



Simplex Projects Limited

AN ISO 9001:2008 & ISO 14001:2004 COMPANY

No. SPL/SE/BM/RES/2019-20

Date: January 31, 2020

To, BSE Limited, P J Towers, Dalal Street, Mumbai - 400 001 Scrip Code - 532877	To, National Stock Exchange of India Limited Bandra Kurla Complex, Bandra (East) Mumbai - 400 051 Scrip Code: SIMPLEX EQ
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Dear Sir / Madam,

Sub: Outcome of the Board Meeting

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we would like to inform you that the Board of Directors of the Company at its meeting held today has, inter alia, considered and approved the Consolidated Audited Financial Results/Statements of the Company for the Quarter & Year ended March 31, 2019, Pursuant to Regulation 33(3)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, duly reviewed and approved by the Audit Committee and the Board of Directors in their respective meetings held today, 31st January, 2020.

The Board meeting commenced at 4.00 P.M. and concluded at 4.45 P.M

We request you to take the above on record.

Thanking you,

Yours faithfully
For Simplex Projects Limited

Sohini Shukla
Company Secretary
A48409



Encl: As above

Registered & Corporate Office :

12/1, Nellie Sengupta Sarani, 4th Floor, Kolkata-700087, India
Phone : +91 33 22527231/7232/4125, Fax : +91 33 2252 9443
E-mail : info@simplexprojects.com, CIN : L45201WB1990PLC050101
www.simplexprojects.com



Auditor's Report on Consolidated Year to Date Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

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

1. We have audited the accompanying statement of consolidated IND AS financial results of **Simplex Projects Limited** ('the Company'), comprising its subsidiary (Simplex Agri-Infra Services Private Limited, Unaudited, refer note 3k) (together, 'the Group'), and its associate (Simpark Infrastructure Private Limited, Unaudited, refer note 3k), for the year ended March 31, 2019 ('the Statement') attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Regulation'), read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 ('the Circular'). The consolidated IND AS financial results for the year ended March 31, 2019 have been prepared on the basis of the audited annual consolidated Ind AS financial statements as at and for the year ended March 31, 2019, and the relevant requirements of the Regulation and the Circular, which are the responsibility of the Company's management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these consolidated IND AS financial results based on our audit of the annual consolidated Ind AS financial statements as at and for the year ended March 31, 2019 which was prepared in accordance with the applicable Accounting Standards and other accounting principles generally accepted in India and the relevant requirements of the Regulation and the Circular.
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 consolidated financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our qualified opinion.
3. We draw your attention to the following :
 - a. Note 3 to the consolidated Ind AS financial results regarding holding company's branch at Libya where operation was stopped due to prevailing political situation. The company has signed a supplementary agreement with the government for realization of dues and resumption of contract. As such in the opinion of the management the amount of dues and assets deployed in Libya are realizable and no provision thereof are required at this stage. However, in view of prolonged uncertainty of resumption the company has moved an application with the Hon'ble High court at Delhi for proceeding with arbitration and has granted a stay for further extension / invocation of Bank Guarantees for the project. The Company has filed a claim of INR 770.00 Crores against State of Libya in International Arbitration.





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

- b. We did not audit the financial statements of holding company's branch at Libya having Net Assets Rs. 17668.43 Lakh & Net Receivables Rs. 19116.20 Lakh as at March 31, 2019 included in the Standalone Ind AS Financial Statements, which reflect depreciation charged of Rs. 258.55 Lakh relating to the machineries deployed for the year ended March 31, 2019. The financial statements of this branch is unaudited and have been furnished to us by the management and are certified by the management and our report is based solely on certificate of management.
- c. We did not audit the financial statements of holding company's branch at Kuwait having Net Assets Rs. 16918.57 Lakh & Net Receivables Rs. 20063.09 Lakh as at March 31, 2019 included in the Standalone Ind AS Financial Statements, which reflect work done of Rs. 8300.25 Lakh and expenses incurred of Rs. 8299.77 Lakh for the for the year ended March 31, 2019. The financial statements of this branch is unaudited and have been furnished to us by the management and are certified by the management and our report is based solely on certificate of management.
- d. Investment of Rs. 542.94 Lakh in the partnership firm Simplex Projects (Netherlands) Co-operative U.A. is doubtful of recovery since project has not started from FY 2013-2014 and no provision for the same has been made by the holding company.
- e. The holding company has not made any provision against Advances paid to Suppliers of material, Subcontractors & Staff advances amounting to Rs. 4367.39 Lakh since long and advance against projects Rs. 1088.16 Lakh.
- f. The holding company's account with Bank of Baroda, DBS Bank, ICICI Bank, IDBI Bank, State Bank of India, Yes Bank, UCO Bank, State Bank of Travancore & Axis Bank for working capital facilities and ICICI bank & Kotak Mahindra Bank for Term loan facilities have been classified as Non-performing assets and accordingly the provision for interest has not been made for the quarter ended March, 2019 amounting to Rs. 2116.23 Lakh approximately and for the year ended March, 2019 amounting to Rs. 8423.41 Lakh approximately.
- g. No provision for diminution in the value or impairment has been made by the holding company for Capital Work in Progress consists of materials lying outside amounting to Rs. 1894 Lakh which includes Rs. 465.29 Lakh pertaining to materials imported and kept at port since FY 2012-13.
- h. Site work in progress (included under Other Current Assets) amounting to Rs. 6987.28 Lakh (out of which Rs.3680.67 lakh are under dispute with client) and uncertified sales amounting to Rs. 2109.19 Lakh (included under revenue) has been





lying as such from various projects against which no provision have been made by the holding company.

- i. In respect of certain projects wherein the Management of the holding company has considered Trade Receivables include overdue amount aggregating to Rs. 12948.42 Lakh (Previous Year - Rs. 10053.17 Lakh) & Work In Progress (for work done) Rs. 3680.67 Lakh (Previous Year - Rs. 1679.28 Lakh) that are under arbitration. However, the same is considered good by the management, based on the opinion obtained and the earlier experiences on realization. In view of pending arbitration against the customer and lack of adequate information, we are unable to comment on the extent of recoverability of these balances.
- j. Provident Fund contributions in respect of employees are made to Trust administered by the company. In absence of Audit of such Trust for the financial year ended 31st March, 2017, 31st March 2018 & 31st March 2019 we are unable to comment on the utilization of the funds by the holding company.
- k. We did not audit the financial statements of subsidiary, whose financial statements reflect total assets of Rs. 5734.86 lakh as at 31st March, 2019 total revenue of Rs. 193.94 lakh and for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary in so far as it relates to the aforesaid subsidiary is based solely on such unaudited financial statements.
The consolidated Ind AS financial results also includes the Group share of net profit of Rs. 4.17 lakhs for the year ended 31st March 2019 as considered in the consolidated Ind AS financial results, in respect of associate, whose financial statements, other financial information are unaudited and have been furnished to us by the management. Our opinion, in so far as it relates to the affairs of such associate is based solely on such unaudited financial statements.
- l. Regarding closing balance confirmations of Debtors, Creditors, Earnest Money, loans and advances being unconfirmed in respect of which we are unable to express our opinion.
- m. Pursuant to the provisions of SEBI circular no. CIR/CFD/CMD/12/2015 dated November 30, 2015 with respect to Standard Operating Procedure (SOP) for suspension and revocation of trading of shares of listed entities for non-compliance of certain regulations of SEBI (LODR) Regulation, 2015. The holding company has not submitted the Financial Results as per Reg. 33 of SEBI (LODR) Regulation, 2015 within due date and also not paid the fine amount levied for the said non-compliance.
In view of above, the entire promoter shareholding of the holding company has been frozen w.e.f. November 02, 2018 and trading in the equity shares of the company suspended w.e.f. November 26, 2018.





H. S. BHATTACHARJEE & CO.

Chartered Accountants

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

4. In our opinion and to the best of our information and according to the explanations given to us, except for the matters referred to in Paragraph 3 above, these consolidated IND AS financial results for the year :
- i. include the year to date results of the entities (Subsidiary - Simplex Agri-Infra Services Private Limited & Associate - Simpark Infrastructure Private Limited);
 - ii. are presented in accordance with the requirements of the Regulation read with the Circular, in this regard; and
 - iii. give a true and fair view of the consolidated net profit including other comprehensive income and other financial information for the consolidated year to date results for the year ended March 31, 2019.

For H.S. Bhattacharjee & Co.

Firm Registration Number: 322303E

Chartered Accountants

(A.Ray)

Partner

Membership Number: 57516



UDIN - 20057516AAAAAF2560

Kolkata

31st January, 2020

Simplex Projects Limited
CIN:L45201WB1990PLC050101
Registered Office: 12/1, Nellie Sengupta Sarani, Kolkata - 700087
Phone No.033-2252-7231 Fax No. 033-2252-8013
Website:www.simplexprojects.com, Email:info@simplexprojects.com
Statement of Consolidated Financial Results for the Year ended 31st March,2019

Sl. No.	Particulars	in lakhs	
		Year ended 31st March, 2019 (Audited)	31st March, 2018 (Audited)
1.	Income from Operations		
a)	Revenue from operations	24,871.95	25,174.80
b)	Other Income	459.29	537.06
	Total Income	25,331.24	25,711.86
2.	Expenses		
a)	Construction Materials Consumed	4,077.11	4,621.86
b)	Purchase of stock-in-trade	-	9,308.52
c)	Cost of Sub contracting and other site expenses	18,276.71	8,347.93
d)	Employee Benefits Expense	463.70	527.84
e)	Finance Costs	479.39	562.07
f)	Depreciation and Amortisation Expense	1,476.78	1,574.66
g)	Other Expenses	590.21	791.49
	Total Expenses	25,363.90	25,734.37
3.	Profit for the period before share of net profit / (loss) of associate and tax	(32.66)	(22.51)
4.	Share of Profit / (loss) of associate accounted for using equity method	4.17	4.05
5.	Profit before tax	(28.49)	(18.46)
6.	Tax expense		
a)	Current Tax (net of reversal of excess tax of earlier years)		
b)	Deferred Tax	(159.41)	(131.45)
	Total Tax Expense	(159.41)	(131.46)
7.	Profit for the year (5 - 6)	130.92	113.00
8.	Other Comprehensive Income		
a)	Items that will not be reclassified to profit or loss, net of tax	(31.92)	19.47
b)	Items that may be reclassified to profit or loss, net of tax	455.72	419.46
		423.80	438.93
9.	Total comprehensive income for the period (7 + 8)	554.72	551.93
10.	Profit for the year attributable to :		
a)	Owners of Simplex Projects Limited	154.55	132.94
b)	Non-controlling Interest	(23.63)	(19.94)
		130.92	113.00
11.	Other comprehensive income for the year attributable to :		
a)	Owners of Simplex Projects Limited	423.80	438.93
b)	Non-controlling Interest	-	-
		423.80	438.93
12.	Total comprehensive income for the year attributable to :		
a)	Owners of Simplex Projects Limited	578.35	571.87
b)	Non-controlling Interest	(23.63)	(19.94)
		554.72	551.93
13.	Paid-up Equity Share Capital (Face value of Rs.10/- per share)	1,260.04	1,260.04
14.	Other Equity as per balance sheet	10,694.59	10,116.42
15.	Earnings per Equity Share (EPS) (Face Value of Rs.10/- per share)		
	Basic & Diluted EPS (Rs.)	1.23	1.06

See accompanying notes to the Financial Results



Simplex Projects Limited
CIN:L45201WB1990PLC050101
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Phone No.033-2252-7231 Fax No. 033-2252-8013
Website:www.simplexprojects.com, Email:info@simplexprojects.com
Consolidated Statement of Assets and Liabilities

Particulars	in lakhs	
	As at 31st March, 2019 (Audited)	As at 31st March, 2018 (Audited)
	in lakhs	in lakhs
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	7,965.41	9,595.11
Capital work-in-progress	3,560.57	3,534.09
Intangible assets	-	-
Intangible assets under development	-	-
Financial Assets		
i. Investments	103.54	99.57
ii. Other Financial Assets	998.89	834.22
Deferred Tax Assets (net)	-	-
Other Non-Current Assets	2,026.78	2,535.12
Total Non-Current Assets	14,655.19	16,598.11
Current Assets		
Inventories	6,995.77	7,059.95
Financial Assets		
i. Investments	-	-
ii. Trade receivables	100,647.14	95,816.15
iii. Cash and cash equivalents	80.62	713.69
iv. Bank balances other than (ii) above	361.01	161.73
v. Loans	-	-
vi. Other Financial assets	431.81	331.55
Current Tax Assets (net)	230.48	643.09
Other current assets	71,842.99	70,943.87
Total Current Assets	180,589.82	176,670.23
Total Assets	195,245.01	193,268.33
EQUITY AND LIABILITIES		
Equity		
Equity Share Capital	1,260.04	1,260.04
Other Equity	10,694.59	10,116.42
Equity attributable to owners of Simplex Projects Ltd.	11,954.63	11,376.46
Non-controlling interests	(13.59)	9.96
Total Equity	11,941.04	11,386.42
LIABILITIES		
Non-Current Liabilities		
Financial Liabilities		
Borrowings	-	1,182.61
Other financial liabilities	81,432.35	79,138.00
Provisions	95.92	56.01
Deferred Tax Liabilities (Net)	345.40	343.97
Total Non-Current Liabilities	81,873.67	80,720.59
Current Liabilities		
Financial Liabilities		
i. Borrowings	67,382.26	56,640.50
ii. Trade Payables	24,154.21	31,859.75
iii. Other Financial Liabilities	3,016.22	2,749.91
Other Current Liabilities	6,733.73	9,795.79
Provisions	143.88	115.38
Current Tax Liabilities (Net)	-	-
Total Current Liabilities	101,430.31	101,161.33
Total Liabilities	183,303.98	181,881.91
Total Equity and Liabilities	195,245.01	193,268.33

Kolkata
Dated: 31st January, 2020



By Order of the Board
For Simplex Projects Limited

S D Mundhra
Managing Director & CFO
DIN - 00013158

Simplex Projects Limited

CIN:L45201WB1990PLC050101

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

Phone No.033-2252-7231 Fax No. 033-2252-8013

Website:www.simplexprojects.com, Email:info@simplexprojects.com

Consolidated Segment wise Revenue, Results, Total Assets and Total Liabilities (by Business Segment)

in lakhs

Sl. No.	Particulars	Year ended	
		31st March, 2019 (Audited)	31st March, 2018 (Audited)
1.	SEGMENT REVENUE		
	Revenue from Operations		
	a. Construction	25,139.69	16,116.77
	b. Trading	-	9,349.79
	c. Others	191.55	245.30
	Total Revenue from Operations	25,331.24	25,711.86
2.	SEGMENT RESULTS		
	a. Construction	405.18	417.91
	b. Trading	-	41.28
	c. Others	41.55	80.37
	Total	446.73	539.56
	Less:		
	Finance Costs	479.39	562.07
	Other un-allocable expenditure (net of unallocable income)	-	-
	Share of Profit / (loss) of associates accounted for using equity method	4.17	4.05
	Total Profit before tax	(28.49)	(18.46)
3.	SEGMENT ASSETS		
	a. Construction	185,370.04	184,858.24
	b. Trading	5,125.52	5,718.79
	c. Others	4,749.45	2,691.30
	d. Unallocated	-	-
	Total Assets	195,245.01	193,268.33
4.	SEGMENT LIABILITIES		
	a. Construction	177,905.35	177,545.29
	b. Trading	7.50	1,070.15
	c. Others	5,391.13	3,266.46
	d. Unallocated	-	-
	Total Liabilities	183,303.98	181,881.90

Kolkata

Dated : 31st January, 2020



By Order of the Board
For Simplex Projects Limited

S D Mundhra

S D Mundhra
Managing Director & CFO
DIN - 00013158

Notes:

1. The above results, after review by the Audit Committee, have been approved and taken on record by the Board of Directors at its meeting held on 31.01.2020. The Statutory Auditors of the Company have carried out an "Audit" of the results for the year ended 31st March, 2019 in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. These results of the Group have been prepared in accordance with Ind AS, notified under section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standard) Rules, 2015 as amended.
3. The operation of the holding company's branch at Libya, was stopped due to prevailing political situation. The company has signed a supplementary agreement with the government for realization of dues and resumption of contract. In view of this the amount of dues and assets deployed in Libya are realizable and no provisions thereof are required at this stage. The depreciation of Rs. 258.55 Lakh (previous year Rs. 286.51 Lakh) relating to the machineries deployed there, have been considered as work-in-progress. However, in view of prolonged uncertainty of resumption the company has moved an application with the Hon'ble High Court at Delhi for proceeding with Arbitration and has been granted an interim stay for further extension/invocation of Bank Guarantees for the project. The Company has filed a claim of INR 770.00 Crores against State of Libya in International Arbitration.
4. The holding company's account with Bank of Baroda, DBS Bank, ICICI Bank, IDBI Bank, State Bank of India, Yes Bank, UCO Bank, State Bank of Travancore & Axis Bank for working capital facilities and ICICI bank for Term loan have been classified as Non-Performing Assets and accordingly the provision for interest has not been made amounting to Rs. 8423.41 lakh approximately for the year ended March, 2019. No further provision of interest has been made on term loan from Kotak Mahindra Bank.
5. Sundry Debtors of holding company include overdue amount aggregating to Rs. 12948.42 Lakh (Previous Year - Rs. 10053.17 Lakh) & Work In Progress (for work done) Rs. 3680.67 Lakh (Previous Year - Rs. 1679.28 Lakh) 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.
6. Holding Company's Capital work in progress consists of materials lying outside amounting to Rs. 1894 lakhs which includes Rs. 465.29 lakhs pertaining to materials imported and kept at port.
7. Site Working Progress of holding company amounting to Rs. 6987.28 Lakhs and uncertified sales amounting to Rs. 2109.19 Lakhs has been lying as such since long, due to some dispute arise with the customer for some of the projects which is under regular follow up by the management and will be resolved very shortly.
8. The investment made by holding company earlier in Simplex - Netherlands (JV) Rs. 542.94 Lakhs was only for the purpose of Libya Project procurement which is under Arbitration proceedings and the Management are quite confident about recovery / settlement of this issue.
9. There are advances to suppliers, sub-contractors & staffs related to certain projects of holding company amounting to Rs. 4367.39 Lakhs on which the company is in active pursuit and confident of recovery / settlement of these advances within a reasonable period of time and amount of Rs. 1088.16 Lakhs under the head of advance against project is hundred percent recoverable as it is given to the subsidiaries.



10. The impact of Ind AS 115 'Revenue from Contracts with Customers' does not have material impact on the financial results for the year ended 31st March, 2019.
11. Other Comprehensive Income that may be reclassified to profit or loss represents Exchange (loss) / gain on translation of foreign operations.
12. The figures for the previous periods relating to results have been regrouped/ rearranged wherever necessary to conform to current period classification.

Place: Kolkata

Dated: 31st January, 2020



By Order of the Board
For Simplex Projects Limited

S D Mundhra
Managing Director & CFO
DIN: 00013158



Statement on Impact of Audit Qualification (for Audit Report of M/s. H.S.Bhattacharjee) for the Financial Year ended 31st March, 2019 (Consolidated)

I	SL.NO.	PARTICULARS	AUDITED FIGURES	ADJUSTED FIGURES
			(AS REPORTED BEFORE ADJUSTING FOR QUALIFICATIONS) (Rs. In Lakhs)	(AUDITED FIGURES AFTER ADJUSTING FOR QUALIFICATIONS) (Rs. In Lakhs)
	1	TURNOVER/TOTAL INCOME	25,331.24	25,331.24
	2	TOTAL EXPENDITURE	25,363.90	25,363.90
	3	NET (PROFIT)/LOSS	130.92	130.92
	4	EARNINGS PER SHARE	1.23	1.23
	5	TOTAL ASSETS	195,245.01	195,245.01
	6	TOTAL LIABILITIES	183,303.98	183,303.98
	7	NET WORTH *	11,941.04	11,941.04
	8	ANY OTHER FINANCIAL ITEMS(S) (AS FELT APPROPRIATE BY THE MANAGEMENT)		

* Represents Total Equity as per Balance Sheet

II Audit Qualification (each audit qualification separately) :

2. DETAILS OF AUDIT QUALIFICATION:

M/s. H.S.Bhattacharjee & Co., Chartered Accountants, the Statutory Auditor has qualified their audit opinion in their Report dated January 31, 2020 on the Consolidated Financial Results of the company for the year ended 31st March, 2019.

Relevant excerpts from the Auditor's Report on Quarterly Financial Results and Year-to-Date Results of the Company on the said Consolidated Financial Statements are given below :

"3. We draw your attention to the following :

a) Note 3 to the consolidated Ind AS financial results regarding Company's branch at Libya where operation was stopped due to prevailing political situation. The company has signed a supplementary agreement with the government for realization of dues and resumption of contract. As such in the opinion of the management the amount of dues and assets deployed in Libya are recoverable and no provision thereof are required at this stage. However, in view of prolonged uncertainty of resumption the company has moved an application with the Hon'ble High court at Delhi for proceeding with arbitration and has granted a stay for further extension / invocation of Bank Guarantees for the project. The Company has filed a claim of INR 770.00 Crores against State of Libya in International Arbitration.

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

b) We did not audit the financial statements of Libya branch having Net Assets Rs. 17668.43 Lakhs & Net Receivables Rs. 19116.20 Lakhs as at March 31, 2019 included in the Standalone Ind AS Financial Statements, which reflect depreciation charged of Rs. 258.55 Lakhs relating to the machineries deployed for the year ended March 31, 2019. The financial statements of this branch is unaudited and have been furnished to us by the management and are certified by the management and our report is based solely on certificate of management.



		c) We did not audit the financial statements of Kuwait branch having Net Asset Rs. 16918.52 lakhs & Net Receivables Rs. 20063.09 Lakhs as at March 31, 2019 included in the Consolidated Ind AS Financial Statements, which reflect work done Rs. 8300.25 Lakhs and expenses incurred of Rs. 8299.27 Lakhs for the for the year ended March 31, 2019. The financial statements of this branch is unaudited and have been furnished to us by the management and are certified by the management and our report is based solely on certificate of management. d) Investment of Rs. 542.94 Lakhs in the partnership firm Simplex Projects (Netherlands) Co-operative U.A. is doubtful of recovery since project has not started from FY 2013-2014 and no provision for the same has been made by the company. e) The company has not made any provision against Advances paid to Suppliers of material, Subcontractors & Staff advances amounting to Rs. 4367.39 Lakhs since long and advance against projects Rs. 1088.16 Lakhs. f) The Company's account with Bank of Baroda, DBS Bank, ICICI Bank, IDBI Bank, State Bank of India, Yes Bank, UCO Bank, State Bank of Travancore & Axis Bank for working capital facilities and ICICI bank & Kotak Mahindra Bank for Term loan facilities have been classified as Non-performing assets and accordingly the provision for interest has not been made for the quarter ended March, 2019 amounting to Rs. 2116.23 Lakh approximately and year ended March, 2019 amounting to Rs. 8423.41 Lakh approximately. g) No provision for diminution in the value or impairment has been made for Capital Work in Progress consists of materials lying outside amounting to Rs. 1894 Lakhs which includes Rs. 465.29 Lakhs pertaining to materials imported and kept at port since FY 2012-13. h) Site work in progress (included under Other Current Assets) amounting to Rs. 6987.28 Lakh (out of which Rs. 3680.87 lakh are under dispute with client) and unconfirmed sales amounting to Rs. 2109.19 Lakh (included under revenue) has been lying as such since long against which no provision have been made. i) In respect of certain projects wherein the Management of the company has considered Trade Receivables include overdue amount aggregating to Rs. 12948.42 Lakh (Previous year - Rs. 10052.17 Lakh) & Work in Progress (for work done) Rs. 3580.67 Lakh (Previous Year - Rs. 16711.28 Lakh) are under arbitration, however, the same is considered good by the management, based on the opinion obtained and the earlier experiences on realization. In view of pending arbitration against the customer and lack of adequate information, we are unable to comment on the extent of recoverability of these balances. j) Provident fund contributions in respect of employees are made to Trust administered by the company. In absence of Audit of such Trust for the financial year ended 31st March, 2017, 31st March 2018 & 31st March 2019 we are unable to comment on the utilization of the funds. k) We did not audit the financial statements of subsidiary, whose financial statements reflect total assets of Rs. 5736.86 lakh as at 31st March, 2019 total revenue of Rs. 193.94 lakh and for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary in so far as it relates to the aforesaid subsidiary is based solely on such unaudited financial statements. The consolidated Ind AS financial results also includes the Group share of net profit of Rs. 4.17 lakhs for the year ended 31st March 2019 as considered in the consolidated Ind AS financial results. In respect of associates, whose financial statements, other financial information are unaudited and have been furnished to us by the management. Our opinion, in so far as it relates to the affairs of such associate is based solely on such unaudited financial statements. l) Regarding closing balance confirmations of Debtors, Creditors, Current Money, loans and advances being unconfirmed in respect of which we are unable to express our opinion. m) Pursuant to the provisions of SEBI circular no. CIR/CFD/CMD/12/2015 dated November 30, 2015 with respect to Standard Operating Procedure (SOP) for suspension and revocation of trading of shares of listed entities for non-compliance of certain regulations of SEBI (LODR) Regulation, 2015. The company has not submitted the Financial Results as per Reg. 33 of SEBI (LODR) Regulation, 2015 within due date and also not paid the fine amount levied for the said non-compliance.
b.	TYPE OF AUDIT QUALIFICATION:	Qualified Opinion
c.	FREQUENCY OF QUALIFICATION:	Qualification no. 3 (l) & 3 (m) have appeared for the first time in the Auditors' reports financial year ended 31st March, 2019. Qualification no. 3 (a) to 3 (k) have been appearing since earlier.
d.	FOR AUDIT QUALIFICATION(S) WHERE THE IMPACT IS QUANTIFIED BY THE AUDITOR, MANAGEMENT'S VIEWS:	Not Applicable
e.	FOR AUDIT QUALIFICATION(S) WHERE THE IMPACT IS NOT QUANTIFIED BY THE AUDITOR:	The Auditor has not quantified the impact of their qualification mentioned at 3 (a) to (m) of the Auditors' report
	(i) MANAGEMENT'S ESTIMATION ON THE IMPACT OF AUDIT QUALIFICATION:	Not Ascertainable



(ii) IF, MANAGEMENT IS UNABLE TO ESTIMATE THE IMPACT, REASONS FOR THE SAME :	Management's views to Audit Qualifications 3 (a), (b), (c), (d), (e), (f), (g), (h), (i), (j), (k), (l) & (m) of the Audit Report : 3(a) & (b). The libyan project had been stopped since 2011 due to civil unrest. 3(c). The audit report of Kuwait branch is under process. 3(d). The investment made earlier in Simplex - Netherlands (IV) Rs.542.94 Lakhs was only for the purpose of Libyan Project procurement which is under Arbitration proceedings and the Management are quite confident about recovery / settlement of these issue although the auditors asked for provisions of doubtful debts in the consolidated financial statements as at 31st March, 2019. 3(e). There are advances to suppliers, sub-contractors & staffs related to certain projects amounting to Rs. 4367.39 Lakhs on which the company is in active pursuit and confident of recovery / settlement of these advances within a reasonable period of time and amount of Rs. 1088.16 Lakhs under the head of advance against project is hundred percent recoverable as it is given to the subsidiaries. The above reason explain the qualification by the auditor on this issues in their Audit reports on the company's financial results for the year ended 31st March, 2019. 3(f). Interest on bank loan of Rs.8423.41 Lakhs, for which no provisions have been made as all the stated bank account are classified as NPA Accounts since long period which has been stated by the Auditors' in the Financial statement as on 31st March, 2019. 3(g). Capital Work in Progress consists of materials lying outside amounting to Rs. 1894 Lakhs as at 31st March, 2019. The said amount of work is at completion stage and hopefully will be capitalised in the next financial year and the management is quite confident about it. 3(h). Site Working Progress amounting to Rs. 6987.28 Lakhs and uncertified sales amounting to Rs. 2109.19 Lakhs has been lying as such since long, due to some dispute arise with the customer for some of the projects which is under regular follow up by the management and will be resolved very shortly. 3(i). Arbitration proceedings are on the respect of certain trade receivables due from customers & Work in Progress (work done) which are under legal proceedings amounting to Rs. 12948.42 Lakh & Rs. 3680.67 Lakh respectively as at 31st March, 2019. There has not been any development in this regard during the current year and accordingly till the disposal of legal proceedings, the company considers the above amount as good and recoverable. The said reasons explain the qualification by the auditors' on the same issue in their Audit reports on the Company's financial results for the year ended 31st March, 2019. 3(j). The audit report of PF Trust is under process. 3(k). Audit under process. 3(l). The balance confirmations have been called for from the parties. 3 (m). We are in the process of Compliance.
(iii) AUDITORS' COMMENTS ON (i) or (ii) ABOVE:	No Comment further to "Details of Audit Qualification" in Item II(a) above



III	SIGNATORIES:
CEO / MANAGING DIRECTOR/ CFO	 Sudarshan Das Mundhra Managing Director & CFO
AUDIT COMMITTEE CHAIRMAN	 B.N. Thakur Audit Committee Chairman
STATUTORY AUDITOR	For H.S.Bhattacharjee & Co. Firm Registration Number : 322303E Chartered Accountants  A Ray Partner Membership No. 57516

Place : Kolkata
Date : 31/01/2020