



SIMPLEX
PROJECTS LIMITED



Annual Report 2010-11





LETTER FROM CHAIRMAN



Dear fellow Shareholders,

On behalf of the management, I take this opportunity to present to you the 21st Annual Report of your company for the year 2010-11.

In my last address, I had mentioned about the Global Economic recession and recovery process. On this occasion I would like to share my views on the state of infrastructure and challenges for 2010-11. There is a slowdown in the growth rate in Indian Infrastructure sector as compared to the previous year. We have been seeing a slow down across each quarter, from 9.4% in Q4, 2009-10 to 9.3% in Q1, 2010-11, to 8.9% in Q2, to 8.3% in Q3 and 7.8% in Q4, 2010-11. The Government expenditure in the infrastructure sector has come down, thus we noticed a slowdown in both order booking and revenues.

Another important factor is the sharp price rise in all major commodities like steel, metals, minerals, crude oil, coal and increase in the interest rates. The combined effect of high inflation and interest rates has been very demanding for India's investment environment. Finance is becoming increasingly expensive and difficult to obtain. Moreover, your Company is also affected by the political crisis and unrest prevailing in Libya. We were constructing housing units and allied infrastructures for the Government of Libya and our work was in full swing. We had to de-mobilise our operation and bring back all our employees in India due to the state of extreme unrest and revolt there. We are keeping a close eye on the events in Libya and shall start to mobilise once the situation calms down. The effects of all these factors has shown in our balance sheet, despite of an increase of 29% increase in revenue, our Profit before Tax is reduced by 9.6% and Profit after Tax by around 2%.

However difficult and challenging the environment may be, your Company is focused and maintaining high standard in its pursuits. Simplex Projects is a reputed player in the construction space with a focus on urban infrastructure projects. Our order book has increase by Rs. 110 Crores, since April 2011 and the present order book position is approx Rs. 4573 crores, which includes Libyan contract. We recently bagged orders for piling, housing and other projects. Our client list includes reputed Companies in public and private sector. We are in process of bagging for new projects from various State Governments in India.

Your Company has promoted a subsidiary Company, Simplex Agri-Infra Services Pvt. Ltd. to enter into agricultural infrastructure. To start with, the subsidiary has entered into an agreement with the Govt. of India, for development of warehousing facilities for a capacity of over 1.50 lakhs metric tonnes. The development work is in full fledge and we expect to commence the commercial operation by early next financial year.

Your Company has an experienced management and is quick in identifying new growth avenues and capitalising on them. We are also trying to capitalise on emerging opportunities in other African countries. We have adopted a professional approach towards managing the Company and inducted professionals at the senior level and mid- level management to prepare for the next level growth.

While focusing on the business, we still continue to be socially responsible. We value the society and our employees. We continuously strengthening the safety, health and other social initiatives across all our projects.

I would like to thank all my fellow Members of the Board and the employees, clients, suppliers, bankers, Government agencies and other stakeholders for their continuous support and confidence reposed on us. I am grateful to you for your trust and faith that you have shown and looking forward for a better performance in future.

Thank You,

B. K. Mundhra
Chairman & Managing Director

	Page
CORPORATE INFORMATION	3
DIRECTORS' REPORT	4
REPORT ON CORPORATE GOVERNANCE	9
MANAGEMENT DISCUSSION & ANALYSIS	22
AUDITORS' REPORT	24
STANDALONE FINANCIAL STATEMENTS	28
INFORMATION REGARDING SUBSIDIARY COMPANIES	51
CONSOLIDATED FINANCIAL STATEMENTS	53



Board of Directors

Chairman & Managing Director

Sri Balkrishandas Mundhra

Whole Time Directors

Sri Jai Kishan Bagri

Sri Raghav Das Mundhra

Sri Sudarshan Das Mundhra

Directors

Sri Shyam Das Mundhra

Sri Anand Chopra

Sri Nitindra Nath Som

Sri Anand Prasad Agarwalla (w.e.f. 16th July, 2011)

Company Secretary

Sri Binaya Kumar Dash

Auditors

Chaturvedi & Company

Chartered Accountants

Solicitors

Bose & Mitra

Bankers

Axis Bank Ltd.

Bank of Baroda

DBS Bank Ltd.

Development Credit Bank Ltd.

ICICI Bank Ltd.

IDBI Bank Ltd.

State Bank of India

State Bank of Travancore

UCO Bank

Yes Bank Ltd.

Registrar

Cameo Corporate Services Limited

Subrananian Building, No. 1

Club House Road

Chennai - 600 002

Registered Office

12/1, Nellie Sengupta Sarani

Kolkata-700087, India

Corporate Office

3rd Floor, SS Hogg Market Complex,

19, Nellie Sengupta Sarani,

Kolkata - 700 087, India

Phone : +91-33-2252 4125 / 7900

Fax : +91-33-22528013

E-mail : info@simplexprojects.com

Website : www.simplexprojects.com

Dear Members,

Your Directors have immense pleasure in presenting the 21st Annual Report on the business and operations of the Company together with the audited accounts for the financial year ended 31st March, 2011.

1. FINANCIAL RESULTS

The performance of the Company for the financial year ended 31st March, 2011 is summarized below:

(Rs. in '000)

	Year ended 31st March, 2011	Year ended 31st March, 2010
Total Income	80,20,106	61,93,587
Less : Operating Expenditures	72,18,566	55,22,895
Profit before Interest, Depreciation and Tax	8,01,540	6,70,692
Less : Interest	2,55,629	1,22,367
Depreciation	96,380	51,263
Profit before tax	4,49,531	4,97,062
Less : Provisions for Taxation	95,550	1,36,451
Profit After Tax	3,53,981	3,60,611
Add : Balance brought forward from last year	4,57,878	2,19,307
Profit Available For Appropriation	8,11,859	5,79,918
Less : Proposed Dividend (including tax on dividend)	12,600	18,901
Tax thereon	2,093	3,139
Transfer to General Reserve	1,00,000	1,00,000
Balance Profit after appropriation	6,97,166	4,57,878

The Board proposes to carry over the said balance of **Rs. 6,97,166 thousands** to Balance Sheet.

2. OPERATIONAL PERFORMANCE :

Your Company's operations were under pressure during the last quarter as a result of hike of input commodities coupled with tight monetary policies adopted by Central Bank to control inflationary pressure.

During the year under review, your Company has achieved gross turnover of Rs. 80,20,106 Thousands as against Rs. 61,93,587 Thousands for the previous period, thus registering an increase of approximately 29 % over the previous year.

The profit before tax (after interest and depreciation charges) has dropped to Rs. 4,49,531 Thousands as against Rs. 4,97,062 Thousands for the previous year, thus showing a decrease of 9.6 % as against the previous year. While the profit after providing for tax was Rs. 3,53,981 Thousands as against Rs. 3,60,611 Thousands in the previous year, thus sliding by around 2% as against the previous year.

The Libya project, which got a setback due to the political crisis there, during the last quarter, was affected



to a sizable extent. However the Company is hopeful of commencing its activity in Libya as soon as it settles down.

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

3. DIVIDEND

Keeping in view of the current scenario and the future funds requirements of your Company, your Directors have recommended a dividend of 10 %, i.e. Rs. 1.00 per equity share on 1,26,00,378 no. of equity shares of Rs. 10/- each for the financial year ended 31st March, 2011, which if approved at the Annual General Meeting of the Company, shall be paid to the eligible members, whose names appear in the Register of Members of the Company as on the date of Book Closure.

4. CAPITAL EXPENDITURE

During the period under review, the Company has made additions to the Fixed Assets amounting to Rs. 3,52,713 Thousands . Additions were required for augmenting the Company's business turnover and to procure various construction equipments needed for the effective discharge of the Projects undertaken.

5. SUBSIDIARY

Your Company has a wholly owned subsidiary, Simpark Infrastructure Pvt. Ltd. (SIPL) undertaking activities of multi-level car parking projects.

During the year, your Company has promoted, a subsidiary Company in the name of Simplex Agri-Infra Services Pvt. Ltd. in the state of Jammu & Kashmir, to construct and maintain warehouses for FCI at different parts of Jammu & Kashmir.

The Company also has a subsidiary in the form of Joint Venture Co-operative at Netherland in the name and style of Simplex Projects (Netherlands) Cooperatie U.A.,

in partnership with one of its Group Company to foray into the European Markets.

In accordance with the general circular issued by the Ministry of Corporate Affairs, Govt. of India, the balance sheet and Profit & Loss Account and other documents of the subsidiary Companies are not being attached with the balance sheet of the Company. The Company will make available the annual accounts of the subsidiary Companies and the related detailed information to any member of the Company who may be interested in obtaining the same. The annual accounts of the subsidiaries will be kept open for inspection at the registered office of the Company and that of the respective subsidiary Companies.

The Company has disclosed in the Annual Report the following information in aggregate for its subsidiaries:

(a) Capital (b) reserves (c) total assets (d) total liabilities (e) details of investments (f) turn over (g) profit before taxation (h) profit after taxation (i) proposed dividend, as applicable.

6. CONSOLIDATED FINANCIAL STATEMENTS

In compliance with the Accounting Standard – 21 on consolidated Financial statements, read with AS-23 on Accounting for Investments in Associates prescribed by Companies (Accounting Standard) Rule, 2006 and the Listing Agreement entered into with the Bombay Stock Exchange Limited and National Stock Exchange of India Ltd., this Annual Report includes the consolidated financial statements of the Company together with the financial statements of Simpark Infrastructure Private Limited, the wholly owned subsidiary and Simplex Agri-Infra Services Pvt. Ltd, the subsidiary Company.

7. PUBLIC DEPOSITS

The Company, during the period under review, has repaid entirely the existing deposit and has not accepted any fresh deposits attracting the provisions of Section 58A of the Companies Act, 1956. The directives issued by the Reserve Bank of India and the provisions of the Section 58A of the Companies Act, 1956 and the Rules framed there under have been

complied with. There were no overdue Deposit as on 31st March, 2011. The Company, during the period under review has not defaulted in the repayment of any deposit or part thereof or any interest thereupon including small depositor as defined in section 58AA of the Companies Act, 1956.

8. LISTING OF SHARES

The equity shares of the Company are listed on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited. The Company has paid the applicable listing fees to the above stock exchanges up to date. The Company's shares are also traded in dematerialized segment for all investors compulsorily.

The Company has entered into agreement with the Central Depository Services (India) Ltd. and National Securities Depository Limited for trading in electronic form. The Company has also paid the annual custodian fees to both the Depositories.

9. PARTICULARS OF EMPLOYEES

During the year under review, the Company had no employees drawing remuneration as prescribed Under Section 217 (2A) of the Companies Act 1956, read with, Rule 1A of the Companies (Particulars of Employees) Rules, 1975. [As amended by Companies (Particulars of Employees) Amendment Rules, 2011 read with the General Circular No. 23/2011 issued by the Ministry of Corporate Affairs, Govt. of India.

10. DISCLOSURE OF PARTICULARS

Disclosure in accordance with the provisions of 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, regarding Conservation of Energy, Technology Absorption and Foreign Exchange earnings and outgo, are set out as an Annexure to this Report.

11. 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 have been followed and proper explanations were provided for material departure, 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 a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit of the Company for the year;
- (iii) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the directors have prepared the accounts for the financial year ended 31st March, 2011 on a going concern basis;

12. DIRECTORS

During the year, Mr. Prabir Kumar De has resigned from the Board of Directors. The Board places on record its appreciation of the valuable services rendered by Mr. De during his tenure as Director. Mr. Anand Prasad Agarwalla has been appointed as an Additional Director up to the forthcoming Annual general Meeting. In terms of Section 257 of the Companies Act, 1956, the Company has received notice regarding re-appointment of Mr. Agarwalla as Director. Accordingly the Board recommends, appointment of Mr. Agarwalla as a Director, for the approval of the members.

Mr. Sudarshan Das Mundhra and Mr. Anand Chopra, Directors, retire from the Board by rotation under the Company's Articles of Association and being eligible, offer themselves for re-appointment.

Appropriate resolutions for the re-appointment of the aforesaid Directors are being moved at the forthcoming Annual General Meeting, which the Board commends for your approval.



Brief resumes of the Directors proposed to be appointed / re-appointed, as stipulated under Clause 49 of the Listing Agreement entered into with the Stock Exchanges, are being provided in the Notice convening the Annual General Meeting.

13. AUDITORS & AUDITORS' REPORT

M/s. Chaturvedi & Company, Chartered Accountants, retires on the conclusion of the ensuing Annual General Meeting and have signified their willingness to continue in office, if reappointed and have confirmed their eligibility under Section 224 (1B) of the Companies Act 1956. The auditors have also confirmed that they have duly undergone peer review process conducted by the Institute of Chartered Accountants of India (ICAI). The Board recommends re-appointing them as Auditors.

The observations of the Auditor, together with the notes to accounts referred to in Auditor's Report are self-explanatory and do not call for any further explanation from the Directors.

14. CORPORATE GOVERNANCE

In pursuance of Clause 49 of the Listing Agreement entered into with the Stock Exchanges, a separate section has been provided in the Annual Report. The Auditor's Certificate on compliance with the mandatory recommendations of the Clause 49 of the Listing Agreement with the Stock Exchanges is annexed with this Report.

15. MANAGEMENT DISCUSSION & ANALYSIS REPORT

Management Discussion & Analysis Report for the year under review as required under Clause 49 of the Listing Agreement is presented in a separate section forming part of the Annual Report.

16. CODE OF CONDUCT

Pursuant to clause 49 of the Listing Agreement, the declaration signed by the Managing Director affirming compliance of the Code of Conduct by the Directors and senior management personnel for the financial year 2010-11 is annexed and forms part of the Directors and Corporate Governance report.

17. ACKNOWLEDGEMENT

We wish to express our grateful appreciation for the valuable support and cooperation received from our valuable customers, lenders, business associates, banks, financial institutions, shareholders, various statutory authorities and agencies of Central and State Governments and the society at large. We place on record our appreciation of the contribution made by employees at all levels for sustaining the organizational growth especially during the challenging times. We thank the Government of India, state governments and other government agencies for their assistance and cooperation and look forward to their continued support in future. Finally, we would like to express our gratitude to the members of the Company for their continued support and cooperation.

By Order of the Board
For **Simplex Projects Limited**

B. K. Mundhra
Chairman & Managing Director

Registered Office :

12/1, Nellie Sengupta Sarani
Kolkata - 700 087

Date : 12th August, 2011

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) Rules 1988:-

A. CONSERVATION OF ENERGY

- a) Energy Conservation measures taken:
- To conserve energy, a sophisticated maintenance programme has been developed to minimize fuel oil and electric energy consumption.
 - Conservation was achieved through regular monitoring of machineries.
 - Intensified vigil against wastage and towards conservation awareness.
- b) **Additional investments and proposals, if any, being implemented for reduction of consumption of energy:**
- Investments are being made in phases to replace old machinery with new and more efficient machinery.
- c) **Impact of the measures at (a) and (b) for reduction of energy consumption and consequent impact on the cost of the production of goods:**
- Although it is not possible to quantify the impact, the Company has been able to reduce fuel oil and electric energy consumption and is hopeful that there will be considerable savings as a result of these, in future as well.
- d) Total energy consumption and energy consumption per unit of production as per prescribed format not applicable, as the Company is not covered under the list of specified industries.

B. TECHNOLOGY ABSORPTION

- a) Research and Development :-
- The Company is not having any Research and Development activity at present.
- b) Technology Absorption, Adoption and Innovation: -
- (i) Efforts, in brief, made towards technology absorption, adoption and innovation :
- The Company has absorbed advanced technology and technical know-how in the field of automated car parking systems.

- (ii) Benefit derived as a result of the above efforts:
- The technology implemented in parking projects has been economical and more effective in terms of ground coverage in comparison to conventional method of construction.

- (iii) Technology imported during the last five years:
- Technology imported : Nil
 - Year of import : Not applicable
 - Has the technology been fully absorbed : Not applicable

C. FOREIGN EXCHANGE EARNINGS

(Rs. in '000)

Particulars	As on 31st March, 2011	As on 31st March, 2010
On Contract Work (Gross Billing) (Overseas Branch)	36,61,103	20,69,582

D. FOREIGN EXCHANGE OUTGO

(Rs. in '000)

Particulars	As on 31st March, 2011	As on 31st March, 2010
Membership & Subscription	424	-
Travelling	1,806	2,199
Contract Expenses (Overseas Branch)	31,64,588	18,09,740
Others Administrative Expenses	961	958

By Order of the Board
For **Simplex Projects Limited**

B. K. Mundhra
Chairman & Managing Director

Registered Office :
12/1, Nellie Sengupta Sarani
Kolkata - 700 087

Date : 12th August, 2011

CORPORATE GOVERNANCE REPORT

Corporate Governance encompasses adhering effectively to the governing laws, procedures, practices and the implicit rule that determines a management's ability to take sound decisions in the best interest of all its stakeholders viz. shareholders, customers, employees, creditors, partners and the society at large. Good Corporate Governance leads to long term shareholders' value and enhances interest of other stakeholders. A Good Corporate Governance is primarily based on the principles of integrity, transparency, fairness, accountability, full disclosure, independent monitoring of the state of affairs. It brings into focus the fiduciary and trusteeship role of the Board to align and direct the actions of an organization towards creating & promoting transparency, accountability, fairness, integrity and social responsibilities. At Simplex Projects Limited (SPL), the Corporate Governance Mechanism is being implemented in its true spirit, so as to ensure that all the stakeholders of the Company maximize their value legally, ethically and benefit in the long run by way of sustained growth and value addition.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company has always been committed to growth and long term shareholders wealth creation. Our corporate philosophy extends beyond just doing business for profit maximization, but encouraging forward looking initiatives to strengthen our goodwill, to play responsible roles for our stakeholders. Principles of Transparency and Timely Disclosures have been adhered to the extent these do not compromise on its competitiveness. We believe that this value enhancement process is possible only by adhering to the principles of Corporate Governance. The Company does not view Corporate Governance principles as a set of binding obligations, but believes in using the same as a framework that is inherent to the value system that drives business practices. The Company is committed to establish systems and practices which enable it to conduct its business in line with the best practices thereby bringing it at par with any other world class Company. It is an inherent culture that guides the Board of Directors, the management and the employees to function towards the best interest of all stakeholders.

The Company, in compliance with the guidelines on corporate governance as stipulated under clause 49 of the Listing Agreement entered into with the Stock Exchanges and in this regard, submits a report on the matters mentioned in the said clause and practices followed by the Company.

DATE OF REPORT

The informations provided in the Report on Corporate Governance for the purpose of unanimity is as on 31st March, 2011. However, the report is updated as on the date of the Report wherever applicable.

BOARD OF DIRECTORS

Composition of the Board

As on date, the Board consists of eight Directors. The composition of the Board of Directors is in conformity with the corporate governance norms and has an optimum combination of Executive and Independent Non-Executive Directors. The Board consists of Directors with vast experience in civil Engineering, construction, finance and legal. Appointment of all Independent Directors is in conformity with Clause 49(I) (A) of the Listing Agreement entered into with the Stock Exchanges.

During the year, Mr. Prabir Kumar De, Independent Director has resigned from the Board of Directors and in compliance with Clause 49 of the Listing Agreement, Mr. Anand Prasad Agarwalla, has been appointed as an Additional Director of the Company with effect from 16th July, 2011, pursuant to the provisions of Section 260 of the Companies Act, 1956. Mr. Agarwalla is an Independent Director of the Company and his appointment is in conformity with Clause 49(I) (A) of the Listing Agreement entered into with the Stock Exchanges.

As per the declarations received by the Company, none of the Directors are disqualified under Section 274(1) (g) of The Companies Act, 1956 read with Companies (Disqualification of Directors) Rules, 2003.

The composition of the Board and category of Directors as on date is as follows:

Name	Position & Designation	No. of Directorships/Committee positions held in other Public Companies		
		Directorship	Committee Chairmanship	Committee Membership
Mr. Balkrishandas Mundhra	Promoter, Chairman & Managing Director	1	-	-
Mr. Raghav Das Mundhra	Promoter, Executive Director	-	-	-
Mr. Sudarshan Das Mundhra	Promoter, Executive Director	-	-	-
Mr. Jai Kishan Bagri	Executive Director	1	-	-
Mr. Anand Chopra	Non-Executive, Independent Director	-	-	-
Mr. Shyam Das Mundhra	Non-Executive, Independent Director	-	-	-
Mr. Nitindra Nath Som	Non-Executive, Independent Director	1	-	-
Mr. Anand Prasad Agarwalla	Non-Executive, Independent Director	2	-	-

Mr. Balkrishandas Mundhra is the father of Mr. Raghav Das Mundhra and Mr. Sudarshan Das Mundhra. Other than this, none of the Directors are in any way related to each other.

As mandated by Clause 49 of the Listing Agreement, none of the Directors are members of more than ten Board level committees nor are they Chairman of more than five committees in which they are members.

Independent Director is as defined in clause 49 of the Listing Agreement and they actively contribute in the activities of the Board, covering all strategic policies and decisions making.

Except the Chairman and Managing Director, all other Directors are liable to retire by rotation.

The brief resume and other details relating to appointment and re-appointment of Directors, as required to be disclosed under Clause 49 of the Listing Agreement, are given as part of the Notice convening the annual General Meeting.

Board Meetings and Directors Attendance

The Company has a well-defined process in place for placing vital and sufficient information before the Board. Any matters requiring discussion/ decision/ approval at the Board or Committee are communicated to the Company Secretary well in advance, so that the same could be included in the agenda of the respective meetings. All information required under clause 49 of the Listing Agreement(s) are covered to the fullest extent and presentation covering sales, finance, compliance, human resources and risk management practices are given to the Board before considering the quarterly and annual financial results of the Company. The Board meets at least once a quarter as and when required and the maximum time gap between any such two meetings is not more than four months.

The Directors of your Company met 7 (Seven) times during the period April 2010 to March 2011 on 20th April, 2010, 26th May, 2010, 12th August, 2010, 22nd September, 2010, 12th November, 2010, 20th November, 2010 and 10th February, 2011.

The attendance of each of the Directors at 7 (seven) Board Meetings held during the year 2010-11 and at the last AGM is given below :

Name of Director	Number of Board Meetings Attended	Attendance at the last AGM
Mr. Balkrishandas Mundhra	5 out of 7	Yes
Mr. Raghav Das Mundhra	7 out of 7	Yes
Mr. Sudarshan Das Mundhra	5 out of 7	No
Mr. Jai Kishan Bagri	7 out of 7	Yes
Mr. Anand Chopra	7 out of 7	Yes
Mr. Prabir Kumar De	6 out of 7	Yes
Mr. Shyam Das Mundhra	4 out of 7	Yes
Mr. Nitindra Nath Som	7 out of 7	Yes

Code of Conduct

The Company has laid down a Code of Conduct for all its board members and senior management personnel. The Company's Code of Conduct is in consonance with the requirements of Clause 49 of the Listing Agreement. The Code of Conduct is available on the website of the Company – www.simplexprojects.com. All Board members and senior management personnel have affirmed compliance with the Code of Conduct. A declaration signed by the Managing Director is annexed and form a part of this report.

COMMITTEES OF THE BOARD

The Company has constituted Board level committees to delegate particular matters that require greater and more focused attention in the affairs of the Company. These committees prepare the basic ground work for decisions and reports to the Board. The constitution of the Audit Committee meets the requirements of Section 292A of the Companies Act, 1956, as well as the Listing Agreement. Details on the role, composition of the committees and the number of meetings held and related attendance during the financial year, are given hereunder:

AUDIT COMMITTEE

Role of Audit Committee

The Audit Committee has the following scope and responsibilities:

- (a) Oversight of the Company's financial reporting process and the disclosure of its, financial information to ensure that the financial statement is correct, sufficient and credible.
- (b) Recommending the appointment/re-appointment and if required, removal/replacement of statutory auditors, fixation of audit fee and also approval for payment for any otherservices.
- (c) Reviewing with the management the annual financial statements before submission to the Board, focusing primarily on the following:
 - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (2AA) of the Section 217 of the Companies Act, 1956
 - Changes, if any, in the accounting policies and practices.
 - Major accounting entries based on exercise of judgment by management.

- Qualifications in the draft audit reports.
 - Significant adjustments arising out of audit.
 - The going concern assumption.
 - Compliance with accounting standards.
 - Disclosure of related party transactions, if any.
- (d) Compliance with Stock Exchange and legal requirements concerning financial statements.
- (e) Any related party transaction, i.e., transaction of the Company of the material nature with promoters or the management, their subsidiaries or relatives, etc., that may have potential conflict with the interest of the Company at large.
- (f) Reviewing with the management, external and internal auditors, and the adequacy of internal control systems.
- (g) Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- (h) Discussion with internal auditors and significant findings and follow up thereon.
- (i) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- (j) Discussion with statutory auditors before the audit commences nature and scope of audit as well as have post audit discussion to ascertain any area of concern.
- (k) Reviewing the Company's financial and risk management policies.
- (l) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends, if any and creditors)
- (m) Reviewing the financial statements of Subsidiary Companies, particularly the investments made by them.
- (n) To take on record the minutes book of the subsidiary on a periodical basis and
- (o) Reviewing all the significant material transactions and arrangements entered into by the subsidiary Companies.

Composition and Meetings

As on 31st March 2011, the Audit Committee comprised of two Non-Executive Independent Directors. However, after the appointment of Mr. Anand Prasad Agarwalla, as an Independent Director, the Audit Committee has been re-constituted with effect from 16th July, 2011.

The composition of Audit Committee as on date is given below :

Name of the Director	Designation	Nature of Directorship
Mr. Anand Chopra	Chairman	Independent & Non-Executive Director
Mr. Shyam Das Mundhra	Member	Independent & Non-Executive Director
Mr. Anand Prasad Agarwalla	Member	Independent & Non-Executive Director

During the year the Audit Committee met 5 (Five) times. The dates on which the Meetings were held are as follows:

20th April, 2010, 26th May, 2010, 12th August, 2010, 12th November, 2010 and 10th February, 2011. The gap between two meetings did not exceed four months.

Name of the Director	No. of Meetings held during the year	No. of Meetings attended during the year
Mr. Anand Chopra	5	5
Mr. Shyam Das Mundhra	5	3
Mr. Prabir Kumar De	5	4

The executives responsible for the finance and accounts functions and the Statutory Auditors are invitees to the meetings. The quarterly and annual audited financials of the Company were reviewed by the Audit Committee before consideration and approval by the Board of Directors. Among

other items, the Committee also reviewed the adequacy of Internal Control Systems and Internal Audit Reports and various compliances and reviewed the transactions of subsidiary Company.

REMUNERATION COMMITTEE

Remuneration Policy

The Remuneration Committee has been constituted to determine and review remuneration payable to Executive Directors, based on their performance and vis-à-vis with the performance of the Company on defined assessment parameters and recommends to the Board, the remuneration terms to the Executive Directors within the prescribed limits as approved by the shareholders in the general meeting and as per applicable provisions of the Companies Act, 1956.

Composition and Meetings

As on 31st March 2011, the Remuneration Committee comprised of two Non-Executive Independent Directors. However, after the appointment of Mr. Anand Prasad Agarwalla, as an Independent Director, the Remuneration Committee has been re-constituted with effect from 16th July, 2011. The Committee reviews the managerial remuneration to the Chairman & Managing Director and Whole Time Directors.

The composition of Remuneration Committee as on date is given below :

Name of the Director	Designation	Nature of Directorship
Mr. Anand Prasad Agarwalla	Chairman	Independent & Non-Executive Director
Mr. Anand Chopra	Member	Independent & Non-Executive Director
Mr. Shyam Das Mundhra	Member	Independent & Non-Executive Director

During the financial year, the Remuneration Committee met twice on 22nd September, 2010 and 10th February, 2011. The attendance record of each of the members of the committee during the year under review is given below:

Name of the Director	No. of Meetings held during the year	No. of Meetings attended during the year
Mr. Anand Chopra	2	2
Mr. Shyam Das Mundhra	2	2
Mr. Prabir Kumar De	2	1

Details of Remuneration paid to the Chairman & Managing Director and the whole time Directors during the year under review is as follows :

a) Chairman & Managing Director and Other Executive Directors

Name of the Director	Designation	Salary, Allowances & Perquisites* (Rs.)
Mr. Balkrishandas Mundhra	Chairman and Managing Director	43,09,500
Mr. Raghav Das Mundhra	Executive Director	17,53,128
Mr. Sudarshan Das Mundhra	Executive Director	17,06,091
Mr. Jai Kishan Bagri	Executive Director	19,67,964

*Salary and Perquisites include House Rent Allowances and contributions to provident and other superannuation funds.

b) Non-Executive Director

No remuneration is paid to Non-Executive Directors except sitting fees of Rs. 1,501 per meeting for attending the meetings of the Board and its committees, the details of which are as under :

Name of the Director	Sitting Fees(Rs.)	No. of Shares held as on 31.03.2011
Mr. Anand Chopra	24,016	NIL
Mr. Shyam Das Mundhra	16,511	30
Mr. Nitindra Nath Som	10,507	NIL
Mr. Prabir Kumar De	19,513	NIL

SHAREHOLDERS' / INVESTORS' GRIEVANCE COMMITTEE

As part of its Corporate Governance initiative, the Company has constituted the Shareholders/Investors Grievance Committee to specifically look into the un-resolved shareholders grievances.

The terms of reference of the Shareholders/Investors Grievance Committee are as follows:

- To approve the transfer of shares.
- To look after the matter relating to non-receipts of the refund orders, right entitlement, annual reports and other entitlements.
- To look after the matters relating to dematerialization and re-materialization of shares
- Overseeing the performance of the Registrars and Share Transfer Agents, M/s. Cameo Corporate Services Ltd.
- To look after non-payment of dividends and revalidation of refund orders/ dividend warrants.

As on 31st March 2011, the Shareholders/Investors Grievance Committee comprised of two Non-Executive Independent Directors. However, after the appointment of Mr. Anand Prasad Agarwalla, as an Independent Director, the Remuneration Committee has been re-constituted with effect from 16th July, 2011.

The composition of Shareholders/Investors Grievance Committee as on date is given below :

Name of the Director	Designation	Nature of Directorship
Mr. Anand Chopra	Chairman	Independent & Non-Executive Director
Mr. Anand Prasad Agarwalla	Member	Independent & Non-Executive Director
Mr. Shyam Das Mundhra	Member	Independent & Non-Executive Director

During the year, the Committee met twice on 26th May, 2010 and 22nd September, 2010 to review the investors' grievances relating to non-receipt of refund orders.

The attendance record of each of the members of the committee during the year under review is given below:

Name of the Director	No. of Meetings held during the year	No. of Meetings attended during the year
Mr. Anand Chopra	2	2
Mr. Prabir Kumar De	2	2
Mr. Shyam Das Mundhra	2	2

Mr. Binaya Kumar Dash, Company Secretary and Compliance Officer, nominated under Clause 47(a) of the Listing Agreement, is Secretary to all the Committees.

The total number of complaints and requests received and resolved to the satisfaction of the investors during the period ended 31st March 2011 is as under:

Received	Resolved	Pending
10	10	NIL

The Company publishes the status of the complaint received and their respective redressals at the end of each quarter.

GENERAL BODY MEETINGS

The venue, time and date where the last three Annual General Meetings of the Company held are given hereunder :

Date	Venue	Time
22nd September, 2010	Rotary Sadan, 94/2, Chowringhee Road, Kolkata 700020	3 P. M.
17th September, 2009	Rotary Sadan, 94/2, Chowringhee Road, Kolkata 700020	11 A. M.
22nd September, 2008	Rotary Sadan, 94/2, Chowringhee Road, Kolkata 700020	3 P. M.

The details of Special Resolutions passed in the last three Annual General Meetings are as follows:

Date	Special resolutions passed
22nd September, 2010	Re-appointment of Mr. Balkrishandas Mundhra, as Chairman & Managing Director for a further period of five years.
	Donation for charitable purpose to the extent of Rs. 5 crores in a financial year
17th September, 2009	Authorizing Board to ratify the variations, if any, in the utilization of the proceeds, arising out of the issue of equity shares allotted pursuant to the Prospectus dated July 20, 2007.
22nd September, 2008	Authorizing Board to issue and allot equity warrants to Non-Promoters in accordance with erstwhile SEBI (DIP) Guidelines.

As required under Clause 49 IV (G) (i) of the Listing Agreement, the particulars of the Directors who are proposed to be re-appointed are given in the Notice.

Management Discussion & Analysis is given in a separate section forming part of the Directors' Report in this Annual Report.

DISCLOSURES

a. Materially significant related party transactions

There have been no materially related party transactions with the Company's Promoters, Directors, the management, their subsidiary or relatives which may have potential conflict with the interests of the Company. The necessary disclosures regarding the transactions with related parties are given in the notes to the accounts. None of the transactions with any of the related parties were in conflict with the interest of the Company.

b. Regulatory Compliances by the Company

The Company has complied with the requirements of the stock exchanges/ SEBI/ any other statutory authority on all the matters related to capital markets. There has not been any non-compliance by the Company and there are no penalties or strictures imposed on the Company by SEBI, Stock Exchanges or any other statutory authority on any matters related to capital markets during the last three years.

c. During the year, no person has been denied access to the Audit Committee.

d. There has been complete compliance with mandatory requirements and in respect of non-mandatory requirements disclosures have been made to the extent of adoption.

e. Accounting Treatment in preparation of Financial Statements

Simplex Projects Limited has followed the guidelines laid down by Institute of Chartered Accountants of India (ICAI) in preparation of its Financial statements.

f. Risk Management

The Company has put in place Risk Management Policy and Procedures for assessing, timely responding and mitigating these risks on continuous basis. The Policy seeks to address the risks involved in four major areas i.e. Pre-bidding/ Tendering Risks, Post award or execution Risks, Contractual Risks and Financial/ Statutory Compliance Risks with a view to/ avoid mitigate adverse impact if any.

During the year, the Board has reviewed the risk assessment and minimization procedure adopted by the Company.

g. Pledge of Equity Shares

The Promoters have not pledged any shares of the Company held by them as on 31st March, 2011.

The aggregate shareholding of the Promoters and persons belonging to Promoters and Promoters Group as on 31st

March, 2011 comprised of 69,98,139 Equity Shares representing 55.54% of the Paid up Equity Share Capital of the Company.

SUBSIDIARY COMPANY

Your Company has a wholly owned subsidiary, Simpark Infrastructure Pvt. Ltd. (SIPL) to undertake construction and maintenance of multi-level car parking projects.

During the year, a subsidiary Company in the name of Simplex Agri-Infra Services Pvt. Ltd. has been incorporated in the state of Jammu & Kashmir, to construct and maintain warehouses for FCI at different parts of Jammu & Kashmir.

With this the Company has two Non-Material Non-Listed Subsidiary Company. The Audit committee reviews the financial statements, particularly, the investments made by Subsidiary Companies. Minutes of said Subsidiary Companies are being placed before the Board for its review. The Board also reviews the account of the said Subsidiary Companies on a quarterly basis.

MEANS OF COMMUNICATION

The Company regularly intimates the Quarterly un-audited financial results to the Stock Exchanges' immediately after they are taken and recorded by the Board of Directors of the Company.

The Company's quarterly/half yearly and annual financial results are uploaded on the Company's website at www.simplexprojects.com and also the same are published in Business Standard and Kalantar (Bengali daily) after its submission to the Stock Exchanges.

The Company has designated a separate e-mail id. investors@simplexprojects.com for handling investor's services.

GENERAL SHAREHOLDERS INFORMATION

Company Registration Details

The Company is registered in the state of West Bengal. The Corporate Identification Number (CIN) of the Company is : L45201WB1990PLC050101.

1. Annual General Meeting

Date	Time	Venue
29th September, 2011	3.30 p.m.	Rotary Sadan, 94/2, Chowringhee Road, Kolkata 700020

2. Financial Calendar for the year 2011-12 (tentative)

Sl. No.	Particulars	Tentative Schedule
1	Financial reporting for the quarter ended June 30, 2011	Before 14th August, 2011
2	Financial reporting for the half year ended September 30, 2011	Before 14th November, 2011
3	Financial reporting for the quarter ended December 31, 2011	Before 14th February , 2012
4	Financial reporting for the year ended March 31, 2012	Before 30th May, 2012
5	Annual General Meeting for the year ending March 31, 2012	Before 30th September, 2012

3. Book Closure Date

24th September, 2011 to 29th September, 2011 (both days inclusive)

4. Dividend Payment Date

On or after 29th September, 2011

5. Listing on Stock Exchanges

The Company's shares are listed on the following Stock Exchanges with effect from 3rd August, 2007.

Bombay Stock Exchange Limited, Mumbai
National Stock Exchange of India Ltd., Mumbai

The Company has paid the listing fees for the financial year 2010-11 and there is no outstanding payment towards the Exchange, as on date.

6. Stock Code

Bombay Stock Exchange Limited, Mumbai	532877
National Stock Exchange of India Ltd., Mumbai	SIMPLEX EQ
Demat ISIN Number for NSDL/CDSL	INE898F01018

7. STOCK PRICES DATA and PERFORMANCE OF COMPANY'S SHARE PRICES

i) Bombay Stock Exchange Limited

Month	High (Rs.)	Low (Rs.)	Index during the month	
			High	Low
April- 2010	248	204.10	18047.86	17276.8
May- 2010	273.80	216.35	17536.86	15960.15
June- 2010	275	205	17919.62	16318.39
July- 2010	330	235	18237.56	17395.58
August- 2010	352.80	249.95	18475.27	17819.99
September- 2010	346.75	285.20	20267.98	18027.12
October- 2010	333.35	295.30	20854.55	19768.96
November- 2010	329.90	225.20	21108.64	18954.82
December- 2010	265	201.05	20552.03	19074.57
January- 2011	258.85	184.55	20664.8	18038.48
February- 2011	190	130	18690.97	17295.62
March- 2011	163.75	135.10	19575.16	17792.17

ii) National Stock Exchange of India Limited

Month	High (Rs.)	Low (Rs.)	Index during the month	
			High	Low
April-2010	245.85	202.50	5399.65	5160.90
May-2010	274.00	222.00	5278.70	4786.45
June-2010	300.00	220.20	5366.75	4961.05
July-2010	310.00	225.70	5477.50	5225.60
August-2010	354.95	270.00	5549.80	5348.90
September-2010	346.80	306.20	6073.50	5403.05
October-2010	346.00	300.00	6284.10	5937.10
November-2010	320.00	222.40	6338.50	5690.35
December-2010	263.75	201.00	6147.30	5721.15
January-2011	269.00	186.50	6181.05	5416.65
February-2011	196.25	140.25	5599.25	5177.70
March-2011	165.80	140.00	5872.00	5348.20

(SOURCE: www.bseindia.com, www.nseindia.com)

8. Registrar & Share Transfer Agents :Cameo Corporate Services Limited
 "Subramanian Building", No.1,
 Club House Road, Chennai - 600002
 Tel: +91-44-28460390/22520464
 Fax: +91-44-28460129

9. Share Transfer System

M/s. Cameo Corporate Services Ltd has been appointed as the Company's' Registrar and Share Transfer Agent. All share transfers and related activities are conducted by Cameo, in accordance with the stipulated guidelines. The authority relating to transfer of shares and allied work relating to servicing of investors has been delegated by the board to the Shareholders/ Investors Grievance Committee which consists of Mr. Anand Chopra, (Chairman), Mr. Shyam Das Mundhra and Mr. Anand Prasad Agarwalla.

10. Distribution of shareholding by size class as on March 31, 2011

Shares	Number of holders	% of total	No. of Shares	% of total
between 1 and 1000	4917	87.17	147750	1.17
between 1001 and 5000	455	8.07	122381	0.97
between 5001 and 10000	115	2.04	90856	0.72
between 10001 and 20000	40	0.71	59798	0.47
between 20001 and 30000	23	0.41	57467	0.46
between 30001 and 40000	11	0.20	39511	0.31
between 40001 and 50000	11	0.20	50609	0.40
between 50001 and 100000	23	0.41	170790	1.36
> 100000	46	0.82	11861216	94.13
Total	5641	100.00	12600378	100.00

11. Distribution of shareholding by ownership as on March 31, 2011

Category	No. of Shares	Percentage of Holding
A Promoter & Promoter Group		
1 Indian		
Individuals/HUF	6,32,586	5.02
Bodies Corporate	63,65,553	50.52
2 Foreign Promoters	-	-
Sub-total (A)	69,98,139	55.54
B Non-Promoter's Holdings		
1 Institutional Investors		
Mutual Funds/UTI	6,83,517	5.42
Foreign Institutional Investors	10,37,664	8.24
Subtotal (B)(1)	17,21,181	13.66
2 Non-Institutional Investors		
Bodies Corporate	15,75,981	12.51
Individuals :		
Holding nominal share capital up to Rs. 1 lakh	5,06,156	4.02
Holding nominal share capital in excess of Rs. 1 Lakh	13,93,858	11.06
3 Clearing Members	5,690	0.05
4 Directors & their relatives	3,30,279	2.62
5 Hindu undivided families	44,836	0.36
6 Non-resident Indians	24,258	0.19
Sub-total (B)(2)	38,81,058	30.81
Sub -Total(B) = (B1) + (B2)	56,02,239	44.47
Grand Total (A) + (B)	1,26,00,378	100.00



Dematerialization of Shares and liquidity

The shares of the Company form part of the compulsory demat segment. The Company has established connectivity with both the depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) through the Registrar, Cameo Corporate Services Ltd. As on 31st March 2011, 98.30% of the paid-up share capital of the Company were held in dematerialized form.

Equity Shares In Suspense Account

As per Clause 5A(1) of the Listing Agreement, 240 equity shares are lying in the suspense account. None of the shareholders approached the Company for transfer of shares from suspense account during the year. The voting rights on the shares outstanding in the suspense account as on March, 2011 shall remain frozen till the rightful owner of such shares claims the shares.

Outstanding Convertible Instruments

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

Plant Location

The Company has various work sites spread throughout the

country and the operations are controlled by the Head Office and has its Branch office at New Delhi and Libya.

Corporate office

S S Hogg Market Complex, (New Wing)
3rd floor,
19, Nellie Sengupta Sarani,
Kolkata-700087

Address for Correspondence

Registered Office
12/1, Nellie Sengupta Sarani,
Kolkata 700087
Tel: -+91-33-22524125/7900
Fax: -+91-33-22528013
Website: www.simplexprojects.com

Investor's correspondence may be addressed to:
Company Secretary & Compliance Officer
Simplex Projects Limited
12/1, Nellie Sengupta Sarani,
Kolkata 700087
Tel: -+91-33- 32923330
Fax: -+91-33- 22528013
Email ID: investors@simplexprojects.com

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

The undersigned, as the Chairman & Managing Director of Simplex Projects Limited, as required by Clause 49(I)(D)(ii) of the Listing Agreement executed with the Bombay Stock Exchange Ltd. and National Stock Exchange of India Ltd., hereby declare that all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Company's Code of Conduct for the financial year 2010-11.

Place: Kolkata
Date: 12th August, 2011

For **Simplex Projects Limited**

B. K. Mundhra
Chairman & Managing Director

NON-MANDATORY REQUIREMENTS

CHAIRMAN OF THE BOARD

The Chairman of the Company is an Executive Chairman of the Company and hence this provision is not applicable.

REMUNERATION COMMITTEE

The Company has a Remuneration Committee whose terms of reference, composition and other relevant particulars have been mentioned in this Report.

AUDIT QUALIFICATION

Observations of the Auditors in their Report have been appropriately addressed in the Directors' Report.

CHIEF EXECUTIVE OFFICER (CEO) & CHIEF FINANCIAL OFFICER(CFO) CERTIFICATION

To

The Board of Directors of
Simplex Projects Limited

Dear Sirs,

We the undersigned, in our capacity as Chief Executive Officer (CEO) and Chief Financial Officer (CFO) of Simplex Projects Limited ("the Company"), to the best of our knowledge and belief, certify that,

WE HAVE REVIEWED THE FINANCIAL STATEMENTS AND THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March, 2011 and

- (a) (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
- (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) We further state that, to the best of our knowledge and belief, there are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that, we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors, the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee:
 - (i) Significant changes, if any, in internal control over financial reporting during the year;
 - (ii) Significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **Simplex Projects Limited**

B. K. Mundhra

Chairman & Managing Director

Pradeep Mishra

Chief Financial Officer

Date: 12th August, 2011

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE



To
The Members of
Simplex Projects Limited

We have examined the compliance of conditions of Corporate Governance by Simplex Projects Ltd. ("the Company") for the year ended on 31st March, 2011 as stipulated in Clause 49 of the Listing Agreement with Stock exchanges.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the 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 information and explanations given to us, we certify that Company has complied with the conditions of Corporate Governance in total as stipulated in the above mentioned Listing Agreements.

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

Place: Kolkata
Date: 12th August, 2011

For **Chaturvedi & Company**
Chartered Accountants

Nilima Joshi
Partner

Membership No. : 52122

MACRO ECONOMY OVERVIEW

The global economy is recovering steadily from the lows of 2008. World economic output has come back with positive track. The momentum of economic growth is regaining its pace but the world economy will take some time to bring up the original pace of growth it was witnessing before the global meltdown. This resulted lower risk perception, greater global financial stability and increasing business sentiments.

Emerging economies in India is affected due to surge in prices of commodities and high levels of inflation. This coupled with growing unrest in Middle East and North African Countries has affected Asian Trade and Market sentiments. Indian economy is well on its way to achieve a high growth momentum. The growth which is fastest in three Years has come on the back of a sharp recovery in farm output. GDP rebounding from 8% in 2009-10 to 8.6% in 2010-11. The year 2010-11 brought in good news on the macroeconomic front in terms of growth.

The economic growth and infrastructure development share a reciprocal relationship. Planning commission's XIth Five year Plan (2007-12) estimates a 15% compounded annual growth rate in infrastructure investment during the period. Its share in GDP is expected to rise from 5.7% in 2006-07 to 8.37% in 2011-12. Existing infrastructure base is grossly inadequate. The high input prices affected operations. The high critical input cost affected operations coupled with inflation pressure that led the Central Bank to adopt tight monetary policies leading to higher interest rate. With the RBI making it clear that it would maintain its anti-inflationary stance, some amount of growth will have to be sacrificed, if inflation is to be brought under control in a more sustainable manner. The construction industry is an integral part of the Indian economy and its contribution to GDP has increased substantially over a period of time. From the point of view of large socio economic impact, this kind of commodity price based inflation affects the construction industry. The Reserve Bank of India (RBI) has had to adopt a conservative monetary policy. With the momentum of growth slowly coming back on track the Government expenditure on Infrastructure development is most likely to increase. This will increase the confidence of the industry players and will provide the right momentum for growth.

The overall outlook of the Indian construction industry looks positive, in view of the current economic scenario. Given the economic fundamentals and committed efforts of the government, drive growth, the future of the Indian economy, in particular construction industry appears to be optimistic.

BUSINESS OVERVIEW

Our Company has emerged as one of the fast growing civil infrastructure solution provider in India. Within a short span the Company has significantly increased its presence in the infrastructure sector as a whole and more specifically in the segment of core competence, which include piling, buildings, multi-level car parking and other infrastructure constructions. The Company is committed to further

strengthen its presence in the Industry by focusing on all the segments falling under urban as well as rural infrastructure. The Company has created an enviable brand in all the segments falling under the Infrastructure sector and the name is synonymous with high quality product.

Your Company's operations were under pressure during the last quarter as a result of hike of input commodities coupled with tight monetary policies adopted by Central Bank to control inflationary pressure.

During the year under review, your Company has achieved gross turnover of Rs. 80,20,106 Thousands as against Rs. 61,93,587 Thousands for the previous period, thus registering an increase of approximately 29 % over the previous year.

The profit before tax (after interest and depreciation charges) has dropped to Rs.4,49,531 Thousands as against Rs. 4,97,062 Thousands for the previous year, thus showing a decrease of 9.6 % as against the previous year. While the profit after providing for tax was Rs. 3,53,981 Thousands as against Rs. 3,60,611 Thousands in the previous year, thus sliding by around 2% as against the previous year.

Our focus area continues to be the execution of civil engineering projects with specialization on piling, building, bridge and flyovers.

The Libya project, which got a setback due to the political crisis there, during the last quarter, was affected to a sizeable extent. The Company's Libya operations had to be stopped, due to civil unrest there, which is continuing. However the Company is hopeful of commencing its activity in Libya as soon as normalcy is restored. Our focus area continues to be the execution of civil engineering projects with specialization on piling, building, bridge and flyovers. Further your Company had been successful in bagging various contracts for execution of Infrastructure Projects. The Company expects substantial increase in the order book position. The order book position as on 31st March, 2011 stands at Rs. 446271.66 lacs.

OPPORTUNITIES & STRENGTHS

Our Company, has at present several segments, which primarily consists of piling and foundation engineering, transportation engineering, which mainly consists of bridges and fly over, etc., buildings and housings, industrial construction, irrigation and waste and water management. In addition of its maturing construction business, we are evaluating opportunities in the following sectors and expects to build a diversified infrastructure asset portfolio in the coming years. We have one of the most diversified business portfolios which will help us in mitigating the risk of slowdown in any one particular segment. We are continuously exploring business opportunities in other segments of the Industry and the business mix of the Company is determined taking all the factors into account. The client list of the Company includes reputed organizations in public and private sectors. The Company's Libya operations had to be stopped, due to civil unrest there, which is continuing. The Company is



hopeful of commencing the Libya operation, as soon as the civil unrest there settles down. During the year, the Company has forayed into Warehousing sector also.

THREATS & CONCERNS

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

RISK MANAGEMENT

Risks are inherent in every business and their successful mitigation is necessary to protect profitability. In a highly competitive market, the ability to manage diverse risks determines success for a company. Our Strategic focus on infrastructure sector in India and overseas exposes the Company to a vast variety of risks. We at Simplex ensure that the risks we undertake are commensurate with better returns. We are subject to the following risks and uncertainties:

High Project Concentration Risk

The company earns a major portion from contracts awarded by Central and State governments, so any slowdown in government spending may adversely affect the growth of the company. However we believe that the thrust on infrastructure spending by the government will continue.

Escalation Risk

Fluctuations in operating costs can often lead to spiraling costs and over shooting budgets. This can lead to delay in the completion of projects. Most of the times , the contracts provide for escalation clause , which covers increase of basic raw material costs as cement , steel and labour etc.

Regulatory Risk

The company operates in a highly regulated environment and any adverse change in existing and new laws, regulations and policies affecting the present operating sectors could affect our profitability. The management continues to remain optimistic about the future regulatory and policy frame work.

As the Company contends with the new responsibility for risk management, it is looking for greater assurance that there is a system in place with well documented, effective mitigation plans and accountability which provides relevant information for decision making to the appropriate people in a timely manner.

During the year, the Board has reviewed the process and the Risks that have been identified for the business. A process of careful selection of projects is being institutionalized to ensure adequate contractual obligations.

FINANCIAL OVERVIEW

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

During the year under review, your Company has achieved gross turnover of Rs. 80,20,106 Thousands as against Rs. 61,93,587 Thousands for the previous period, thus registering an increase of approximately 29 % over the previous year.

The profit before tax (after interest and depreciation charges) has dropped to Rs.4,49,531 Thousands as against Rs. 4,97,062 Thousands for the previous year, thus showing a decrease of 9.6 % as against the previous year. While the profit after providing for tax was Rs. 3,53,981 Thousands as against Rs. 3,60,611 Thousands in the previous year, thus sliding by around 2% as against the previous year.

INTERNAL CONTROL & THEIR ADEQUACY

The Company has adequate system of internal controls commensurate to its size and its operations. Checks and balances are in place and are reviewed at regular intervals to ensure that transactions are properly authorized and reported correctly. To ensure that all the assets are safeguarded and productive. The Company has put in place comprehensive systems and procedural guidelines concerning all operational areas such as tendering, budgeting, execution. Quality, safety, asset arrangement, finance, accounts and audit and human resources etc. The Company has continued its efforts to align all its processes and controls with the best practices in these areas as well. The Management has been making constant efforts to review and upgrade the existing systems and processes to gear up and meet with the changing needs of the business.

HUMAN RESOURCES

Human Resources continued to be one of the biggest asset of the Company. The management is paying special attention to various aspects like training, welfare and safety and thereby further strengthening the human resources. Relations with the employees remain cordial throughout the year. Learning and development continued to be a focus area. The focus continued to be on bringing talent into the organization both at project and corporate level.

CAUTIONARY STATEMENT

Statement in this Management Discussion and Analysis describing the Company's objective, projections, estimates and expectations are "forward looking statements" within the applicable laws and regulations. Such forward-looking statements involve risks and uncertainties that may cause actual events, results or performances to differ materially from those indicated by such statements. Simplex Projects Limited disclaims any obligation to update these forward-looking statements to reflect future events or developments.

To

The Members

Simplex Projects Limited

1. We have audited the attached Balance sheet of **SIMPLEX PROJECTS LTD.** as at 31st March, 2011 and also the profit and loss account and the cash flow statement for the year ended on that date annexed there to. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 and as amended by Company (Auditors Report) (Amendment) Order 2004 "the order", issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we set out in the Annexure a statement on the matters specified in Paragraph 4 and 5 of the said order.
4. *We did not audited the financial statement of the foreign branch of the Company at Libya. As stated in Note No. 15 of Schedule 12 to the financial statement of the Company, figures pertaining to its branch in Libya have been taken upto 16th February 2011, due to political situation and unrest prevailing there and the management has certified the financial statements pertaining to its said branch in Indian rupees. We have placed our reliance on the management certified branch account for the purpose of giving our opinion.*
5. Further to our comments in the Annexure referred in paragraph 3 above we report that:
 - (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.

- (ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books
- (iii) The Balance sheet, Profit & loss account and the cash flow statement dealt with by this report are in agreement with the books of account.
- (iv) In our opinion, the Balance sheet, Profit & loss account and the cash flow statement dealt with by this report comply with the accounting standards referred to in Section 211(3C) of the Companies Act, 1956.
- (v) On the basis of written representations received from the directors, as on 31st March, 2011 and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31st March, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts and read together with other notes in the schedule *subject to clause 4 above, clause (ib) & clause (iia) & (iiic) of the annexure referred to in paragraph 3 above, note 5 regarding non bifurcation of expenses as per part-II of Schedule-VI and note 12 regarding non confirmation of debtors, creditors, advance and bank balance of Schedule 12 thereon* give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :
 - (a) In the case of the Balance sheet, of the state of affairs of the company as at 31st March, 2011.
 - (b) In the case of the profit and loss account, of the profit for the year ended on the date; and
 - (c) In the case of the cash flow statement, of the cash flows for the year ended on that date.

For **Chaturvedi & Company**
 Firm Registration Number-302137E
 Chartered Accountants

Nilima Joshi
 Partner

Place : Kolkata
 Dated : 30th May, 2011

Membership No.52122

ANNEXURE TO AUDITORS' REPORT

ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF M/S. SIMPLEX PROJECTS LIMITED ON THE ACCOUNTS FOR THE YEAR ENDED 31st March , 2010.

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) *Fixed assets have been physically verified by the management during the year end except for the assets deployed at its branch in Libya, which in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification. However, in absence of complete physical verification at the year end at its branch in Libya, we are unable to comment on the discrepancies therein, if any.*
- (c) According to the information and explanations given to us, No substantial part of the fixed assets has been disposed off during the year, which has bearing on the going concern assumption.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year *except for branch at Libya at the year end.*
- (b) The procedures of physical verifications of inventory followed by the management are, in our opinion, reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification. *However in absence of complete physical verification at the year end at its branch in Libya, we are unable to comment on the discrepancies therein.*
- (iii) (a) According to the information and explanation given to us, the company has granted advance in the nature of loans to three parties (two subsidiaries of the company and Joint Venture) which are covered in the register maintained under section 301 of the Companies Act 1956. The maximum amount outstanding at any point of time during the year was Rs. 4,90,142 thousand and the yearend balance of the same is Rs. 4,90,142 thousand.
- (b) According to the information and explanation given to us, the loans given to the subsidiary is interest free and payable on demand which as per the management is not prejudicial to the interest of the company.
- (c) According to information and explanation given to us the said advances in the nature of loans are repayable on demand and as such Clause (iii)(c) & (d) of Companies (Auditor's Report) Order, 2003, are not applicable to the company.
- (d) On the basis of examination of records and according to the information and explanations given to us, the company has not taken any loans secured or unsecured from the party covered in the registered maintained under section 301 of the Companies Act, 1956.
- (e) As the company has not taken any loan secured or unsecured from the party covered in the register maintained under section 301 of the Companies Act, 1956 paragraph (iii) (e),(f) & (g) of Companies (Auditor's Report) Order, 2003, are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and for the sale of goods/service. Further during the course of our audit, we have neither come across nor have we been informed of any instance of major weaknesses in internal control procedures.
- (v) (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management we are of the opinion that, transactions that need to be entered into the register maintained under Section 301 have been so entered.

- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained u/s. 301 of the Act and exceeding a value of Rupees five lacs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (vi) In our opinion and according to the information and explanation given to us, the company has complied with the provisions of sections 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public. 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.
- (vii) In our opinion, the company has an internal audit system commensurate with its size and nature of its business.
- (viii) As explained to us the Central Government has not prescribed for the maintenance of cost record under section 209(1) (d) of the Companies Act, 1956 in respect of the business of the Company.
- (ix) (a) According to the information and explanations given to us, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, Income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess, Investor Education and Protection fund and other statutory dues, as applicable.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Income tax, Wealth tax, Service tax, Sales tax, Customs duty, Excise duty, Cess, Investor Education and Protection fund and other material statutory dues for a period of more than six months from the date they became payable were outstanding as at 31st March, 2011.
- (c) According to the information and explanation given to us, the particulars of dues of Income Tax, Service Tax, Sales Tax, VAT and Custom Duty which have not been deposited on account of dispute are as follows:

Nature of Dues	Period to which the amount relates	Amount (Rs. in '000)	Forum where the dispute is pending
Service Tax	2000-01 to 2004-05	53,124	Commissioner of Service Tax
	2010-11	16,715	The Hon'ble Customs Excise & service Tax Appellate tribunal, EZB, Kolkata
Customs Duty	2004-05	184	Asstt. Commissioner of Customs
Income Tax	2004-05	2,229	CIT (A) - XII, Kolkata Hon'ble Calcutta High Court
	2005-06	19,051	Hon'ble Calcutta High Court
	2006-07	74,464	Appellate tribunal/ Hon'ble Calcutta High Court
	2007-08	38,877	CIT (A) - XII, Kolkata
Sales Tax / VAT	2005-06	3,936	Sr. Joint Commissioner Commercial Taxes (Appeal)
CST	2007-08	56,013 6,244	



- (x) The Company has neither accumulated losses at 31st March, 2011 nor has it incurred any Cash losses during the year and 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, bank or debenture holder.
- (xii) Based on our examination of documents and records and according to the information and explanation given by the management the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi mutual benefit fund / society. Therefore the provisions of Clause 4(xiii) of the Companies (Auditors Report) Order, 2003 are not applicable to the company.
- (xiv) The Company has maintained proper records of securities and other investments, which it has traded in and also in respect of shares and other securities, held as investments and the said investments are in the name of the Company.
- (xv) The Company has not given any guarantee for Loans taken by others from Bank or Financial institutions during the financial year. In respect of guarantee issued by the company in an earlier year, the amount has been paid off by the Joint venture company.
- (xvi) The term loans have been applied for the purpose for which they were raised.
- (xvii) According to the information and explanation 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 to parties and companies covered under register maintained under Section 301 of the Companies Act, 1956, during the year and the question of whether the price at which the shares have been issued is prejudicial to the interest of the Company does not arise.
- (xix) According to the information and explanations given to us, no debentures have been issued by the Company during the year.
- (xx) Based on the records examined by us, we report that the Company has not raised any money from public issue during the year.
- (xxi) During the course of our examination of books of accounts carried out in accordance with 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 nor have we been informed of such case by the management.

For **Chaturvedi & Company**
Firm Registration Number-302137E
Chartered Accountants

Nilima Joshi
Partner

Place : Kolkata
Dated : 30th May, 2011

Membership No.52122

BALANCE SHEET

as at 31st March, 2011

(Rs. in '000)

Schedule	As At 31st March, 2011		As At 31st March, 2010	
	Rs.	Rs.	Rs.	Rs.
SOURCES OF FUNDS				
Shareholders' Fund				
Share Capital	1	1,26,004	1,26,004	
Reserves and Surplus	2	19,93,690	16,53,761	
		21,19,694		17,79,765
Loan Funds				
Secured Loans	3	19,55,027	9,00,076	
Unsecured Loans	4	14,19,892	7,94,137	
		33,74,919		16,94,213
Deferred Tax Liability		75,317		55,792
TOTAL		55,69,930		35,29,770
APPLICATION OF FUNDS				
Fixed Assets				
Gross Block	5	14,63,452	11,04,171	
Less: Depreciation		2,25,995	1,29,718	
Net Block		12,37,457	9,74,453	
Add: Capital Work in Progress		60,943	57,662	
		12,98,400		10,32,115
Investments	6	1,31,994		1,22,656
Current Assets, Loans & Advances	7	1,24,53,008	49,51,369	
Less: Current Liabilities & Provisions	8	83,13,472	25,76,370	
Net Current Assets		41,39,536		23,74,999
TOTAL		55,69,930		35,29,770
NOTES ON ACCOUNTS	12			

The Schedule referred to above form an integral part of the Balance Sheet.

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

For and on behalf of
CHATURVEDI & COMPANY
 Firm Registration Number : 302137E
Chartered Accountants
Nilima Joshi
Partner
 Membership No.52122
 Kolkata,
 Dated: 30th May, 2011

B. K. Mundhra
Chairman & Managing Director

Anand Chopra
Director

J. K. Bagri
Director

B. K. Dash
Company Secretary



PROFIT AND LOSS ACCOUNT

for the year ended 31st March, 2011

(Rs. in '000)

Schedule	For the year ended 31st March, 2011		For the year ended 31st March, 2010	
	Rs.	Rs.	Rs.	Rs.
INCOME				
Work Done	9	79,35,867	60,60,474	
Other Income	10	84,239	1,33,113	
		80,20,106		61,93,587
EXPENSES				
Site Cost & Other				
Administrative Expenses	11	72,18,566	55,22,895	
Interest		2,55,629	1,22,367	
Depreciation		96,380	51,263	
		75,70,575		56,96,525
PROFIT BEFORE TAX		4,49,531		4,97,062
PROVISION FOR TAXATION				
Current Tax		89,591	1,00,023	
MAT Credit Entilement		(13,566)	-	
Deferred Tax		19,525	36,428	
		95,550		1,36,451
PROFIT AFTER TAX		3,53,981		3,60,611
Balance Brought Forward from previous year		4,57,878		2,19,307
AMOUNT AVAILABLE FOR APPROPRIATIONS		8,11,859		5,79,918
APPROPRIATIONS				
Proposed Dividend		12,600	18,901	
Tax thereon		2,093	3,139	
Transfer to General Reserve		1,00,000		1,00,000
Surplus - end of the year		6,97,166		4,57,878
		8,11,859		5,79,918
Basic and Diluted Earnings Per Share (Note 28 of Schedule 12)		28.09		29.10
NOTES ON ACCOUNTS	12			

The Schedule referred to above form an integral part of the Profit & Loss Account.

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

For and on behalf of
CHATURVEDI & COMPANY
 Firm Registration Number : 302137E
 Chartered Accountants
Nilima Joshi
 Partner
 Membership No.52122
 Kolkata,
 Dated: 30th May, 2011

B. K. Mundhra
 Chairman & Managing Director

Anand Chopra
 Director

J. K. Bagri
 Director

B. K. Dash
 Company Secretary

CASH FLOW STATEMENT

for the year ended 31st March, 2011

(Rs. in '000)

	As At 31st March, 2011		As At 31st March, 2010	
	Rs.	Rs.	Rs.	Rs.
A. Cash flow from operating activities :				
Net profit before tax and extraordinary items		4,49,531		4,97,062
Adjustments for:				
Depreciation	96,380		51,263	
Interest (Net)	2,18,511		90,834	
Loss on sale of Fixed Assets	87		193	
Dividend Received	(17)		(58)	
Liability no longer required written back	-		(117)	
Exchange Gain / Loss on Non Integral Branch	(6,516)		(44,970)	
Provisions for employee benefits	4,245		7,459	
Operating profit before working capital changes		3,12,690		1,04,604
Increase / Decrease in :		7,62,221		6,01,666
Trade and other receivables	(2,65,496)		46,253	
Inventories	(21,07,575)		(5,80,451)	
Trade payable	11,43,388		4,43,917	
		(12,29,683)		3,25,719
Cash Generated from operations		(4,67,462)		9,27,385
Direct Tax paid	(89,255)		(51,592)	
FBT	-		(1,997)	
Net Cash from/(Used in) Operating Activities		(5,56,717)		8,73,797
B. Cash flow from Investing Activities:				
Purchase of Fixed Assets	(3,55,993)		(4,58,168)	
Sale of Fixed Assets	399		594	
Sale / (Purchase) of Investments	(9,339)		1,007	
Dividend Received	17		58	
Interest Received	27,508		17,727	
Net Cash from / (Used in) Investing Activities		(3,37,408)		(4,38,783)
		(8,94,125)		(4,35,014)
C. Cash flow from Financing Activities:				
Interest Paid	(2,57,254)		(1,22,586)	
Proceeds from Issue of Equity Share	-		81,000	
Repayments of Long term Borrowings	(5,00,655)		(37,544)	
Inter corporate Loans and advances including Deposits	(55,251)		(24,000)	
Proceeds from Long term borrowings	-		-	
Proceeds from Short term borrowings	22,38,234		8,16,299	
Dividend Paid (Including Tax)	(22,040)		(21,000)	
Net Cash from / (Used in) Financing Activities		14,03,034		6,92,110
Net Increase / (Decrease) in Cash and Cash equivalents during the year		5,08,909		11,27,124
Cash and Cash Equivalents as at 31st March, 2010	13,36,304		2,09,180	
Cash and Cash Equivalents as at 31st March, 2011	18,45,213	5,08,909	13,36,304	11,27,124

Notes:

- The above cash flow statement has been prepared under the indirect method as set out in the Accounting Standard-3 on Cash Flow Statements issued by The Institute of Chartered Accountants of India.
- Schedules referred to above form an integral part of the Cash Flow Statement.
- Previous year's figures have been regrouped / rearranged.

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

For and on behalf of

CHATURVEDI & COMPANY

Firm Registration Number : 302137E

Chartered Accountants

Nilima Joshi

Partner

Membership No.52122

Kolkata,

Dated: 30th May, 2010

B. K. Mundhra

Chairman & Managing Director

Anand Chopra

Director

J. K. Bagri

Director

B. K. Dash

Company Secretary

**SCHEDULES FORMING PART OF BALANCE SHEET
& PROFIT AND LOSS ACCOUNT**

(Rs. in '000)

	As At 31st March, 2011		As At 31st March, 2010	
	Rs.	Rs.	Rs.	Rs.
SCHEDULE - 1				
SHARE CAPITAL				
Authorised				
1,50,00,000 (2008-09 : 1,50,00,000) Equity Shares of Rs.10/- each		<u>1,50,000</u>		<u>1,50,000</u>
Issued, Subscribed & Paid-up				
1,26,00,378 (2009-10 : 1,26,00,378) Equity Shares of Rs.10/- each		<u>1,26,004</u>		<u>1,26,004</u>
Of the above Equity Shares:-				
a) 9,00,000 Shares were allotted in 1995-96 as fully paid-up Equity Shares pursuant to a contract without payment being received in cash				
b) 17,95,714 Shares were allotted as fully paid-up Bonus Share by capitalisation of Rs.1,79,57,140 from General Reserve.		<u>1,26,004</u>		<u>1,26,004</u>
SCHEDULE - 2				
RESERVES AND SURPLUS				
Securities Premium Account				
As per last account	8,39,594		7,64,594	
Add: Received during the year	-	8,39,594	75,000	8,39,594
General Reserve				
As per last account	4,01,259		3,01,259	
Add: Transfer from Profit & Loss A/c	1,00,000	5,01,259	1,00,000	4,01,259
Foreign Currency Translation Reserve				
As per Last Account	(44,970)			
Adjustment during the year (Refer Note 1.11 of Schedule 12)	641	(44,329)		(44,970)
Profit & Loss Account Balance Carried forward		<u>6,97,166</u>		<u>4,57,878</u>
		<u>19,93,690</u>		<u>16,53,761</u>



SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT

SCHEDULE - 5

FIXED ASSETS

Particulars	(Rs. in '000)											
	Original Cost as at 01.04.2010 Rs.	Additions during the period Rs.	Adjustment during the period Rs.	Disposal during the period Rs.	Original cost as at 31.03.2010 Rs.	Depreciation as at 01.04.2010 Rs.	Depreciation for the period Rs.	Depreciation on Assets disposed Rs.	Depreciation as at 31.03.2011 Rs.	Net Balance 31.03.2011 Rs.	Net Balance 31.03.2010 Rs.	
PLANT & MACHINERY												
PLANT & MACHINERY	2,30,251	59,299	5,630	-	2,95,180	11,040	38,416	-	49,456	2,45,724	2,19,211	
CRANES	13,832	45,176	34	-	18,442	1,335	942	-	2,277	16,165	12,497	
AIR CONDITIONER	1,564	-	63	-	1,627	18	156	-	174	1,453	1,546	
WINCH & ENGINE	22,763	1,869	-	-	24,632	6,784	1,135	-	7,919	16,713	15,979	
PILE FRAME	69,899	1,46,417	-	-	2,16,316	13,341	5,196	-	18,537	1,97,779	56,557	
OTHER PLANTS	6,14,361	64,170	24	-	6,78,555	72,164	30,439	-	1,02,603	5,75,952	5,42,198	
TOOLS & IMPLEMENTS	11,902	2,271	20	-	14,193	3,195	709	-	3,904	10,289	8,707	
TRUCKS & TIPPERS	52,821	50,870	557	-	1,04,248	5,498	8,476	-	13,974	90,274	47,323	
MOTORS VEHICLES	36,231	19,556	484	588	55,683	7,107	5,567	102	12,572	43,111	29,124	
TWO WHEELERS	377	44	-	-	421	224	34	-	258	163	153	
COMPUTERS	18,026	1,835	61	-	19,922	5,669	2,875	-	8,544	11,378	12,357	
FURNITURE & FIXTURES	27,858	1,707	249	-	29,814	2,715	2,187	-	4,902	24,912	25,143	
OFFICE EQUIPMENT	4,285	99	35	-	4,419	627	248	-	875	3,544	3,658	
TOTAL	11,04,170	3,52,713	7,157	588	14,63,452	1,29,717	96,380	102	2,25,995	12,37,457	9,74,453	
AS AT 31.03.2010	6,25,550	4,79,549	-	928	11,04,171	78,596	51,263	141	1,29,718	9,74,453	5,46,953	

Notes : Original cost of Fixed Assets as on 31st March, 2011, includes **Rs. 63,025 thousand** acquired under Hire Purchase Schemes, out of which **Rs. 53,384 thousand** is outstanding as on 31st March, 2011, which has been shown under the head 'Secured Loans'.

SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT

(Rs. in '000)

SCHEDULE - 6
INVESTMENTS
LONG TERM INVESTMENTS
(Other than trade - At Cost)

		As At 31st March, 2011	As At 31st March, 2010
	Face Value Rs.	Rs.	Rs.
Government Securities			
7 Years National Savings Certificates (Lodged as Security Deposit)		71	71
5.1/2 Years Kishan Vikash Patra (Lodged as Security Deposit)		107	107
Unquoted			
In Subsidiaries			
31,85,200 Fully Paid-up Equity Shares of Simpark Infrastructure Pvt. Ltd.	10/-	1,20,151	1,20,151
Investment in the capital of partnership firm outside India (Refer note 21 of Schedule 12)		1,353	1,353
Investment in Simplex Agri Infra Services Pvt. Ltd.		10,051	-
In Other Companies			
15,000 Fully Paid-up Ordinary Shares of Geo.miller & Co. Ltd.	10/-	105	105
5,000 Fully Paid-up Equity Shares of Simplexprojects Road & Highway Constn. Pvt.Ltd.	10/-	50	50
4,900 Fully Paid-up Equity Shares of Simplex Housing Projects Pvt. Ltd.	10/-	49	-
Quoted			
1,600 Fully Paid-up Equity Shares of Uco Bank	10/-	19	19
1,000 Fully Paid-up Equity Shares of Vijaya Bank	10/-	24	24
100 Fully Paid-up Equity Shares of Indraprasth Gas Ltd.	10/-	48	48
22 Fully Paid-up Equity Shares of Tata Consultancy Services Ltd.	1/-	9	9
Total Long Term Investments		1,31,994	1,21,894
CURRENT INVESTMENTS (Unquoted, Other than trade) (at cost or market value whichever is lower)			
62349.2633 Units of Mutual Funds (Including dividend reinvestment)	10/-	-	762
Total Current Investments		-	762
TOTAL INVESTMENT		1,31,994	1,22,656
Aggregate Value of Quoted Investments		57	57
Aggregate Value of Unquoted Investments		1,31,759	1,21,659
Market value of quoted Investment		307	177
Units of Mutual Fund Sold During the year			
Name of the Fund		Number of Units	Number of Units
Kotak Mutual Fund		62349.263	-
Reliance Liquidity Fund		-	86916.962
ICICI Prudential Institutional Liquid Fund		-	1621.229



SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT

(Rs. in '000)

	As At 31st March, 2011		As At 31st March, 2010	
	Rs.	Rs.	Rs.	Rs.
SCHEDULE - 7				
CURRENT ASSETS, LOANS & ADVANCES				
A : INVENTORIES				
(As certified & valued by the management)				
(i) Materials:				
(At lower of cost or net realizable value)				
At Sites	6,43,194		2,56,734	
At Stores	23,916		4,560	
Material in transit	39,779		-	
(ii) Construction Contract Work-in-Progress				
(At estimated cost)	25,46,556		8,98,886	
(iii) Project Development Work-in-progress				
(At estimated cost)	4,18,568		4,04,249	
		36,72,004		15,64,429
B : SUNDRY DEBTORS				
(Unsecured, considered good)				
Debts Outstanding for a period exceeding				
Six months	4,84,949		2,77,716	
Other Debts	57,56,947		12,01,007	
		62,41,896		14,78,723
C : CASH AND BANK BALANCE				
Cash in hand	10,755		28,655	
Balance with Scheduled Banks				
Current Accounts	3,81,677		2,89,471	
Cheque in hand	-		32,106	
Fixed Deposits	5,09,018		7,75,753	
Balance with Other Banks	9,43,763		2,10,318	
(Refer Note 6 of Schedule 12)		18,45,213		13,36,303
D : LOANS AND ADVANCES				
(Unsecured, considered good)				
ADVANCES (recoverable in cash or in kind or				
for value to be received, considered good):				
Advances to Subsidiary (Interest Free)		4,35,848		3,18,300
Advances to Joint Venture		7,887		7,887
Income Tax Advance (Net of Income Tax				
Provision : Rs 2,60,883 thousand				
Previous year : Rs. 1,71,292 thousand)	17,789		18,124	
Advance Fringe Benefit Tax Net of Provision for FBT)	32		32	
Staff Advance	25,628		15,269	
Other Advances	1,06,685		96,714	
Deposits	71,238		96,410	
Interest Receivable	28,788		19,178	
		2,50,160		2,45,727
		1,24,53,008		49,51,369

SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT

(Rs. in '000)

SCHEDULE - 8

CURRENT LIABILITIES AND PROVISIONS

A : CURRENT LIABILITIES

	As At 31st March, 2011		As At 31st March, 2010	
	Rs.	Rs.	Rs.	Rs.
Acceptances		-		1,08,472
Sundry Creditors		18,15,957		3,77,765
Advance from Clients		60,46,254		14,49,436
Other Liabilities		4,20,640		6,06,974
		<u>82,82,851</u>		<u>25,42,647</u>

B : PROVISIONS

Proposed Dividend	12,600		18,901	
Tax on Dividend	2,093		3,139	
Employee Benefits	15,928	30,621	11,683	33,723
		<u>83,13,472</u>		<u>25,76,370</u>

SCHEDULE - 9

WORK DONE

Construction Contract Works

	Year ended 31st March, 2011		Year ended 31st March, 2010	
	Rs.	Rs.	Rs.	Rs.
Gross Billing	62,58,377		55,70,438	
Add: Closing Work-in-Progress	25,62,057		8,98,886	
	<u>88,20,434</u>		<u>64,69,324</u>	
Less: Opening Work-in-Progress	8,98,886		4,65,739	
		<u>79,21,548</u>		60,03,585

Project Development Works

Closing Work-in-Progress	4,18,568		4,04,249	
Less: Opening Work-in-Progress	4,04,249		3,47,360	
		<u>14,319</u>		56,889
		<u>79,35,867</u>		<u>60,60,474</u>

SCHEDULE -10

OTHER INCOME

Interest				
Fixed Deposit with Bank (TDS:Rs 2,979 thousand Previous year - Rs.2,803 thousand)	37,117		30,092	
Other Deposits (TDS: Rs 154 thousand)	-	37,117	1,441	31,533
Dividend from Current Investments		17		55
Dividend from Long term Investments - Others		-		3
Exchange Gain		44,278		1,00,819
Liabilities No Longer Required		-		117
Miscellaneous Receipt		2,827		586
		<u>84,239</u>		<u>1,33,113</u>



SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT

(Rs. in '000)

	Year ended 31st March, 2011		Year ended 31st March, 2010	
	Rs.	Rs.	Rs.	Rs.
SCHEDULE - 11				
SITE COST AND OTHER ADMINISTRATIVE EXPENSES				
Expenses for Executing Contract work		70,00,396		52,66,139
Expenses for Executing Project Development		14,319		56,898
Salaries and other benefits to employees				
Salaries, Wages & Bonus	50,293		39,084	
Contribution to Provident & Other Funds	11,618		13,592	
Staff Welfare Expenses	822	62,733	424	53,100
Rent		11,252		11,025
Rates & Taxes		5,182		6,077
Repairs (Others)		6,255		2,617
Telephone & Telex Expenses		4,450		3,875
Electricity Charges		1,176		1,163
Motor Vehicle Expenses		2,632		1,500
Travelling & Conveyance		6,264		10,816
Insurance Charges		2,535		1,435
Printing & Stationary Expenses		1,724		1,669
Stores & Godown Expenses		4,718		7,521
Advertisements		1,843		1,065
Membership & Subscription		1,344		735
Legal & Professional Charges		16,857		14,659
Bank Charges		25,548		71,954
Finance Charges		6,321		1,162
Auditors' Remuneration				
Audit Fee	138		127	
Tax Audit Fee	33		33	
Other Matters	33		165	
		204		325
Loss on disposal of Fixed Assets		87		193
Brokerage - Finance		509		1,274
Filing Fee		23		21
Donation and Charity		35,157		3,943
Miscellaneous Expenses		7,037		3,729
		72,18,566		55,22,895

SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT

SCHEDULE - 12

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

1.0 DISCLOSURE OF SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of Preparation of Financial Statements

The financial statements have been prepared on accrual basis of accounting in conformity with the generally accepted accounting principles in India (GAAP) and comply with Accounting Standards prescribed by the Companies (Accounting Standard) Rules, 2006 and the relevant provisions of the Companies Act, 1956.

1.2 Use of Estimates

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

1.3 Fixed Assets

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

1.4 Depreciation

Depreciation on Fixed Assets is provided as per Schedule XIV of the Companies Act, 1956 under straight line method except assets deployed at foreign branches is provided as per the provisions of local laws at the following rates:

Description of the Assets	Rate of Depreciation
Plant and Machinery	15 %
Trucks	10 %
Motor Vehicles	20 %
Computers	20 %
Furniture and Fixtures	10 %
Office Equipments	10 %

1.5 Impairment of Assets

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

1.6 Inventories

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

1.7 Investments

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

1.8 Revenue Recognition:

- a) Revenue is accounted for following "Percentage of Completion" method of accounting in respect of the Construction Contracts.



SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT

- b) Share of Profit / Loss from joint ventures is accounted for in respect of the financial year of the venture, ending on the balance sheet date, on the basis of their audited / unaudited accounts.
- c) Price escalation claims and additional claims including those under arbitration are recognized as revenue when they are realized or receipts thereof are mutually settled or reasonably ascertained.
- d) Site start up expenses is charged off in the year these are incurred.
- e) Liabilities on account of Service Tax to the extent not reimbursable by the Clients have been charged off to the profit & loss account.
- f) Interest income is recognized on a time proportion basis taking into the amount outstanding and the rate applicable.

1.9 Borrowing Cost

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

1.10 Employee Benefits

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

- i) Short term benefits

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

- ii) Post employment benefits

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

1.11 Foreign Currency Transactions

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

Financial Statements of foreign branches are treated as non-integral operation. In translating the financial statement of foreign branches, the assets and liabilities, both monetary and non monetary, has been translated at the closing rate and income and expense items are translated at the average rate for the period. The resultant exchange differences are accumulated in Foreign Currency Translation Reserve Account. Exchange differences arising on monetary items that are receivable from or payable to non-integral operation for which settlement is neither planed nor likely to occur in the foreseeable future forms part of net investment in non-integral foreign operations and are also accumulated in Foreign Currency Translation Reserve Account.

1.12 Financial Derivatives & Hedging Transactions

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

1.13 Taxation

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

SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT

1.14 Provisions, Contingent Liabilities and Contingent Assets

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

1.15 Earnings per share

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

1.16 Cash and cash equivalents

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

1.17 Event occurring after the Balance Sheet Date

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

NOTES ON ACCOUNTS

2. DEFERRED TAX LIABILITY

The break-up of year end net deferred tax liability as at March 31, 2011 comprises.

(Rs. in '000)

Particulars	March 31, 2011	March 31, 2010
Timing difference on account of depreciation as per books and Tax Laws.	75,317	55,791
Net Deferred Tax Liability	75,317	55,791

- Decline, if any, in the market value of long term quoted investments, considered by management not of permanent nature, has not been provided for.
- Investments in National Savings Certificate and Kisan Vikas Patra amounting to **Rs.177 thousand** (Previous Year – Rs.1,77 thousand) have matured in earlier years and hence no interest has been taken into accounts. These investments along with Fixed Deposit with banks amounting to **Rs. 5,09,018 thousand** (Previous Year – Rs. 5,03,762 thousand) are not in possession of the company as they have been lodged as security deposit with clients / Banks.
- As regard Contract expenses for executing work it has not been possible for the Company to bifurcate the expenses into different heads of account as per Part II of the Schedule VI.
- Balance with other banks comprise of the following: (Rs. in '000)

Name of the Bank	Bank Balance as on 31st March, 2011	Bank Balance as on 31st March, 2010	Maximum balance outstanding	
			2010-11	2009-10
First Gulf Libyan Bank	7,04,226	1,97,015	13,45,941	13,15,819
Bank for Commerce and Development, Libya	-	2,402	17,836	9,583
Sahara bank, Libya	30	746	2,652	746
First Gulf Bank, Dubai	2,39,506	10,154	2,39,506	10,156

SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT

7. Sundry Debtors and Work-in-progress include overdue amount aggregating to **Rs. 65,770 thousand** (Previous Year - Rs. 24,450 thousand) and **Rs. 14,779 thousand** (Previous Year - Rs. 23,881 thousand) that are under arbitration. However, the same is considered good by the management, based on the opinion obtained and the earlier experiences on realization. No provision in this regard is considered necessary by the management.
8. A sum of **Rs. 1,221 thousand** (Previous Year Rs. 1,332 thousand) is lying unpaid in the escrow refund account of the company with its refund banker, which is shown under the head 'Other Current Liabilities'. The corresponding balance has been included in the balances with schedule banks.
9. Salaries and Other benefits to employees include payments to the Managing Director and other Whole time Directors in accordance with the provisions of section 198 of the Companies Act, 1956. Sitting Fee paid to Independent Directors has been charged off to Profit & Loss account under Miscellaneous Expenses. The details of managerial remuneration are as follows:

(Rs. in '000)

Particulars	Year ended 31st March, 2011	Year ended 31st March, 2010
Salaries & Perquisites	9,737	6,405
Contribution to Provident and Other Funds	845	545
Sitting Fee	71	90
Total	10,563	7,040

employee-wise break-up of liability on account of Gratuity and Leave Encashment, based on actuarial valuation, is not ascertainable. The amounts relatable to the Directors are, therefore, not considered in the above figure.

10. a) Payment against supplies from small scale and ancillary undertakings are made in accordance with the agreed credit terms and to the extent ascertained from available information, there was no amount overdue as on 31.03.2011.
- b) Based on the available information with the Company relating to the registration status of suppliers under the Micro, Small and Medium Enterprises Development Act, 2006, there are no dues to micro and small enterprises.
11. The Company is yet to receive the Balance confirmations in respect of certain Bank Balances, Sundry Creditors, Sundry Debtors and advances. The balances are, therefore, as per the books of account only.
12. Capital Work-in-progress includes an unfinished commercial outlet purchased by the Company from its subsidiary for which the lease deed is yet to be executed.
13. The Company has entered into an agreement dated 08.11.1999 with The Kolkata Municipal Corporation (KMC) for installation, development and maintenance of Multilevel Computerized Car Parking System (hereinafter referred to as 'Project') at Rawdon Street, Kolkata. The Company with the consent of KMC has nominated M/s Simparks Infrastructure Pvt. Ltd. (SIPL) to carry out the said project, which is on Built-Own-Operate-Transfer (BOOT) basis for a period of 20 years. KMC has given a deposit of Rupees Three crore to the Company as interest free deposit, to be refunded to them only out of the profits to be earned under a joint venture with KMC to develop commercial complex on a land to be allotted by the KMC. The same has been adjusted by the company against civil and other work of the project undertaken by it from SIPL. The company has, accordingly adjusted the deposit on completion of execution of civil and other works.

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

SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT

14. The company was subjected to a search operation by an investigating agency in connection with one of its projects during which certain documents relating to such project were seized. The audit of the company has been carried out without such original documents.
15. The figures pertaining to the Company's Libya branch have been taken up 16th February 2011 as the construction activities in respect of the projects awarded to the company in Libya has completely stopped since then due to the political situation prevailing there and information thereafter could not be obtained. The financial statement of the company for the year 2010-11 hence includes Fixed and Current assets of **Rs. 82,81,423 thousand** and Work done of **Rs. 36,55,601 thousand** relating to its said branch in Libya, which pending outcome of the uncertainty, the amounts are being carried forward as realisable, as they are adequately covered through various insurance policies. The same could not be audited and has been prepared by the management. The company will be in a position to review after improvement of the situation in Libya. The relevant information has been filed with the appropriate authorities in this regard.
16. Site Cost for executing contract work charged off to Profit & Loss account includes **Rs.277 thousand** (Previous Year NIL) relating to prior period.

17. Contingent Liabilities

- a) There are outstanding guarantees amounting to **Rs. 89,89,887 thousand** (Previous Year - Rs. 86,84,027 thousand) and outstanding letters of credit amounting to **Rs. 1,88,845 thousand** (Previous Year - Rs. 9,73,408 thousand) given on behalf of the Company by Banks. The receipts of term deposits are also held by Banks towards margin money against the guarantees / letters of credit given by them on Company's behalf, besides the counter indemnity by the Company for such guarantees/letters of credit.
- b) The Companies claims of certain deduction under the provisions of the Income Tax Act 1961 for the Assessment Year 2007-08 was disallowed by the Income Tax Authority, for which the company has preferred an appeal with the appellate Tribunal. The matter is yet to be heard. The Company has also challenged the issue of claiming the said deduction in respect of assessment years 2005-06 to 2009-10 by a writ petition before the Hon'ble Calcutta High Court and obtained interim stay order from the said High Court restraining the Tax Authority from enforcing any demand against the Company. The impact of tax in case of an adverse decision is estimated at **Rs.1,34,621 thousand** (Previous year - 48,145 thousand).
- c) Disputed Sales Tax / VAT under appeal with appropriate forum – **Rs.66,421 thousand** (Previous Year –Rs.4,913 thousand)

18. Value of Imports (C.I.F Basis)

(Rs. in '000)

Particulars	Year ended 31st March, 2011	Year ended 31st March, 2010
Capital Goods	1,24,074	1,963
Raw Materials	18,245	18,970
Total	1,42,837	20,933

19. a) Earnings in Foreign Currency

(Rs. in '000)

Particulars	Year ended 31st March, 2011	Year ended 31st March, 2010
On Contract Work (Gross Billing) (Overseas Branch)	36,61,103	20,69,582

b) Expenditure in Foreign Currency

(Rs. in '000)

Particulars	Year ended 31st March, 2011	Year ended 31st March, 2010
Membership & Subscription	4,24	-
Travelling	1,806	2,199
Contract Expenses (Overseas Branch)	31,64,588	18,09,740
Others administrative expenses	961	958



SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT

20. Stores Consumed

(Rs. in '000)

Particulars	2010-11		2009-10	
	Value	% of total Consumption	Value	% of total Consumption
Imported (Into India)	936	0.03	18,970	1.17
Indigenous	33,30,339	99.97	16,09,161	98.83
TOTAL	33,31,275	100	16,28,131	100

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

(Rs. in '000)

Particulars	Year ended	Year ended
	31st March, 2011	31st March, 2010
Contract revenue recognized for the year ended 31st March, 2011	79,35,868	60,60,474
Aggregate amount of contracts costs incurred and recognized profits (less recognised losses) up to 31st March, 2011 for all the Contracts in progress	1,80,92,888	1,06,33,886
The amount of Customers advances outstanding for contracts in progress as at 31st March, 2011	5,07,785	13,65,212
The amount of retention due from customers for Contracts in progress as at 31st March, 2011	3,43,552	2,84,069
Gross amount due from customers for Contracts in progress as at 31st March, 2011 (including work-in- progress of Rs. 9,81,941 thousand)	23,98,249	16,72,846
Gross amount due to customers for contracts in progress as at 31st March, 2011 (including work-in- progress of Rs.65,700 thousand)	3,39,607	88,916

SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT

22. Segment information for the year ended 31st March, 2011

The Company's business activity falls mainly within a single primary segment i.e. construction business and hence there is no separate reportable business segment under primary segment reporting. However, as the Company is engaged in execution of work in overseas, the secondary segment reporting is prepared based on Geographical Segments

(Rs. in '000)

Geographical Segment	Revenue		Assets		Capital Expenditure	
	Year Ended 31st March, 2011	Year Ended 31st March, 2010	Year Ended 31st March, 2011	Year Ended 31st March, 2010	Year Ended 31st March, 2011	Year Ended 31st March, 2010
India	42,74,765	39,90,891	61,19,511	41,21,824	2,29,071	1,50,804
Outside India	36,61,103	20,69,582	17,20,091	19,86,772	1,23,643	3,07,363
Total	79,35,868	60,60,473	78,39,602	61,08,596	3,52,714	4,58,168

23. The Company has a co-operative incorporated under the laws of Netherland, by the name of Simplex Projects (Netherlands) Co-operatie U.A., in partnership with M/s Simplex fiscal Holdings Pvt. Ltd. The profit and loss sharing of the co-operative between the company and its partner is in the ratio of 99:1. As the co-operative is yet to commence its business, the entire expenses have been taken as pre-operative expenses.

24. Disclosure in respect of Joint Ventures

a) List of Joint Venture

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

b) Financial Interest in the Jointly Controlled Entity (un-audited)

(Rs. in '000)

Particulars	Year ended 31st March 2011	Year ended 31st March 2010
Assets	85,277	1,87,039
Liabilities	85,277	1,87,039
Income	11,287	2,41,869
Expenditure	11,305	2,41,883

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

The amount of **Rs.3,35,45 thousand** (Previous Year – Rs. 19,85,91 thousand) due from the joint venture have been included in Sundry Debtors. The investment in joint venture amounting to **Rs. 20 thousand** (Previous Year – Rs. 20 thousand) are included under the head Other Advances.



SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT

25. Related Party Disclosures pursuant to Accounting Standard (AS) – 18 issued by the Institute of Chartered Accountants of India

I. Related Parties and their Relationships:

Name of Related Parties	Nature of Relationships
Mr. B.K. Mundhra	Key Management Personnel
Mr. J.K. Bagri	
Mr. R.D. Mundhra	
Mr. S.D. Mundhra	
Mrs. Krishna Devi Mundhra	Relative of Key Management personnel
Mrs. Pushpa Mundhra	
Simpark Infrastructure Pvt. Ltd.	Subsidiary
Simplex Agri-Infra Services Pvt. Ltd.	
Simplex Projects (Netherlands) Co-operative UA	Jointly controlled Entity / Joint Venture
Triveni Engicons Pvt. Ltd – Simplex Projects Ltd (JV)	
Bharat Gypsum Pvt. Ltd.	Other related party (Entities in which Key Management Personnel or Relatives of Key Management Personnel have control or significant influence).
SPL Gypsum BV	
Pioneer Engineering Co. Pvt. Ltd.	
SPL International BV	
Pioneer Engineering Co. Pvt. Ltd.	
Simplex Fiscal Holdings Pvt. Ltd.	
Kirti Vinimay Pvt. Ltd.	
Datson Exports Ltd.	
Prozen Merchants Pvt. Ltd.	
Simplex Foundation	

SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT

II. Material Transactions with Related Parties during year ended 31st March, 2011. (Rs. in '000)

Nature of transaction	Description of	Related Party	March 31, 2011	March 31, 2010
Transactions during the year				
Director's Remuneration	Key management personnel	Mr. B. K. Mundhra	4,310	2,426
		Mr. J. K. Bagri	1,968	1,669
		Mr. R. D. Mundhra	1,753	1,453
		Mr. S. D. Mundhra	1,706	1,402
Dividend Paid	Other related party	Kirti Vinimay Pvt. Ltd.	853	853
		Pioneer engineering Co. Pvt Ltd	720	720
		Bharat Gypsum Pvt. Ltd.	1,037	1,037
		Datson Export Ltd	226	226
		Simplex Fisical Holdings Pvt Ltd	3,121	2,585
		Vasudha Vanijya Pvt Ltd	-	536
		Prozen Merchants Pvt Ltd	3,591	3,591
	Key management personnel	Mr. B. K. Mundhra	533	576
		Mr. S. D. Mundhra	129	129
		Mr. R. D. Mundhra	129	129
	Relative of Key Management personnel	Mrs. Krishna Devi Mundhra	0.215	0.215
	Relative of Key Management personnel	Mrs. Pushpa Mundhra	1,16	1,16
	Rent and Maintenance	Other related party	Kirti Vinimay Pvt. Ltd.	1,200
Datson Export Ltd			67	67
Mundhra Estate			46	46
Rendering of service	Jointly controlled entity/Joint Venture	Triveni Engicons Pvt. Ltd. – Simplex Projects Ltd. (JV)	1,45,967	2,37,032
	Other related party	Pioneer engineering Co. Pvt Ltd	520	550
Lonas and advance given	Subsidiary	Simpark Infrastructure	80,689	1,46,156
	Subsidiary	Simplex Agri-Infra Services Pvt. Ltd.	70,802	-
Loans and Advance taken	Jointly controlled entity / Joint Venture	Simplex Projects (Netherlands) Co-operative UA	-	54,890
	Other related party	Kirti Vinimay Pvt. Ltd.	68,200	3,800
	Other related party	Kirti Vinimay Pvt. Ltd.	82,294	-

**SCHEDULES FORMING PART OF BALANCE SHEET
& PROFIT AND LOSS ACCOUNT**

(Rs. in '000)

Balance outstanding at the year end				
Loans and advance given	Subsidiary	Simpark Infrastructure Pvt. Ltd	3,65,046	318
	Subsidiary	Simpark Agri-Infra Services Pvt. Ltd	70,802	-
	Jointly controlled entity / Joint venture	Simplex Projects (Netherlands) Co-operative UA	54,294	62,778
Sundry Debtors	Jointly controlled entity / Joint venture	Triveni Engicons Pvt. Ltd. – Simplex Projects Ltd. (JV)	87,516	33,545
Other Current Assets	Jointly controlled entity / Joint venture	Triveni Engicons Pvt. Ltd. – Simplex Projects Ltd. (JV)	20	20
	Other related party	Datson Export Ltd	378	-
	Other related party	Kirti Vinimay Pvt. Ltd.	82,315	24,212
Current Liabilities	Other related party	Prozen Merchants Pvt Ltd	12	12
	Other related party	Mundhra Estate	12	12
	Other related party	Pioneer engineering Co. Pvt. Ltd.	294	-

26. The disclosures required under Accounting Standard 15 “Employee Benefits” notified in the Companies (Accounting Standards) Rules 2006, are given below**Defined Contribution plan**

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

(Rs. in '000)

Employer's Contribution to Provident Fund	3,800
Employer's Contribution to Superannuation Fund	-
Employer's Contribution to Pension Scheme	1,922

SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT

Defined Benefit Plan

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

(Rs. in '000)

	Year ended 31st March, 2011		Year ended 31st March, 2010	
	Gratuity (Funded)	Leave (encashment) (unfunded)	Gratuity (Funded)	Leave encashment (unfunded)
a. Reconciliation of opening and Closing balances of Defined benefit obligation				
Defined Benefit obligation at beginning of the year	8,980	2,703	6,113	1,939
Current Service Cost	1,718	588	1,285	647
Interest Cost	671	216	484	155
Actuarial gain/(loss)	2,070	178	1,236	(39)
Benefits paid	1,196	-	137	-
Defined Benefit obligation at year end	12,243	3,685	8,980	2,703
b. Reconciliation of opening and Closing balances of fair value of plan assets				
Fair value of plan assets at beginning of the year	6,043	-	3,828	-
Expected return on plan assets	483	-	306	-
Actuarial gain/(loss)	25	-	146	-
Employer contribution	2,215	-	1,900	-
Benefits paid	1,196	-	137	-
Fair value of plan assets at year end	7,570	-	6,043	-
Actual return on plan assets	-	-	-	-
c. Reconciliation of fair value of assets and obligations				
Fair value of plan assets	7,570	-	6,043	-
Present value of obligation	12,243	-	8,980	-
Amount recognized in balance Sheet	(4,673)	-	(2,937)	-
d. Expenses recognized during the year				
Current Service Cost	1,718	588	1,285	647
Interest Cost	671	216	484	155
Expected return on plan assets	483	-	306	-
Actuarial gain / (loss) recognized in the year	2,045	178	1,090	(39)
Net Cost	3,951	982	2,552	764
e. Investment Details	% invested as at 31st March, 2011		% invested as at 31st March, 2010	
L.I.C. Group Gratuity (Cash Accumulation) Policy	100		100	

SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT

f. Actuarial assumptions	For the year ended 31st March, 2011		For the year ended 31st March, 2010	
	Gratuity (Funded)	Leave encashment (unfunded)	Gratuity (Funded)	Leave encashment (unfunded)
Mortality Table (L. I. C.)	LICI 1994-1996		LICI 1994-1995	
Discount rate (per annum)	8%	8%	8%	8%
Expected rate of return on plan assets (per annum)	10%	10%	8%	8%
Rate of escalation in salary (per annum)	5%	5%	5%	5%
Formula used	Projected Unit Credit Method		Projected Unit Credit Method	

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

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

The company has given an interest free advance to Simpark Infrastructure Pvt. Ltd., (wholly-owned subsidiary) and Simplex Agri-Infra Services Pvt. Ltd. (subsidiary), having no repayment schedule and outstanding balance is **Rs.3,65,046 thousand** (Previous Year - Rs. 31,83,00 thousand) and **Rs. 70,802 thousand** (Previous Year - Rs. NIL) respectively.

28. Earnings Per Share

Sl No.	Particulars	For the year ended 31st March, 2011	For the year ended 31st March, 2010
a)	Net Profit after tax available for equity shareholder	Rs. 3,53,979 thousand	Rs. 3,60,611 thousand
b)	Weighted Average number of equity shares for Basic EPS	1,26,00,378	1,23,91,611
c)	Weighted Average number of equity shares for Diluted EPS	1,26,00,378	1,23,91,611
d)	Basic EPS	28.09	29.10
e)	Diluted EPS	28.09	29.10

29. Information pursuant to the provisions of Paragraph 3 and 4 of the Part II of Schedule VI of the Companies

Act, 1956:

- i) Licensed Capacity
- ii) Installed Capacity
- iii) Actual Production
- iv) Opening & Closing Stock of Goods Produced ascertainable.
- v) Raw Material Consumption
- vi) TURNOVER

The Company being Civil Engineering Construction concern, these are not applicable as in running contracts quantities of different type of work is not ascertainable.

(Rs. in '000)

PILING	BUILDING	BRIDGE & FLYOVER	INDUSTRIAL & OTHERS	TOTAL BILLING
31st March, 2011				
10,86,331	52,36,902	3,12,213	13,00,422	79,35,868
31st March, 2010				
87,925	44,08,030	4,24,928	11,39,590	60,60,474

SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT

**30. Information pursuant to part IV of Schedule VI to the Companies Act, 1956.
Balance Sheet Abstract and Company's Business Profile.**

I Registration Details :

Registration No. -

State Code

Balance Sheet Date

II Capital Raised during the year (Amount in Rs. '000)

Public Issue Right Issue Bonus Issue Private Placement

III Position Mobilisation and Deployment of Funds (Amount in Rs. '000)

Total Liabilities

Total Assets

Sources of Funds

Paid up Share Capital
Reserves & Surplus
Secured Loans
Unsecured Loans
Deferred Tax Liability

Application of Fund

Net Fixed Assets
Net Current Assets
Investments

IV Performance of the Company (Amount in Rs. Thousands)

Turnover (including other income)

Total Expenditure

[+/-] Profit/Loss before Tax [+/-] Profit/Loss after Tax Earning per Share in Rs. . Dividend Rate%

V Generic Names of Three Principal Products / Services of the Company (as per monetary terms)

Item Code No. (ITC Code)	<input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>	Product Description	<input type="text" value="Concreting, Building & Finishing Work"/>
Product Description	<input type="text" value="Piling"/>	Item Code No. (ITC Code)	<input type="text" value="NIL"/>
Item Code No. (ITC Code)	<input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>	Product Description	<input type="text" value="Miscellaneous Work"/>

31. Previous year's figures have been re-arranged / re-grouped where ever considered necessary.

SIGNATURES TO SCHEDULES

" 1 TO 12"

For and on behalf of
CHATURVEDI & COMPANY
Firm Registration No. - 302137E
Chartered Accountants
Nilima Joshi
Partner
Membership No.52122
Kolkata,
Dated: 30th May, 2011

B. K. Mundhra
Chairman & Managing Director

Anand Chopra
Director

J. K. Bagri
Director

B. K. Dash
Company Secretary



INFORMATION REGARDING SUBSIDIARY COMPANIES

STATEMENT OF HOLDING COMPANYS INTEREST IN SUBSIDIARY COMPANY Statement pusuant to section 212(1)(e) of the Companies Act, 1956

1. Name of the Subsidiary	Simpark Infrastructure Private Limited	Simplex Agri-Infra Services Pvt. Ltd.
2. The Financial Year of the Subsidiary Company ended on	31st March, 2011	31st March, 2011
3. i) No. of Shares held at the end of the financial year of the Subsidiary	31,85,200	10,05,100
ii) Extent of Holding	100%	66.56%
4. The net aggregate of profits/losses and reserves of the Subsidiary Company so far as it concerns the Holding Company :		
i) dealt with in the accounts of the Company by way of dividends on the shares held in the Subsidiary Company :		
a) For the financial year of the Subsidiary Company	NIL	NIL
b) For the previous financial year of Subsidiary Company since they became a subsidiary of the Simplex Projects Ltd.	NIL	NIL
ii) Not dealt with in the accounts of the Company		
a) For the financial year of the Subsidiary Company (Rs. in thousand)	(7,994)	NIL
b) For the previous financial year of Subsidiary since they became subsidiary Company of the Company (Rs. in thousand)	116	NIL

B. K. Mundhra
Chairman & Managing Director

J. K. Bagri
Director

Place : Kolkata
Date : 30th May, 2011

Anand Chopra
Director

B. K. Dash
Company Secretary

FINANCIAL DETAILS OF SUBSIDIARY COMPANIES

for the year ended on 31st March, 2011

(Rs. in '000)

Name of the Subsidiary	Simpark Infrastructure Pvt. Ltd.	Simplex Agri-Infra Services Pvt. Ltd.
Year ending on	31.03.2011	31.03.2011
Share Capital	31,850	15,100
Share Warrants	-	-
Share Application Money	-	-
Reserves & Surplus	81,798	-
Total Assets	5,45,282	15,100
Total Liabilities	5,45,282	15,100
Details of Investment (except in case of Investment in Subsidiaries)	a) Shares	84
	b) Mutuals Funds	-
	c) Optional FCD	-
	Total of Investments	-
Turnover (inclusive other income)	2,64,407	-
Profit Before Tax	(7,994)	-
Provision for current & deferred Tax	-	-
Profit After Tax	(7,994)	-
Proposed Dividend	-	-



AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To

The Members

Simplex Projects Limited

1. We have audited the attached Consolidated Balance sheet of SIMPLEX PROJECTS LIMITED and its Subsidiaries as at 31st March, 2011 and also the Consolidated Profit and loss account and the Consolidated Cash flow statement for the year ended on that date annexed there to. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of Simplex Agri-Infra Services Pvt. Ltd, whose financial statements reflect total assets of Rs. 15,100 thousand as at 31st March 2011 and total revenue of Rs. Nil. Those financial statements have been audited by other auditors whose reports have been furnished to us, and our opinion is based solely based on the reports of the other auditors.
4. *We did not audited the financial statement of the foreign branch of the Company at Libya. As stated in Note No. 15 of schedule 12 to the financial statement of the Company, figures pertaining to its branch in Libya have been taken upto 16th February 2011, due to political situation and unrest prevailing there and the management has certified the financial statements pertaining to its said branch in Indian rupees. We have placed our reliance on the management certified branch account for the purpose of giving our opinion.*
5. We report that the Consolidated Financial Statement have been prepared by the company's management in accordance with the requirements of the Accounting Standards (AS) 21, Consolidated Financial Statements prescribed by the Companies (Accounting Standard) Rules, 2006.
6. Further to our comments in the Annexure referred in paragraph 3 above we report that:
 - (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.
 - (ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books
 - (iii) The Balance sheet, Profit & loss account and the cash flow statement dealt with by this report are in agreement with the books of account.
 - (iv) In our opinion and to the best of our information and according to the explanations given to us, the said Consolidated financial Statements and read together with other notes in the schedule *subject to clause 4 above, note 5 regarding non bifurcation of expenses as per part-II of schedule – VI and note 10 regarding non confirmation of debtors, creditors, advance and bank balance of schedule 12* thereon give the financial information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) In the case of the Consolidated Balance sheet, of the state of affairs of the group company as at 31st March, 2011.
 - (b) In the case of the Consolidated profit and loss account, of the profit for the year ended on the date; and
 - (c) In the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

For **Chaturvedi & Company**
Firm Registration Number - 302137E
Chartered Accountants

Nilima Joshi
Partner

Place : Kolkata
Dated : 30th May 2011

Membership No.52122

CONSOLIDATED BALANCE SHEET

as at 31st March, 2011

(Rs. in '000)

Schedule	As At 31st March, 2011		As At 31st March, 2010	
	Rs.	Rs.	Rs.	Rs.
SOURCES OF FUNDS				
Shareholders' Fund				
Share Capital	1	1,26,004	1,26,004	
Reserves and Surplus	2	20,00,841	16,68,904	17,94,908
Deposit from CMC (Long Term)		30,000		30,000
Loan Funds				
Secured Loans	3	19,55,027	9,00,077	
Unsecured Loans	4	14,19,892	7,94,137	16,94,214
Minority Interest	5	5,049		
Deferred Tax Liability		75,317		55,792
TOTAL		56,12,130		35,74,914
APPLICATION OF FUNDS				
FIXED ASSETS	6			
Gross Block		17,02,170	13,42,888	
Less: Depreciation		2,98,618	1,90,351	
Net Block		14,03,552	11,52,537	
Add: Capital Work in Progress		60,830	56,596	12,09,133
Goodwill (on consolidation)		32,299		32,299
INVESTMENTS	7	1,877		2,590
CURRENT ASSETS, LOANS & ADVANCES	8	1,24,63,478	49,40,204	
Less: Current Liabilities & Provisions	9	83,50,185	26,09,312	
NET CURRENT ASSETS		41,13,293		23,30,892
Miscellaneous Expenditure (To the Extent not written off or adjusted)	10	280		-
Preliminary & pre-Operative Expenses				
TOTAL		56,12,130		35,74,914
NOTES ON ACCOUNTS	14			

The Schedule referred to above form an integral part of the Balance Sheet Account.

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

For and on behalf of
CHATURVEDI & COMPANY
 Firm Registration No. 302137E
 Chartered Accountants
Nilima Joshi
 Partner
 Membership No.52122
 Kolkata,
 Dated: 30th May, 2011

B. K. Mundhra
 Chairman & Managing Director

Anand Chopra
 Director

J. K. Bagri
 Director

B. K. Dash
 Company Secretary

**CONSOLIDATED PROFIT AND LOSS ACCOUNT**

for the year ended 31st March, 2011

(Rs. in '000)

Schedule	As At 31st March, 2011		As At 31st March, 2010	
	Rs.	Rs.	Rs.	Rs.
INCOME				
Work Done	11	79,35,867		60,60,474
Other Income	12	85,460		1,34,685
Income from Parking Operations		10,320		14,332
Income from Lease Premium		386		-
Fee from Parking Consultancy		9,237		2,500
Sale of Parking Systems		50,104		5,215
Closing Project Work-in-Progress		1,93,139		1,46,360
		82,84,513		63,63,566
EXPENSES				
Site Cost & Other				
Administrative Expenses	13	72,31,463		55,30,535
Cost of Completed Project		54,375		2,735
Projects Work-in-Progress				
Opening		1,46,360		5,482
Add: Incurred during the year		46,779		1,40,878
		1,93,139		1,46,360
Less: Cost of Completed Project		-		-
Cost of Capital Assets		-		-
Interest		2,55,629		1,22,711
Depreciation		1,08,370		63,229
		78,42,976		58,65,570
		4,41,537		4,97,996
PROFIT BEFORE TAX				
PROVISION FOR TAXATION				
Current Tax		89,591		1,00,044
Mat credit Entitlement		(13,566)		36,427
Deffered Tax		19,525		-
		95,550		1,36,471
PROFIT AFTER TAX		3,45,987		3,61,525
Balance Brought Forward from previous year		4,73,023		1,94,569
Add : Adjustment on consolidation related to previous year				
		4,73,023		38,968
AMOUNT AVAILABLE FOR APPROPRIATIONS		8,19,010		5,95,062
APPROPRIATIONS				
Proposed Dividend		12,600		18,900
Tax thereon		2,093		3,139
Transfer to General Reserve		1,00,000		1,00,000
Surplus - end of the year		7,04,317		4,73,023
		8,19,010		5,95,062
Basic and Diluted Earnings Per Share (Note 1.15 of Schedule 12)		27.46		29.17
NOTES ON ACCOUNTS	14			

The Schedule referred to above form an integral part of the Profit & Loss Account.

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

For and on behalf of
CHATURVEDI & COMPANY
 Firm Registration No. 302137E
 Chartered Accountants
Nilima Joshi
 Partner
 Membership No.52122
 Kolkata,
 Dated: 30th May, 2011

B. K. Mundhra
 Chairman & Managing Director

Anand Chopra
 Director

J. K. Bagri
 Director

B. K. Dash
 Company Secretary

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31st March, 2011

(Rs. in '000)

Particulars	As At 31st March, 2011		As At 31st March, 2010	
	Rs.	Rs.	Rs.	Rs.
Net profit before tax		4,41,537		4,97,995
Adjustments for:				
Depreciation	1,08,370		63,229	
Interest (Net)	2,18,351		91,065	
(Gain) / Loss on sale of Fixed Assets	87		193	
Dividend	(25)		(63)	
Provisions for Employee Benefits	4,336		7,558	
Exchange Gain/Loss	(6,902)		(44,970)	
Liability no longer required written back	(613)	3,23,604	(186)	1,16,827
Operating Profit before working capital changes		7,65,141		6,14,822
Adjustments for:				
Trade & other receivables	(2,03,366)		6,04,420	
Inventories	(21,66,736)		(7,21,713)	
Trade payables	11,53,114	(12,16,988)	4,51,049	3,33,757
Cash generated from operations		(4,51,847)		9,48,579
Direct Taxes Paid		(94,656)		(52,097)
Fringe Benefit Tax Paid		-		(2,051)
Net Cash flow from Operative Activities		(5,46,503)		8,94,431
CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of fixed assets	(3,56,945)		(4,63,038)	
Disposal of fixed assets	399		594	
Interest Received	27,668		17,835	
Miscellaneous Expenditure to the extent not written off	(280)		-	
Sale / (Purchase) of Investment	715		1,007	
Dividend received	25		63	
Net Cash used in investing activities		(3,28,419)		(4,43,540)
		(8,74,921)		4,50,891
CASH FROM FINANCING ACTIVITIES				
Proceeds from Issue of Share Capital	-		6,000	
Share Premium	-		75,000	
Inter-corporate Deposit	(55,251)		(24,000)	
Repayment of long term borrowings	(5,00,654)		(41,984)	
Proceeds from Short term borrowings	22,38,234		10,35,403	
Repayment of Short term borrowing	-		(2,19,104)	
Dividend paid (including Dividend Tax)	(22,040)		(21,060)	
Interest Paid	(2,57,254)		(1,22,930)	
Net cash flow from Financing Activities		14,03,035		6,87,325
Net Increase / (Decrease) in Cash & Cash Equivalents		5,28,114		11,38,216
Cash & Cash equivalents at the beginning of the Year (Refer Schedule 8 to Accounts)	13,51,775		2,13,559	
Cash & Cash equivalents at the end of the Year (Refer Schedule 8 to Accounts)	18,79,889	5,28,114	13,51,775	11,38,216

- Notes: 1. The above cash flow statement has been prepared under the indirect method as set out in the Accounting Standard-3 on Cash Flow Statements issued by The Institute of Chartered Accountants of India.
2. Schedules referred to above form an integral part of the Cash Flow Statement.
3. Previous year's figures have been regrouped / rearranged where ever necessary.

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

For and on behalf of
CHATURVEDI & COMPANY
Firm Registration No. 302137E
Chartered Accountants
Nilima Joshi
Partner
Membership No.52122
Kolkata,
Dated: 30th May, 2011

B. K. Mundhra
Chairman & Managing Director

Anand Chopra
Director

J. K. Bagri
Director

B. K. Dash
Company Secretary



**SCHEDULES FORMING PART OF CONSOLIDATED
BALANCE SHEET & PROFIT AND LOSS ACCOUNT**

(Rs. in '000)

	As At 31st March, 2011		As At 31st March, 2010	
	Rs.	Rs.	Rs.	Rs.
SCHEDULE - 1				
SHARE CAPITAL				
Authorised				
1,50,00,000 (2009-10: 1,50,00,000) Equity Shares of Rs. 10/- each		<u>1,50,000</u>		<u>1,50,000</u>
Issued, Subscribed & Paid-up				
1,26,00,378 (2009-10: 1,20,00,378) Equity Shares of Rs. 10/- each		<u>1,26,004</u>		<u>126004</u>
Of the above Equity Shares:-				
a) 9,00,000 Shares were allotted in 1995-96 as fully paid-up Equity Shares pursuant to a contract without payment being received in cash				
b) 17,95,714 Shares were allotted as fully paid-up Bonus Share by capitalisation of Rs. 1,79,57,140/- from General Reserve.		<u>1,26,004</u>		<u>1,26,004</u>
SCHEDULE - 2				
RESERVES AND SURPLUS				
Securities Premium Account				
As per last account	<u>8,39,594</u>		7,64,594	
Add: Received during the year	-	<u>839594</u>	<u>75,000</u>	<u>8,39,594</u>
General Reserve as per last account	<u>4,01,259</u>		3,01,259	
Add : Transfer from Profit & Loss Account	<u>1,00,000</u>	<u>5,01,259</u>	<u>1,00,000</u>	<u>4,01,259</u>
Foreign Currency Translation Reserve				
As per last Account	<u>(44,970)</u>			<u>(44,970)</u>
Adjustment for Exchange	<u>641</u>	<u>(44,329)</u>	-	
Profit & loss account balance carried forward		<u>7,04,317</u>		<u>4,73,021</u>
		<u>20,00,841</u>		<u>16,68,904</u>

SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET & PROFIT AND LOSS ACCOUNT

(Rs. in '000)

SCHEDULE - 3

SECURED LOANS

Cash Credit from Banks

Short-term Loan

FCNR Loan

Term Loan From Banks

Other Term Loan

SCHEDULE - 4

UNSECURED LOANS

Short term loan from Bank

Commercial Paper

Inter Corporate Deposits

Fixed Deposit

Buyers Credit*

Interest accrued and due

*Buyer's Credit Facility availed in Foreign currency from International Banks and overseas branches of Indian Bank are secured by letter of undertakings by working capital banks which in terms secured by pari-passu charge on assets as recited in note 1 above.

SCHEDULE - 5

MINORITY INTEREST

Balance of equity as on the acquisition date

Note : Minority interest represent 33.43% of equity shares of Simplex Agri-Infra Services Pvt. Ltd.

As At 31st March, 2011	As At 31st March, 2010
Rs.	Rs.
16,73,563	5,17,960
2,00,000	2,51,593
-	46,600
48,788	62,742
32,676	21,182
<u>19,55,027</u>	<u>9,00,077</u>
-	1,50,000
2,50,000	5,00,000
-	36,000
-	19,251
11,69,841	87,210
51	1,676
<u>14,19,892</u>	<u>7,94,137</u>
5,049	-
<u>5,049</u>	<u>-</u>



SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET & PROFIT AND LOSS ACCOUNT

SCHEDULE - 6

FIXED ASSETS

Particulars	(Rs. in '000)											
	Original Cost as at 01.04.2010 Rs.	Additions during the period Rs.	Adjustment during the period Rs.	Disposal during the period Rs.	Original cost as at 31.03.2011 Rs.	Depreciation as at 01.04.2010 Rs.	Depreciation for the period Rs.	Depreciation on Assets disposed Rs.	Depreciation as at 31.03.2011 Rs.	Net Balance as at 31.03.2011 Rs.	Net Balance as at 31.03.2010 Rs.	
PLANT & MACHINERY												
PLANT & MACHINERY	3,58,204	59,299	5,630	-	4,23,133	42,861	44,834	-	87,695	3,35,438	2,95,628	
CRANES	13,832	4,576	34	-	18,443	1,335	942	-	2,277	16,166	12,497	
AIR CONDITIONER	1,564	-	63	-	1,627	18	156	-	174	1,453	1,546	
WINCH & ENGINE	22,763	1,869	-	-	24,632	6,784	1,135	-	7,919	16,713	15,979	
PILE FRAME	69,899	1,46,417	-	-	2,16,316	13,341	5,196	-	18,537	1,97,779	56,557	
OTHER PLANTS	6,14,361	64,170	24	-	6,78,555	72,164	30,439	-	1,02,603	5,75,952	5,42,198	
TOOLS & IMPLEMENTS	11,902	2,271	20	-	14,193	3,195	709	-	3,904	10,289	8,707	
BUILDING & STRUCTURE	1,03,573	-	-	-	1,03,573	27,156	5,179	-	32,334	71,238	76,417	
ELECTRICAL INSTALLATIONS	5,317	-	-	-	5,317	1,084	269	-	1,353	3,963	4,233	
TRUCKS & TIPPERS	52,821	50,870	557	-	1,04,248	5,498	8,476	-	13,974	90,274	47,323	
MOTORS VEHICLES	36,231	19,556	484	588	55,683	7,107	5,567	102	12,572	43,113	29,124	
TWO WHEELERS	377	44	-	-	421	224	34	-	258	163	153	
COMPUTERS	18,548	1,835	61	-	20,444	6,011	2,930	-	8,941	11,503	12,538	
FURNITURE & FIXTURES	28,116	1,707	249	-	30,072	2,835	2,203	-	5,038	25,034	25,281	
OFFICE EQUIPMENT	5,380	99	35	-	5,514	739	300	-	1,039	4,475	3,641	
TOTAL	13,42,888	3,52,713	7,157	588	17,02,171	1,90,352	1,08,369	102	2,98,618	14,03,553	11,31,822	
AS AT 31.03.2010	8,62,891	4,80,925	-	928	13,42,888	1,27,264	63,229	141	1,90,351	11,52,537	7,95,627	

Notes : Original cost of Fixed Assets as on 31st March, 2011, includes **Rs. 63,025 thousand** acquired under Hire Purchase Schemes, out of which **Rs. 53,384 thousand** is outstanding as on 31st March, 2011, which has been shown under the head 'Secured Loans'.

SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET & PROFIT AND LOSS ACCOUNT

(Rs. in '000)

SCHEDULE - 7

INVESTMENTS

LONG TERM INVESTMENTS

(Other than trade - At Cost)

Government Securities

7 Years National Savings Certificates
(Lodged as Security Deposit)

5.1/2 Years Kishan Vikash Patra
(Lodged as Security Deposit)

Unquoted

Investment in the capital of Partnership firm
out side India (refer to note 21 of schedule 12)

15,000 Ordinary Shares of Geo.miller & Co. Ltd.

5,000 Equity Shares of
Simplexprojects Road & Highway Constn. Pvt.Ltd.

4,900 Fully Paid-up Equity shares of
Simplexprojects Housing Projects Pvt.Ltd.

Quoted

4,000 Equity Shares of Uco Bank

2,000 Equity Shares of Vijaya Bank

100 Equity Shares of Indraprasth Gas Ltd.

58 Equity Shares of Tata Consultancy Services Ltd.

251 Equity Shares of NTPC LTD.

Total Long Term Investments

CURRENT INVESTMENTS

(Unquoted, Other than trade)

1,60,525.58 Units of Mutual Funds

Total Investment

Aggregate Value of Quoted Investments

Aggregate Value of Unquoted Investments

Market value of quoted Investment

Face Value
Rs.

	As At 31st March, 2011	As At 31st March, 2010
	Rs.	Rs.
	71	71
	107	107
	1,353	1,353
	105	105
	50	50
	49	-
	48	48
	48	48
	5	5
	25	25
	16	16
	1,877	1,828
	-	762
	0	762
	1,877	2,590
	141	142
	1,31,759	1,508
	1	468

Units of Mutual Fund Sold During the year

Name of the Fund

Kotak Mutual Fund

Number of Units

62,349,2633



**SCHEDULES FORMING PART OF CONSOLIDATED
BALANCE SHEET & PROFIT AND LOSS ACCOUNT**

(Rs. in '000)

	As At 31st March, 2011		As At 31st March, 2010	
	Rs.	Rs.	Rs.	Rs.
SCHEDULE - 8				
CURRENT ASSETS, LOANS & ADVANCES				
A : INVENTORIES				
(As certified & valued by the management)				
(i) Materials:				
(At lower of cost or net realizable value)				
At Sites	6,43,194		2,56,734	
At Stores	23,916		4,560	
Material in transit	39,770		-	
(ii) Construction Contract Work-in-Progress				
(At estimated cost)	25,46,556		8,98,886	
(iii) Project Development Work-in-progress				
(At estimated cost)	6,11,706		5,50,609	
(iv) Parking Systems awaiting Installation				
(At lower of cost or net realizable value)	33,253		20,870	
		38,98,395		17,31,659
B : SUNDRY DEBTORS				
(Unsecured, considered good)				
Debts Outstanding for a period exceeding				
Six months	5,68,191		2,84,860	
Other Debts	57,69,065		13,05,535	
		63,37,256		15,90,395
C : CASH AND BANK BALANCE				
Cash in hand	10,755		28,655	
Cheque in hand	-		32,116	
Balance with Scheduled Banks				
Current Accounts	4,14,961		3,03,669	
Fixed Deposits	5,10,410		7,77,017	
Balance with Other Banks	9,43,763		2,10,318	
		18,79,889		13,51,775
D : LOANS AND ADVANCES				
(Unsecured, Considered good)				
ADVANCES (recoverable in cash or in kind or				
or for value to be received, considered good):				
Advance against Projects				
Income Tax Advance	31,333		26,267	
Advance Fringe Benefit Tax	29		29	
Advance to Joint Venture	71,987		7,887	
Staff Advance	25,900		15,484	
Other Advances	1,07,633		97,124	
Deposits	77,489		96,697	
Interest Receivable	28,813		19,203	
Advances	4,754		3,684	
		3,47,938		2,66,375
		1,24,63,478		49,40,204



SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET & PROFIT AND LOSS ACCOUNT

(Rs. in '000)

	Year ended 31st March, 2011		Year ended 31st March, 2010	
	Rs.	Rs.	Rs.	Rs.
SCHEDULE - 13				
SITE COST AND OTHER ADMINISTRATIVE EXPENSES				
Expenses for Executing Contract work		70,00,396		52,66,139
Expenses for Executing Project Development		14,319		56,898
Revenue Shared With KMC		516		459
Salaries and other benefits to employees				
Salaries, Wages & Bonus	54,066		41,405	
Contribution to Provident Fund & Other Fund	11,943		13,870	
Staff welfare expenses	946	66,955	577	55,852
Rent		11,252		11,025
Rates & Taxes		6,547		6,180
Repairs & Renewals				
Plant and machinery	1,811		1,575	
Others	7,143	8,954	2,652	4,228
Telephone & Telex Expenses		4,551		3,963
Electricity & Water Charges		1,724		1,214
Motor Vehicle Expenses		2,748		1,635
Travelling & Conveyance		6,317		11,081
Insurance Charges		2,715		1,645
Printing & Stationary Expenses		1,781		1,767
Stores & Godown Expenses		4,718		7,521
Advertisements		3,130		1,065
Membership & Subscription		1,350		735
Legal & Professional charges		16,963		15,052
Bank Charges		25,616		71,954
Commission & Finance Charges		6,321		1,162
Auditors' Remuneration:				
Audit Fee	182		171	
Tax Audit Fee	33		44	
Other matters	44	259	165	381
Loss on disposal of Fixed Assets		87		193
Brokerage		539		1,382
Filing Fee		23		21
Donation and Charity		35,157		3,943
Sales & Promotional Expenses		627		501
Miscellaneous Expenses		7,898		4,433
Bad-Debts/Advances written off		-		109
		72,31,463		55,30,536

SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET & PROFIT AND LOSS ACCOUNT

SCHEDULE 14

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

1.0 DISCLOSURE OF SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of Preparation of Financial Statements

- a) The consolidated Financial Statements have been prepared on accrual basis of accounting in conformity with the generally accepted accounting principles generally accepted in India (GAAP) and comply with Accounting Standards prescribed by the Companies (Accounting Standard) Rules, 2006 and the relevant provisions of the Companies Act, 1956.
- b) As far as possible, the Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the companies separate financial statements.

1.2 Principles of Consolidation

The Consolidated Financial Statements are related to Simplex Projects limited (The Company) and its wholly owned subsidiary Simpark Infrastructure Private Limited and Simplex Agri-Infra Services Private Limited are drawn up to the same reporting date as of the Company.

The consolidated Financial Statements have been prepared on the following basis:

- a) The Financial Statements of the Company and its Subsidiary company have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. Inter-company balances and transactions and unrealized profits or losses have been fully eliminated.
- b) The excess of cost to the Company of its investments in its Subsidiary company over its share of the Equity of the Subsidiary company at the dates, on which the investments in the Subsidiary companies are made, is recognized as Goodwill being an asset in the consolidated Financial Statements.
- c) During the year, The Company has invested in 66.56% shares of Simplex Agri-Infra Services Private Limited in the State of Jammu & Kashmir. The said Company has entered into a contract with Food Corporation of India to construct and maintain warehouses in different parts of Jammu & Kashmir. The Company has yet to start its operation, hence no revenue has been generated.
- d) In terms of Accounting Standard-21 the minority interest has been computed in respect of Simplex Agri-Infra Services Private Limited a non-fully owned subsidiary Company.
- e) The subsidiary Company considered in the Consolidated financial statement is as under:

Name of the Company	Country of Incorporation	Percentage of Shareholding as on 31st March, 2011	Percentage of Shareholding as on 31st March, 2010
Simpark Infrastructure Pvt. Ltd.	India	100%	100%
Simplex Agri-Infra Services Pvt.Ltd.	India	66.56%	Nil

1.3 Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.



SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET & PROFIT AND LOSS ACCOUNT

1.4 Fixed Assets

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

1.5 Depreciation

Depreciation on Fixed Assets is provided as per Schedule XIV of the Companies Act, 1956 under straight line method. Assets constructed on land not owned by the company were amortized over a period of the rights given under the concession agreement.

Assets deployed at foreign branches is provided as per the provisions of local laws at the following rates:

Description of the Assets	Rate of Depreciation
Plant and Machinery	15 %
Trucks	10 %
Motor Vehicles	20 %
Computers	20 %
Furniture and Fixtures	10 %
Office Equipments	10 %

1.6 Cost of Construction/ development

Cost of construction / development incurred in the subsidiary is charged to the Profit & Loss account proportionate to project area sold. Adjustment, if required, is made in project work in progress. The estimated saleable area cost of the project as determined, is based on management's estimate of the cost expected to be incurred till the final completion of the project and includes material, services and other related overheads. The effect of such changes to estimates is recognized in the period such changes are determined.

1.7 Impairment of Assets

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

1.8 Inventories

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

1.9 Investments

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

1.10 Revenue Recognition

- Revenue is accounted for following "Percentage of Completion" method of accounting in respect of the Construction Contracts.
- Share of Profit/Loss from joint ventures is accounted for in respect of the financial year of the venture, ending on the balance sheet date, on the basis of their audited / un-audited accounts.

SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET & PROFIT AND LOSS ACCOUNT

- c) Price escalation claims and additional claims including those under arbitration are recognized as revenue when they are realized or receipts thereof are mutually settled or reasonably ascertained.
- d) Site start up expenses is charged off in the year these are incurred.
- e) Liabilities on account of Service Tax to the extent not reimbursable by the Clients have been charged off to the profit & loss account.
- f) Fee collections from users of facility are accounted for when the amount is due and recovery is certain.
- g) Fee for amenities are accounted for on accrual basis and are net of Service tax, if any. Fee for consulting are recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measure.
- h) Revenue from Commercial Real estate (received as lease premium) is recognized on making the initial agreement with the parties and receipt of substantial amount of total lease premium value.
- i) The management revises the estimates of saleable area and costs periodically. The effect of such changes to estimates is recognized in the period such changes are determined.
- j) Revenue from sale of parking systems are recongised upon delivery and erection, which is when the title passes to the customer.
- k) Interest income is recognized on a time proportion basis taking into the amount outstanding and the rate applicable.

1.11 Borrowing Cost

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

1.12 Employee Benefits

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

i) Short term benefits

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

ii) Post employment benefits

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

1.13 Foreign Currency Transactions

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

Financial Statements of foreign branches are treated as non-integral operation. In translating the financial statement of



SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET & PROFIT AND LOSS ACCOUNT

foreign branches, the assets and liabilities, both monetary and non-monetary, has been translated at the closing rate and income and expense items are translated at the average rate for the period. The resultant exchange differences are accumulated in Foreign Currency Translation Reserve Account. Exchange differences arising on monetary items that are receivable from or payable to non-integral operation for which settlement is neither planned nor likely to occur in the foreseeable future forms part of net investment in non-integral foreign operations and are also accumulated in Foreign Currency Translation Reserve Account.

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

1.14 Taxation

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

1.15 Earnings per share

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

1.16 Provisions and Contingent Liabilities and Contingent Assets

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

1.17 Cash and Cash Equivalents

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

1.18 Event occurring after the Balance Sheet Date

Material events occurring after Balance Sheet date are taken into cognizance.

NOTES ON ACCOUNTS

2. The break-up of year end net deferred tax liability as at March 31, 2011 comprises (Rs. in '000)

Particulars	March 31, 2011	March 31, 2010
Timing difference on account of depreciation as per books and Tax Laws.	75,317	55,791
Net Deferred Tax Liability	75,317	55,791

3. Decline, if any, in the market value of long term quoted investments, considered by management not of permanent nature, has not been provided for.

4. a) Payment against supplies from small scale and ancillary undertakings are made in accordance with the agreed credit terms and to the extent ascertained from available information, there was no amount overdue as on 31.03.2011.
- b) Based on the available information with the Company relating to the registration status of suppliers under the Micro, Small and Medium Enterprises Development Act, 2006, there are no dues to micro and small enterprises.

SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET & PROFIT AND LOSS ACCOUNT

5. As regard Contract expenses for executing work it has not been possible for the Company to bifurcate the expenses into different heads of account as per Part II of the Schedule.

6. Balance with other banks comprise of the following: (Rs. in '000)

Name of the Bank	Bank Balance as on 31st March, 2011	Bank Balance as on 31st March, 2010	Maximum balance outstanding	
			2009-11	2009-10
First Gulf Libyan Bank	7,04,226	1,97,015	13,45,941	13,15,819
Bank for Commerce and Development, Libya	-	2,402	17,836	9,583
Sahara Bank, Libya	30	746	2,652	746
First Gulf Bank, Dubai	2,39,506	10,154	2,39,506	10,156

7. Investments in National Savings Certificate and Kisan Vikas Patra amounting to **Rs.177 thousand** (Previous Year – Rs.177 thousand) have matured in earlier years and hence no interest has been taken into accounts. These investments along with Fixed Deposit with banks amounting to **Rs. 5,09,018 thousand** (Previous Year – Rs. 5,03,762 thousand) are not in possession of the company as they have been lodged as security deposit with clients / Banks.

8. Sundry Debtors and Work-in-progress include overdue amount aggregating to **Rs. 65,770 thousand** (Previous Year - Rs. 24,450 thousand) and **Rs. 14,779 thousand** (Previous Year - Rs. 22,881 thousand) that are under arbitration. However, the same is considered good by the management, based on the opinion obtained and the earlier experiences on realization. No provision in this regard is considered necessary by the management.

9. A sum of **Rs. 1,221 thousand** (Previous Year Rs. 1,332 thousand) is lying unpaid in the escrow refund account of the company with its refund banker, which is shown under the head 'Other Current Liabilities'. The corresponding balance has been included in the balances with schedule banks.

10. The Company is yet to receive the Balance confirmations in respect of certain Bank Balances, Sundry Creditors, Sundry Debtors and advances. The balances are, therefore, as per the books of account only.

11. Salaries and Other benefits to employees include payments to the Managing Director and other Wholetime Directors in accordance with the provisions of section 198 of the Companies Act, 1956. Sitting Fee paid to Independent Directors has been charged off to Profit & Loss account under Miscellaneous Expenses.

(Rs. in '000)

	Year ended 31st March, 2011	Year ended 31st March, 2010
Salaries & Perquisites	9,737	6,405
Contribution to Provident and other Funds	845	545
Sitting Fee	71	90
Total	10,653	7040

The employee-wise break-up of liability on account of Gratuity and Leave Encashment, based on actuarial valuation, is not ascertainable. The amounts relating to the Directors are, therefore, not considered above.

12. Capital Work-in-progress includes an unfinished commercial outlet purchased by the Company from its subsidiary for which the lease deed is yet to be executed.



SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET & PROFIT AND LOSS ACCOUNT

13. Segment information for the year ended 31st March, 2011.

The Company's business activity falls mainly within a single primary segment i.e. construction business and hence there is no separate reportable business segment under primary segment reporting. However, as the Company is engaged in execution of work in overseas, the secondary segment reporting is prepared based on Geographical Segments.

(Rs. in '000)

Geographical Segment	Revenue		Assets		Capital Expenditure	
	Year Ended 31st March, 2011	Year Ended 31st March 2010	Year Ended 31st March 2011	Year Ended 31st March 2010	Year ended 31st March 2011	Year Ended 31st March 2010
India	42,74,765	39,90,891	56,01,979	41,21,824	2,29,071	1,50,804
Outside India	36,61,103	20,69,582	82,81,423	19,86,772	1,23,643	3,07,363
Total	79,35,868	60,60,473	1,38,83,402	61,08,596	3,52,714	4,58,168

14. C.I.F. Value of Imports

(Rs. in '000)

Particulars	Year ended 31st March, 2011	Year ended 31st March, 2010
Capital Goods	1,24,074	1,963
Raw Materials	18,245	18,970
Other Advance	518	-
Total	1,42,837	20,933

15. Expenditure in Foreign Currency

(Rs. in '000)

Particulars	Year ended 31st March, 2011	Year ended 31st March, 2010
Membership & Subscription	424	-
Travelling	2,476	2,291
Contract Expenses (Overseas Branch)	31,64,588	18,09,740
Other Administrative Expenses	961	958

16. Earnings in Foreign Currency

(Rs. in '000)

	Year ended 31st March, 2011	Year ended 31st March, 2010
On Contract Work (Gross Billing) (Overseas Branch)	36,61,103	20,69,582

17. Stores Consumed

(Rs. in '000)

Particulars	Year ended 31st March, 2011		Year ended 31st March, 2010	
	Value	% of total Consumption	Value	% of total Consumption
Imported (Into India)	936	0.03	18,970	1.17
Indigenous	33,30,339	99.97	16,09,161	98.83
TOTAL	33,31,275	100.00	16,28,131	100.00

SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET & PROFIT AND LOSS ACCOUNT

18. The company was subjected to a search operation by an investigating agency in connection with one of its projects during which certain documents relating to such project were seized. The audit of the company has been carried out without such original documents.
19. The figures pertaining to the Company's Libya branch have been taken upto 16th February 2011 as the construction activities in respect of the projects awarded to the company in Libya has completely stopped since then due to the political situation prevailing there and information thereafter could not be obtained. The financial statement of the company for the year 2010-11 hence includes Fixed and Current assets of **Rs. 82,81,423 thousand** and Work done of Rs. 36,55,601 thousand relating to its said branch in Libya, which pending outcome of the uncertainty, the amounts are being carried forward as realisable, as they are adequately covered through various insurance policies. The same could not be audited and has been prepared by the management. The Company will be in a position to review after improvement of the situation in Libya. The relevant information has been filed with the appropriate authorities in this regard.
20. Site Cost for executing contract work charged off to Profit & Loss account includes **Rs. 277 thousand** (Previous Year NIL) relating to prior period.

21. Contingent Liability

- a) There are outstanding guarantees amounting to **Rs. 89,89,887 thousand** (Previous Year - Rs. 86,84,027 thousand) and outstanding letters of credit amounting to **Rs. 1,88,845 thousand** (Previous Year - Rs. 9,73,408 thousand) given on behalf of the Company by Banks. The receipts of term deposits are also held by Banks towards margin money against the guarantees/letters of credit given by them on Company's behalf, besides the counter indemnity by the Company for such guarantees/letters of credit.
- b) The Companies claims of certain deduction under the provisions of the Income Tax Act 1961 for the Assessment Year 2007-08 was disallowed by the Income Tax Authority, for which the company has preferred an appeal with the appellate Tribunal. The Company has also challenged the issue of claiming the said deduction in respect of assessment years 2005-06 to 2009-10 by a writ petition before the Hon'ble Calcutta High Court and obtained interim stay order from the said High Court restraining the Tax Authority from enforcing any demand against the Company. The impact of tax in case of an adverse decision is estimated at **Rs. 1,34,621 thousand** (Previous Year- 48,145 thousand).
- c) Disputed Sales Tax / VAT under appeal with appropriate forum – **Rs. 66,421 thousand** (Previous Year – 4,913 thousand).

22. Disclosure in respect of Joint Venture

a) List of Joint Ventures

Name of the Joint venture	Description of Interest	Proportion of ownership	Country of incorporation	Method of Accounting
Triveni Engicons Pvt. Ltd.- Simplex Projects Limited (JV)	Joint Venture	98%	India	Percentage of Completion

**SCHEDULES FORMING PART OF CONSOLIDATED
BALANCE SHEET & PROFIT AND LOSS ACCOUNT****b) Financial Interest in the Jointly Controlled entity (Rs. in '000)**

	Year ended 31st March, 2011	Year ended 31st March, 2010
Assets	85,277	1,87,039
Liabilities	85,277	1,87,039
Income	11,287	2,41,869
Expenditure	11,305	2,41,883

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

The amount of **Rs. 33,545 thousand** (Previous Year – Rs. 1,98,590 thousand) due from the joint venture have been included in Sundry Debtors. The investment in joint venture amounting to **Rs.20 thousand** (Previous Year – Rs.20 thousand) are included under the head Other Advances.

23. Information of Simplex Projects Limited in accordance with the requirements of revised Accounting Standards – 7 on Construction Contracts prescribed by the Companies (Accounting Standard) Rules, 2006. (Rs. in '000)

Particulars	Year ended 31st March, 2011	Year ended 31st March, 2010
Contract revenue recognized for the year ended 31st March, 2011	79,35,868	60,60,474
Aggregate amount of contracts costs incurred and recognized profits (less recognised losses) up to 31st March, 2011 for all the Contracts in progress	1,80,92,888	1,06,33,886
The amount of Customers advances outstanding for contracts in progress as at 31st March, 2011	5,07,785	13,65,212
The amount of retention due from customers for Contracts in progress as at 31st March, 2011	3,43,552	2,84,069
Gross amount due from customers for Contracts in progress as at 31st March, 2011 (including work-in- progress of Rs.9,81,941 thousands)	23,98,249	16,72,846
Gross amount due to customers for contracts in progress as at 31st March, 2011 (including work-in- progress of Rs. 65,700 thousands)	3,39,607	88,916

24. Related Party Disclosures pursuant to Accounting Standard (AS) – 18 issued by the Institute of Chartered Accountants of India.**I Related parties and their relationships**

Name of Related Parties	Nature of Relationships
Mr. B.K. Mundhra	Key Management Personnel
Mr. J.K. Bagri	
Mr. R.D. Mundhra	
Mr. S.D. Mundhra	
Mrs. Krishna Devi Mundhra	Relative of Key Management personnel
Mrs. Pushpa Mundhra	

SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET & PROFIT AND LOSS ACCOUNT

Related parties and their relationships (Contd.)

Simplex Projects (Netherlands) co-operative UA	Jointly controlled Entity / Joint Venture
Triveni Engicons Pvt. Ltd – Simplex Projects Ltd (JV)	
Bharat Gypsum Pvt. Ltd.	Other related party (Entities in which Key Management Personnel or Relatives of Key Management Personnel have control or significant influence).
SPL International BV	
Pioneer Engineering Co. Pvt. Ltd.	
Simplex Fiscal Holdings Pvt. Ltd.	
Kirti Vinimay Pvt. Ltd.	
Datson Exports Ltd.	
Prozen Merchants Pvt. Ltd.	
Simplex Foundation	
Vasudha Vanijya Pvt Ltd.	

II Material Transactions with Related Parties during year ended 31st March, 2011. (Rs. in '000)

Nature of transacion	Description of relationship	Related party	March 31, 2011	March 31, 2010
Transactions during the year				
Director's Remuneration	Key management personnel	Mr. B. K. Mundhra	4,310	2,426
		Mr. J. K. Bagri	1,968	1,669
		Mr. R. D. Mundhra	1,753	1,453
		Mr. S. D. Mundhra	1,706	1,402
Dividend Paid	Other related party	Kirti Vinimay Pvt. Ltd.	853	853
		Pioneer Engineering Co. Pvt. Ltd.	720	720
		Bharat Gypsum Pvt. Ltd.	1,037	1,037
		Datson Export Ltd.	226	226
		Simplex Fisical Holdings Pvt. Ltd.	3,121	2,585
		Vasudha Vanijya Pvt. Ltd.	-	536
		Prozen Merchants Pvt. Ltd.	3,591	3,591
	Key management personnel	Mr. B. K. Mundhra	533	576
		Mr. S. D. Mundhra	129	129
		Mr. R. D. Mundhra	129	129
	Relative of Key Management personnel	Mrs. Krishna Devi Mundhra	0.215	0.215
		Mrs. Pushpa Mundhra	116	116
	Rent and maintenance charges paid	Other related party	Kirti Vinimay Pvt. Ltd.	1,200
Datson Export Ltd			67	67
Mundhra Estate			46	46



**SCHEDULES FORMING PART OF CONSOLIDATED
BALANCE SHEET & PROFIT AND LOSS ACCOUNT**

Material Transactions with Related Parties during year ended 31st March, 2011 (Contd.) (Rs. in '000)

Nature of transacion	Description of relationship	Related party	March 31, 2011	March 31, 2010
Rendering of Service	Jointly controlled entity / Joint venture	Triveni Engicons Pvt. Ltd.- Simplex Projects Ltd. (JV)	1,45,967	2,37,032
	Other related party	Pioneer engineering Co. Pvt Ltd	520	550
Loans and Advance given	Jointly controlled entity / Joint venture	Simplex Projects (Netherlands) Co-operative UA	-	54,890
	Other related party	Kirti Vinimay Pvt. Ltd.	68,200	3,800
Loans and Advances taken	Other related party	Kirti Vinimay Pvt. Ltd.	82,294	-
Balance outstanding at the year end				
	Jointly controlled entity / Joint venture	Simplex Projects (Netherlands) Co-operative UA	54,294	62,778
Sundry Debtors	Jointly controlled entity / Joint venture	Triveni Engicons Pvt. Ltd. – Simplex Projects Ltd. (JV)	87,516	33,545
Other Current Assets	Jointly controlled entity / Joint venture	Triveni Engicons Pvt. Ltd. – Simplex Projects Ltd. (JV)	20	20
	Other related party	Datson Export Ltd	378	-
		Kirti Vinimay Pvt. Ltd.	82,315	24,212
Current Liabilities	Other related party	Prozen Merchants Pvt Ltd	12	12
		Mundhra Estate	12	12
		Pioneer engineering Co. Pvt Ltd	294	-

25. The disclosures required under Accounting Standard 15 “Employee Benefits” notified in the Companies (Accounting Standards) Rules 2006, are given bellow :

Defined Contribution Plan

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

(Rs. in '000)

Employer’s Contribution to Provident Fund	3,917
Employer’s Contribution to Superannuation Fund	-
Employer’s Contribution to Pension Scheme	2,031

SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET & PROFIT AND LOSS ACCOUNT

Defined Benefit Plan

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

(Rs. in '000)

	Year ended 31st March, 2011		Year ended 31st March, 2010	
	Gratuity (Funded)	Leave (unfunded) (unfunded)	Gratuity (Funded)	Leave encashment (unfunded)
a. Reconciliation of opening and Closing balances of Defined benefit obligation				
Defined Benefit obligation at beginning of the year	9,165	2,797	6,245	1,986
Current Service Cost	1,762	598	1,320	687
Interest Cost	686	224	494	159
Actuarial gain/(loss)	2,080	183	1,242	(36)
Benefits paid	1,196	-	136	-
Defined Benefit obligation at year end	12,497	3,801	9,165	2,796
b. Reconciliation of opening and Closing balances of fair value of plan assets.				
Fair value of plan assets at beginning of the year	6,043	-	3,827	-
Expected return on plan assets	483	-	306	-
Actuarial gain/(loss)	25	-	145	-
Employer contribution	2,215	-	1,900	-
Benefits paid	1,196	-	137	-
Fair value of plan assets at year end	7,570	-	6,043	-
Actual return on plan assets	-	-	-	-
c. Reconciliation of fair value of assets and obligations				
Fair value of plan assets as at 31st March, 2010	7,570	-	6,043	-
Present value of obligation as at 31st March, 2010	12,243	-	8,980	-
Amount recognized in balance Sheet	(4,673)	-	(2,937)	-
d. Expenses recognized during the year				
Current Service Cost	1,762	598	1,320	687
Interest Cost	686	214	494	159
Expected return on plan assets	483	-	306	-
Actuarial gain / (loss)	2,055	183	1,097	(36)
Net Cost	4,020	1,005	2,605	810
e. Investment Details	% invested as at 31st March, 2011		% invested as at 31st March, 2010	
L.I.C, Group Gratuity (Cash Accumulation) Policy		100		100

**SCHEDULES FORMING PART OF CONSOLIDATED
BALANCE SHEET & PROFIT AND LOSS ACCOUNT**

	Year ended 31st March, 2011		Year ended 31st March, 2010	
	Gratuity (Funded)	Leave (unfunded) (unfunded)	Gratuity (Funded)	Leave encashment (unfunded)
f. Actuarial assumptions				
Mortality Table (L. I. C.)	LIC1 1994-1996		LIC1 1994-1995	
Discount rate (per annum)	8%	8%	7.5%	7.5%
Expected rate of return on plan assets (per annum)	10%	10%	8%	8%
Rate of escalation in salary (per annum)	5%	5%	5%	5%
Formula used	Projected Unit Credit Method		Projected Unit Credit Method	

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary. This being the first year of implementation, previous year figures have not been given.

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

The company has given an interest free advance to Simpark Infrastructure Pvt. Ltd., (wholly- owned subsidiary) and Simplex Agri-Infra Services Private Limited (Subsidiary) having no repayment schedule and outstanding balance is **Rs.3,65,046 thousand** (Previous Year Rs. 3,18,300 thousand) and **Rs. 70,802 thousand** (Previous Year - Rs. NIL) respectively.

27. Earnings Per Share :

Sl No.	Particulars	Year ended 31st March, 2011	Year ended 31st March, 2010
a)	Net Profit after tax available for equity shareholder	Rs. 3,45,987 thousand	Rs. 3,61,523 thousand
b)	Weighted Average number of equity shares for Basic EPS (No.)	1,26,00,378	1,23,91,611
c)	Weighted Average number of equity shares for Diluted EPS (No.)	1,26,00,378	1,23,91,611
d)	Basic EPS	Rs. 27.46	Rs. 29.17
e)	Diluted EPS	Rs. 27.46	Rs. 29.17

28. Previous year's figures have been re-arranged/regrouped wherever considered necessary.

**SIGNATURES TO SCHEDULES
" 1 TO 12"**

For and on behalf of
CHATURVEDI & COMPANY
Firm Registration No. 302137E
Chartered Accountants
Nilima Joshi
Partner
Membership No.52122
Kolkata,
Dated: 30th May, 2011

B. K. Mundhra
Chairman & Managing Director

Anand Chopra
Director

J. K. Bagri
Director

B. K. Dash
Company Secretary





SIMPLEX
PROJECTS LIMITED



SIMPLEX PROJECTS LIMITED

Regd. Office : 12/1, Nellie Sengupta Sarani, Kolkata - 700 087

NOTICE

Notice is hereby given that the Twenty First Annual General Meeting of Members of the **SIMPLEX PROJECTS LIMITED** will be held at Rotary Sadan, 94/2, Chowringhee Road, Kolkata 700 020, on Thursday the 29th day of September, 2011 at 3:30 P.M. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011 and Profit & Loss Account for the year ended on that date together with the reports of Auditor's and Directors' thereon.
2. To declare dividend on Equity Shares for financial year ended 31st March 2011.
3. To appoint a Director in place of Mr. Sudarshan Das Mundhra, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Anand Chopra, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Statutory Auditors of the Company and to fix their remuneration, and for the purpose, to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution :

"RESOLVED THAT pursuant to provisions of Section 224 and other applicable provisions, if any, of the Companies Act, 1956, M/s. Chaturvedi & Company, Chartered Accountants, the retiring Auditors, be and are hereby re-appointed as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company and the Board of Directors of the Company be and is hereby authorized to fix their remuneration of the said period in addition to reimbursement to them of actual out of pocket expenses as may be incurred in the performance of their duties."

6. To appoint Branch Auditors of the Company and to fix their remuneration, and for the purpose, to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution :

"RESOLVED THAT pursuant to the provisions of Section 228 and other applicable provisions, if any of the Companies Act, 1956, the Board of Directors of the Company be and is hereby authorised to appoint/re-appoint Branch Auditor(s) of any Branch Office of the Company, which are opened or may be opened/ acquired hereafter, in India or Abroad, in

consultation with the Company's Auditors, any person qualified to Act as Branch Auditor (s) within the provisions of Section 228 of the Act and to fix their remuneration.

RESOLVED FURTHER THAT the acts, deeds and things already done by the Board of Directors in this regard, be and are hereby confirmed, approved and ratified."

SPECIAL BUSINESS

7. To consider and, if thought fit, to pass with or without modification, the following resolution as Ordinary Resolution:

AS ORDINARY RESOLUTION:

"RESOLVED THAT Mr. Anand Prasad Agarwalla, who was appointed as an Additional Director of the Company, by the Board of Directors with effect from 16th July, 2011 and who by virtue of Section 260 of the Companies Act, 1956, holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a Notice in writing under Section 257 of the Companies Act, 1956, from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company liable to retire by rotation."

By Order Of the Board
For **Simplex Projects Limited**

B.K. DASH
Company Secretary

Place : Kolkata
Date : 12th August, 2011

Registered Office :
12/1, Nellie Sengupta Sarani
Kolkata-700087

NOTES :

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING, IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. IN ORDER TO BE EFFECTIVE, THE INSTRUMENT APPOINTING PROXY MUST REACH THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

2. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of special business set out in the notice is annexed hereto.
4. Relevant details, in terms of Clause 49 of the Listing Agreement, in respect of the Directors seeking appointment and re-appointment at the ensuing Annual General Meeting are annexed hereto.
5. The Register of Members and Share Transfer Register of the Company will remain closed from 24th September, 2011 to 29th September, 2011 (both days inclusive) in connection with ensuing Annual General Meeting and dividend proposed to be declared thereat.
6. Payment of dividend, if declared, will be paid to the eligible members whose names shall appear in the Register of Members of the Company on 23rd September, 2011. 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 on that date.
7. a) In order to provide protection against fraudulent encashment of dividend warrants, Members who hold shares in physical form are requested to intimate the Company's Registrar and Share Transfer Agents, Cameo Corporate Services Ltd., under the signature of sole/first joint holder, the following information to be incorporated on dividend warrants :
 - i) Name of the sole/first joint holder and the Folio Number.
 - ii) Particulars of bank account viz.:
 - Name of the bank
 - Name of the branch
 - Complete address of the bank with PIN code
 - Account type whether savings or current account
 - Bank account number
- b) To avoid loss of dividend warrants in transit and undue delay in receipt of dividend warrants, the Company has provided facility to the members for remittance of dividend through the Electronic Clearing System (ECS). The ECS facility is available at locations identified by Reserve Bank of India from time to time and covers most of the towns and cities. Members holding shares in physical form and desirous of availing this facility are requested to contact the Company or its Registrar and Share Transfer Agent, M/s. Cameo Corporate Services Ltd. ECS mandate form can also be downloaded from the website of the company – www.simplexprojects.com, and be forwarded duly filled and signed to the Company or its Registrars and Share Transfer Agent, to avail benefit of this service.
8. Members, who have not so far encashed their Dividend warrants for the financial year ended 31st March, 2008, 31st March, 2009 and 31st March, 2010 are requested to seek issue of duplicate warrants by writing to the Company's Registrar and Share Transfer Agent, M/s Cameo Corporate Services Ltd. Members may note that pursuant to the provisions of Section 205A(5) of the Companies Act, 1956, any money which remains unpaid or unclaimed for a period of Seven years from the date of transfer to the unpaid dividend account of the Company, should be transferred to the Investor Education and Protection Fund (IPF).
9. Any query relating to Accounts or any other items of business set out in the Agenda of the meeting must be sent to the Company Secretary ten days in advance of the meeting so as to enable the Management to keep the information ready at the meeting.
10. Members are requested to notify immediately any change in their address / bank details to their Depository Participants (DP) in respect of their shareholding in Demat mode and in respect of shares in physical form to the Company's Registrar and Share Transfer Agent, M/s. Cameo Corporate Services Ltd., "Subramanian Building", No.1, Club House Road, Chennai – 600002.
11. Members holding shares in the physical form and desirous of making nomination in respect of their shareholdings in the Company, as permitted under Section 109A of the Companies Act, 1956, are requested to submit the nomination in Form 2B, as prescribed under Companies (Central Government's) General Rules and Forms, 1956, in duplicate to the Company's Registrars and Share Transfer Agent. Blank Forms can be supplied on request.
In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
12. All documents referred to in this notice and explanatory statements are open for inspection at the Registered Office of the Company during office hours on all working days except Sunday and other holidays between 11.00 am to 1.00 p.m. up to the date of the Annual General Meeting.
13. Members are requested to contact the Company Secretary at the Registered Office of the Company. Phone: +91-33-32923330, Fax: +91-33-22528013), E-mail: investors@simplexprojects.com for prompt reply to their queries and for redressal of any complaint, which they may have.

14. Members are requested to bring copy of Annual Report to the meeting. Members/proxies should bring the attendance slip duly filled in and signed for attending the meeting.
15. **Ministry of Corporate Affairs has taken a ‘Green Initiative in Corporate Governance’ by allowing paperless compliances by the Companies and has issued circulars stating that service of notice/ documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned depository participants. Members who hold shares in physical form are requested to register the same with the Registrar & Share Transfer Agent (RTA), M/s. Cameo Corporate Services Ltd, “Subramanian Building”, No.1, Club House Road, Chennai –600002.**

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956

Item No. 7

Mr. Anand Prasad Agarwalla has been appointed as Additional Director of the Company at the Board meeting held on 16th July, 2011. Pursuant to the provisions of Section 260 of the Companies Act, 1956, tenure of his appointment shall be up to the forthcoming Annual General Meeting. However, the Company has received a Notice under Section 257 of the Companies Act, 1956 from a member proposing his appointment as ordinary Director liable to retire by rotation.

Your Board accordingly, recommends the resolution for appointment of Mr. Anand Prasad Agarwalla as a Director retiring by rotation for approval of the Members as an Ordinary Resolution.

None of the Directors of the Company, except Mr. Agarwalla, is concerned or interested in the resolution.

By Order Of the Board
For **Simplex Projects Limited**

Place : Kolkata
Date : 12th August, 2011

B.K. DASH
Company Secretary

Registered Office :
12/1, Nellie Sengupta Sarani
Kolkata-700087

ANNEXURE TO NOTICE
DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT
IN THE FORTHCOMING ANNUAL GENERAL MEETING

Name of the Director	Mr. Anand Prasad Agarwalla	Mr. Sudarshan Das Mundhra	Mr. Anand Chopra
Date of Birth	05.11.1951	14.12.1976	27.07.1949
Date of appointment	16.07.2011	30.09.2005	01.04.2006
Qualification	B. Com, Solicitor	B. A. (Economics)	B.Com, FCA
Expertise	Mr. Anand Prasad Agarwalla, aged about 59 yrs is Solicitor by profession. Mr. Agarwalla has over 35 yrs of experience in the field of laws, specifically real estate laws. He specializes in commercial and property documentation, corporate and commercial litigation, property related issues and laws of arbitration and alternate dispute resolutions.	Mr. Sudarshan Das Mundhra, aged 34 years, is the Whole Time Director of our Company. Mr. Mundhra is a Graduate in Economics from the prestigious Loyala College, Chennai. He is having vast experience in project procurement & monitoring. With Mr. Mundhra's untiring efforts and continuous contacts with the potential clients, Simplex Projects Limited was able to establish itself in North and North-Eastern states. Presently, he is heading the Company's Delhi Branch office.	Mr. Anand Chopra, aged about 62 years is an independent Director of our Company and is the Chairman of Audit Committee. Mr. Chopra is a Fellow Member of Institute Of Chartered Accountants of India. At present he is Senior Partner of Chopra & Company, a leading Kolkata based Chartered Accountants Firm. Mr. Chopra is having varying experience in Statutory, Management and Internal Audit of large and medium sized Companies and Public Sector Organizations including Banks and Insurance Companies. Also, he has wide experience in Direct Taxes, Merchant Banking like Project Feasibility Study, preparation & evaluation of Project Reports, syndication of finance, Public Issues, Corporate and allied Commercial Laws, Investment Advisor etc.
Directorships held in other Companies as on 31st March, 2011	1. Deepak Industries Ltd. 2. Presidency Exports & Industries Ltd. 3. Agarwalla Properties Pvt. Ltd.	1. Prozen Merchants Pvt. Ltd. 2. Simplex Agri-Infra Services Pvt. Ltd. 3. PHD Chamber of Commerce & Industry	1. Madhu Nirman Pvt. Ltd. 2. Asaa Nirman Pvt. Ltd. 3. Nisa Nirman Pvt. Ltd. 4. Arjun Vinimay Pvt. Ltd. 5. Simplex Fiscal Holdings Pvt. Ltd.
Membership / Chairmanships of committees accross Public Companies	NIL	NIL	NIL
No. of Shares held	NIL	85,857	NIL
Relationship between Directors inter-se	NIL	1. Son of Mr. Balkrishandas Mundhra, Chairman & Managing Director. 2. Brother of Mr. Raghav Das Mundhra, Whole time Director.	NIL



SIMPLEX PROJECTS LIMITED

Regd. Office : 12/1, Nellie Sengupta Sarani, Kolkata - 700 087

PROXY FORM

I/We.....

of.....

Being member(s) of the above-named Company hereby appoint.....

of.....or failing him/her.....

of.....

as my/our proxy to attend and vote for me/us and my/our behalf at the 21st ANNUAL GENERAL MEETING of the Company to be held on Thursday, the 29th day of September, 2011 at 3:30 P.M. at Rotary Sadan, 94/2, Chowringhee Road, Kolkata - 700 020 and at any adjournment thereof.

Signed thisday of 2011.

Folio No. :

DP ID :

Client ID :

Member(s) Signature

Affix Re. 1
Revenue
Stamp

- Notes :**
- 1) This proxy form in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company, not less than Forty eight hours before the commencement of the meeting.
 - 2) A Proxy need not be a Member of the Company.



SIMPLEX PROJECTS LIMITED

Regd. Office : 12/1, Nellie Sengupta Sarani, Kolkata - 700 087

ATTENDANCE SLIP

DP ID	Regd. Folio No.
Client ID	No. of Shares

I hereby record my presence at the 21st ANNUAL GENERAL MEETING of the Company at Rotary Sadan, 94/2, Chowringhee Road, Kolkata - 700 020 on Thursday, 29th day of September, 2011 at 3.30 p.m.

Name of the Attending Member	Name of the Attending Proxy
Signature of the Attending Member	Signature of the Attending Proxy

- Notes :**
1. Shareholder/Proxyholder wishing to attend the meeting is requested to bring the Attendance Slip and hand over the same at the Entrance of the venue of the meeting duly signed.
 2. Shareholders are requested to bring their copy of the Annual Report as copies of the report will not be distributed at the Meeting.