ded)	Gratuity (Un-fund-ed)	ESB/SP (Un-fund-ed)	LES (Un-fund-ed)	Gratuity (Fun-ded)	Gratuity (Un-fund-ed)	ESB/SP (Un-fund-ed)	LES (Un-fund-ed)
a) Present Value of the Plan obligation as at the end of the year	2,589	17	707	370	2,631	12	598	375	2,478	8	503	376	2,092	4	511	279	1,816	2	540	253
b) Fair Value of Plan Assets as at the end of the year	2,883	-	-	-	2,650	-	-	-	2,414	-	-	-	2,118	-	-	-	1,851	-	-	-
c) (Surplus) / Deficit as at the end of the year	(294)	17	707	370	(19)	12	598	375	64	8	503	376	(26)	4	511	279	(35)	2	540	253
d) Experience Adjustments on Plan Obligation [(Gain) / Loss]	(407)	(4)	(33)	203	2	*	74	120	(14)	(1)	109	260	12	1	148	137	(50)	-	88	24
e) Experience Adjustments on Plan Assets [Gain / (Loss)]	33	-	-	-	153	-	-	-	23	-	-	-	8	-	-	-	39	-	-	-

* Amount is below the rounding off norm adopted by the Group.

The estimates of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors.

The expected rate of return on plan assets is based on the portfolio of assets held, investment strategy and market scenario.

The Group expects to contribute ₹Nil (2013: ₹230) to gratuity fund in the next year.

iv) Provident Fund

Provident Fund contributions in respect of employees are made to Trust administered by SIMPLEX and such Trust invests funds following a pattern of investments prescribed by the Government. Both the employer and employee contribute to this Fund and such contributions together with interest accumulated thereon are payable to employees at the time of their separation from SIMPLEX or retirement, whichever is earlier. The benefit vests immediately on rendering of services by the employee. The interest rate payable to the members of the Trust is not lower than the rate of interest declared annually by the Government under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, on account of interest is to be made good by SIMPLEX. In terms of the Guidance on implementing Accounting Standard (AS) 15 on Employee Benefits issued by the Accounting Standards Board of the Institute of Chartered Accountants of India, a provident fund set up by SIMPLEX is treated as a defined benefit plan in view of SIMPLEX's obligation to meet interest shortfall, if any.

(All amounts in ₹ Lakhs, unless otherwise stated)

26. Employee Benefits Expense (contd..)

iv) Provident Fund (contd..)

The Actuary has carried out actuarial valuation of interest rate guarantee obligations as at the Balance Sheet date using Projected Unit Credit Method and Deterministic Approach as outlined in the Guidance Note 29 issued by the Institute of Actuaries of India. Based on such valuation, there is no future anticipated shortfall with regard to interest rate guarantee obligation of SIMPLEX as at the Balance Sheet date. Further during the year, SIMPLEX's contribution of ₹503 (2013: ₹540) to the Provident Fund Trust, has been expensed under "Contribution to Provident and Other Funds". Disclosures given hereunder are restricted to the information available as per the Actuary's report.

Principal Actuarial Assumptions	Year ended 31st March, 2014	Year ended 31st March, 2013
Discount Rate	9.19%	8.07%
Expected Investment Return	8.88%	8.72%
Guaranteed Interest Rate	8.75%	8.50%

	Year ended 31st March, 2014	Year ended 31st March, 2013
27. Finance Costs		
Interest Expense	33,090	26,070
Other Borrowing Costs	403	2,924
Total	33,493	28,994

	Year ended 31st March, 2014	Year ended 31st March, 2013
28. Depreciation and Amortisation Expense		
Depreciation on Tangible Assets	13,821	13,329
Amortisation on Intangible Assets	188	172
Total	14,009	13,501

(All amounts in ₹ Lakhs, unless otherwise stated)

	Year ended 31st March, 2014	Year ended 31st March, 2013
29. Other Expenses		
Consumption of Stores and Spare Parts	13,216	12,039
Power and Fuel	11,711	13,206
Rent	8,337	8,018
Repairs to Buildings	160	130
Repairs to Machinery	11,608	8,901
Repairs to Others	1,242	1,411
Insurance	2,975	2,834
Rates and Taxes (includes Wealth Tax ₹8; 2013: ₹9)	548	537
Sub-Contractors' Charges	144,440	151,118
Equipment Hire Charges	14,651	19,034
Freight and Transport	5,472	6,086
Bad Debts /Advances written off [Net of Provision written back ₹Nil (2013: ₹43)]	46	22
Provision for doubtful debts and advances	386	771
Provision for diminution in value of long - term Investments	193	-
Expenses of Windmill	-	-
Derivative Loss	362	141
Net Loss on disposal of Fixed Assets	54	93
Net loss on foreign currency transaction and translation [Refer (a) below]	1,217	638
Tools written off	6,987	7,130
Bank Charges	22	20
Miscellaneous Expenses	40,446	35,490
Total	264,073	267,619
(a) Includes amortisation of Foreign Currency Monetary Items Translation Difference	831	745

30. (a) The Consolidated Financial Statements comprise the financial statements of the Parent Company, its subsidiaries, joint ventures and associate companies (collectively the 'Group') as detailed below :-

Name of the Entity	Country of Incorporation / Residence	Ownership in % either directly or through subsidiaries @	
		As at 31st March, 2014	As at 31st March, 2013
(i) Subsidiaries			
Simplex Infrastructures L.L.C.	Sultanate of Oman	70%	70%
Simplex (Middle East) Limited	United Arab Emirates	100%	100%
Simplex Infrastructures Libya Joint Venture Co.	Libya	65%	65%
Simplex Infra Development Limited	India	100%	100%
Maa Durga Expressways Private Limited	India	51%	51%
Jaintia Highway Private Limited	India	100%	100%

(All amounts in ₹ Lakhs, unless otherwise stated)

30. (a) The Consolidated Financial Statements comprise the financial statements of the Parent Company, its subsidiaries, joint ventures and associate companies (collectively the 'Group') as detailed below :- (contd..)

Name of the Entity	Country of Incorporation/ Residence	Ownership in % either directly or through subsidiaries @	
		As at 31st March, 2014	As at 31st March, 2013
(ii) Joint Ventures			
Simplex - Subhash Joint Venture (SSJV)	India	50%	50%
Somdatt Builders - Simplex Joint Venture (SBSJV)	India	50% #	50% #
Simplex - Somdatt Builders Joint Venture (SSBJV)	India	50% #	50% #
Simplex Meinhardt Joint Venture (SMJV)	India	50% #	50% #
Laing - Simplex Joint Venture (LSJV)	India	49% #	49% #
Jaybee Simplex Consortium (JBC)	India	66.67%	66.67%
Simplex Gayatri Consortium (SGC)	India	70%	70%
HO-HUP Simplex Joint Venture (HHSJV)	India	50% #	50% #
Simplex - Somdatt Builders Joint Venture, Assam (SSBJVA)	India	51% #	51% #
Arabian Construction Company - Simplex Infra Private Limited (ACC-SIPL)	India	50%	50%
Simplex - Almoayyed W.L.L. (SAWLL) [Refer (b) below]	Kingdom of Bahrain	49%	49%
Simplex Infrastructures (Thailand) Limited (SITL)	Thailand	48.995%	48.995%
Simplex Infrastructures Limited - Kashmirilal Constructions Company Private Limited JV (SKJV)	India	80% #	80% #
Simplex Navana Joint Venture (SNJV) \$	Bangladesh	49%	-
Simplex Konstruktor Joint Venture (SKOJV) \$	Sultanate of Oman	52%	-
(iii) Associates			
Shree Jagannath Expressways Private Limited	India	34%	34%
Raichur Sholapur Transmission Company Limited	India	33.33%	33.33%

@ Represents the holding percentage of the respective entities and does not indicate the effective percentage holding of the Group.

The above proportion of ownership interest of the Venture's have been modified, inter se, based on the revised scope of work of the individual venturer in terms of the relevant clauses of the Joint Venture Agreement, Supplementaries thereof and Working Agreement etc., and with a stipulation to pay a guaranteed profit to the venturers in appropriate cases. The Consolidated Financial Statements are prepared accordingly.

\$ Formed during the year.

- (b) All Components of the Group follow same reporting date as that of the Parent Company i.e. 31st March with the exception of SAWLL, a Joint Venture, whose reporting date is 31st December. The audited financial statements of SAWLL has been consolidated as of the reporting date i.e. 31st December, 2013 with significant transactions of next three months, if any.

(All amounts in ₹ Lakhs, unless otherwise stated)

31. (i) The Group's financial interest in the Joint Ventures accounted for using proportionate consolidation principles based on its financial statements are set out below :

	SSJV	SBSJV	SSBJV	SMJV	LSJV	JBC	SAWLL	SITL	SGC	HHSJV	SSBJVA	ACC-SIPL	SKJV	SNJV	SKOJV
Post acquisition Reserves and Surplus as at 31st March, 2014															
Foreign Currency Translation Reserve Account	-	-	-	-	-	-	33	(23)	-	-	-	-	-	-	-
	-	-	-	-	-	-	38	(23)	-	-	-	-	-	-	-
Surplus in Statement of Profit and Loss	19	202	971	23	226	117	(80)	(93)	205	(237)	61	(46)	23	91	-
	107	189	962	20	226	105	(79)	(90)	186	(244)	37	(52)	*	-	-
Total	19	202	971	23	226	117	(47)	(116)	205	(237)	61	(46)	23	91	-
	107	189	962	20	226	105	(41)	(113)	186	(244)	37	(52)	*	-	-
Liabilities as at 31st March, 2014															
Non-current Liabilities															
Deferred Tax Liabilities (Net)	-	16	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	11	-	-	-	-	-	-	-	-	-	-	-	-	-
Long-term Provisions	-	-	-	-	-	-	7	-	-	-	-	4	-	-	-
	-	-	-	-	-	-	17	-	-	-	-	4	-	-	-
Current Liabilities															
Short-term Borrowings	-	-	-	-	-	-	-	84	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	83	-	-	-	-	-	-	-
Trade Payables	*	4,330	703	2,018	1,001	27	86	-	768	1,659	4,870	1,819	202	361	3,174
	*	2,950	814	1,728	2,698	60	97	*	768	1,659	2,722	2,513	*	-	-
Other Current Liabilities	10	378	121	5	68	67	28	14	2	326	943	637	1,359	578	8,815
	14	355	118	41	69	67	22	14	*	376	2,059	1,373	1,448	-	-
Short-term Provisions	-	5	-	-	-	10	26	-	-	-	-	*	-	-	-
	-	-	-	-	-	-	10	-	-	-	-	*	-	-	-
Total	10	4,729	824	2,023	1,069	104	147	98	770	1,985	5,813	2,460	1,561	939	11,989
	14	3,316	932	1,769	2,767	127	146	97	768	2,035	4,781	3,890	1,448	-	-

Figures in normal type relate to previous year

* Amount is below the rounding off norm adopted by the Group.

Consolidated Notes to the Financial Statements of Simplex Infrastructures Limited and its Subsidiaries (contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

31. (i) The Group's financial interest in the Joint Ventures accounted for using proportionate consolidation principles based on its financial statements are set out below : (contd..)

	SSJV	SBSJV	SSBJV	SMJV	LSJV	JBC	SAWLL	SITL	SGC	HHSJV	SSBJVA	ACC-SIPL	SKJV	SNJV	SKOJV
Assets as at 31st March, 2014															
Non-current Assets															
Fixed Assets															
Tangible Assets	-	217	-	-	-	6	4	-	-	211	-	-	-	8	-
	-	233	-	-	-	6	11	1	-	233	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	*	-	-	-	-	-	-	-
Long-term Loans and Advances	-	-	-	-	-	-	-	-	-	473	-	-	-	-	-
	-	-	-	-	-	-	-	*	-	473	-	-	-	-	-
Other Non - current Assets	-	-	-	-	-	-	-	-	-	396	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	354	-	-	*	-	-
Current Assets															
Inventories	-	-	-	-	-	-	-	-	-	-	-	-	-	174	-
	-	-	-	-	-	-	*	-	-	-	-	-	-	-	-
Trade Receivables	-	4,659	1,522	199	1,144	201	53	-	578	578	1,499	1,214	85	691	2,407
	-	3,150	1,455	198	2,862	182	91	-	578	578	1,146	366	-	-	-
Cash and Bank Balances	6	3	2	243	1	11	118	-	327	5	106	88	13	50	7
	58	3	5	9	1	11	67	2	306	33	32	72	85	-	-
Short-term Loans and Advances	23	52	271	145	150	3	314	-	67	27	922	1,136	1,365	107	9,081
	62	119	434	186	130	32	283	-	69	55	2,131	1,148	1,363	-	-
Other Current Assets	-	-	-	1,459	-	*	1	-	3	58	3,347	-	121	-	494
	1	-	-	1,396	-	1	5	-	1	65	1,509	2,278	*	-	-
Total	29	4,931	1,795	2,046	1,295	221	490	-	975	1,748	5,874	2,438	1,584	1,030	11,989
	121	3,505	1,894	1,789	2,993	232	457	3	954	1,791	4,818	3,864	1,448	-	-
Revenue for the year 2013-2014															
Revenue from Operations	-	1,046	309	165	-	-	213	-	-	-	3,511	5,150	1,002	1,575	3,208
	53	-	442	139	-	-	201	-	-	-	3,127	5,796	-	-	-
Other Income	14	20	37	*	-	*	10	-	27	39	46	-	*	-	-
	4	-	-	-	-	5	11	-	24	36	76	-	*	-	-
Total	14	1,066	346	165	-	*	223	-	27	39	3,557	5,150	1,002	1,575	3,208
	57	-	442	139	-	5	212	-	24	36	3,203	5,796	*	-	-

Figures in normal type relate to previous year

* Amount is below the rounding off norm adopted by the Group.

(All amounts in ₹ Lakhs, unless otherwise stated)

31. (i) The Group's financial interest in the Joint Ventures accounted for using proportionate consolidation principles based on its financial statements are set out below : (contd..)

	SSJV	SBSJV	SSBJV	SMJV	LSJV	JBC	SAWLL	SITL	SGC	HHSJV	SSBJVA	ACC-SIPL	SKJV	SNJV	SKOJV
Expenses for the year 2013-2014															
Construction Materials Consumed	-	-	-	-	-	-	107	-	-	-	-	-	-	647	-
Changes in Inventories of Work - in - progress	-	-	-	-	-	-	94	-	-	-	-	-	-	-	-
Employee Benefits Expense	-	-	-	-	-	-	34	-	-	-	-	198	-	74	-
Finance Costs	-	-	-	-	-	-	29	-	-	-	-	221	-	-	-
Depreciation and Amortisation Expense	-	15	-	-	-	*	10	*	-	22	-	-	-	1	-
Other Expenses	32	1,032	331	161	*	(18)	73	3	-	1	3,442	4,947	953	677	3,208
	50	1	432	136	1	(2)	45	5	-	1	3,065	5,648	*	-	-
Total	32	1,047	331	161	*	(18)	224	3	-	23	3,489	5,145	953	1,399	3,208
	50	16	432	136	1	(1)	284	5	-	23	3,141	5,869	*	-	-
Results															
Profit / (Loss) before Tax	(18)	19	15	4	*	18	(1)	(3)	27	16	68	5	49	176	-
	7	(16)	10	3	(1)	6	(72)	(5)	24	13	62	(73)	*	-	-
Current Tax	-	*	6	1	-	6	-	-	8	9	43	-	26	83	-
	2	-	5	1	-	2	-	-	8	(18)	39	-	-	-	-
Deferred Tax	-	6	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	*	-	-	-	-	-	-	-	-	-
Profit / (Loss) after Tax	(18)	13	9	3	*	12	(1)	(3)	19	7	25	5	23	93	-
	5	(16)	5	2	(1)	4	(72)	(5)	16	31	23	(73)	*	-	-

(ii) Share in Contingent Liabilities of Joint Ventures for which the Group is contingently liable ₹589 (2013: ₹759).

(iii) There was no capital commitments at the year-end as per accounts of Joint Ventures.

Figures in normal type relate to previous year

* Amount is below the rounding off norm adopted by the Group.

(All amounts in ₹ Lakhs, unless otherwise stated)

	31st March, 2014	31st March, 2013
32. Contingent Liabilities:		
32.1 Claims against the Group not acknowledged as debts		
a) Interest (others)	6	6
b) Professional Tax	4	4
c) Sales Tax / Value Added Tax	11,771	9,163
d) Entry Tax	311	443
e) Excise Duty	1,093	150
f) Income Tax [Also refer item (h) below]	2,638	1,936
g) Service Tax [Also refer item (i) below]	3,144	2,641

- h) The Joint Ventures in the Group claimed certain deduction under the provision of the Income-tax Act, 1961 up to the Assessment year 2009-10. In respect of the Assessment Years 2007-08 to 2009-10 the deduction was disallowed by the Income Tax Authorities and for those Assessment Years, Joint Venture's appeals are currently pending before the said appellate authorities. However, on the basis of legal opinion obtained, Joint Ventures, being eligible to such benefit, have challenged the issue by a writ petition before the Hon'ble Calcutta High Court and obtained interim stay order from the said High Court restraining the Tax Authorities from enforcing any demand against Joint Ventures. The estimated tax impact (being proportionate share of SIMPLEX) in this regard is ₹589 (2013: ₹589).
- i) Show-cause cum demand notices for ₹9,892 (2013: ₹9,892) on certain matter up to 2008 - 09 relating to Service Tax issued by the concerned Tax Authorities in Kolkata during previous years have been challenged by SIMPLEX by writ petitions currently pending before the Hon'ble Calcutta High Court. Department has issued show-cause cum demand notices for ₹2,122 (2013: ₹Nil) on similar matter for which SIMPLEX is in the process of filing writ petition before the Hon'ble Calcutta High Court. Further, show-cause cum demand notices aggregating ₹1,585 (2013: ₹1,585) on similar matter relating to Service Tax issued by the concerned Tax Authorities in Delhi during previous years have also been challenged by SIMPLEX and currently the matter is pending before the Hon'ble Supreme Court of India. According to a legal opinion obtained in this regard, the contention of the Tax Authorities and consequent demand of Service Tax is not valid in law. Based on the aforesaid legal opinion the management is of the view that disputed tax amount, though not admitted, in this regard should not exceed ₹1,206 (2013: ₹1,057).

	31st March, 2014	31st March, 2013
32.2 Guarantees		
i) Corporate Guarantees given to Banks against credit facilities extended to third parties.		
a) In respect of Subsidiary @	10,166	9,394
b) In respect of Associate #	23,725	21,496
ii) Bank Guarantees		
a) In respect of Joint Ventures	2,241	1,918
b) In respect of Associates	-	13,590
c) In respect of other Body Corporate	50	1,190

@ Represents amount of credit facilities utilised against corporate guarantee given to banks of ₹78,253 (2013: ₹20,903).

Corporate Guarantee outstanding as at 31 March, 2014 given to the Lender for any shortfall of funds for repayment of last instalment of facility given amounting to USD 196 Lakhs (Equivalent ₹11,743) [2013: USD 196 Lakhs (Equivalent ₹10,640)], has been jointly provided by SIMPLEX with its consortium members. Further, Corporate Guarantee has also been jointly provided with its consortium members for any adverse variation in foreign currency exchange rate at the time of repayment of facility given, other than the aforesaid last instalment, subject to maximum limit of USD 200 Lakhs (Equivalent ₹11,982) [2013: USD 200 Lakhs (Equivalent ₹10,856)]. In terms of the Deed of Guarantee, guarantors' obligations are joint and several.

(All amounts in ₹ Lakhs, unless otherwise stated)

32. Contingent Liabilities: (contd..)

32.3 In respect of the contingent liabilities mentioned in Note 32.1 above, pending resolution of the respective proceedings, it is not practicable for the Group to estimate the timings of cash outflows, if any. In respect of matter mentioned in Note 32.2 above, the cash outflows, if any, could generally occur during the validity period of the respective guarantees. The Group does not expect any reimbursements in respect of the above contingent liabilities, other than the matter set out in Note 32.2 (i)(b) above.

	31st March, 2014	31st March, 2013
32.4 Other money for which the Group is contingently liable		
Bills Discounted with Bank	351	-

	31st March, 2014	31st March, 2013
33. Commitments		
a) Estimated amount of contracts remaining to be executed on capital account and not provided for	5,556	889
b) Uncalled liability on partly paid shares	1	1
c) Estimated amount of committed funding by way of equity to an associate company	267	1,067

d) Other Commitments

i) SIMPLEX has given, inter alia, the following non-disposal undertakings:

- To National Highways Authority of India, to invest and maintain at all times either by itself and/or through its associates/subsidiaries/affiliates together with its other sponsors/shareholders, not less than 51% of the issued and paid up equity share capital of Maa Durga Expressways Private Limited (MDEPL), a subsidiary company, during construction period of the project being executed by MDEPL and two years thereafter.
- To National Highways Authority of India, to invest and maintain at all times either by itself and/or through its associates/subsidiaries/affiliates together with its other sponsors/shareholders, not less than 51% of the issued and paid up equity share capital of Jaintia Highway Private Limited (JHPL), a subsidiary company, during construction period of the project being executed by JHPL and two years thereafter.
- To the lender of MDEPL, a subsidiary company, to hold and continue to hold at all times either by itself and/or through its associates/subsidiaries/ affiliates, together with its other sponsors/shareholders, at least 51% of the issued and paid up equity share capital, up to the final settlement date of facility given.
- To the lender of JHPL, a subsidiary company, to hold and continue to hold at all times either by itself and/or through its associates/subsidiaries/ affiliates, together with its other sponsors/shareholders, at least 51% of the issued and paid up equity share capital, up to the final settlement date of facility given.

ii) SIMPLEX has given, inter alia, the following undertakings in respect of Non-current Investments :

- To National Highways Authority of India, to hold together with its associates, other sponsors/shareholders, not less than 26% of the issued and paid up equity share capital in Shree Jagannath Expressways Private Limited (SJEPL), an associate company, during construction period of the project being executed by SJEPL and two years thereafter. As at 31st March, 2014, the Group holds 50,275,800 (2013: 50,275,800) equity shares of ₹10/- each fully paid up of SJEPL (Note 14) representing 34% (2013: 34%) of the total paid up equity share capital of SJEPL.

(All amounts in ₹ Lakhs, unless otherwise stated)

33. Commitments (contd..)

d) Other Commitments (contd..)

(b) To Long Term Transmission Customers, to hold together with its other sponsors/shareholders, not less than 51% in the issued and paid up equity share capital of Raichur Sholapur Transmission Company Limited (RSTCL), an associate company, up to a period of two years after Commercial Operation Date of the project being executed by RSTCL and not less than 26% in the issued and paid up equity share capital of RSTCL for a period of three years thereafter. As at 31st March, 2014, the Group holds 23,997,600 (2013: 15,998,400) equity shares of ₹10/- each fully paid up of RSTCL (Note 14) representing 33.33% (2013: 33.33%) of the total paid up equity share capital of RSTCL.

(c) To the lender of RSTCL, an associate company, to hold together with its other sponsors/shareholders, at least 51% of issued and paid up equity share capital, up to the final settlement date of facility given.

(d) To the lender of SJEPL, an associate company, to hold together with its associates and/or affiliates, other sponsors/shareholders, the management and control, up to the final settlement date of facility given.

34. (a) The Group has entered into non-cancellable operating lease for office, warehouses and employee accommodation. Terms of the lease include renewal of the lease period at the end of the non-cancellable period, increase in rent in future periods, etc. The obligation for non-cancellable operating lease is ₹1,249 (2013: ₹878) payable within one year and ₹1,606 (2013: ₹1,609) payable later than one year but not later than five years and payable after five years ₹1,156 (2013: ₹1,447) as on 31st March, 2014.

(b) The Group has entered into cancellable operating lease for office, warehouses, employee accommodation and equipments. Tenure of leases generally vary between 6 months to 3 years. Terms of the lease include operating term for renewal, terms of cancellation, etc.

(c) Lease payments in respect of (a) and (b) above are recognised in the Statement of Profit and Loss under the heads 'Rent' and 'Equipment Hire Charges' in Note 29.

	2013-2014	2012-2013
35. Information in accordance with the requirements of the Accounting Standard (AS) 7 on 'Construction Contracts' prescribed under the Act.		
Contract revenue recognised for the year ended 31st March, 2014	557,312	586,004
Aggregate amount of contract costs incurred and recognised profits (less recognised losses) up to 31st March, 2014 for all the contracts in progress	1,803,546	1,712,131
The amount of customer advances outstanding for contracts in progress as at 31st March, 2014	90,203	102,576
The amount of retention due from customers for contracts in progress as at 31st March, 2014	33,380	51,959
Gross amount due from customers for contracts in progress	211,151	169,612
Gross amount due to customers for contracts in progress	2,884	2,187

(All amounts in ₹ Lakhs, unless otherwise stated)

36. Related Party Disclosures pursuant to Accounting Standard 18 prescribed under the Act.

Parties with whom transactions were carried out during the year etc.

Names of Related Parties	Relationship
Simplex – Gayatri Consortium	Joint Venture
HO-HUP Simplex Joint Venture	- Do -
Simplex - Subhash Joint Venture	- Do -
Somdatt Builders - Simplex Joint Venture	- Do -
Simplex Almoayyed W.L.L.	- Do -
Simplex - Somdatt Builders Joint Venture	- Do -
Laing - Simplex Joint Venture	- Do -
Simplex Meinhardt Joint Venture	- Do -
Jaybee Simplex Consortium	- Do -
Simplex Infrastructures (Thailand) Limited	- Do -
Arabian Construction Co - Simplex Infra Private Limited	- Do -
Simplex - Somdatt Builders Joint Venture, Assam	- Do -
Simplex Infrastructures Limited - Kashmirilal Construction Pvt. Ltd. Joint Venture	- Do -
Simplex Navana Joint Venture #	- Do -
Simplex Konstruktor Joint Venture \$	- Do -
Shree Jagannath Expressways Private Limited	Associate
Raichur Sholapur Transmission Company Limited	- Do -
Mr.B.D.Mundhra ##	Key Management Personnel (KMP)
Mr. A.D.Mundhra \$\$	- Do -
Mr.Apurba Mukherjee ##	- Do -
Mr. Rajiv Mundhra	- Do -
Mr.S.Dutta	- Do -
Mr.A K Chatterjee @	- Do -
Mrs. Krishna Devi Mundhra ##	Relative of KMP
Mrs. Yamuna Mundhra	- Do -
Mrs. Savita Bagri	- Do -
Mrs. Sarmistha Dutta	- Do -

with effect from 1 April, 2013

\$ with effect from 13 August, 2013

upto 26 September,2012

\$\$ upto 28 February, 2014

@ with effect from 30 May, 2013

(All amounts in ₹ Lakhs, unless otherwise stated)

36. Related Party Disclosures pursuant to Accounting Standard 18 prescribed under the Act. (contd..)

Parties with whom transactions were carried out during the year etc. (contd..)

Names of Related Parties	Relationship
Mr. Subhabrata Dutta	Relative of KMP
Mr. Sumit Dutta	- Do -
Mrs. Anuja Mundhra	- Do -
Mrs. Savita Mundhra	- Do -
Master Shreyan Mundhra	- Do -
Mr. Sreemohan Das Mundhra ##	- Do -
Mr. B. D. Mundhra	- Do -
Giriraj Apartments Pvt Ltd	Entities over which KMP has significant influence
Mundhra Estates	- Do -
Safe Builders	- Do -
RBS Credit & Financial Development Private Limited	- Do -
Anupriya Consultants Private Limited	- Do -
Baba Basuki Distributors Private Limited	- Do -
Asnew Finance & Investment Private Limited	- Do -
Parop Finance & Investment Private Limited	- Do -
Anjali Trade Links Private Limited	- Do -
Universal Earth Engineering Consultancy Private Limited	- Do -
Varuna Multifin Pvt. Ltd.	- Do -
East End Trading & Engineering Co. Pvt. Ltd.	- Do -
Ajay Merchants Pvt. Ltd.	- Do -
Sandeepan Exports (P) Ltd.	- Do -
Simplex Technologies Pvt. Ltd.	- Do -
Regard Fin-Cap Private Limited	- Do -
Simplex Mining Limited	- Do -
JMS Mining Services Private Limited #	- Do -

with effect from 1 April, 2013

upto 26 September, 2012

(All amounts in ₹ Lakhs, unless otherwise stated)

36. Related party disclosures pursuant to Accounting Standard 18 prescribed under the Act. (contd..)

Name and Relationship	Transactions during the year										Balance outstanding at the year end										
	Dividend Paid	Contract Turnover	Miscellaneous Receipts	Advance Taken/(Repaid)	Rent Paid/Hire Charges	Hire Charges Received/(Refund)	Loans & Advances Given/(Refund)	Provision for Doubtful Advances	Managerial Remuneration	Other Expenses	Interest Expenses	Share of Profit/(Loss) of Associate	Investment made during the year	Reimbursement/(Recovery) of expenses (Net)	Investment Sold during the year	Trade Receivables	Other Current Assets (net of provision)	Loans & Advances (net of provision)	Other Current Liabilities /Trade Payables	Investment (net of provision) [Refer (a) below]	Guarantees Given
Joint Ventures #																					
Simplex-Gayatri Consortium	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	284	-	-	1	1	-
Simplex-Subhash Joint Venture	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4	-	-
Somdatt Builders - Simplex Joint Venture	-	446	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Simplex-Somdatt Builders Joint Venture	-	76 360	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Jaybee Simplex Consortium	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5	-	33	-	-	-
Simplex Meinhardt Joint Venture	-	798 675	-	-	-	-	-	-	-	-	-	-	-	-	-	21	-	33	-	-	168
Simplex Infrastructures (Thailand) Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Simplex-Somdatt Builders Joint Venture, Assam	-	4153 3156	-	-	-	-	-	6	6	-	47 76	-	-	-	-	-	560	-	-	-	-
Arabian Construction Co. - Simplex Infra Private Limited	-	8533 5506	-	(288) (2,761)	-	-	-	-	-	-	-	-	-	51 34	-	1,829 434	3,641 2,164	88 274	521 809	-	2,241 1,750
Simplex Infrastructures Limited - Kashmirilal Construction Pvt. Ltd. Joint Venture	-	655	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Simplex Navana Joint Venture	-	-	2	-	-	121	-	-	-	-	-	-	-	77	-	119	-	59	-	-	-
Simplex Konstruktor Joint Venture	-	-	-	8,928	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8,959	-
Total	-	14,661 9,677	2	8,640 (2,761)	-	121	6	6	-	-	47 76	-	-	128 34	-	2,237 739	4,201 2,164	181 311	9,481 810	-	2,241 1,918
Associate																					
Shree Jagannath Expressways Private Limited	-	25,335 27,465	-	-	-	-	-	-	-	-	-	-	3,127	-	-	420	11,315	-	-	-	6,527 10,530
Reichur Sholapur Transmission Company Limited	-	6,290 2,038	-	(1,297) 1,316	-	-	-	-	-	-	-	(1) (3)	800 902	6 24	-	567 465	54 129	2 1	19 1,316	-	2,375 1,577
Total	-	31,625 29,503	-	(1,297) 1,316	-	-	-	-	-	-	-	(1) (3)	800 4,029	6 27	-	987 597	11,369 9,657	2 5	19 7,661	-	8,902 8,104
Key Management Personnel (KMP)																					
Mr B.D. Mundhra	-	56	-	-	-	-	-	-	42	-	-	-	-	-	-	-	-	-	-	-	-
Mr A.D. Mundhra	-	20	-	-	-	-	-	-	55	-	-	-	-	-	-	-	-	-	4	-	-
Mr. Rajiv Mundhra	-	18	-	-	-	-	-	-	53	-	-	-	-	-	-	-	-	-	4	-	-
Mr. Apurba Mukherjee	-	37	-	-	-	-	-	-	53	-	-	-	-	-	-	-	-	-	4	-	-
Mr. S.Dutta	-	*	-	-	-	-	-	-	40	-	-	-	-	-	-	-	-	-	-	-	-
Mr. A.K. Chatterjee	-	*	-	-	-	-	-	-	45	-	-	-	-	-	-	-	-	-	3	-	-
Mr. A.K. Chatterjee	-	*	-	-	-	-	-	-	45	-	-	-	-	-	-	-	-	-	4	-	-
Total	-	38 133	-	-	-	-	-	-	198 239	-	-	-	-	-	-	-	-	-	-	11 11	-
Relatives of KMP																					
Mrs. Yamuna Mundhra	-	23 46	-	-	1 1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mrs. Krishna Devi Mundhra	-	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mrs. Savita Bagri	-	*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Subhabrata Dutta	-	-	-	-	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mrs. Sarmistha Dutta	-	-	-	-	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Sumit Dutta	-	-	-	-	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mrs. Anuja Mundhra	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

(All amounts in ₹ Lakhs, unless otherwise stated)

36. Related party disclosures pursuant to Accounting Standard 18 prescribed under the Act. (contd..)

Name and Relationship	Transactions during the year										Balance outstanding at the year end											
	Dividend Paid	Contract Turnover	Miscellaneous Receipts	Advance Taken/ (Repaid)	Rent Paid/ Hire Charges	Hire Charges Received/ Receivable	Loans & Advances Given/ (Refund)	Provision for Doubtful Advances	Managerial Remuneration	Other Expenses	Interest Expenses	Share of Profit/ (Loss) of Associate	Investment made during the year	Reimbursement/ (Recovery) of expenses (Net)	Investment Sold during the Year	Trade Receivables	Other Current Assets (net of provision)	Loans & Advances (net of provision)	Other Current Liabilities /Trade Payables	Investment (net of provision) [Refer (a) below]	Guarantees Given	
Relatives of KMP (contd..)																						
	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	28	-	-	-	-	-	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	
		-	-	-	-	-	-	-	-	*	-	-	-	-	-	-	-	-	-	-	-	
	55	-	-	-	10	-	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-
	61	-	-	-	10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Entities over which KMP has significant influence																						
	1	-	-	-	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	2	-	-	-	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	-	-	-	-	3	-	1	-	-	-	-	-	-	-	-	-	-	2	-	-	-	
	-	-	-	-	3	-	-	-	-	-	-	-	-	-	-	-	-	1	-	-	-	
	-	-	-	-	4	-	-	-	-	-	-	-	-	-	-	-	-	1	-	-	-	
	-	-	-	-	4	-	-	-	-	-	-	-	-	-	-	-	-	1	-	-	-	
	45	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	90	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	71	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	142	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	40	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	15	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	13	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	25	-	-	-	-	-	-	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-
*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
-	286	*	-	-	-	-	-	-	-	-	-	-	-	-	4,370	-	-	-	-	-	-	
-	286	*	-	-	9	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
-	351	-	-	-	9	-	-	-	-	-	-	-	-	-	4,370	-	-	9	26	-	50	
Grand Total	269	46,572	2	7,343	19	121	1	-	198	1	47	(1)	800	267	-	3,224	15,570	192	9,537	8,902	38,999	
	545	39,180	-	(1,445)	19	-	6	6	239	*	76	(3)	4,029	61	4,370	1,336	11,821	319	8,482	8,104	37,004	

* Amount is below the rounding off norm adopted by the Group.

Transactions and balances relating to Joint Ventures are net of amounts considered in these accounts under proportionate consolidation method.

Figures in italics pertain to previous year

(a) Refer Notes 33(d)(i) and 33(d)(ii) for certain undertakings given by the Group.

(All amounts in ₹ Lakhs, unless otherwise stated)

	2013-2014	2012-2013
37. Computation of Earnings per Equity Share (Basic and Diluted)		
(I) Basic		
(a) (i) Number of Equity Shares at the beginning of the year	49,472,330	49,472,330
(ii) Number of Equity Shares at the end of the year	49,472,330	49,472,330
(iii) Weighted average number of Equity Shares outstanding during the year	49,472,330	49,472,330
(iv) Face Value of each Equity Share (In ₹)	2/-	2/-
(b) Amount of Profit after tax attributable to Equity Shareholders of the Parent Company		
Profit for the period	5,847	5,325
(c) Basic Earnings per Equity Share [(b)/(a)(iii)]	11.82	10.76
(II) Diluted		
(a) Dilutive Potential Equity Shares	-	-
(b) Diluted Earnings per Equity Share [Same as (I)(c) above]	11.82	10.76

38. Depreciation for the year and year-end Accumulated Depreciation includes ₹414 (2013: ₹427) and ₹2,710 (2013: ₹2,085) respectively which have been measured and recognised by certain subsidiaries, joint venture companies and an associate company by applying different depreciation rates/policies, as indicated in Notes 1.4(vi) and 1.4(vii), as compared to those applied by the Parent Company. It is not practicable to use uniform policy in this regard in preparing the Consolidated Financial Statements. Had the uniform depreciation rates/policy of the Parent Company been applied, the impact thereof in the expenditure for the year and year-end carrying amounts of assets is not ascertainable at this stage.

39. Other Non-current Assets – Tools

Tools represent various construction accessories which are expected to be used in construction over a period beyond normal operating cycle.

These are initially recorded at cost and carried thereafter at below cost after considering write-off based on their usage.

40. Derivative instruments and unhedged foreign currency exposure

(a) Derivatives outstanding as at the reporting date

Particulars	Purpose	As at 31st March, 2014			As at 31st March, 2013		
		Currency	Amount in foreign currency	Amount in ₹ Lakhs	Currency	Amount in foreign currency	Amount in ₹ Lakhs
Forward Contracts	Hedge of Foreign Currency Loans	USD	16,039,727	9,609	USD	16,415,367	8,910
	Hedge of Foreign Currency Receivables	USD	425,000	255	USD	5,000,000	2,714
Currency Swaps	Hedge of Foreign Currency Loans	JPY	-	-	JPY	61,794,118	356
Interest Rate Swaps/ Coupon Swaps	Hedge of Floating Interest Rate and Interest Amount on Foreign Currency Loans	JPY	-	-	JPY	61,794,118	356
	Hedge of Floating Interest Rate and Interest Amount on Foreign Currency Loans	USD	11,700,805	7,010	USD	8,929,813	4,847
	Hedge of Floating Interest Rate on Foreign Currency Loans	USD	8,500,000	5,092	USD	9,500,000	5,157
Options	Hedge of Foreign Currency Loans	USD	-	-	USD	8,973,599	4,871

(All amounts in ₹ Lakhs, unless otherwise stated)

40. Derivative instruments and unhedged foreign currency exposure (contd..)

(b) Particulars of unhedged foreign currency exposures as at the reporting date

Particulars	As at 31st March, 2014			As at 31st March, 2013		
	Currency	Amount in foreign currency	Amount in ₹ Lakhs	Currency	Amount in foreign currency	Amount in ₹ Lakhs
Loans Payable	USD	21,878,180	13,107	USD	18,195,055	9,876
Payables	USD	65,133	39	USD	104,181	57
Payables	USD	132,392	81	USD	959	1
Payables	EURO	7,396	6	EURO	3,575	3
Receivables	USD	232,754	139	USD	2,317	1

	2013-2014	2012-2013
(c) Mark-to-Market losses provided for	433	198

41. Segment information for the year ended 31st March, 2014

The Group considers business segment as primary segment for disclosure of segment information. Business segments have been identified as Construction business and Others which include income from oil drilling services, wind mill, real estate and plant and equipment including oil drilling rig.

	Construction	Others	Total of Reportable Segment
External Sales (i.e. Revenue from Operations)	558,136 587,238	3,405 2,511	561,541 589,749
Inter Segment Sales	- -	- -	- -
Other Income	1,458 2,254	- -	1,458 2,254
Segment Revenue	559,594 589,492	3,405 2,511	562,999 592,003
Segment Result	46,756 42,398	847 560	47,603 42,958
Segment Assets	718,018 679,723	6,559 6,474	724,577 686,197
Segment Liabilities	286,465 289,299	634 603	287,099 289,902
Capital Expenditure	15,281 4,915	88 89	15,369 5,004
Depreciation and Amortisation	13,546 13,047	445 437	13,991 13,484
Non cash expenses other than depreciation and amortisation	7,507 7,855	106 100	7,613 7,955

(All amounts in ₹ Lakhs, unless otherwise stated)

41. Segment information for the year ended 31st March,2014 (contd..)

Reconciliation of Reportable Segments with the Financial Statements

	Revenues	Results / Net Profit	Assets	Liabilities #
Total of Reportable Segments	562,999	47,603	724,577	287,099
	592,003	42,958	686,197	289,902
Corporate - Unallocated (Net)	2,648	(5,548)	26,671	319,714
	2,038	(5,675)	29,044	294,281
Inter Segment Sales	-	-	-	-
	-	-	-	-
Finance Costs	-	(33,493)	-	-
	-	(28,994)	-	-
Provision for Taxation - Current	-	(2,446)	-	-
(Net of Provision for earlier years written back)	-	(2,038)	-	-
Provision for Taxation - Deferred	-	(247)	-	-
	-	(1,050)	-	-
As per Financial Statements	565,647	5,869	751,248	606,813
	594,041	5,201	715,241	584,183
		@		

Excluding Shareholders' Funds and Minority Interest.

@ Profit After Tax and before share of results of associates and Minority Interest

Secondary Segment Reporting (by Geographical Segments)

	India	Other Asian Countries	Africa	Total
Revenues	473,565	85,323	4,111	562,999
	496,635	88,620	6,748	592,003
Total Assets	582,681	134,046	7,850	724,577
	566,911	109,465	9,821	686,197
Capital Expenditure	9,002	6,353	14	15,369
	3,000	1,991	13	5,004

Figures in normal type relate to previous year.

(All amounts in ₹ Lakhs, unless otherwise stated)

42. The following table includes the classification of investments in accordance with AS -13: Accounting for Investments

	As at 31st March, 2014	As at 31st March, 2013
Long Term Investments		
5 (2013: 5) Fully paid-up Ordinary Shares of ₹50/- each in Mercantile Apartments Co-operative Housing Society Ltd., Mumbai - Face value ₹250/-	*	*
5 (2013: 5) Fully paid-up Ordinary Shares of ₹50/- each in Pallavi Beach Angle Co-operative Housing Society Ltd., Mumbai - Face value ₹250/-	*	*
5 (2013: 5) Fully paid-up Ordinary Shares of ₹50/- each in Borlo Co-operative Housing Society Ltd., Chembur, Mumbai - Face value ₹250/-	*	*
5 (2013: 5) Fully paid-up Ordinary Shares of ₹50/- each in Saket Co-operative Housing Society Ltd., Mumbai - Face value ₹250/-	*	*
50,275,800 (2013: 50,275,800) Equity Shares of ₹10/- each of Shree Jagannath Expressways Private Limited -Fully paid up [Refer Note 14 (a)]	10,363	8,259
23,997,600 (2013: 15,998,400) Equity Shares of ₹10/- each of Raichur Sholapur Transmission Company Limited - Fully paid up [Refer Note 14 (b)]	2,375	1,577
20,000 (2013: 20,000) Equity Shares of ₹10/- each (₹5/- paid up) of Parasrampur Synthetics Ltd.	1	1
4,700 (2013: 4,700) Equity Shares of ₹10/- each at a Premium of ₹35/- each of Pennar Patterson Securities Ltd.- Fully Paid up	2	2
370,500 (2013: 370,500) Equity Shares of ₹2/- each of Emami Paper Mills Limited - Fully paid up	185	185
165,450 (2013: 110,300) Equity Shares of ₹1/- each of Emami Limited - Fully paid up (55,150 Shares received as bonus shares during the year)	434	434
17,500 (2013: 17,500) Equity Shares of ₹2/- each of Dalmia Bharat Sugar and Industries Limited - Fully paid up	70	70
17,500 (2013: 17,500) Equity Shares of ₹2/- each of Dalmia Bharat Enterprises Limited - Fully paid up [Refer Note 14 (c)]	-	-
2,000,000 (2013: 2,000,000) Equity Shares of ₹10/- each of Electrosteel Steels Limited - Fully paid up	205	205
6 Year National Savings Certificates (Matured) (Lodged as Security Deposits)	*	*
7 Year National Savings Certificates (Matured) (Lodged as Security Deposits)	*	*
Less: Provision for diminution in carrying amount of Investments	(196)	(3)
Sub - Total	13,439	10,730

* Amount is below the rounding off norm adopted by the Group.

(All amounts in ₹ Lakhs, unless otherwise stated)

42. The following table includes the classification of investments in accordance with AS -13: Accounting for Investments (contd..)

	As at 31st March, 2014	As at 31st March, 2013
Current Investments		
485,281.78 (2013: 651,444.28) Units of LIC Nomura Mutual Fund - Daily Dividend Plan	49	66
9,780.22 (2013 : 22,099.42) Units of Axis Liquid Fund - Daily Dividend Reinvestment	98	221
Sub - Total	147	287
Total	13,586	11,017
Disclosed Under:		
Non-current Investments (Refer Note 14)	13,439	10,730
Current Investments (Refer Note 17)	147	287
Total	13,586	11,017

43. Research and Development Expenditure (Revenue) (as allocated by the management) is amounting to ₹34 (2013: ₹50) for the year.

44. Previous year's figures are reclassified, where necessary, to conform to the current year's classification. However in view of addition of two Joint Ventures as indicated in Notes 30(a) above, current year figures are not comparable with the previous year.

Signatures to Notes 1 to 44

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

For H. S. Bhattacharjee & Co.
Firm Registration Number: 322303E
Chartered Accountants

(Pradip Law)
Partner
Membership Number: 51790
Kolkata, 30th May, 2014

(H. S. Bhattacharjee)
Partner
Membership Number: 50370

B. L. Bajoria
Secretary

Rajiv Mundhra
Whole-time Director

S. Dutta
Whole-time Director

Summary of Financial Information of Subsidiary Companies

Statement giving financial information of subsidiary companies for the year ended 31st March, 2014 in terms of General Circular no. 2/2011 dated 8 February, 2011 issued by Government of India, Ministry of Corporate Affairs under Section 212 (8) of the Companies Act, 1956 (the 'Act').

(₹ in Lakhs)

Sl. No.	Particulars	Simplex Infrastructures L.L.C	Simplex (Middle East) Limited	Simplex Infrastructures Libya Joint Venture Co.	Simplex Infra Development Limited	Maa Durga Expressways Private Limited (Refer Note 4 below)	Jaintia Highway Private Limited (Refer Note 4 below)
1	Share Capital	389.65	84.97	726.45	8,459.00	1,000.00	351.00
2	Reserves and Surplus	1,481.25	(9.56)	(1,280.75)	(23.52)	(18.99)	(18.06)
3	Total Assets	26,695.86	81.81	1,332.30	8,435.77	2,470.94	333.40
4	Total Liabilities (including Shareholders' Fund)	26,695.86	81.81	1,332.30	8,435.77	2,470.94	333.40
5	Investments						
	- Units of Mutual Fund	-	-	-	48.77	84.85	12.96
	- Shares (except in Subsidiary Company)	1,362.12	-	-	6,527.32	-	-
6	Turnover	8,588.53	-	-	-	1,281.07	-
7	Profit / (Loss) before Taxation	36.63	(1.79)	(134.39)	(16.59)	(7.96)	(11.78)
8	Provision for Taxation	-	-	-	-	4.10	-
9	Profit / (Loss) after Taxation	36.63	(1.79)	(134.39)	(16.59)	(12.06)	(11.78)
10	Proposed Dividend	-	-	-	-	-	-
	Country	Sultanate of Oman	United Arab Emirates	Libya	India	India	India
	Reporting Currency	OMR	AED	LYD	INR	INR	INR
	Closing exchange rate against Indian Rupee as on 31st March, 2014 (In ₹)	155.86	16.48	48.43	-	-	-

Notes:

- 1) The above figures are before elimination of inter-company balances and transactions.
- 2) The above disclosures are made on the basis of accounts of the Subsidiaries prepared in compliance with applicable Accounting Standards under the Act.
- 3) The annual accounts of the above subsidiary companies will be made available to the shareholders who may be interested in obtaining the same and also kept for inspection at the Registered Office of the Company.
- 4) Subsidiaries of Simplex Infra Development Limited, a subsidiary of Simplex Infrastructures Limited.



8 KM long 4 lane Jatrabari Gulistan Flyover at Dhaka, Bangladesh



Simplex Infrastructures Limited

Registered Office

SIMPLEX HOUSE

27 Shakespeare Sarani Kolkata 700 017

www.simplexinfrastructures.com

***Format of covering letter of the Annual Report to be filed with the Stock Exchange
(Consolidated Accounts)***

165 of 169

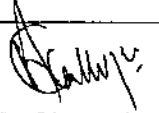

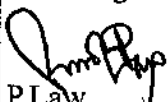



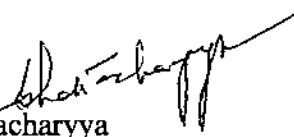
FORM B

Format of covering letter of the Annual Report to be filed with the Stock Exchange (Standalone Accounts)

1.	Name of the Company	Simplex Infrastructures Limited
2.	Annual Financial statements for the year ended	31 st March, 2014
3.	Type of Audit Qualification	<p>The Independent Auditors have expressed " Except for" type of audit qualification in their Report dated 30th May, 2014 on the standalone financial statements of the Company for the year ended 31st March, 2014 (Refer pg.57 and 58 of the Annual Report). Relevant excerpts from their report are given below:</p> <p>" Basis for Qualified Opinion</p> <p><i>6. We draw your attention to Note 32 to the financial statements with regard to the following matters:</i></p> <p><i>"a) Non ascertainment and non- provision for</i></p> <p><i>(i) diminution, other than temporary, in the carrying amount of investments aggregating Rs.387 Lakhs in one of the subsidiaries of the Company, which is not in accordance with Accounting Standard 13 "Accounting for Investments" and</i></p> <p><i>(ii) advances of Rs.410 Lakhs due from the aforesaid subsidiary, recovery of which is doubtful in view of erosion of its net worth and other factors as stated in the Note referred above</i></p> <p><i>Had the aforesaid provisions been considered, Non-current Investments would have been Rs.11,077 Lakhs instead of the reported amount of Rs.11,464 Lakhs; Short-term Loans and Advances would have been Rs.71,847 Lakhs instead of the reported amount of Rs.72,257 Lakhs; Reserves and Surplus would have been Rs.1,37,989 Lakhs instead of the reported amount of Rs.1,38,786 lakhs; Other Expenses would have been Rs.2,58,214 Lakhs instead of the reported amount of Rs.2,57,417 Lakhs; Total Expenses would have been Rs.5,47,475 Lakhs instead of the reported amount of Rs.5,46,678 Lakhs; profit before tax would have been Rs.7,763 Lakhs instead of the reported amount of Rs.8,560 lakhs; Profit for the period would have been Rs.5,261 Lakhs instead of the reported amount of Rs.6,058 Lakhs and Earnings Per Equity Share would have been Rs.10.63 instead of the reported amount of Rs.12.25.</i></p> <p><i>b) In view of the lack of adequate information, we are unable</i></p>

		<p>to comment on the extent of eventual recoverability of amount due from the aforesaid subsidiary classified as Other Current Assets aggregating Rs.1,428 Lakhs as at the period end. The impact of this matter on the Other Current Assets, Other Expenses, Total Expenses, Reserves and Surplus, Profit before Tax, Profit for the period and Earnings per Equity Share of the Company is presently not ascertainable at this stage."</p> <p>"Qualified Opinion</p> <p>7. In our opinion, and to the best of our information and according to the explanations given to us, the accompanying financial statements give the information required by the Act in the manner so required and give, <i>except for the effect of the matter referred to in paragraph 6 (a) above and indeterminate effect of the matter referred to in paragraph 6 (b) above</i>, a true and fair view in conformity with the accounting principles generally accepted in India:</p> <p>(a) in the case of the balance Sheet, of the state of affairs of the Company as at March 31, 2014;</p> <p>(b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and</p> <p>(c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date."</p> <p>9. As required by Section 227 (3) of the Act, we report that:</p> <p>(a) <i>Except for indeterminate effect of the matter referred to in paragraph 6 (b) above</i>, we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;</p> <p>(b) In our opinion, <i>except for the effect of the matter referred to in paragraph 6 (a) above and indeterminate effect of the matter referred to in paragraph 6 (b) above</i>, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;</p> <p>(d) In our opinion, <i>except for the effect of the matter referred to in paragraph 6 (a) above and indeterminate effect of the matter referred to in paragraph 6 (b) above</i>, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this report comply with the Accounting Standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of</p>
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		Section 133 of the Companies Act, 2013;”
4.	Frequency of Qualification	Continuing since Financial Year 2010-11
	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the Directors Report	<p style="text-align: right;">(All the figures are in Lakhs)</p> <p>" Note 32 to the standalone financial statements</p> <p>The Company has long term strategic investments in shares of Simplex Infrastructures Libya Joint Venture Co. (Simplex Libya), a subsidiary company, located in Libya. The year-end book value of which is Rs.387 (2013:Rs.387) (Note-14) and its year-end exposure in Other Current Assets(Note-22) (arising from sale of certain tangible assets) and short-term Loans and Advances (Note-21) due from Simplex Libya amounting to Rs.1428 (2013: Rs.1292) and Rs.410 (2013: Rs.401) respectively.</p> <p>The current political situation in Libya has improved to some extent but yet to be fully normalized. Subsequent to the year end, Management's Representative had visited Libya to take stock of the current situation and also follow up of the recovery of dues with the local government which is a substantial amount. The Representative also carried out physical inspection of Simplex Libya's tangible assets i.e. plant and machinery etc . These plant and machinery were originally purchased from the Company for which Rs.1428 (2013: Rs.1292) is due by Simplex Libya to the Company as on 31st March, 2014. Further, a valuation of these plant and machinery was done by an independent valuer and as per his report the present market value of these assets are more than the amount due to the Company.</p> <p>Upon further improvement of the political situation and on assessment of recoverability of the total exposure as aforesaid, Management is of the opinion that on recovery of Simplex Libya's dues , financial position of Simplex Libya is expected to be improved substantially together with positive net worth.</p> <p>In the context of the above, the Company is of the opinion that the diminution in the carrying amount of the above investments is temporary in nature and no provision in this regard is considered necessary at this stage. Similarly , in view of the position explained above, the Company is of the opinion that the advance of Rs.410 (2013: Rs. 401) due from Simplex Libya is recoverable and no provision in this regard is required to be made at this stage."</p> <p>Management response to the Qualification in the Directors</p>

		<p>Report</p> <p>In the Directors' Report for the year ended 31.03.2014, under the heading 'Auditors' Report'(in page 31 of the printed accounts), it has been stated as follows:</p> <p>"With respect to paragraph no 6, 7 and 9 (a) (b) & (d) of the Independent Auditors Report, we would like to inform that the matter pertaining to one of the subsidiaries of the Company, namely, Simplex Infrastructures Libya Joint Venture Co., operating in Libya, has been explained in Note no. 32 forming part of the Balance Sheet.</p> <p>The Board is of the opinion that the matter being elucidated in detail at note no.32 is self-explanatory and do not call for further explanation."</p>
	Additional comments from the Board/ Audit Committee Chair:	-
5.	<p>To be signed by -</p> <p>CEO / Managing Director</p> <p>CFO</p> <p>Auditor of the company</p> <p>Audit Committee Chairman</p>	<p> A.K.Chatterjee Whole-time Director</p> <p>✓  Sukumar Dutta Whole-time Director (Incharge of Finance)</p> <p>1. For Price Waterhouse Firm Registration Number:301112E  P.Law Partner Membership No.51790 </p> <p>2. For H.S. Bhattacharjee & Co. Firm Registration No.322303E  H.S.Bhattacharjee Partner Membership no. 50370 </p> <p> N.N.Bhattacharyya Audit Committee Chairman</p>