Simplex Infrastructures Limited

Simple solutions for complex structures

PREPARING FOR A GREAT TOMORROW

Annual Report 2017-18

Biggest infrastructure story of the world is unfolding in India...

- 10,000 km of highways that is 27 km daily
- Metro rails in several cities, seven High-Speed Rail projects, dedicated freight corridors,
- modernisation of 400 railway stations
- 10 greenfield airports, 5 new major ports, 111 rivers designated as National Waterways and over 30 logistics parks.
- 80, 000 megawatts of power to be added in 3 years.
- Rs. 2.6 Lakh Crore investment plan during Financial Year 2017-2022 in T & D Sector

CONTENTS

Construction of Flyover Expressway Corridor from Jehangir Chowk to Rambagh-Natipora at Jammu and Kashmir

THE VISION

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

THE LEADERSHIP

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

THE WINNING EDGE

To promote the culture of sharing rich and varied experience with staff members, as also with clients. And thereby benefit and help the growth of the construction fraternity and society at large.

CORPORATE INFORMATION

Board of Directors

Shri Rajiv Mundhra
Executive Chairman

Shri S. Dutta
Whole-time Director & CFO

Shri A.N. Basu
Whole-time Director

Shri D.N. Basu
Whole-time Director

Shri N.N. Bhattacharyya
Independent Director

Shri Sheo Kishan Damani
Independent Director

Shri Asutosh Sen
Independent Director

Ms. Leena Ghosh
Independent Director

Sr. VP & Company Secretary

Shri B.L. Bajoria

Auditors

S.R. Batliboi & Co. LLP
Chartered Accountants, Kolkata

H.S. Bhattacharjee & Co.
Chartered Accountants, Kolkata

Registered Office

'SIMPLEX HOUSE'
27 Shakespeare Sarani,
Kolkata-700017
Tel: (033) 23011600, 2289-1476-81,
71002216, Fax: (033) 2283 5964
CIN:- L45209WB1924PLC004969
Email: secretarial.legal@simplexinfra.com
Web: www.simplexinfra.com

Registrar & Share Transfer Agent

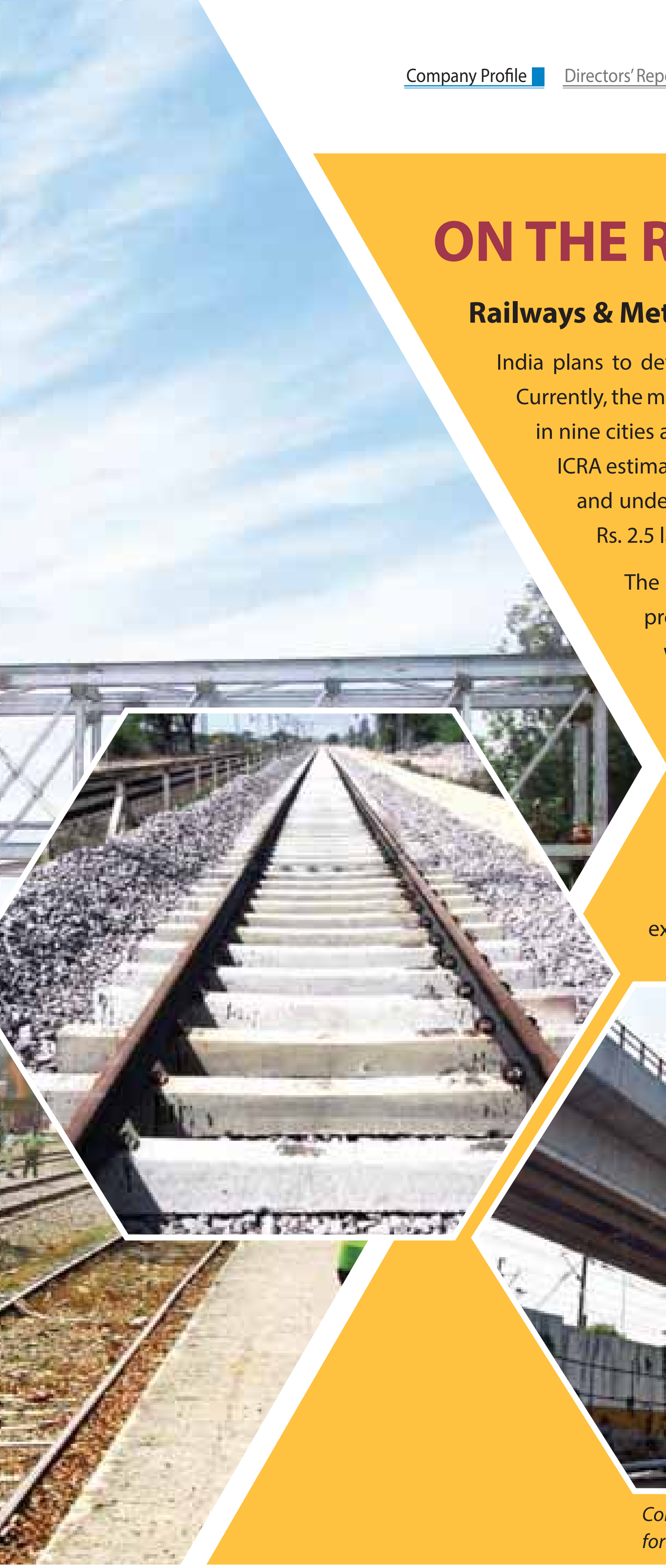
MCS Share Transfer Agent Limited
Kolkata

LNG Jetty at Mundra with a 1Km Long Approach Trestle in open sea condition commissioned with vertical and raker steel pile foundations and concrete deck.

Simplex: On land and water

Laying of new railway track over embankment / blanket and ballast layer including station buildings and other structures for Lucknow to Raebareli (65Kms) for RVNL

Simplex: Speeding-up Commuting



ON THE RIGHT TRACK

Railways & Metro-Rails

India plans to develop metro rail projects in over 30 Indian cities. Currently, the metro rail network is operational or partly operational in nine cities and another five cities have under-implementation. ICRA estimates that the overall cost of expansion of operational and under implementation approved metro projects is over Rs. 2.5 lakh crores.

The Company is on the cusp of executing many projects in this sector and is proud to be associated with the metro projects in all four metro cities .The projects of the Company in this sector includes construction of elevated viaduct and elevated stations of Mumbai Metro, Gandhinagar to Ahemdabad metrolink express, Bangalore Metro Project Phase 2, Chennai Metro and Kolkata Metro projects. The Company has also undertaken other Railway Projects for doubling of existing track in various places across the country.

Completed Viaduct over Belgharia Express way for Noapara Dakshineswar Metro, Kolkata

Simplex: Connecting the Cities

ACCELERATING ALONG THE HIGHWAY

Roads & Bridges

The Ministry of Road Transport and Highways (MORTH) recently reviewed a total of 700 ongoing national highways projects across the country and has identified about 300 projects to be completed by March 2019 and set a target of awarding works for 20,000 km of national highways in 2018-19, giving significant opportunities to construction industry.

The Company has recently completed development of Outer Ring Road between Vikaspuri to Meera Bagh in Delhi NCR. It has also grabbed a few projects – rehabilitation and upgradation to 4-laning of NH-31D of Ghoshpukur-Salsalbari Section in West Bengal on EPC basis, 4-laning of Dolabari to Jamuguri section in Assam under SARDP NE-Phase A

Moghbazar Mouchak Flyover Bangladesh

Construction of House & Building for Tata Housing Project

View from Bangalore Station of Completed Flyover at Okalipuram

Construction of Flyover at Waje Road, Pune

Civil and Structural Works for Housing and Building for Puri Constructions

Construction of House & Building for DLF

Construction of Residential Building Housing Project for DLF

BUILDING A BETTER QUALITY OF LIFE

Regulatory reforms, steady demand generated through rapid urbanisation, rising household income and the emergence of affordable and nuclear housing are some of the key drivers of growth for the sector, game changing developments like RERA and GST have created a strong base for the sector to grow, which coupled with India's strong economic advancement have provided a perfect spring board .

Simplex brings to its table impeccable reputation for its consistency in quality and strength of the projects undertaken . The Company recently completed development of 'Godrej Summit-Residential Towers in Delhi NCR and is currently engaged in construction of HIG Housing for DDA at Dwarka, Delhi NCR, DLF Ultima, Gurgaon and buildings for IIT Bhubaneswar extended campus

Simplex: Creating Lifestyles

Ultra Mega Power Plant, Tata Power, Mundra, Gujarat

POWERING PROGRESS

India's power transmission segment is growing at an unprecedented space, mainly due to the thrust provided by the recent policy and regulatory developments as well as government initiatives. The pace of expansion is expected to continue in the future to meet the Government's 175 GW renewable energy and 24 x7 Power for All goals.

Simplex has an extensive experience in construction of Power Plants (Thermal, Hydro, Nuclear, Gas, Captive etc.) It has constructed all the TG Deck at first of its kind in India starting from 500MW to 1000MW. The Company has also undertaken construction of RCC Chimney and NDCT for Unit 1 & 2 of 2 X 600 MW of BHEL Super Thermal Power Station at Ennore.

FUTURE ROADMAP

The future for the Construction Industry is promising. Growth will be largely driven by the Government's continuous focus on infrastructure development. The robust pipeline of infrastructure projects on offer translates into an optimistic future for the whole industry. However, there is a need to ensure that the factors that can slow down the execution of projects are dealt with in a time- bound and effective manner.

With a cumulative order inflow of Rs. 76660 mns and Order book backlog of Rs.186225 mns for FY 2018 and robust pipeline of projects in industrial structures, housing & building, power, railway, roads and highways and the water supply and sewerage sectors, the Company is already poised for growth

Simplex: Strengthening Production

CHAIRMAN'S REVIEW

Dear shareholders,

The past decade has been characterized by fragile growth, high investor uncertainty and periodic spikes in global financial market volatility. Towards the end of 2016, global economic activity began to see a modest pickup, which extended into 2017. World industrial production has accelerated, in tandem with a recovery in global trade that has been predominantly driven by stronger demand in East Asia. Investment conditions have improved, amid stable financial markets, strong credit growth, and a more solid macroeconomic outlook. In 2017, global economic growth reached 3 per cent—the highest growth rate since 2011—and growth is expected to remain steady for the coming year. Currently, all major developed economies are experiencing a synchronized upturn in growth. At the global level, growth is expected to remain steady at 3.0 per cent in 2018 and 2019.

The infrastructure sector has become the biggest focus area of the Government of India. Under Union Budget 2018-19, US$ 92.22 billion was allocated to the sector. Increased impetus to develop infrastructure in the country is attracting both domestic and international players. Private sector is emerging as a key player across various infrastructure segments, ranging from roads and communications to power and airports. The cumulative growth in the index of eight core industries was 4.7 per cent in 2017-18 and 4.1 per cent year-on-year in April-May 2018. India has a requirement of investment worth Rs 50 trillion (US$ 777.73 billion) in infrastructure by 2022 to have sustainable development in the country.

Simplex is one of the leading engineering, procurement and construction (EPC) players in the infrastructure space. The Company has an engineering heritage of nearly a century.

The Company has executed the majority of the country's land –mark infrastructure projects. Simplex adheres to world-class operational standards, adequately supported by ongoing investment in state-of-the-art equipment and periodic modular upgrade of existing assets. The company´s vision is to execute projects with consistent quality assurance, cost control and adherence to milestones in a safe environment according to the customer´s requirements. It promotes the culture of sharing rich and varied experience with staff members and clients, thereby helping the growth of the construction fraternity and society at large.

Despite FY18 being a challenging year, we continue to be very excited at the growth opportunities that are available to us within the industry we serve. Your Company's execution capabilities have successfully been leveraged to secure orders worth Rs. 76660 mns, making the order book Rs.186225 mns as of FY 18. The Order book of the Company is diversified across 208 contracts and 9 verticals. Moreover, our ability to integrate the traditional construction methodologies with new technology has enabled your Company to complement the value that we deliver to our clients.

On the financial front, the Company's standalone profit after tax stood at Rs. 1169 mns for FY 2018. The growth was however modest at around 3 percent. A diversified player in the infrastructure space, the Company has executed over 3000 projects and has 200 + ongoing projects. A geographically diversified portfolio and strong experience across 22 Indian states allow the Company to generate risk-mitigated, well-diversified and well-spread construction revenues. The future prospects of the Company are set to improve with benefits accruing from the new arbitration guidelines, faster clearances, inflow of new orders, conducive government policies, industry expectations of a revival in traffic growth and overall positive sentiment for macro-economic recovery. In the past few months, the Company has established a strong foothold in the market by securing a number of contracts and also raised funds by way of QIP and Prefrential Issue, for augmenting its working capital resources to cater to growing business needs.

Your Company remains committed to recruiting, training and development of our people and providing them with an environment to grow. The Company's HR strategy is based on strategic pillars – Talent, Leadership & Culture. Our strategy is to deploy a judicious mix of specialists & local good talent. We take pride in our employee strength of over 8000 creating a robust incubation of ideas, skills and expertise.

As such, infrastructure is an indispensable input in an economy's growth. Indeed, it is hard to imagine any production process in any sector of the economy that does not rely on infrastructure. Conversely, inadequacies in infrastructure are quickly felt—power outages, insufficient water supply, and decrepit or non-existent roads adversely affect people's quality of life. India is one of the fastest growing markets for construction. With infrastructure development at the forefront, there is a great scope for development in the country, especially for developing urban infrastructure, under-ground rail and road networks, and so on. However, there are a number of issues like shortage of qualified workers, project complexity, technology adoption, clearances from the governments, land acquisition, etc plaguing the construction industry. Land acquisition and environmental clearances have been delayed leading to cost escalations, delayed execution and thus a delay in the start of revenue receipts. Government should focus on removing hurdles in land, policy and finance, which would help get projects off the ground. There is a good project pipeline that has been built and removal of pending bottlenecks will create a huge positive impact for the sector.

With our eyes firmly fixed on becoming one of the largest players in the industry, and focus entirely on EPC projects, we are set to create new benchmarks in excellence and quality by building new-age infrastructure that will transform the face of India. The government plans for affordable housing is another opportunity area that we shall explore aggressively, as we chart our future growth.

There is much to be excited about. Governments continue to demonstrate a strong desire and ambition to invest in infrastructure, both as a catalyzer of economic growth and improving the quality of life of the citizens. New technologies and rapid innovation are creating new approaches, models and tools for infrastructure development and helping to bring down costs. The quest to identify new pricing and funding models offers the potential to unblock pipelines and unleash a new era of rapid development.

On a concluding note, I convey my heartfelt thanks to all shareholders for their continued trust and confidence in the management of the Company. My gratitude to my colleagues on the Board for their valuable guidance. I also convey my sincere thanks to all our employees, customers, bankers and all other business associates and the Government and various authorities for their continued support, interest and confidence in the Company and its management.

Rajiv Mundhra
Executive Chairman

Directors' Report

Dear Members,

Your Directors are pleased to present the One Hundredth Annual Report along with Company's Audited Financial Statements for the financial year ended 31st March, 2018.

Financial Results

The financial performance of the Company for the year ended 31st March, 2018 is summarized below:

₹ in mns

Particulars	Standalone		Consolidated	
	31st March, 2018	31st March, 2017	31st March, 2018	31st March, 2017
Revenue from Operations	**57662**	**56075**	**57669**	**56125**
Earning before finance costs, tax, depreciation and amortization (EBITDA)	**8052**	**7777**	**8044**	**7981**
Less: Finance Costs	4709	4454	4708	4450
Less: Depreciation and amortization	1834	1977	1840	1990
Share of net profit/ (loss) of Associates and Joint Ventures accounted for using equity method	-	-	(28)	(8)
Profit before tax	**1509**	**1346**	**1468**	**1533**
Less: income tax expenses				
Current Tax	425	420	425	468
Deferred Tax	143	51	143	51
Excess Current tax provision for earlier years written back (net)	(228)	(328)	(228)	(328)
Profit for the year	**1169**	**1203**	**1128**	**1342**
Attributable to:				
Owners of the Company	1169	1203	1128	1368
Non-Controlling Interest	-	-	(*)	(26)
Other Comprehensive Income for the year, net of tax	**(97)**	**(133)**	**(125)**	**(122)**
Attributable to:				
Owners of the Company	(97)	(133)	(118)	(125)
Non-Controlling Interest	-	-	(7)	3
Total Comprehensive Income for the year	**1072**	**1070**	**1003**	**1220**
Attributable to:				
Owners of the Company	1072	1070	1010	1242
Non-Controlling Interest	-	-	(7)	(22)
Profit for the period	**1169**	**1203**	**1128**	**1368**
Balance at the beginning of the year	**7613**	**6766**	**7627**	**6615**
Profit available to owners for appropriation	**8782**	**7969**	**8755**	**7983**
Transactions with Non-Controlling Interest	-	-	-	(1)
Remeasurements of post-employment benefit obligations	*	(21)	*	(20)
Transferred to retained earnings from FVOCI equity instruments on de-recognition	-	(3)	-	(3)
Transfer to Debenture Redemption Reserve	(302)	(302)	(302)	(302)
Dividend (including Dividend Tax)	(30)	(30)	(30)	(30)
Balance carried to Balance Sheet	**8450**	**7613**	**8423**	**7627**

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

Review of Operations

During the year under review, on standalone basis, revenue from operations were Rs.57662 mns as against Rs.56075 mns in the previous year. Profit before tax stood at Rs. 1509 mns as against Rs. 1346 mns in the previous financial year and net profit for the year after tax was at Rs.1169 mns as against Rs.1203 mns in previous financial year. Other Comprehensive income for the year (net of tax) is Rs. (97) mns as against Rs.(133) mns in the previous year. After considering other comprehensive income, total Comprehensive income worked out at Rs.1072 mns as against Rs.1070 mns in the previous year.

On a consolidated basis, the revenue from operations increased to Rs.57669 mns from Rs. 56125 mns in the previous year. Profit before tax was at Rs. 1468 mns as compared to Rs. 1533 mns in the previous year and profit for the year after tax stood at Rs.1128 mns as against Rs.1342 mns in the previous year. Other Comprehensive income for the year (net of tax) is Rs.(125) mns as against Rs (122) mns in the previous year. After considering other comprehensive income, total Comprehensive income stood at Rs.1003 mns as against Rs.1220 mns in the previous year.

Business Review

The Order book of the Company as on March 31, 2018 soared to Rs.186225 mns. During the year under review, the Company bagged a number of new projects amounting to Rs. 76660 mns in various vertical it operates, which includes among others four laning of Dolabari to Jamuguri section of NH-37 and NH-52, Assam, construction of elevated corridor along 100ft Inner Ring Road, Bangalore, erection of structural steel for Harduaganj Thermal Power Station, Aligarh, construction of viaducts and metro stations for Bangalore, Chennai and Mumbai Metro Rail, Civil work for development of international ship repair facility, Cochin, construction of buildings for IIT Bhubaneswar, Orissa.

Material changes and commitments

- **Qualified Institutional Placement**

  The Company for augmenting its working capital resources to cater to growing business needs and for general corporate purposes raised Rs. 4022 mns by issue of 70,68,490 equity shares of face value of Rs. 2/- each, by way of Qualified Institutional Placement to Qualified Institutional Buyers at the issue price of Rs. 569/- (including premium of Rs. 567/-) per share in accordance with Chapter VIII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009. Allotment of shares were made on 23rd May, 2018.

- **Preferential Issue of convertible warrants to Promoters**

  The Company has issued and allotted 36,09,261 convertible equity warrants at a price of Rs. 554.13 per warrant on a preferential basis in accordance with Chapter VII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, not exceeding Rs. 2000 mns, on 15th May, 2018 with a right to Warrant Holder to apply for and get allotted one equity share of face value of Rs. 2/- each for each warrant, within a period of 18 months from the date of allotment of warrants to (i) Anupriya Consultants Private Limited, (ii) RBS Credit & Financial Developments Private Limited, (iii) Baba Basuki Distributors Private Limited and (iv) JMS Mining Private Limited ("Warrant Holders"), being companies forming part of the Promoter Group of the Company. The Company had received Rs. 500 mns, being 25 percent of the price fixed per Warrant from the warrant holders at the time of allotment; and balance 75 percent shall be payable by the Warrant Holders on exercise of option to convert each warrant to one equity share of face value of Rs. 2/- each, in one or more tranches within the said period of 18 months.

  Apart from above, there are no material changes or commitments affecting the financial position of the Company which have occurred after March 31, 2018 till the date of this report.

Dividend

The Board of Directors has recommended a dividend of Re. 0.50 per equity share for the FY 2017-18 (Previous year Re. 0.50 per equity share) of face value of Rs.2/- each. The dividend on 5,65,40,820 equity shares including dividend tax for the FY 2017-18 would aggregate Rs.34.1 mns . The dividend payment is subject to approval of the Members at the ensuing Annual General Meeting.

Transfer to General Reserves

The Company has not transferred any amount to the General Reserves during the current financial year.

Extract of the Annual Return

An extract of the annual return in Form MGT-9 in accordance with section 92(3) of the Companies Act, 2013 ('the Act') and relevant Rules made thereunder is annexed herewith as "**Annexure - 1**".

Number of meetings of the Board

Four meetings of the Board were held during the year. The details of the meetings of the Board are provided in the corporate governance report, which forms part of this Report.

Audit Committee

The details pertaining to composition of Audit Committee are included in the Corporate governance Report which forms part of this report.

Directors' Responsibility Statement

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Amendment Rules, 2016. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy.

Your Directors, to the best of their knowledge and belief and according to the information and explanations obtained by them, make the following statements in terms of section 134 (3)(c) & 134 (5) of the Companies Act, 2013:

(a) In the preparation of the annual accounts for the financial year ended 31st March, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(b) that appropriate accounting policies were selected and consistently applied and judgments and estimates were made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profits of the company for that period;

(c) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) That the annual financial statements have been prepared on a going concern basis;

(e) That proper internal financial controls were followed by the company and such internal financial controls are reviewed by the Management and independent Internal Auditors and any material weakness noticed during such review, remedial action is taken by the Management so that Internal Control System as also its implementation is adequate and effective; and

(f) That proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

Policy on Directors' Appointment and remuneration and other details

The Company's policy on Directors' appointment and remuneration and other matters provided in Section 178(3) of the Companies Act, 2013 is hosted on the Company's website at *www.simplexinfra.com*. The details relating to Nomination and Remuneration Committee are given in the Corporate Governance Report, which forms part of this Report.

Particulars of Employees and other additional information

The details of remuneration as required to be disclosed under the Companies Act, 2013 and the Rules made thereunder are given in Annexure '2' forming part of this Board Report. Disclosures as contained in Rule 5 (1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided at Table 1(a) of the "**Annexure-2**".

The information in respect of employees of the Company required pursuant to Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, is provided at Table 1 (b) of the Annexure-2 forming part of this Report. In terms of Section 136(1) of the Act and the rules made thereunder, the Report and Accounts are being sent to the shareholders excluding the aforesaid Table 1 (b). Any Shareholder interested in obtaining a copy of the same may write to the Company Secretary. None of the employees listed in the said table is related to any Director of the Company.

During the year under review, there are no employees posted in India who are employed throughout the year and are drawing a remuneration of Rs.1.02 Crore or more per annum or employed for part of the year and drawing remuneration of Rs.8.5 Lakhs or more per month. Further, there were no employees of the Company who held 2% or more of the paid -up capital and drew a remuneration which was in excess of that drawn by the Whole-time Directors.

Any Shareholder interested in obtaining the details of employees posted outside India and in receipt of a remuneration of Rs. 60 Lakhs per financial year or Rs. 5 lakhs per month or more, may write to the Company Secretary of the Company.

Particulars of Loans, Guarantees or Investments

The Company is engaged in the business of contract constructing infrastructural facilities as specified in Schedule VI of the Companies Act, 2013. In accordance with the exemption provided by Section 186 (11) to the companies engaged in the business of providing infrastructural facilities, the provisions of Section 186 (2) to (13) of the Act, in respect of providing loan, guarantee or security to any other body corporate/ person do not apply to the Company.

Related Party Transactions

All the related party transactions were in the ordinary course of business or at arm's length.The Company periodically reviews and monitors related party transactions. A statement of all related party transactions is presented before the Audit Committee on a quarterly basis.There are no materially significant related party transactions made by the Company with promoters, Directors or key managerial personnel etc. which may have potential conflict with the interest of the Company at large. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3) (h) of the Companies Act, 2013 in Form AOC 2 is not applicable.

However, the details of the related party transactions are set out in Note 30 to the standalone financial statements forming part of this Annual Report.

The Company has a Policy on materiality of and dealing with Related Party Transactions, as approved by the Board, which is available at its website *www.simplexinfra.com*.

Risk Management

The Board of Directors of the Company has formed a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The Company also has in place a Risk Management Policy to identify and assess the key risk areas. The Members of the Risk Management Committee monitors and reviews the implementation of various aspects of the Risk management policy. Major risks identified by the Company are systematically addressed through mitigating actions on a continuous basis. At present no particular risk whose adverse impact may threaten the existence of the Company is visualized.

The details of risk management are covered in the management discussion and analysis, which forms part of this report.

Corporate Social Responsibility (CSR)

The Company has constituted a Corporate Social Responsibility Committee comprising Mr. Rajiv Mundhra, Executive Chairman as the Chairman of the Committee, Mr. S. Dutta, Whole-time Director and Mr. S. K. Damani, Independent Director of the Company and has framed a corporate social responsibility policy which is available at the website of the Company at *www.simplexinfra.com*.

As part of CSR initiatives, your Company focuses on promotion of education, eradication of hunger and malnutrition, art and culture and livelihood enhancement projects. The Company will continue to support the social projects that are consistent with the policy.

The annual report on CSR containing particulars specified in Companies (Corporate Social Responsibility Policy) Rules, 2014 , is set out herewith as "**Annexure-3**".

Performance evaluation of the Board, its Committees and Individual Directors

During the year, formal annual evaluation of the Board, its Committees and individual Directors were carried out per the framework laid down by the Board for formal annual evaluation of the performance of the Board, Committees and individual Directors. It includes circulation of questionnaires to all Directors for evaluation of the Board and its Committees, which entails a wide range of parameters facilitating proper evaluation of the Board, its Committees and individual Directors. The response/ feedback/ comment received from each Director is carefully considered by the Board.

A separate meeting of Independent Directors was also held to review the performance of Whole-time Directors, performance of the Board as a whole and performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors.

Performance evaluation of independent directors was done by the entire Board, excluding the independent director being evaluated.

The Board of Directors expressed their satisfaction with the evaluation process and also the performance of Directors, Independent Directors, Chairman and performance of the Board as a whole was found satisfactory.

Subsidiaries, Associates & Joint Ventures

As on 31st March, 2018, your Company has seven Subsidiaries namely (i)Simplex (Middle East) Limited, UAE (ii)Simplex Infrastructures Libya Joint Venture Co., Libya (iii) Simplex Infra Development Private Limited (iv) Maa Durga Expressways Private Limited, (v) Jaintia Highway Private Limited, (vi) Simplex (Bangladesh) Private Limited and (vii) PC Patel Mahalaxmi Simplex Consortium Private Limited, three Associates namely (i) Shree Jagannath Expressways Private Limited , (ii) Raichur Sholapur Transmission Company Private Limited and (iii) Simplex Infrastructures LLC, Oman and two Joint Venture Companies namely (i) Arabian Construction Co-Simplex Infra Private Limited and (ii) Simplex Almoayyed W.L.L

Pursuant to provisions of Section 129 (3) of the Act, a statement containing the salient features of the financial statement of the Company's subsidiary/ associate/ joint venture companies is provided in the Form AOC-1 is attached after the consolidated financial statements of the Company.

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and audited accounts of each of its subsidiaries, are available on our website, *www.simplexinfra.com*. These documents will also be available for inspection till the date of the AGM during business hours at our registered office.

Formation /Cessation of Company's Subsidiaries/ Associate/ Joint Venture

During the year under review, the Company formed a new subsidiary in the name of 'PC Patel Mahalaxmi Simplex Consortium Private Limited'. Apart from this, no company has become or has ceased to be subsidiary, joint venture or associate company.

Directors

In accordance with the provisions of the Act, Mr. A.N.Basu, Whole-time Director, retires by rotation and being eligible has offered himself for reappointment at the ensuing annual general meeting.

The Board of Directors, on the recommendation of Nomination and Remuneration Committee has re-appointed Mr.A.N.Basu as Whole-time Director of the Company for a period of 5 (five) years with effect from September 20, 2019, subject to the approval of the shareholders, as his current term of office is upto September 19, 2019.

The term of office of Mr. Asutosh Sen, Mr. N. N. Bhattacharyya and Mr. S. K. Damani, Independent Directors of the Company, will expire on September 3, 2019 or the date of the 101st Annual General Meeting, whichever is earlier. The Board of Directors, on recommendation of the Nomination and Remuneration Committee has recommended their re-appointment as Independent Directors of the Company for a second term of 5 (five) consecutive years on the expiry their current term of office.

Pursuant to the provisions of Section 149 of the Act and Listing Regulations, Mr. Asutosh Sen, Mr. N. N. Bhattacharyya, Mr. Sheo Kishan Damani and Ms. Leena Ghosh, Independent Directors of the Company have submitted their declaration that they meet with the criteria of independence as provided in Section 149 (6) of the Act and are not disqualified from continuing as Independent Directors of the Company.

All the Directors have submitted the requisite disclosures/ declarations as required under the relevant provisions of the Companies Act, 2013.

Appropriate resolution seeking your approval and brief resume / details for re-appointment of Directors is furnished in the notice of the ensuing Annual General Meeting.

Key Managerial Personnel

In terms of the provisions of Section 203 of the Act, Mr.A.N.Basu, Whole-time Director, Mr. S. Dutta, Whole-time Director & CFO and Mr. B. L. Bajoria, Sr. Vice President & Company Secretary are the Key Managerial Personnel of the Company.

Remuneration and other details of the said Key Managerial Personnel for the financial year ended March 31, 2018 are mentioned in the extract of the Annual Return (Annexure -1) which is attached to the Board's Report.

Public Deposits

The Company has not accepted/ renewed any fixed deposits from the public or its employees during the year under review.

Significant and material orders passed by Regulators/Courts/Tribunals

During the year under review, there were no significant or material orders passed by the Regulators/ Courts/ Tribunals impacting the going concern status of the Company and its operations in future.

Internal Control Systems and their adequacy

The details in respect of internal control systems and their adequacy are included in the management discussion & analysis report, which forms part of this report.

Vigil Mechanism (Whistle Blower Policy)

The Company has formulated a Whistle Blower Policy to provide a formal mechanism to Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail the mechanism and also provides for direct access to the Chairman of the Audit Committee. Appropriate steps are taken for redressing the grievances as per the mechanism approved by the Board as and when the complaints are received.

The Whistle Blower policy is available on the website of the Company *www.simplexinfra.com*.

Statutory Auditors

M/s. S. R. Batliboi & Co., LLP were appointed as Statutory Auditors for a term of 5 (five) consecutive years, at the Annual General Meeting of the Company held on September 22, 2017 and M/s. H.S.Bhattacharjee & Co., Chartered Accountants were appointed as Statutory Auditors for a term of 5 (five) consecutive years , at the Annual General Meeting of the Company held on September 4, 2014, subject to ratification of their appointment by the shareholders, every year . The Ministry of Corporate Affairs vide its Notification dated 7th May 2018, has dispensed with the requirement of ratification of Auditor's appointment by the shareholders, every year. Hence, the resolution relating to ratification of Auditor's appointment is not included in the Notice of the ensuing Annual General Meeting.

M/s. S. R. Batliboi & Co., LLP and M/s. H. S. Bhattacharjee & Co., continue to be the Statutory Auditors of the Company.

Boards' Explanation on Auditors' Qualification on Financial Statements

Standalone Financial Statements

The Board's explanation on the Statutory Auditor's qualification and remarks in their Auditors' Report on Standalone Financial Statements is Annexed to this report as "**Annexure - 4**".

Members attention is drawn to "Emphasis of Matter" stated in the one of the Joint Auditor's Report (H.S. Bhattacherjee & Co.), dated May 31, 2018 on the Standalone Financial Statements for the year ended 31st March, 2018. The Directors would like to state that the said matters are for the attention of Members and have been explained in detail in the relevant notes to accounts as stated therein and hence requires no separate explanation.

Consolidated Financial Statements

With respect to paragraph- 'Basis for qualified opinion clause (I) –(VI)' of Independent Auditors' Report on the Consolidated Financial Statements of M/s. S. R. Batliboi & Co., LLP, in respect of which the Auditors have qualified their report, we would like to inform that the matter has been explained in Note no. 39 (a), 36, 37, 39 (b), 39(c) and 39 (d) respectively, forming part of the Consolidated Financial Statements.

With respect to 'paragraph no. 7- Basis for Qualified Opinion' of Independent Auditors' Report on the Consolidated Financial Statements of M/s. H.S.Bhattacharjee & Co., in respect of which the Auditors have qualified their report, we would like to inform that the matter has been explained in Note no. 37 forming part of the Consolidated Financial Statements.

All the qualifications on Consolidated Financial Results are similar to that of Standalone Financial Results and have been explained in detail in the foregoing paragraph and also Annexure-4, details of which is appearing under 'Standalone Financial Statements'

The Board is of the opinion that the matter being elucidated in detail above as appearing under 'Standalone Financial Results' and also at the aforementioned notes of the consolidated financial statements is self-explanatory and do not call for further explanation.

Secretarial Audit

Secretarial Audit for the FY 2017-18 was conducted by Mr. Deepak Kumar Khaitan, Practising Company Secretary in accordance with the provisions of Section 204 of the Act. The Secretarial Auditors' Report is annexed herewith as "**Annexure - 5**". The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Cost Audit

Pursuant to Section 148 of the Companies Act, 2013 read with Companies (Cost Record & Audit) Amendment Rules, 2014, as amended from time to time, your Company has appointed M/s Bandyopadhyaya Bhaumik & Co., Cost Accountants to conduct the audit of cost records of the Company for the financial year 2017-18.

As required under the Act, a resolution seeking members approval for ratification of remuneration of the Cost Auditors forms part of the notice convening the Annual General meeting.

Consolidated Financial Statement

Your Company has prepared Consolidated Financial Statements in accordance with Section 129 (3) of the Act and applicable accounting principles generally accepted in India including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. The Consolidated Statements reflect the results of the Company and that of its Subsidiaries, Joint Ventures and Associates. As required by Regulations 33 of the Listing Regulations with the Stock Exchanges, the Audited Consolidated Financial Statements together with the Auditors Report thereon are annexed and form part of this Annual Report.

The Consolidated Financial Statement comprises of the financial statements of the Company and those of its subsidiaries, Joint Ventures and its Associate Companies. Further, pursuant to the provisions of Section 136 of the Act, the financial statements of the Company including the consolidated financial statements and separate audited accounts in respect of its subsidiaries are available on the website of the Company *www.simplexinfra.com.* The financial statements of the Subsidiary Companies are kept open for inspection by the Shareholders at the Registered

Office of the Company and a statement containing the salient features of the Company's financial statement of the Company's subsidiary/ associate/ joint ventures is attached as aforesaid.

Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo as required to be disclosed under Section 134(3) (m) of the Act read with Companies (Accounts) Rules, 2014 are provided in the "**Annexure – 6"** to this Report.

Management Discussion and Analysis

Management Discussion and Analysis for the year under review, as stipulated under Regulation 34 of the Listing Regulations with the Stock Exchange(s) in India is presented in a separate section forming part of the Annual Report.

Corporate Governance Report

A separate report on 'Corporate Governance' including a certificate from M/s. H. S. Bhattacharjee & Co., Chartered Accountants, Statutory Auditors of the Company confirming compliance of the Regulation 34 of the Listing Regulations is annexed hereto and forms a part of the report.

Capital Expenditure

During the year under review, the Company has made additions of Rs.1183 mns to its Fixed Assets consisting tangible assets of Rs1172 mns and intangible assets of Rs.11 mns

Prevention of Sexual Harassment of Women

The Company has formulated a policy on Prevention of Sexual Harassment of Women at Workplace in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder.

An Internal Complaints Committee (ICC) with requisite number of representatives has been set up to redress complaints relating to sexual harassment, if any, received from women employees .

During the financial year ended March 31, 2018, the Committee has not received any complaints pertaining to sexual harassment.

Acknowledgment

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

By Order of the Board
For Simplex Infrastructures Limited

Place: Kolkata
Date: May 31, 2018

S. Dutta
Whole-time Director &
Chief Financial Officer
DIN 00062827

A. N. Basu
Whole-time Director
DIN 05296613

ANNEXURE – 1

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2018

of

SIMPLEX INFRASTRUCTURES LIMITED

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. Registration and Other Details:

(i)	CIN	L45209WB1924PLC004969
(ii)	Registration Date	19th December, 1924
(iii)	Name of the Company	Simplex Infrastructures Limited
(iv)	Category / Sub-Category of the Company	Company limited by shares/ Indian Non-Government Company
(v)	Address of the Registered Office and contact details:	"SIMPLEX HOUSE" 27,Shakespeare Sarani, Kolkata -700 017 (India) Phone: +91 033 2301-1600, Fax: +91 033 2283-5964 website: www.simplexinfra.com
(vi)	Whether Listed Company	Yes
(vii)	Name, Address and contact details of Registrar & Transfer Agents (RTA), if any:	MCS Share Transfer Agent Ltd, 12/1/5, Manoharpukur Road, Ground Floor, Kolkata -700026 Tel: +91 33-40724051/4052/4053, Fax: +91 33-40724050

II. Principal Business Activities of the Company

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products /services	NIC Code of the Product/ service	% to total turnover of the company
1.	Civil Engineers & Contractor	410,424,429	99

III. Particulars of Holding, Subsidiary and Associate Companies

Sl. No.	Name and Address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held*	Applicable Section
1.	Simplex Infra Development Private Limited "Simplex House" 27, Shakespeare Sarani, Kolkata – 700017	U45203WB2007PTC115817	Subsidiary	100	2(87)
2.	Maa Durga Expressways Private Limited "Simplex House" 27, Shakespeare Sarani, Kolkata – 700017	U45203WB2011PTC170736	Subsidiary	100	2(87)
3	Jaintia Highway Private Limited "Simplex House" 27, Shakespeare Sarani, Kolkata – 700017	U45400WB2012PTC179350	Subsidiary	100	2(87)
4	PC Patel Mahalaxmi Simplex Consortium Private Limited 207, Abhinav Complex, Kamalkunj Society Nizampura, Vadodara, Gujarat - 390002	U14290GJ2017PTC099829	Subsidary	51	2(87)
5	Simplex (Bangladesh) Pvt. Ltd. 20, Comrade Moni Singha Road, Old: 62/1, Purana Paltan, Level-04, Motijheel, C/A, Dhaka – 1000, Dhaka	N.A.**	Subsidiary	95	2(87)
6	Simplex (Middle East) Limited C/o PKF, Chartered Accountants, Level 18, Rolex Towers Sheikh Zayed Road, P.O. Box: 13094, Dubai, UAE	N.A.**	Subsidiary	100	2(87)
7	Simplex Infrastructure Libya Joint Venture Co. 543, Haiti Street, Tripoli – Libya	N.A.**	Subsidiary	65	2(87)
8	Arabian Construction Co-Simplex Infra Private Limited "Simplex House" 27, Shakespeare Sarani, Kolkata – 700017	U45400WB2011PTC168384	Associate (Joint Venture Company)	50	2 (6)
9	Shree Jagannath Expressways Pvt Ltd "Simplex House" 27, Shakespeare Sarani, Kolkata – 700017	U45203WB2010PTC150429	Associate	34	2 (6)
10	Raichur Sholapur Transmission Co. Pvt. Ltd. Patel Engineering Compund, Patel Estate Road, Jogeshwari (W) Mumbai - 4000102	U40108MH2009PTC220024	Associate	33.33	2 (6)
11	Simplex Infrastructures-LLC 2nd Floor, Niwaz House, Bldg. no 2137, Madinat Al Sultan Qaboos, P.O. Box 1797, Postal Code 114, Muscat, Sultanate of Oman	N.A.**	Associate	45	2(6)
12	Simplex Almoayyed W.L.L. P.O. Box: 32617, Isa Town Kingdom of Bahrain	N.A.**	Associate (Joint Venture Company)	49	2(6)

* Percentage of shares held is either by the company or through its subsidiary
**Incorporated outside India

IV. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1st April, 2017]				No. of Shares held at the end of the year [As on 31st March, 2018]				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1. Indian									
a) Individual/HUF	9170729	220365	9391094	18.98	9384875	0	9384875	18.97	-0.01
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt (s)	0	0	0	0	0	0	0	0	0
d) Bodies Corporate	18275915	136000	18411915	37.22	18484915	0	18484915	37.36	0.15
e) Banks/FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Sub-Total (A)(1)	**27446644**	**356365**	**27803009**	**56.20**	**27869790**	**0**	**27869790**	**56.33**	**0.13**
2. Foreign									
a) Individuals (NRI/ Foreign Individuals)	0	0	0	0	0	0	0	0	0
b) Bodies Corporate	0	0	0	0	0	0	0	0	0
c) Institutions	0	0	0	0	0	0	0	0	0
d) Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
e) others-Trust	0	0	0	0	0	0	0	0	0
Sub-Total (A)(2)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total Shareholding of Promoter and Promoter Group (A)= (A)(1) +(A)(2)	**27446644**	**356365**	**27803009**	**56.20**	**27869790**	**0**	**27869790**	**56.33**	**0.13**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds/UTI	8802428	3000	8805428	17.80	8869561	0	8869561	17.93	0.13
b) Banks / FI	687606	0	687606	1.39	323393	0	323393	0.65	-0.74
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt (s)	0	0	0	0		0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	42946	0	42946	0.09	22102	0	22102	0.04	-0.04
g) FIIs	346507	0	346507	0.70	995097	0	995097	2.01	1.31
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1)	**9879487**	**3000**	**9882487**	**19.98**	**10210153**	**0**	**10210153**	**20.64**	**0.66**
2. Non-Institutions									
a) Bodies Corp.									
(i) Indian	4771369	565785	5337154	10.79	3670098	565285	4235383	8.56	-2.23
(ii) Overseas	0	0	0	0	0	0	0	0	0

IV. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity) (Contd..)

(i) Category-wise Share Holding (Contd..)

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1st April, 2017]				No. of Shares held at the end of the year [As on 31st March, 2018]				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. Public Shareholding (Contd..)									
2. Non-Institutions (Contd..)									
b) Individuals									
(i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	4442467	335701	4778168	9.66	4518016	262031	4780047	9.66	0.00
(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	772825	0	772825	1.56	1425323	0	1425323	2.88	1.32
c) Others (specify)									
(i) NRI	449222	263000	712222	1.44	443113	263000	706113	1.43	-0.01
(ii) Trustee	2942	0	2942	0.01	755	0	755	0.00	0.00
(iii) A.O.P	182773	750	183523	0.37	180169	750	180919	0.37	-0.01
(iv) IEPF	0	0	0	0.00	63847	0	63847	0.13	0.13
Sub-total (B)(2)	**10621598**	**1165236**	**11786834**	**23.83**	**10301321**	**1091066**	**11392387**	**23.03**	**-0.80**
Total Public Shareholding (B)=(B)(1)+(B)(2)	**20501085**	**1168236**	**21669321**	**43.80**	**20511474**	**1091066**	**21602540**	**43.67**	**-0.13**
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	**47947729**	**1524601**	**49472330**	**100**	**48381264**	**1091066**	**49472330**	**100**	

(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year [As on 1st April, 2017]			Share holding at the end of the year [As on 31st March, 2018]			% Change in share-holding during the year
		No. of Shares	% of total shares of the Company	%of Shares Pledged/ encumbered to total shares	No. of Shares	% of total shares of the Company	%of Shares Pledged/ encumbered to total shares	
1	Anupriya Consultants Pvt. Limited	7259397	14.67	0.00	7259397	14.67	0.00	0.00
2	RBS Credit and Financial Dev. Pvt. Ltd.	4765764	9.63	0.00	4765764	9.63	0.00	0.00
3	Baba Basuki Distributors (P) Ltd	2429530	4.91	0.00	2476030	5.00	0.00	0.09
4	Anjali Trade Links Pvt. Ltd.	750000	1.52	0.00	750000	1.52	0.00	0.00
5	Giriraj Apartments Pvt. Ltd.	90750	0.18	0.00	90750	0.18	0.00	0.00
6	Sandeepan Export (P) Ltd.	1000000	2.02	0.00	1000000	2.02	0.00	0.00
7	Universal Earth Engg. Consultancy Serv. Pvt. Ltd	117965	0.24	0.00	117965	0.24	0.00	0.00

IV. Share Holding Pattern (Equity Share Capital Breakup as Percentage of Total Equity) (Contd..)

(ii) Shareholding of Promoters (Contd..)

Sl No.	Shareholder's Name	Shareholding at the beginning of the year [As on 1st April, 2017]			Share holding at the end of the year [As on 31st March, 2018]			% Change in share-holding during the year
		No. of Shares	% of total shares of the Company	%of Shares Pledged/ encumbered to total shares	No. of Shares	% of total shares of the Company	%of Shares Pledged/ encumbered to total shares	
8	East End Trading & Engg. Co. Pvt. Ltd	1252930	2.53	0.00	1252930	2.53	0.00	0.00
9	Ajay Merchants Pvt. Ltd	41500	0.08	0.00	41500	0.08	0.00	0.00
10	Regard Fin-Cap Pvt Ltd	105500	0.21	0.00	105500	0.21	0.00	0.00
11	JMS Mining Private Limited (Formerly -JMS Mining Services Private Limited.)	462579	0.94	0.00	462579	0.94	0.00	0.00
12	Simplex Infraproperties Pvt Ltd	136000	0.27	0.00	162500	0.33	0.00	0.05
13	Mr. Bithal Das Mundhra	3035464	6.14	0.00	3029245	6.12	0.00	-0.01
14	Smt Yamuna Mundhra*	2293385	4.64	0.00	2293385	4.64	0.00	0.00
15	Mr. Amitabh Das Mundhra**	2011570	4.07	0.00	2011570	4.07	0.00	0.00
16	Mr. Rajiv Mundhra***	1868790	3.78	0.00	1868790	3.78	0.00	0.00
17	Smt Savita Bagri	1885	0.00	0.00	1885	0.00	0.00	0.00
18	Smt.Savita Devi Mundhra	100000	0.20	0.00	100000	0.20	0.00	0.00
19	Mrs.Anuja Mundhra	80000	0.16	0.00	80000	0.16	0.00	0.00
	Total	**27803009**	**56.20**	**0.00**	**27869790**	**56.33**	**0.00**	**0.13**

* Shares/Voting rights includes 250000 no.s of Shares held in the Capacity of trustees of a trust.

** Share /Voting right includes 50000 no. of shares held in the capacity of his Minor Son.

*** a. Shares/Voting rights includes 233920 no.s of Shares held in the Capacity of trustees of a trust.

b. Share /Voting right includes 65000 no. of shares held in the capacity of his Minor Son.

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year as on 01.04.2017		Change during the year		(Increase/ Decrease)		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares of the Company	Date	Reason	No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1	Baba Basuki Distributors (P) Ltd	2429530	4.91	01.04.2017	Purchase	40500	0.08		
				13.04.2017	Purchase	3000	0.01		
				19.04.2017	Purchase	3000	0.01	2476030	5.00

IV. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity) (Contd..)

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

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year as on 01.04.2017		Change during the year		(Increase/ Decrease)		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares of the Company	Date	Reason	No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
2	Mr. Bithal Das Mundhra	3035464	6.14	13.04.2018		(3219)	(0.01)		
				19.04.2017		(3000)	(0.01)	3029245	6.12
3	Simple Infraproperties Pvt Ltd	136000	0.27	06.07.2017	Purchase	26500	0.05	162500	0.33

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	For each of the Top 10 Shareholders	Change during the year in Shareholding				Cumulative shareholding during the year	
		Date wise Increase/ Decrease during the year	Reason for increase/ decrease	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	**Reliance Capital Trustee Co.Ltd***						
	At the beginning of the year					4336660	8.77
	Date wise Increase/ Decrease during the year specifying the reasons for increase/ decrease	14.04.2017	Buy	10200	0.02	4346860	8.79
		27.04.2017	Buy	70000	0.14	4416860	8.93
		12.05.2017	Buy	8600	0.02	4425460	8.95
		02.06.2018	Buy	10953	0.02	4436413	8.97
		09.06.2017	Buy	103000	0.21	4539413	9.18
		16.06.2017	Sold	-2680	-0.01	4536733	9.17
		04.08.2017	Buy	7487	0.02	4544220	9.19
		11.08.2017	Buy	14117	0.03	4558337	9.21
		18.08.2017	Buy	20000	0.04	4578337	9.25
		13.09.2017	Sold	-3749	-0.01	4574588	9.25
		22.09.2017	Sold	-16812	-0.03	4557776	9.21
		29.09.2017	Sold	-40	0.00	4557736	9.21
		06.10.2017	Sold	-300040	-0.61	4257696	8.61
		01.12.2017	Buy	32319	0.07	4290015	8.67
		22.12.2017	Sold	-2882	-0.01	4287133	8.67
		05.01.2018	Sold	-547570	-1.11	3739563	7.56
		12.01.2018	Buy	547570	1.11	4287133	8.67
		23.03.2018	Buy	2700	0.01	4289833	8.67
		31.03.2018	Buy	12462	0.03	4302295	8.70
	At the end of the year					**4302295**	**8.70**

IV. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity) (Contd..)

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) (Contd..)

Sl. No.	For each of the Top 10 Shareholders	Change during the year in Shareholding				Cumulative shareholding during the year	
		Date wise Increase/ Decrease during the year	Reason for increase/ decrease	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
2	**HDFC Trustee Company Limited***						
	At the beginning of the year					4434780	8.96
	Date wise Increase/Decrease during the year specifying the reasons for increase/decrease	No Change during the year					
	At the end of the year					**4434780**	**8.96**
3	**State Bank of India**						
	At the beginning of the year					687158	1.39
	Date wise Increase/Decrease during the year specifying the reasons for increase/decrease	21.07.2017	Sold	-123	0.00	687035	1.39
		28.07.2017	Sold	-412	0.00	686623	1.39
		10.11.2017	Sold	-1347	0.00	685276	1.39
		24.11.2017	Sold	-85777	-0.17	599499	1.21
		01.12.2017	Sold	-30759	-0.06	568740	1.15
		08.12.2017	Sold	-20336	-0.04	548404	1.11
		05.01.2018	Sold	-13729	-0.03	534675	1.08
		19.01.2018	Sold	-108418	-0.22	426257	0.86
		26.01.2018	Sold	-99275	-0.20	326982	0.66
		02.02.2018	Sold	-5704	-0.01	321278	0.65
	At the end of the year					**321278**	**0.65**
4	**South Asia Finvest Pvt. Ltd.**						
	At the beginning of the year					557500	1.13
	Date wise Increase/Decrease during the year specifying the reasons for increase/ decrease	No Change during the year					
	At the end of the year					**557500**	**1.13**
5	**Nihal Investment Private Limited**						
	At the beginning of the year					440000	0.89
	Date wise Increase/Decrease during the year specifying the reasons for increase/decrease	No Change during the year					
	At the end of the year					**440000**	**0.89**
6	**The Master Trust Bank of Japan Ltd. (As Trustee of Nissay India Equity Selection Mother Fund)**						
	At the beginning of the year					421344	0.85
	Date wise Increase/Decrease during the year specifying the reasons for increase/ decrease	21.04.2017	Sold	-72000	-0.15	349344	0.71
		28.04.2017	Sold	-12152	-0.02	337192	0.68
		12.05.2017	Sold	-3157	-0.01	334035	0.68

IV. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity) (Contd..)

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) (Contd..)

Sl. No.	For each of the Top 10 Shareholders	Change during the year in Shareholding				Cumulative shareholding during the year	
		Date wise Increase/ De-crease during the year	Reason for increase/ decrease	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
6	**The Master Trust Bank of Japan Ltd. (As Trustee of Nissay India Equity Selection Mother Fund) (Contd..)**						
	Date wise Increase/Decrease during the year specifying the reasons for increase/ decrease	19.05.2017	Sold	-1107	0.00	332928	0.67
		26.05.2017	Sold	-3813	-0.01	329115	0.67
		02.06.2017	Sold	-4597	-0.01	324518	0.66
		09.06.2017	Sold	-52626	-0.11	271892	0.55
		16.06.2017	Buy	3871	0.01	275763	0.56
		23.06.2017	Buy	8586	0.02	284349	0.57
		30.06.2017	Buy	8262	0.02	292611	0.59
		07.07.2017	Buy	12049	0.02	304660	0.62
		28.07.2017	Buy	1813	0.00	306473	0.62
		04.08.2017	Buy	2940	0.01	309413	0.63
		11.08.2017	Buy	2699	0.01	312112	0.63
		29.09.2017	Buy	9081	0.02	321193	0.65
		06.10.2017	Buy	1841	0.00	323034	0.65
		02.02.2018	Buy	33434	0.07	356468	0.72
		09.02.2018	Buy	15715	0.03	372183	0.75
		16.02.2018	Buy	14613	0.03	386796	0.78
		23.02.2018	Buy	4822	0.01	391618	0.79
		02.03.2018	Buy	7209	0.01	398827	0.81
		09.03.2018	Buy	6863	0.01	405690	0.82
		16.03.2018	Buy	1395	0.00	407085	0.82
		23.03.2018	Buy	8097	0.02	415182	0.84
		31.03.2018	Buy	7579	0.02	422761	0.85
	At the end of the year					**422761**	**0.85**
7	**Quest Investment Advisors Pvt. Ltd.**						
	At the beginning of the year					409870	0.83
	Date wise Increase/Decrease during the year specifying the reasons for increase/decrease	05.01.2018	Sold	-100000	-0.20	309870	0.63
	At the end of the year					**309870**	**0.63**
8	**Prashray Overseas Pvt. Ltd.**						
	At the beginning of the year					387942	0.78
	Date wise Increase/Decrease during the year specifying the reasons for increase/decrease	No Change during the year					
	At the end of the year					**387942**	**0.78**

IV. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity) (Contd..)

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) (Contd..)

Sl. No.	For each of the Top 10 Shareholders	Change during the year in Shareholding				Cumulative shareholding during the year	
		Date wise Increase/ Decrease during the year	Reason for increase/ decrease	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
9	**Ajay Sheth**						
	At the beginning of the year					280000	0.57
	Date wise Increase/Decrease during the year specifying the reasons for increase/decrease	No Change during the year					
	At the end of the year					**280000**	**0.57**
10	**Equanimity Ventures LLP**						
	At the beginning of the year					0.00	0.00
	Date wise Increase Decrease during the year specifying the reasons for increase/ decrease/	16.06.2017	Buy	200000	0.40	200000	0.40
	At the end of the year					**200000**	**0.40**

* Shareholding is consolidated based on Permanent Account Number (PAN) of the Shareholder.

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year [As at 1st April, 2017]		Cumulative Shareholding during the year*	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr. Sukumar Dutta	500	0.00	500	0.00
2.	Mr. Rajiv Mundhra **	1868790	3.78	1868790	3.78
3.	Mr. N. N. Bhattacharyya	Nil	Nil	Nil	Nil
4.	Mr. Sheo Kishan Damani	Nil	Nil	Nil	Nil
5.	Mr. Asutosh Sen	Nil	Nil	Nil	Nil
6.	Ms. Leena Ghosh	Nil	Nil	Nil	Nil
7.	Mr. Atindra Narayan Basu	N.A.	N.A.	Nil	NIl
8.	Mr. Dipak Narayan Basu	N.A.	N.A.	Nil	NIl
9.	Mr. B. L. Bajoria	750	0.00	750	0.00

* There is no change in shareholding of Directors and Key Managerial Personnel during the year

** a) Share/Voting rights includes 2,33,920 no. of shares held in the capacity of Trustee of a Trust.

b) Share/Voting rights includes 65000 no. of shares held in the capacity of his minor son.

V. Indebtedness

Indebtedness of the Company including interest outstanding/ accrued but not due for payment as on 31st March, 2018 (₹ In lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	3,09,477	23,062	-	3,32,539
ii) Interest due but not paid	269	67	-	336
iii) Interest accrued but not due	2,822	18	-	2,840
Total (i+ii+iii)	**3,12,568**	**23,147**	**-**	**3,35,715**
Change in Indebtedness during the financial year				
• Addition	2,56,912	4,45,488	-	7,02,400
• Reduction	2,28,140	4,45,620	-	6,73,760
Net Change	**28,772**	**(132)**	**-**	**28,640**
Indebtedness at the end of the financial year				
i) Principal Amount	3,38,249	22,930	-	3,61,179
ii) Interest due but not paid	303	27	-	330
iii) Interest accrued but not due	2,789	72	-	2,861
Total (i+ii+iii)	**3,41,341**	**23,029**	**-**	**3,64,370**

VI. Remuneration of Directors and Key Managerial Personnel

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

Sl. No.	Particulars of Remuneration	Name of Whole-time Directors				Total Amount (In ₹)
		Mr. S. Dutta	Mr. Rajiv Mundhra	Mr. A. N. Basu	Mr. D. N. Basu	
1	Gross Salary					
	(a) Salary as per provisions contained in Section 17 (1) of the Income tax Act, 1961	37,80,000	87,60,000	88,76,564	38,71,134	2,52,87,698
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	7,55,459	9,39,600	1,45,200	1,17,400	19,57,659
	(c) Profits in lieu of salary u/s 17 (3) of the Income tax Act, 1961	-	-	-	-	-
2	Stock options	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission- as % of profit	-	-	-	-	-
5	Others, Allowances	-	-	-	-	-
	Total (A)	**45,35,459**	**96,99,600**	**90,21,764**	**39,88,534**	**2,72,45,357**
	Ceiling as per the Act (@10% of profits calculated u/s 198 of the Companies Act, 2013)					**11,72,41,347**

VI. Remuneration of Directors and Key Managerial Personnel

B. Remuneration to other Directors:

Sl. No.	Names of Directors	Fee for attending Board/ Committee Meetings	Commission	Others, please specify	Total Amount (In ₹)
1	**Independent Directors**				
	Mr. N. N. Bhattacharyya	2,95,000	-	-	2,95,000
	Mr. S. K. Damani	1,20,000	-	-	1,20,000
	Mr. A. Sen	2,45,000	-	-	2,45,000
	Ms. Leena Ghosh	1,30,000	-	-	1,30,000
	Total)	**7,90,000**	**-**	**-**	**7,90,000**

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO*	Mr. B.L. Bajoria Sr.Vice President & Company Secretary	CFO*	Total (In ₹)
1	Gross Salary				
	(a) Salary as per provisions contained in Section 17 (1) of the Income tax Act, 1961	-	22,31,986	-	22,31,986
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	-	52,400	-	52,400
	(c) Profits in lieu of salary u/s 17 (3) of the Income tax Act, 1961	-	-	-	-
2	Stock options	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission-as % of profit	-	-	-	-
5	Others, Allowances	-	-	-	-
	Total	**-**	**22,84,386**	**-**	**22,84,386**

* The remuneration details of Mr. A. N. Basu, Whole –time Director and Mr. S. Dutta, Whole –time Director & CFO is provided in Part A of this Annexure

VII. Penalties / Punishment/ Compounding of Offences

No penalties/punishment/compounding of offences were levied under the Companies Act, 2013, to the Company, its Directors and its other officers in default during the year ended March 31, 2018.

By Order of the Board
For Simplex Infrastructures Limited

Place: Kolkata
Date: May 31, 2018

S. Dutta
Whole-time Director & CFO

A. N. Basu
Whole-time Director

ANNEXURE – 2

PARTICULARS OF EMPLOYEES

1(a) Particulars of employees pursuant to section 134 (3) (q) and section 197 (12) of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

	Requirements of Rule 5 (1)	Details
(i)	The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year	**Executive Directors** **Name of Director** – **Ratio** Mr. Rajiv Mundhra – 20.48 Mr. S. Dutta – 9.58 Mr. A. N. Basu – 19.05 Mr. D. N. Basu – 8.42 **Non-Executive Directors** Remuneration of Non-Executive Directors have not been considered as they are not rendering full-time service and are only paid sitting fees for attending board meetings or committee thereof.
(ii)	The percentage increase in remuneration of each Director, Chief Financial officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	**Name** – **Designation** – **% increase of remuneration FY 2018 over 2017** Mr. Rajiv Mundhra – Executive Chairman – 56% Mr. S. Dutta – CFO & Whole-time Director – 9.58% Mr. A. N. Basu – Whole-time Director – 23.11% Mr. D. N. Basu – Whole-time Director – 11.43% Mr. B. L. Bajoria – Sr. V. P & Company Secretary – 14.48% **Note:** There was no increment in 2017-18, but there is an increase in remuneration amount for FY 2017-18, after considering the effect of increment for the full year as compared to as the salary given in 2016-17 where the increment was effective from 1.3.2017, as the increase was only for one month i.e. March 2017 for the year 2016-17.
(iii)	The percentage increase in the median remuneration of employees in the financial year	7.04%
(iv)	The number of permanent employees on the rolls of the Company	3356 as on 31.03.2018
(v)	Average percentile increase already made in the salaries of employees other than managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	There was no increment in FY 2017-18
(vi)	Affirmation that the remuneration is as per the remuneration policy of the Company.	Remuneration paid during the year ended 31st March 2018 is as per the Remuneration Policy of the Company.

By Order of the Board
For Simplex Infrastructures Limited

Place: Kolkata
Date: May 31, 2018

S. Dutta
Whole-time Director & CFO

A. N. Basu
Whole-time Director

ANNEXURE – 3

REPORT ON CSR ACTIVITIES/ INITIATIVES

[Pursuant to Section 135 of the Act & Rules made thereunder]

1. **A brief outline of the company's CSR policy, including overview of the projects or programmes proposed to be undertaken and reference to the web-link to the CSR Policy and projects or programmes**

The Company has in place a corporate social responsiblity policy , approved by the Board of Directors pursuant to Section 135 of the Companies Act, 2013 and relevant Rules prescribed therein. The policy lays down the criteria for identifying programmes eligible for financial assistance in accordance with the Act. For Simplex, corporate social responsibility mean two things-corporate responsibility and social responsibility integrated into a business model.This entails transcending business interests and aligning the CSR objects of Company with the "quality of life" challenges that underserved communities face and working towards making a meaningful difference to them.

The Company in due course of time intends to be involved in economic, social and cultural growth of the underprivileged in an equitable and sustainable manner in the peripheral areas around its branch offices, sites and corporate office. Arising from this, the Company has identified the following thrust areas around which the Company shall be focusing its CSR initiatives and channelizing the resources on a sustained basis:

a. **Education:** supporting education by promotion of formal schools, to provide quality primary, secondary and higher secondary education, girl child education, education for underprivileged sections of society and also promotion of advance special education by way of organizing seminars, workshops and conferences for promotion of such education among scientists, scholars, students and other interested people of the society at large.

b. **Livelihood Enhancement projects:** providing livelihood in a locally appropriate and environmentally sustainable manner through vocational training, imparting skills to unskilled labourers, partnership with industrial training institutes., to enhance their skills, empower them, provide oppurtunities to take better employment and have a better livelihood.

c. **Heritage, Art & Culture:** promotion and preservation of rich heritage of India by publication of books , periodicals on country's heritage and spreading awareness among youths

The Company contributes for running & maintainence of schools at Bikaner, Rajasthan through Shree Charity Trust, a recognized trust formed for the purpose of promotion of education . During the year, the Company also contibuted to Shri Ramswaroop Memorial Charitable Trust for promotion of education by expansion of infrastructure of college. The Company also contributed to Bharti Vidya Mandir in its contibous pursuit for promotion of education and livelihood enhancement projects, The CSR Policy of the Company is disclosed at the website of the Company. Weblink: *http://www.simplexinfra.com/Uploadedfiles/fckeditor/file/Investors/CSR%20Policy.pdf*

2. The composition of the CSR Committee

The CSR Committee of the Company comprises of the following Directors:

1) Mr. Rajiv Mundhra, Executive Chairman, Chairman
2) Mr. S. Dutta, Whole-time Director & CFO, Member
3) Mr. S. K. Damani, Independent Director, Member

Mr. B. L. Bajoria, Sr. Vice-president & Company Secretary acts as the Secretary to the Committee.

3. Average Net Profit of the company for last 3 financial years :Rs.9647 Lakhs

4. Prescribed CSR expenditure (2% of amount as in item 3 above) : Rs.193 Lakhs

5. Details of CSR activities/projects undertaken during the year:

a) Total amount to be spent for the financial year- Rs.194 Lakhs
b) Amount un-spent, if any- NIL

c) manner in which the amount spent during financial year, is detailed below:

Sr. No	CSR project/ activity identified	Sector in which the Project is covered	Projects/Programmes 1.Local area/others- 2.specify the state /district (Name of the District/s, State/s where project/programme was undertaken	Amount outlay (budget) project/ programme wise	Amount spent on the project/ programme Sub-heads: 1.Direct expenditure on project/ programe 2.Overheads	Cumulative spend upto to the reporting period	Amount spent: Direct/ through implementing agency*
1.	Running & Maintenance of Schools	Promotion of Education	Bikaner, Rajastan	43 Lakhs	Rs. 43 lakhs contributed to Shree Charity trust for utilisation towards running and maintenance of schools	Rs.43 Lakhs	Shree Charity Trust
2.	Promotion of education by expansion of infrastructure of college.	Promotion of Education	Lucknow	100 Lakhs	Rs.100 Lakhs contributed to Shri Ramswaroop Memorial Charitable Trust for promotion of education by expansion of infrastructure of college.	100 Lakhs	Shri Ramswaroop Memorial Charitable Trust
3.	Promotion of education and preservation of national heritage, art and culture	Promotion of education	Kolkata	50 lakhs	Rs. 50 Lakhs contributed for promotion of education, preservation of national heritage, art & culture	50 Lakhs	Bharti Vidya Mandir
4.	Promotion of education	Promotion of education	Kolkata	1 lakh	Rs. 1 Lakh contributed for school children, conduct of lecture in school and colleges, etc	1 Lakh	Indian Coast Guard
	Total			**194 Lakhs**		**194 Lakhs**	

* The total CSR amount is spent through implementing agency

Details of implementing agency:

Shree Charity Trust is a recognized Charitable Trust and was registered as a trust in the year 1966 and is actively engaged in various CSR activities , viz., promotion of education, helping the poor family by providing them means for their livelihood and also involved in various projects for eradicating hunger and poverty. The Company has been contributing to this Trust for many years in its pursuit for promotion of education.

Shri Ramswaroop Memorial Charitable Trust is a recognized Charitable Trust and was registered as a trust in the year 2010 established for the promotion of learning and skill development through effective undergraduate and post graduate programs that imbibe teaching and research specific to the changing needs of the industry and society, promoting interdisciplinary approach and collaboration with national and international centres of excellence.

Bharti Vidya Mandir is an institution formed in collaboration with Simplex for making arrangement for promotion of education , art and culture, encouraging training of workers, empowering women, employment enhancing vocational skills, setting up public libraries, protection of national heritage, art and culture, promotion of traditional arts and handicrafts.

India Coast Guard, Ministry of Defense is involved in protection of India's exclusive economic zone, safety of endangered species and marine life and complementing the armed forces in all matters concerning national security.

6. **In case the company has failed to spend the 2% of the average net profit of the last 3 financial years or any part thereof, reasons for not spending the amount in its Board Report**

   The Company has spent the full amount during the financial year as required under the provisions of Companies Act, 2013.

7. **A responsibility statement by the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company**

   The implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

A.N. Basu	**Rajiv Mundhra**
Whole-time Director	Chairman of CSR Committee

ANNEXURE – 4

BOARD'S EXPLANATION ON AUDITORS' QUALIFICATION ON STANDALONE FINANCIAL STATEMENTS

(A) Independent Auditor's Report of one of the Joint Auditors, S.R.Batliboi & Co.LLP (SRB)

Relevant Para Nos. of the Auditors Report on the Standalone Financial Statements	Details of Audit Qualifications	Board's Explanation/ Remarks
Clause I. of Basis for Qualified Opinion	Note 41 (a) which states that Unbilled Revenues include Rs. 86,035 lakhs relating to earlier years, in respect of which, as informed, the management is in regular discussion with the concerned customers for completion of necessary certification and recovery thereof. As informed, the availability of appropriate audit evidence on these balances has been limited due to the geographical spread of the company's operations and the relevant records being maintained at respective project sites. Consequently, we have not been able to audit these balances and are unable to comment upon them.	Certification of unbilled revenue including final bills takes a long time from project to project by the customer. At this stage based on its discussion with the concerned customer, the Company feels that old unbilled revenue of Rs. 86,035/- lakhs as on 31st March, 2018 will be billed and realized in due course, the records and documents for which are maintained at respective project sites spread across the country and also outside India. The unbilled revenue also includes part of the revenue arising from Cost to Complete (CTC) estimates as per Percentage of Completion Method (POCM) under Ind AS-11 "Construction Contracts". The CTC computation is regularly reviewed and necessary revisions are made as and when necessary by the Management. On this issue, the other joint auditor, M/s. H.S.Bhattacherjee & Co., is in agreement with the views of the management. The above reasons explain the qualification in this issue in the audit report of the above Joint Auditor (SRB) on the Company's financial results for the year ended 31st March, 2018. This matter has been explained in Note 41(a) forming part of Standalone Financial Statements.
Clause II. of Basis for Qualified Opinion	Note 38 regarding certain old balances of trade receivables, retention monies on completed projects, inventories at completed project sites and claims recoverable amounting to Rs. 43,890 lakhs, Rs. 21,540 lakhs, Rs 2,914 lakhs and Rs. 1,596 lakhs respectively, considered good of recovery by the management due to the reasons mentioned therein. We are unable to comment upon these balances, including the likely time period of collection of trade receivables considered by the company for determining their fair values. Further, retention monies and unbilled revenues, disclosed as 'other current assets' instead of 'other financial assets' have been accounted for at transactional values instead of at fair values, which is not in accordance with the requirements of Ind AS 109 "Financial Instruments" and Ind AS 32 "Financial Instruments: Presentation". The impact of the above matter on these financial statements is presently not ascertainable.	As on 31st March, 2018, in respect of trade receivables of Rs. 43,890 lakhs and claims recoverable of Rs. 1,596 lakhs from customers against various project sites, where the amount is outstanding for a long period and based on its discussions and correspondence with those customers, the management is of the opinion that at this stage these are good and recoverable. Inventories of Rs. 2,914 lakhs as on 31st March, 2018 at certain completed project sites are good and will be transferred for onward use in other projects. In respect of the retention money due from customer, it is receivable only after the contract is completed, certification of final bill by customer and after expiry of defect liability period. In the opinion of the company the retention amounts of Rs. 21,540 lakhs due from customer of certain completed contracts as on 31st March, 2018 are good and recoverable.

(A) Independent Auditor's Report of one of the Joint Auditors, S.R.Batliboi & Co.LLP (SRB) (Contd..)

Relevant Para Nos. of the Auditors Report on the Standalone Financial Statements	Details of Audit Qualifications	Board's Explanation/ Remarks
		Management regularly reviews the old outstanding trade receivables, Claims recoverable and Retention monies due from customers as on 31st March, 2018 and in the opinion of the management, these are good and recoverable. Retention money due from customer and unbilled revenue as at 31st March 2018 have been considered as 'other current assets' as per Ind AS-32. Further, in the opinion of the management, there is lack of clarity in respect of application of the provisions of Ind AS with regard to fair value of these items and there has not been any authoritative clarification / interpretation in this regard. This is the consistent practice being followed by the Company and the industry peers. On this issue, the other joint auditor, M/s. H.S.Bhattacherjee & Co., is in agreement with the views of the management. The above reasons explain the qualification in this issue in the audit report of the above Joint Auditor (SRB) on the Company's financial results for the year ended 31st March, 2018. This matter has been explained in Note 38 forming part of Standalone Financial Statements.
Clause III. of Basis for Qualified Opinion	Note 39 in respect of (i) certain projects relating to a customer wherein the management of the Company has considered Trade Receivables, Unbilled Revenue, Retention Money and Inventories amounting to Rs. 5,083 lakhs (Net), Rs. 4,657 lakhs, Rs. 615 lakhs and Rs. 2,915 lakhs respectively, as good and fully recoverable since there are pending legal proceedings including liquidation proceedings against the customer; (ii) Further, advance to suppliers also include balances amounting to Rs. 1,063 lakhs relating to completed projects and outstanding for a long period of time. In our opinion these balances should have been provided for as doubtful of recovery. Had the impact of the above matters been considered, year end balances of Trade Receivables, Unbilled Revenue, Retention Money, Inventories and Advance to suppliers would have been Rs. 139,994 lakhs, Rs. 392,563 lakhs, Rs. 55,459 lakhs, Rs. 72,694 lakhs and Rs. 12,636 lakhs as against reported amount of Rs, 145,077 lakhs, Rs. 397,220 lakhs, Rs. 56,074 lakhs, Rs. 75,609 lakhs and Rs 13,699 lakhs with consequential impact on profit for the year and balance of other equity and thereby profit before tax for the year and balance of other equity at the year-end would have been Rs. 759 lakhs and Rs. 148,131 lakhs as against reported amount of Rs. 15,092 lakhs and Rs 162,464 lakhs respectively.	Arbitration proceedings are on in respect of certain Trade Receivables, Unbilled Revenue and Retention Money due from a customer which is under legal proceedings including liquidation proceedings amounting to Rs. 5,083 lakhs (net), Rs. 4,657 lakhs and Rs. 615 lakhs respectively as at 31st March, 2018. 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 above Joint Auditors (SRB) on the same issue in their Audit reports on the Company's financial results for the year ended 31st March, 2018. However, H.S.Bhattacherjee & Co., the other Joint Auditor has mentioned in their Audit Report that the impact of the above is not ascertainable. Further, there is inventory amounting to Rs. 2,915 lakhs also lying at such project site as on date and are good as per Management's opinion. In view of above, we are unable to agree with the auditors' comments on changes in the figures of Trade Receivables, Unbilled Revenue, Retention Money, Inventories etc. and the consequential impact on profit for the year/quarter and balance of other equity at the year-end.

(A) Independent Auditor's Report of one of the Joint Auditors, S.R.Batliboi & Co.LLP (SRB) (Corr.)

Relevant Para Nos. of the Auditors Report on the Standalone Financial Statements	Details of Audit Qualifications	Board's Explanation/ Remarks
		There are advances to suppliers related to certain completed project sites, amounting to Rs. 1,063 lakhs on which the company is in active pursuit and confident of recovery / settlement of these advances within a reasonable period of time. On this issue, the other joint auditor, M/s. H.S.Bhattacherjee & Co., is in agreement with the views of the management. The above reasons explain the qualification in this issue in the audit report of the above Joint Auditor (SRB) on the Company's financial results for the year ended 31st March, 2018. This matter has been explained in Note 39 forming part of Standalone Financial Statements.
Clause IV. of Basis for Qualified Opinion	Note 41(b) regarding unreconciled Value Added Tax Liability relating to period before implementation of Goods and Service Tax, impact whereof is unascertained and will be considered upon completion of the reconciliation process. We are unable to comment on the impact thereof on these financial statements.	The Company is in the process of reconciling VAT liability till 30th June, 2017. The impact of difference, if any, in such VAT liability, which the management does not expect to be significant, will be considered thereafter. On this issue, the other joint auditor, M/s. H.S.Bhattacherjee & Co., is in agreement with the views of the management. The above reasons explain the qualification in this issue in the audit report of the above Joint Auditor (SRB) on the Company's financial results for the year ended 31st March, 2018. This matter has been explained in Note 41(b) forming part of Standalone Financial Statements.
Clause V. of Basis for Qualified Opinion	Note 41(c) regarding non-consideration of depreciation on property, plant and equipment and borrowing costs as project costs and for determining revenue as per percentage of completion of the contract activity for the reasons stated therein, which is not in accordance with Ind-AS 11 "Construction Contracts". The impact of this on these financial statements has not been ascertained by the management.	The Company, as per consistent practice followed, does not consider depreciation on properties, plants and equipment and borrowing cost as part of the project cost in the Cost to Complete (CTC) for determining contract turnover as per percentage of completion under Ind AS–11 " Contract Cost " for its various projects. The depreciation on Property Plant and Equipment etc. as also borrowing cost directly related to specific contracts is not material. However, in the Profit and Loss Statement, both depreciation and borrowing cost being the period cost are charged to revenue. The Management is of the opinion that not considering the depreciation as stated above and borrowing cost in the Cost to Complete (CTC) statement does not affect the calculation of Percentage of Completion Method (POCM) materially. On this issue, the other joint auditor, M/s. H.S.Bhattacherjee & Co., is in agreement with the views of the management.

(A) Independent Auditor's Report of one of the Joint Auditors, S.R.Batliboi & Co.LLP (SRB) (Corr.)

Relevant Para Nos. of the Auditors Report on the Standalone Financial Statements	Details of Audit Qualifications	Board's Explanation/ Remarks
		The above reasons explain the qualification in this issue in the audit report of the above Joint Auditor (SRB) on the Company's financial results for the year ended 31st March, 2018. This matter has been explained in Note 41(c) forming part of Standalone Financial Statements.
Clause VI. of Basis for Qualified Opinion	Note 41(d) in respect of current assets as at the balance sheet date which includes certain balances of trade receivables, statutory advances pending assessment by relevant authorities, security deposits and other balances including those subject to arbitrations amounting to Rs. 8,370 lakhs, Rs. 25,137 Lakhs, Rs. 1,885 lakhs and Rs. 17,257 lakhs respectively, which in our opinion should have been classified as non-current assets in these financial statements.	In respect of classification of certain current assets into non-current assets, the Company provides expected credit loss (ECL) on these current assets. The Company considers an average normal operating cycle for its operations though the operating cycle for all the projects are not uniform, the company has classified certain trade receivables, statutory advances pending assessment by relevant authorities, security deposits and other balances including those subject to arbitrations, amounting to Rs. 8,370 lakhs, Rs. 25,137 lakhs, Rs. 1,885 lakhs and Rs. 17,257 lakhs respectively as current assets. On this issue, the other joint auditor, M/s. H.S.Bhattacherjee & Co., is in agreement with the views of the management. The above reasons explain the qualification in this issue in the audit report of the above Joint Auditor (SRB) on the Company's financial results for the year ended 31st March, 2018. This matter has been explained in Note 41(d) forming part of Standalone Financial Statements.
Qualified Opinion para of Annexure 2 to the Independent Auditor's report –Report on the Internal Financial Controls under section 143(3)(i) of the Companies Act, 2013	According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified in the operating effectiveness of the Company's internal financial controls over financial reporting with reference to these standalone financial statements as at March 31, 2018: (a) The Company's Internal financial controls relating to documentation and other relevant evidences relating to exact status of unbilled revenue including discussions with concerned customers so as to substantiate recoverability thereof were not operating effectively which resulted in non-availability of appropriate audit evidence on certain such balances relating to earlier years. (b) The Company's Internal financial controls relating to (i) old balances of trade receivables, retention monies on completed projects, inventories at completed project sites and claims recoverable, and also the time period of likely collection of trade receivables considered by the management for fair valuation thereof and	All the qualifications mentioned in the above Joint Auditors' (SRB) Report on Internal Financial Control have been explained in detail in the earlier paragraphs under heading (A) in respect of all the qualifications mentioned in SRB's Audit Report on the Internal Financial Control

(A) Independent Auditor's Report of one of the Joint Auditors, S.R.Batliboi & Co.LLP (SRB) (Corr.)

Relevant Para Nos. of the Auditors Report on the Standalone Financial Statements	Details of Audit Qualifications	Board's Explanation/ Remarks
	(ii) application of appropriate policies and procedures that provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles were not operating effectively which resulted in accounting of certain such balances as good and recoverable by the management and accounting of retention money and unbilled revenue at transactional values instead of at fair value and disclosure thereof under Other Current Assets instead of Other Financial Assets; (c)The Company's internal financial controls relating to review of assets, financial or otherwise, for considering appropriate provisioning/impairment/write downs there against did not operate effectively which resulted in non-provisioning/impairment/write down of certain Trade Receivables, Retention Money, Unbilled Revenue, inventories and advances to suppliers. (d) The Company's internal financial controls relating to reconciliation of statutory dues and balances did not operate effectively which resulted in unreconciled Value Added Tax Liability (relating to period before implementation of Goods and Service Tax) at the year end; (e)The Company's Internal financial controls relating to inclusion of all project costs for determining percentage of completion of the contract activity did not operate effectively which resulted in non-consideration of depreciation on property, plant and equipment and borrowing costs as project costs for the purpose as stated above with consequential impact thereof on contract revenue and other consequential impact thereof in these accounts. (f) The Company's internal financial controls relating to presentation and disclosure of balances of assets and liabilities in compliance of the provisions of Schedule III to the Companies Act, 2013 and IND AS 1 Presentation of Financial Statements did not operate effectively which resulted in certain balances of trade receivables, statutory advances pending assessment by relevant authorities, security deposits and other balances as current which should have been classified as non-current assets in these financial statements.	

(B) Independent Auditor's Report of the other Joint Auditor H.S.Bhattacharjee & Co (HSB)

Relevant Para Nos. of the Auditors Report on the Standalone Financial Statements	Details of Audit Qualifications	Board's Explanation/ Remarks
Clause 8. under Basis for Qualified Opinion	We draw your attention to Note 39 to the standalone Ind AS financial statements in respect of certain projects relating to a customer wherein the Management of the company has considered Trade Receivables aggregating Rs. 5,083 Lakhs (Net); Unbilled Revenue aggregating Rs. 4,657 Lakhs and Retention Money aggregating Rs.615 Lakhs (disclosed under Other Current Assets), as good and fully recoverable for the reasons stated therein. In view of pending legal proceeding against the customer and lack of adequate information, we are unable to comment on the extent of recoverability of these balances. The impact of this matter on the Trade Receivables, Other Current Assets, Total Current Assets, Total Assets, Other Equity and Total Equity as at March 31, 2018, 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, 2018 is presently not ascertainable.	Arbitration proceedings are on in respect of certain Trade Receivables, Unbilled Revenue and Retention Money due from a customer which is under legal proceedings including liquidation proceedings amounting to Rs. 5,083 lakhs (net), Rs. 4,657 lakhs and Rs. 615 lakhs respectively as at 31st March, 2018. 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 above Joint Auditors (HSB) on the same issue in their Audit Report on the Company's financial results for the year ended 31st March, 2018. In view of above, we are unable to agree with the auditors' comments on changes in the figures of Trade Receivables, Unbilled Revenue, Retention Money, Inventories etc. and the consequential impact on profit for the year/quarter and balance of other equity at the year-end. This matter has been explained in Note 39 forming part of Standalone Financial Statements.
Para 8- Basis for Qualified Opinion para of Annexure A to the Independent Auditor's report – Report on the Internal Financial Controls under section 143(3)(i) of the Companies Act, 2013	**Basis for Qualified Opinion** 8. According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified in the operating effectiveness of the Company's internal financial controls over financial reporting as at March 31, 2018: (a) The Company's internal financial controls relating to review of Trade Receivables and Other Current Assets for appropriate provisioning did not operate effectively which resulted in non-ascertainment of adequate provision against certain Trade Receivables, Retention Money not due and Unbilled Revenue due from a customer.	The above Joint Auditor (HSB), in their Report on Internal Financial Control, has qualified only in relation to adequate provision against trade receivable, retention money and unbilled revenue due from a customer which has already been considered on our earlier paragraph under the heading "B"

ANNEXURE – 5

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2018

[Pursuant to Section 204(1) of the Companies Act, 2013 and rule 9 of The Companies (Appointment and Remuneration Personnel) Rules, 2014]

To
The Members
Simplex Infrastructures Limited
27, Shakespeare Sarani
Kolkata-700 017

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Simplex Infrastructures Limited having CIN L45209WB1924PLC004969** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2018 (hereinafter called 'the Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018 according to the provisions of:

i) The Companies Act, 2013 and the Rules made thereunder (hereinafter called as 'the Act');

ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;

iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings- (Not applicable to the Company during the Audit Period);

v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

   (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009- (Not applicable to the Company during the Audit Period);

   (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014- (Not applicable to the Company during the Audit Period);

   (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

   (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009- (Not applicable to the Company during the Audit Period); and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998- (Not applicable to the Company during the Audit Period);

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR');

(j) Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996

(vi) The Contract Labour (Regulation and Abolition) Act, 1970 and The Building and Other Construction Workers (Regulation of Employment & Conditions of Service) Act, 1996 and rules made thereunder are the laws applicable specifically to the Company and as regards the applicability of Building and Other Construction Workers Welfare Cess Act, 1996 and rules made thereunder the Company has filed Writ Petitions before Competent Courts and obtained stay orders and the matters are sub judice, as per the Management Representation Letter issued by the Company of even date.

I have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) Listing Agreement pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 entered into by the Company with The Calcutta Stock Exchange Limited, BSE Limited and National Stock Exchange of India Limited.

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

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There was no change in the composition of the Board of Directors during the Audit Period.

Adequate notices were given to all directors to schedule the board meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting

All decisions at board meetings and committee meetings held during the Audit Period carried out unanimously as recorded in the minutes of the respective meetings.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the Audit Period, the specific events/ actions which have a major bearing on the Company's affairs in pursuance of the laws, rules, regulations, guidelines, standards etc. referred to as above are as follows:-

1. The Company incorporated a new Subsidiary being PC Patel Mahalaxmi Simplex Consortium Private Limited in the state of Gujarat.

2. The Company made several secured and unsecured borrowings from time to time.

This report is to be read with our letter of even date which is annexed as **Annexure A** and form an integral part of this report.

Deepak Kumar Khaitan
Practising Company Secretary
F.C.S. No.: 5615, C.P. No.: 5207
Unique No :I2003WB347200

Place: Kolkata
Date: 30.05.2018

ANNEXURE – A

to the SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2018

To
The Members
Simplex Infrastructures Limited
27, Shakespeare Sarani
Kolkata-700 017

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Deepak Kumar Khaitan
Practising Company Secretary
F.C.S. No.: 5615, C.P. No.: 5207
Unique No :I2003WB347200

Place: Kolkata
Date: 30.05.2018

ANNEXURE – 6

Information pursuant to Section 134 (3)(m) of the Companies Act, 2013 read with The Companies (Accounts) Rules, 2014

A. Conservation of Energy

(I) The steps taken or impact on conservation of energy

- Introducing more automation in equipment operation, gaining better efficiency and thereby saving energy.
- Improving automation in official work and slowly moving to paperless service and thereby saving energy.
- Replacing Captive Gensets with available Grid power at multiple locations thereby saving on account of fuel.
- Optimizing of Gensets loading with high capacity utilization.
- Schedule maintenance of Gensets & utilities to avoid increase in specific fuel consumption.
- Making sure that all of utilities to redundant areas are turned off.
- Gradually replacing halogen lights with high pressure sodium vapour or metal halide lamps.
- Use of LED Light.
- Correcting power factor to at least 0.90 under rated load conditions by installing Automatic Power factor Correction panels.
- Setting transformer taps to optimum settings to reduce over drawing of current.
- Use energy efficient motors in crusher plant. High efficiency motors offer of 4 - 5% higher efficiency than standard motors.
- Maintainiang a balance the three phase power supply. An imbalance voltage can reduce 3 - 5% in motor input power.
- Installation of variable-speed drives or variable frequency drive for Tunnel ventilation air blower units by optimizing blower speed resulting in reducing power requirements. A 10% reduction in blower speed can reduce power requirement by 27%.
- Replacing stiffed ducting with smooth, well-rounded air delivery ducts for free flow of fresh air minimizing resistance.
- Minimizing blower inlet and outlet obstructions thereby eliminating ductwork leaks, bends etc.
- Repairing seals and packing to minimize water waste in water pipeline.
- Balancing the pumping system to minimize flows and reduce pump power requirements.
- Recycling water & tapping natural source for use with less critical quality requirements such as Boomers & short Crete machines.
- Eliminating continuous & unattended overflow by installing level meter at water tanks.
- Reduction of air compressor discharge pressure to lowest acceptable settings. Reduction of 1 kg/cm2 air pressure (8 kg/cm2 to 7 kg/cm2) would result in 9% input power savings. This will also reduce compressed air leakage rates by 10%.
- Minimizing purges, leaks, excessive pressure drop & condensation accumulation. Compressed air leak from 1 mm hole size at 7 kg/cm2 pressure would mean power loss equivalent to 0.5 kW.
- Ensuring air compressor intake from coolest possible location by building sheds. Every 50C reduction in intake air temperature would result in 1% reduction in compressor power consumption.

(II) The steps taken by the company for utilising alternate sources of energy

We are working on viability study & development on introducing Solar energy for area lighting at our project sites. We are also working on the viability study for re-introducing Wind Mill which we had installed earlier.

(III) The capital investment on energy conservation equipments

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

B. Technology absorption

(I) The efforts made towards technology absorption

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

(II) The benefits derived like product improvement, cost reduction, product development or import substitution:

International standards in construction of tall chimneys, high rise structures and cooling towers, low cost house building technology and road construction.

New and low cost methods of CNS technology in foundation engineering.

(III) In case of imported technology (imported during the last three years)

Technology Imported	Year of Import	Has technology been fully absorbed	If not absorbed, areas where absorption has not taken place, and the reasons thereof
Vibrofloat Equipment with bottom feed facilities with Data Logger system for ground improvement work.	2017	In process	-
Telehandler with Rib erecting arrangement for faster, smoother Tunnel construction work	2016	In process	-

(IV) The expenditure incurred on Research and Development (Rs. in Mns)

a)	Capital	-	-
b)	Recurring	-	3.5
c)	Total	-	3.5
d)	Total R & D Expenditure as percentage of total turnover (%)	-	0.01%

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

Total foreign exchange used and earned

	2017-18	2016-17
Foreign Exchange earned	5987	9687
Foreign Exchange used	4204	7753

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

Place: Kolkata
Date: May 31, 2018

S.Dutta
Whole-time Director & CFO

A.N.Basu
Whole-time Director

MANAGEMENT DISCUSSION AND ANALYSIS

Economic Overview

India has emerged as the fastest growing economy in the world as per the Central Statistics Organisation (CSO) and International Monetary Fund (IMF) and it is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships. India's GDP is estimated to have increased 6.6 per cent in 2017-18 and is expected to grow 7.3 per cent in 2018-19. With Gross Domestic Product (GDP) growth averaging 7.5 per cent between 2014- 15 and 2016-17, India can be rated as among the best performing economies in the world. Although growth is expected to decline to 6.5 per cent in 2017-18, bringing the 4-year average to 7.3 per cent, the broad story of India's GDP growth to be significantly higher than most economies of the world does not alter.

In November 2017, the Index of Industrial Production (IIP) registered a growth of 8.4 per cent to take the April-November growth to 3.2 per cent over the corresponding period of previous year. The eight Core infrastructure supportive industries, viz. coal, crude oil, natural gas, petroleum refinery products, fertilizers, steel, cement and electricity that have a total weight of nearly 40 per cent in the IIP attained a cumulative growth of 3.9 per cent during April-November 2017- 18 over the corresponding period of previous year. The production growth of coal, natural gas, refinery products, steel, cement and electricity were positive.The Government has been increasing its investment over time on building infrastructure to support India's long-term growth.

India has leapt 30 ranks over its previous rank of 130 in the World Bank's latest Doing Business Report 2018. Moody's Investors Service has also raised India's rating from the lowest investment grade of Baa3 to Baa2. This has been made possible due to a host of measures undertaken by the Government including implementation of GST, Insolvency and Bankruptcy Code, and announcement of bank recapitalization. A number of reforms were undertaken to boost industrial growth including Make in India programme, Start-up India and Intellectual Rights Policy.

Industry Overview

The infrastructure sector has become a focus area of the Government of India. Under Union Budget 2018-19, US$ 92.22 billion was allocated to the sector. Increased impetus to develop infrastructure in the country is attracting both domestic and international players. Private sector is emerging as a key player across various infrastructure segments, ranging from roads and communications to power and airports. In order to boost the construction of buildings in the country, the Government of India has decided to come up with a single window clearance facility to accord speedy approval of construction projects.

The cumulative growth in the index of eight core industries was 4.2 per cent in 2017-18. Significant allocation to the infrastructure sector in the 12th Five-Year Plan, and investment requirement of US$ 1 trillion is expected to create huge demand for construction sector in India. The country needs around 55 new airports by 2030 with an investment of US$ 36-45 billion. In the road sector, the government's policy to increase private sector participation has proved to be a boon for the infrastructure industry with a large number of private players entering the business through the public-private partnership (PPP) model. During the next five years, investment through PPP is expected to be US$ 31 billion. India has a requirement of investment worth Rs.50 trillion (US$ 777.73 billion) in infrastructure by 2022 to have sustainable development in the country.

The construction sector has strong linkages with other manufacturing industries accounting for a significant share. The sector contributes 55% share in the steel industry, 15% in paint industry and 30% in the glass industry. The Indian construction sector is expected to grow at 5.6% during 2016-20, compared to 2.9% during 2011-15. India's construction sector is expected to grow at a CAGR of 4.16% from now until 2021. This is an increase over the growth seen in the previous report period, 2012-2016, where the Indian construction industry expanded by 3.95%.

India is one of the world's most vibrant markets for the construction sector at the moment. Huge sums are being poured into a comprehensive range of construction projects, from major infrastructure upgrades, sweeping residential housing programmes and wholesale city building. Rapid urbanisation is necessitating the construction of modern, convenient transport links to and from major population centres.

With many points of entry, India's construction industry offers a wealth of opportunities for construction companies like ours over the next decade.

Business Review

The Company is a diversified construction company established in 1924 and executing projects in ground engineering; industrial structures; building and housing; power-thermal,nuclear & hydel and power transmission works; marine; roads & bridges; railways and urban infrastructure-airports, metro-rails, stadia, urban water supply, sewerage and other utilities and the service offerings include design, engineering and construction. It provides both design-and-build and build-to-design construction services across India and overseas. Our Company as of March 31, 2018, has an Order Book of over Rs.186225 mns.

The Company is focused on bringing about cost & operational efficiencies for delivering superior value to clients and achieving profitable growth in the competitive business environment. The emphasis is on better contract and project management. The endeavor is to lower costs while maintaining quality and managing complexity.

Some of the key projects of the company during the year include:

A few of the currently ongoing projects

Domestic

- Construction of RCC Chimney, NDCT of Super Thermal Power Station , Ennore
- Design and construction of elevated viaduct and stations of Mumbai Metro, Mumbai
- Rehabilitation & upgradation to 4 laning of NH-31D-Ghoshpukur-Salsalbari Section, West Bengal
- Four-Laning of Dolabari to Jamuguri Section under SARDP NE-phase A, Assam
- Construction of Housing Project, Gurgaon
- Construction of IIT Bhubaneswar extended campus, Bhubaneswar

Overseas

- Construction of Villas at Amazonia Cluster, Dubai
- Construction of Hotel building at Business Bay, Dubai
- Piling work for rail bridge for Haramain High Speed railway, Abu Dhabi

A few of the Projects completed during FY 18

Domestic

- Comprehensive development of Corridor (Outer Ring Road) for PWD, Delhi
- Construction of civil, structural and architectural works for BHEL, Chennai
- Design and construction of Assembly Component, Manipur
- Construction of bulk civil structures at Jamnagar, Gujarat
- Civil, structural and architectural works for residential development , Gurgaon
- EPC for civil works for Back up Yard for Bulk Berth at Dhamra Port, Orissa

Overseas

- Civil and Building Works, Qatar

- Civil works for factory project, Ethiopia
- Civil and Building Works at IMG Theme Park, Dubai

Opportunities

India will become the world's third largest Construction Market by 2025 and thereby the Infrastructure Sector is a key driver for the Indian Economy. Especially the road sector profits from the Government's efforts and initiated policies to ensure time-bound creation of world class infrastructure in the country. The Construction Industry in India is the second largest after agriculture. It accounts for about 11 % of India as GDP and contributes to the national economy also by providing employment to large number of people. Concerning the Infrastructure in India, the present level is inadequate to meet the demand of the existing urban population. Therefore a re-generation of urban areas in existing cities and the creation of new, inclusive smart cities are needed due to an increasing population and migration from rural to urban areas. Those future cities require smart real estate and urban infrastructure. Further also the Government pushes the growth by launching a new urban development mission to help develop 500 cities, which include cities with more than 100,000 and some cities of religious and tourist importance. The mission includes the support of use of private capital and expertise through Public Private Partnerships (PPPs), to holster their infrastructure and services in the next 10 years.

Out of these various segments the Infrastructure Segment is a priority for the Government. India needs US $ 465 billion to be spent on Infrastructure development over the next five years, with 70 per cent of funds needed for power, roads and urban infrastructure segments. One hundred per cent FDI is permitted through automatic route in Construction-Development projects like development of townships, construction of residential/ commercial premises, road or bridges, hotels, resorts, hospitals, educational institutes, recreational facilities, city and regional level infrastructure and townships. Going forward the focus will be on aligning national standards for design, construction, maintenance and operation of roads, bridges and flyovers with the global standards to bring down the cost of construction while maintaining high standards of quality through adoption of innovative technologies and materials for road construction. Further, expected softening of the interest rate and sharing of the 40 per cent of the project cost under hybrid annuity model is likely to provide some comfort to the industry players operating with high level of debt and interest expense ratio. The industry is expected to continue to expand over the forecast period (2017–2021), driven by investments in housing, infrastructure and energy projects under flagship programs such as the 100 Smart Cities Mission, Housing for All 2022, the Atal Mission for Urban Rejuvenation and Transformation (AMRUT), the National Skill Development Mission (NMSD), Pradhan Mantri Gram Sadak Yojana (PMGSY), Make in India, and Power for All (PFA) by various governments. In recent times, India has constructed marvelous projects including Urban development projects, bridges, dams and industrial projects etc. India has a huge potential to grow in the coming years. This bodes well for the construction companies and Simplex is all poised to leverage its experience and expertise for its contribution to India's progress diligently.

Urban Infrastructures

India's urban population is larger than the entire United States, and is second only to China's. It is clear that India's urban population will continue to grow, probably doubling in the next couple of decades. The scale and potential is enormous. To meet the challenges of this inevitable and rapid urbanization, India needs well-performing cities and the integrated infrastructure development will be the key. It has now become imperative that helping the Indian cities to function efficiently is mandatory for the better future of the country. It has been noticed for several years that a rapid urbanization is happening across states of India. The need for up-gradation and development of urban infrastructure and urban services cannot be overstated. The present levels of urban infrastructure are grossly inadequate to meet the demand of the existing urban population.

The changing infrastructure landscape in India has generated significant interest from Government of India (GOI) which is evidenced by its policies and plans aimed at improving the infrastructure, with specific focus on urban transformation (JNNURM, Smart City, AMRUT, HRIDAY) and Namami Gange to improve the quality of life and infrastructure in the cities. The GOI aims at creating 'economically productive, efficient, equitable and responsive Cities'. The objectives of the mission were to improve the economic and social infrastructure of cities, to ensure basic services to the urban poor, integrated development of infrastructure by providing adequate funds to meet the deficiencies in urban infrastructure services. For building a sustainable future in India, the need for greater infrastructure investment and to sustainably manage such investment is needed. The Government's success on infrastructure developments will be measured not by the funds invested, but on how infrastructure contributes to the achievement of economic, social and environmental objectives.

Planning and building urban infrastructure for the benefit of the society, economy and environment requires both horizontal integration (sectors such as transport and communication, water supply and services, solid waste management etc. to identify issues) and vertical integration (Government agencies, private sectors and citizens to develop schemes and strategies). The focus of all improvements in urban infrastructure should lead to a better quality of life and improved livability.

There is a huge and wide gap between the demand and supply of essential amenities, services and infrastructures. Therefore, there is a huge opportunity for the construction companies engaged in such projects. Simplex has completed landmark infrastructure projects across key sectors in urban infrastructure -sewerage, transportation, renovation and modernization of airports. Major projects executed by the Company in this segment includes Mohali Sports Complex, Punjab; Mumbai Metro, Maharashtra; Bilaspur Sewerage, Chhattisgarh; Andal Airport, West Bengal.

The contribution from this sector has been 16 percent in terms of revenue during FY 2018 and the share in order book from this sector is 26 percent.

Building & Housing

The real estate sector is one of the most globally recognized sectors. In India, real estate is slated to grow at 30 per cent over the next decade. The real estate sector comprises four sub sectors - housing, retail, hospitality, and commercial. The growth of this sector is well complemented by the growth of the corporate environment and the demand for office space as well as urban and semi-urban accommodations. The construction industry ranks third among the 14 major sectors in terms of direct, indirect and induced effects in all sectors of the economy. The Indian real estate market is expected to touch US$ 180 billion by 2020. Housing sector is expected to contribute around 11 per cent to India's GDP by 2020. In the period FY2008-2020, the market size of this sector is expected to increase at a Compound Annual Growth Rate (CAGR) of 11.2 per cent. Retail, hospitality and commercial real estate are also growing significantly, providing the much-needed infrastructure for India's growing needs.

The Indian real estate sector was sluggish over the last few years as the focus of developers on mid- / luxury/ premium category housing projects led to huge unsold inventory of unaffordable units across several micromarkets.The situation has changed since, owing to regulatory developments such as setting up of the Real Estate Regulatory Authority (RERA), and the government's demonetisation move, focus on affordable housing, budgetary announcements, and implementation of the GST. Further, the Government of India along with the governments of the respective states has taken several initiatives to encourage the development in the sector. The Smart City Project, where there is a plan to build 100 smart cities, is a prime opportunity for the real estate companies. Other major Government Initiatives includes creation of National Urban Housing Fund was approved with an outlay of Rs 60,000 crore (US$ 9.27 billion) and Pradhan Mantri Awas Yojana (PMAY) under which urban 1,427,486 houses have been sanctioned in 2017-18. In March 2018, construction of additional 3,21,567 affordable houses was sanctioned under the scheme.

Simplex has become a well-known name in 'Buildings & Housing' sector, equipped with pan-India reach and also overseas, knowledge & expertise and experienced manpower to undertake all types of building and housing projects. Simplex has been providing world-class infrastructure support to India's growing Industrial, Retail, ITeS and Services sector. Simplex took part in the Indian IT Growth story, by becoming a preferred partner in providing comprehensive construction solutions for institutional Buildings-IITs, IIMs, Military Residential Quarters, Hotels, high rise- World One, Mumbai, Palladium Building, Bangalore and mass housing projects. While Simplex endeavors to build world-class infrastructure, it does not move its focus from providing improved quality of human life by building large townships and high-rise apartments with expertise in all round infrastructure and modern amenities.

The Building & Housing sector contributed 34 percent in terms of revenue during FY 2018 and the share in order book from this sector is 25 percent.

Power - Transmission

Power is one of the most critical components of infrastructure crucial for the economic growth and welfare of nations. The existence and development of adequate infrastructure is essential for sustained growth of the Indian economy.India's power sector is one of the most diversified in the world. Sources of power generation range from conventional sources such as coal, lignite, natural gas, oil, hydro and nuclear power to viable non-conventional sources such as wind, solar, and agricultural and domestic waste. Electricity demand in the country has increased rapidly and is expected to rise further in the years to come. In order to meet the increasing demand for electricity in the country, massive addition to the installed generating capacity is required.

The Government of India has recently launched the Saubhagya scheme to provide electricity connections to over 40 million families in rural and urban areas by December 2018 at a cost of US$ 2.5 billion. The Government of India has released its roadmap to achieve 175 GW capacity in renewable energy by 2022, which includes 100 GW of solar power and 60 GW of wind power.The Union Government of India is preparing a 'rent a roof' policy for supporting its target of generating 40 gigawatts (GW) of power through solar rooftop projects by 2022.The government's immediate goal is to generate two trillion units (kilowatt hours) of energy by 2019. This means doubling the current production capacity to provide 24x7electricity for residential, industrial, commercial and agriculture use. A total of 16,064 villages out of 18,452 un-electrified villages in India have been electrified up to December 2017 as part of the target to electrify all villages by May 1, 2018.The Government of India is taking a number of steps and initiatives like 10-year tax exemption for solar energy projects, etc., in order to achieve India's ambitious renewable energy targets of adding 175 GW of renewable energy, including addition of 100 GW of solar power, by the year 2022. The government has also sought to restart the stalled hydro power projects and increase the wind energy production target to 60 GW by 2022 from the current 20 GW.

Simplex is justly contributing in realizing our country's dream of becoming power self-sufficient. Being a key constituent of infrastructure, performance of the power sector directly impacts the overall economy of a country. Simplex has been involved in civil construction work in power plants like thermal-coal and gas, hydel and nuclear as well as Ultra Mega Power Projects (UMPP) and transmission lines. The Company is working on the construction of several power plants and transmission lines in India and also bidding for the new jobs coming up in India and abroad. This sector holds significant business opportunities with the thrust of the Government on augmenting and strengthening generation and transmission grid infrastructure at both centre and state levels.

The major contribution in this segment has come from - Maithon, Bajaj Infra, BHEL, NTPC, Vedanta, NHPC, Gujarat UMPP, Jindal, Samsung, Bharat Forge, Sintex, SEBs, Power Grid.

The power sector contributed 22 percent in terms of revenue during FY 2018 and the share in order book from this sector is 21 percent.

Industrial Structures

Manufacturing is expected to emerge as one of the high growth sectors in India. The Government of India has launched the 'Make in India' program to place India on the world map as a manufacturing hub and give global recognition to the Indian economy. India is expected to become the fifth largest manufacturing country in the world by the end of year 2020. The Gross Value Added (GVA) at basic current prices from the manufacturing sector in India grew at a CAGR of 4.34 per cent during FY12 and FY18 as per the second advance estimates of annual national income published by the Government of India. Under the Make in India initiative, the Government of India aims to increase the share of the manufacturing sector to the gross domestic product (GDP) to 25 per cent by 2022, from 16 per cent, and to create 100 million new jobs by 2022. Business conditions in the Indian manufacturing sector continue to remain positive. The Government of India has taken several initiatives to promote a healthy environment for the growth of manufacturing sector in the country. Some of the notable initiatives and developments are:

- The government has introduced two new World Bank assisted projects viz. SANKALP scheme and STRIVE scheme for skill development in the country.

- In Union Budget 2018-19, the Government of India reduced the income tax rate to 25 per cent for all companies having a turnover of up to Rs 250 crore (US$ 38.75 million).
- Thrust on Infrastructure growth will spur Industrial demand.

India is an attractive hub for foreign investments in the manufacturing sector.The manufacturing sector of India has the potential to reach US$ 1 trillion by 2025 and India is expected to rank amongst the top three growth economies and manufacturing destination of the world by the year 2020. With impetus on developing industrial corridors and smart cities, the government aims to ensure holistic development of the nation. The corridors would further assist in integrating, monitoring and developing a conducive environment for the industrial development and will promote advanced practices in manufacturing.

Simplex's Engineering business custom-designs, fabricates and integrates engineered-to-order critical equipment and solutions for core sector various industries – cement, steel, aluminum, copper, engineering, automobile, petrochemicals, oil & gas, fertilizers, paper, textiles etc.Its strengths include in-house design & engineering, state-of-the-art fabrication facilities, R&D facilities, experienced project teams and a safe work culture.

The Industrial sector contributed 11 percent in terms of revenue during FY 2018 and the share in order book from this sector is 3 percent.

Roads & Bridges

India has the second largest road network across the world at 5.4 million km. This road network transports more than 60 per cent of all goods in the country and 85 per cent of India's total passenger traffic. Road transportation has gradually increased over the years with the improvement in connectivity between cities, towns and villages in the country. In India sales of automobiles and movement of freight by roads is growing at a rapid rate. The construction of highways reached 122,432 km during FY2017-18 which was constructed at an average of 28 km per day.Total length of roads constructed under Prime Minister's Gram Sadak Yojana (PMGSY) was 47,447 km in 2017-18.

The government, through a series of initiatives, is working on policies to attract significant investor interest. The Indian government plans to develop a total of 66,117 km of roads under different programmes such as National Highways Development Project (NHDP), Special Accelerated Road Development Programme in North East (SARDP-NE). The government has identified development of 2,000 km of coastal roads to improve the connectivity between ports and remote villages.

The National Highways Authority of India (NHAI) plans to build 50,000 km of roads worth US$ 250 billion by 2022 as part of a long-term goal of doubling the length of the national highway network to 200,000 km.

The Government of India will spend around Rs 1 lakh crore (US$ 15.26 billion) during FY 18-20 to build roads in the country under Pradhan Mantri Gram Sadak Yojana (PMGSY). The Government of India has decided to invest Rs 7 trillion (US$ 107.82 billion) for construction of new roads and highways over the next five years. Awarding is expected to pick up in fiscal 2019 on account of faster approvals for projects, increased autonomy to NHAI and new projects being sanctioned under the Bharatmala scheme.

Across the country, Simplex has executed some remarkable transportation projects which include Expressways, National Highways, State Highways, flyovers etc. Simplex's heritage in structural design and execution distinguishes it as a leader in construction of elevated corridors such as flyovers, bridges etc. The vertical has strong expertise in the design and construction of a wide array of civil structures like flyovers, viaducts, bridges etc. Major projects executed in this segment includes Bhubaneshwar-Chandikol Highway, Odisha; Eastern Freeway, Mumbai; PVNR Expressway, Hyderabad, Mayor Mohd Haif Bridge, Dhaka, Bangladesh.

The roads & bridges sector contributed 8 percent in terms of revenue during FY 2018 and the share in order book from this sector is 19 percent.

Railways

The Indian Railways is among the world's largest rail networks. The Indian Railways route length network is spread over 115,000 km, with 12,617 passenger trains and 7,421 freight trains each day from 7,349 stations plying 23 million travellers and 3 million tonnes (MT) of freight daily. The Government of India has focused on investing on railway infrastructure by making user and investor-friendly policies. It has moved quickly to enable Foreign Direct Investment (FDI) in railways to improve infrastructure for freight and high-speed trains. During April-February 2017-18, the passenger traffic of Indian Railways reached 7.58 billion. The overall revenue of Indian Railways stood at US$ 23.63 billion during April-February 2017-18. The passenger earnings grew to US$ 6.8 billion and the freight earnings grew to US$ 15.6 billion during the same period.

A few recent initiatives taken up by the Government are- The Ministry of Railways, Government of India, has launched the Smart Freight Operation Optimisation & Real Time Information (SFOORTI) application to optimise freight operations and manage traffic flows, launch of 'New Online Vendor Registration System' has by the Research Designs & Standards Organisation (RDSO), which is the research arm of Indian Railways, in order to have digital and transparent systems and procedures and has put forward a global tender for obtaining 700,000 metric tonnes of railway track for improving track safety.

The Indian Railway network is growing at a healthy rate. In the next five years, the Indian railway market will be the third largest, accounting for 10 per cent of the global market. In order to develop three new arms of Dedicated Freight Corridor (DFC) in the various regions of the country, Indian government is planning to invest Rs 3,30,000 crores ($50.98 billion). Also, Indian Railways is planning to invest in order to adopt European Train Control Systems (ETCS) which will help in the development of the infrastructural facilities.

Simplex entered into the railway sector with high speed railway line projects from RVNL, and other projects involving the construction of railway stations related buildings, bridges and platforms. Among other projects, Simplex completed construction of Mahar Bridge between railway stations Kharepaten and Humrat on the new coastal railway line between Mumbai and Mangalore via Goa for Konkan Railway Corporation Limited. Simplex is also involved in the construction of metro rail systems, Mass Rapid Transit Transportation Systems (MRTS) etc. Simplex has contributed significantly to the successful implementation of Delhi Metro and Mumbai Metro projects and has provided services in allied activities - viaduct and station construction etc.It is also involved in Ahmedabad, Mumbai and Bangalore Metro Rail Projects.

The railways sector contributed 2 percent in terms of revenue during FY 2018 and the share in order book from this sector is 1 percent, which is in addition to the large order book from the metro rails included in the urban infrastructure segment.

Marine

According to the Ministry of Shipping, around 95 per cent of India's trading by volume and 70 per cent by value is done through maritime transport.India has 12 major and 200 notified minor and intermediate ports. Under the National Perspective Plan for Sagarmala, six new mega ports will be developed in the country. The Indian ports and shipping industry plays a vital role in sustaining growth in the country's trade and commerce. India is the sixteenth largest maritime country in the world, with a coastline of about 7,517 km. The Indian Government plays an important role in supporting the ports sector. It has allowed Foreign Direct Investment (FDI) of up to 100 per cent under the automatic route for port and harbour construction and maintenance projects. It has also facilitated a 10-year tax holiday to enterprises that develop, maintain and operate ports, inland waterways and inland ports. Cargo traffic handled by India's major ports increased 4.97 per cent year-on-year to 616.62 million tonnes (MT) during April 2017-February 2018.

The Government of India has announced a massive investment in India's ports and roads sector, which is likely to help boost the country's economy. The Indian government plans to develop 10 coastal economic regions as part of plans to revive the country's Sagarmala (string of ports) project. The zones would be converted into manufacturing hubs, supported by port modernisation projects, and could span 300–500 km of the coastline. Some of the major initiatives taken by the government to promote the ports sector in India are – approval of Model Concession Agreement (MCA) in March 2018 to make port projects more investor-friendly ,Project UNNATI to identify the opportunity areas for improvement in the operations of major ports, Coastal Berth Scheme (CBS) which has been extended upto March 31, 2020, Sagarmala Programme where the government has envisioned a total of 189 projects for modernisation of ports involving an investment of Rs 1.42 trillion (US$ 22 billion) by the year 2035.

Increasing investments and cargo traffic point towards a healthy outlook for the Indian ports sector. Providers of services such as operation and maintenance (O&M), pilotage and harbouring and marine assets such as barges and dredgers are benefiting from these investments. Within the ports sector, projects worth an investment of US$ 10 billion have been identified and will be awarded over the coming five years.

Simplex is associated with many major ports in India and area of operations includes design & construction of on-shore and off-shore structures including steel piling under adverse sea conditions to construction of ports, jetties, wharves, terminals, lighthouses, breakwaters, quays and shipyards. It has also commissioned the largest ICTT Kochi for DP World, and ICTT JNPT for Maersk. Major Orders in this segment comes from Cochin, Adani, Karaikal , Paradeep., Mundra, Goa Shipyard.

The marine sector contributed 1 percent in terms of revenue during FY 2018 and the share in order book from this sector is 4 percent.

Threats, Risks and Concerns

The construction industry is the second largest contributor to India's GDP. It not only has economic potential but is also among the biggest employment providers. According to government reports, the sector was valued over $126 billion in 2016 and it continues on a steady growth path. It is expected that the value of the real estate and construction market will increase 7 folds by 2028. While all of this seems encouraging, there are innumerable challenges that have been limiting the growth prospects of the construction industry in India.

Construction industry is highly risk prone, with complex and dynamic project environments creating an atmosphere of high uncertainty and risk. The industry is vulnerable to various technical, sociopolitical and business risks. The track record to cope with these risks has not been very good in construction industry. As a result, the construction companies are exposed to various threats like cost overruns , uncertain delays in project completion.

Some of the biggest challenges that the construction industry in India face includes land acquisition issues, lack of skilled workforce and also construction professionals such as supervisors and engineers, alleviated cost of construction materials, especially after the implementation of GST (Goods and Service Tax) has undergone changes. This has grown up to be a big challenge for all stakeholders. Even technology adoption has been a big differentiator in the construction industry today. This is especially pressing with international investors pouring into India. Technologically efficient builders are attracting collaborations in the higher end and businesses that follow traditional means are falling behind. Moreover, project complexity is also a coercion as modern construction projects are getting more demanding, both in terms of design and functionality. The challenge is alleviated by the lack of skilled labor and latest technology with most investors. Climate change and environment is a global agenda and governments across the world are pushing towards environmentally sustainable practices. New norms and regulations require companies to become more technology advanced and acquire skilled manpower. Caring about the environment is no more just a social obligation but a legal requirement. Companies that address these challenges head-on and re-imagine their business processes will be poised for growth.

Today, construction sector of most emerging economies, including India, is witnessing sharp growth prospects on the one hand and pressure to effectively and efficiently contribute to the national development on the other. The Indian construction industry is one of the major stimulants of the economic and social growth of the nation. However, the sector is confronted by numerous issues, thereby reducing its efficacy and unhindered growth prospects. The years ahead are crucial for the Indian construction industry, especially when it's trying to make headway into the global standards. Technology and training will become the key answers to the problems and to bring back the confidence in its growth.

To address the hindrances faced by the Construction Industries, Simplex has adopted a concerted multi-dimensional approach and swift action from contractors, clients and construction professionals. It is embracing technology , raising skill levels , properly equipping the workforce, providing improved welfare and ensuring greater safety on sites which motivates workers and empowers them to raise productivity. The Company pays attention to the long-term benefits that relatively small investment can bring, such as higher workplace productivity, timely delivery and improved margins. The Company has also judiciously diversified its operations across various sectors and geographies, which has helped the Company to remain stable in worst situations and mitigate the adverse impact by anyone specific sector or geography.

Risk Management

The construction industry is heterogeneous and enormously complex. There are several major classifications of construction that differ markedly from one another: residential & non-residential building, heavy engineering, highway, utility, and industrial. Construction projects include new construction, renovation, and demolition for both residential and nonresidential projects, as well as public works projects, such as streets, roads, highways, utility plants, bridges, tunnels, and overpasses. The success parameters for any project are in time completion, within specific budget and requisite performance (technical requirement). The main barriers for their achievement are the change in the project environment. The problem multiplies with the size of the project as uncertainties in project outcome increase with size . Large construction projects are exposed to uncertain environment because of such factors as planning, design and construction complexity, presence of various interest groups (owner, consultants, contractors, suppliers, etc.), resources (manpower, materials, equipment, and funds) availability, environmental factors, the economic and political environment and statutory regulations.

Construction projects can be unpredictable. Managing risks in construction projects has been recognized as a very important process in order to achieve project objectives in terms of time, cost, quality, safety and environmental sustainability. Project risk management is an iterative process: the process is beneficial when it is implemented in a systematic manner throughout the lifecycle of a construction project, from the planning stage to completion. It is an industry with tight profit margins, effectively managing risk can sometimes make the difference between making a profit or not, and in some cases, the survival of the business. Traditional risk management focuses on what is called "hazard risk." These risks involve the potential for loss without any corresponding possibility of gain. "Business risk," on the other hand, deals with the risk of conducting business. It includes the possibility of loss, no loss or gain. Collectively, hazard risk and business risk make up what is known as "enterprise risk management." Most construction companies focus on hazard risk or traditional risk management. In its simplest form, risk management involves the identification, evaluation and management of a company's exposures to loss. Risk management attempts to mitigate the occurrence of losses while initiating advance planning to assure that adequate funds will be available to cover those unfavourable incidences that occur. The primary function of risk management is to protect the assets and financial viability of the company, and secondarily to lower the total cost of risk. A construction project is associated with number of risks which includes economic risk, financial risk, legal risk, technical risk, and environmental risk. Identification of risk forms the first major part of risk analysis. There are inherent factors which can be identified in this phase of risk management.

Risk management helps the key project participants – client, contractor or developer, consultant, and supplier – to meet their commitments and minimize negative impacts on construction project performance in relation to cost, time and quality objectives. Traditionally, practitioners have tended to associate construction project success with these three aspects of time, cost and quality outcomes.

Risk in the construction industry is perceived to be a combination of activities, which adversely affect the project objectives of time, cost, scope and quality. Some risks in construction processes can be easily predicted or readily identified; still some can be totally unforeseen. Construction risks can be related to technical, managerial, logistical, or socio-political aspects or can be related to natural disasters. In the domain of project management, some of the critical effects of risks are failure to achieve operational requirements and the required quality, non-completion of the project within stipulated time and estimated cost.

The major identified risk areas for Simplex is tendering, project execution, procurement of materials, finance-liquidity related issues, foreign exchange transactions-which is one of the highest risk prone functions, market, interest rate & credit risk, personnel and IT. The Company also seeks to protect its stakeholder's interests through a strong enterprise risk management (ERM) framework enabling it to match risk profiles with the expected returns before making a financial commitment. The Risk Management Committee of the Company oversees the risks that may have adverse effect on the project cost and time schedule and find ways to adapt to the changing business, social, and legal environment, and leads the organization under supervision of the Board through the challenges it faces. The Technical Directors of the Company and the Tendering Department takes necessary steps to mitigate the risk by prudently bidding for the tender taking into account the various risks which are likely to be involved in project execution and making the business terms clear with the client before taking up the project. The Risk Management Committee endeavours to regularly monitor, evaluate and devise strategy to eliminate and minimize risks in co-ordination with respective departments.

Internal Control System and Their Adequacy

A strong Internal Control framework is an important part of operations and corporate governance. The management has established internal control systems commensurate with the size and complexity of the business. The internal control provides a structured approach for identification, rectification, monitoring and reporting of gaps in the internal control systems and processes.

Simplex has an adequate system of internal control to ensure that the resources of the Company are used efficiently and effectively, all assets are safeguarded and protected against loss from unauthorized use or disposition and the transactions are authorized, recorded and reported correctly, financial and other data are reliable for preparing financial information and other data and for maintaining accountability of assets. The internal control is supplemented by extensive programme of internal audits, review by management, documented policies, guidelines and procedures. The Company has continuous internal audit by outside professionals, duly supported by in-house audit teams. The Audit Committee also meets the Company's Statutory Auditors to ascertain their views on the financial statements, financial reporting system, internal control system and compliance to accounting policies and procedures. The Company also has in place a documented comprehensive internal control manual for all the major processes, viz, payroll, contract labour, human resource, procurement and purchase of material, fixed asset, inventory control, cash management & foreign exchange transactions, etc which have been designed to provide reasonable assurance with regard to recording and providing reliable financial information, complying with applicable statutes, safeguarding of assets from unauthorized use or losses, authorization of transactions and adherence to corporate policies. The Internal Control System is regularly monitored in light of any material weakness noticed in the system or in the effective implementation of the system and suitable remedial actions are taken by the Management in this regard.

Human Resource Development

A construction company's workforce is one of its most valuable tools for proper implementation of projects.The success of any project is a direct reflection of the skill of the workers who completed it and the managers who supervised it. In developing and maintaining a strong workforce, businesses in the construction industry face several unique challenges, including a lack of properly qualified and experienced persons to fill open positions, high employee turnover, perpetual safety concerns, and the duty of complying with various employment and labour laws. In construction industry, HR is an especially important department; not least when it comes to finding skilled craftsmen from an often limited talent pool. One of the biggest challenges facing HR professionals in the construction industry is that the industry often requires a specific skill-set that may be difficult to locate. HR professionals working in construction must search for and recruit qualified, experienced applicants on a project-specific basis; since each project may be different, finding the right people for the job often take a lot of time and effort to achieve. This is often made even trickier by the fact that construction projects typically begin at short notice once a tendering bid is won. Due to the nature of the industry, construction companies usually only bring in contractors once they are sure that they have secured the contract.

The Company's Human Resource Development ("HRD"), being a key function is manned by professionally qualified and experienced personnel and with necessary directions from the senior management. The Company focuses on effective HRD, resulting in greater employee satisfaction and retention levels by conducting regular internal on job training programmes and there is always a systematic job rotation in our organization. The chief constraint on building or maintaining the capabilities for future growth is the availability of trained employees. Simplex proactively recruits employees ahead of its requirements for creating the capabilities for future growth in business. Newly recruited employees are required to undergo on-the-job training and initially work as assistants to experienced staff covering various functions at sites and offices before they are given specific and direct responsibilities for any activity. Simplex's management recognises the competitive environment for talent in India, especially for junior technical staff. In response, the Company proactively increased its recruitment class of new graduates this year to ensure that our human resources are sufficient to meet the demands of our growing business. It holds training programmes for its employees on an annual basis to help them expand and develop their knowledge and skills. Training is provided in-house and covers many areas including construction technology and management. Skill development programmes are regular part of training done through Bharatiya Vidya Mandir, Indian Chamber of Commerce and the Company also has joint associations with KIIT University, Odisha and IIEST, West Bengal for providing training courses. An ability to meet future business challenges depends on the Company's ability to attract and recruit talented and skilled personnel. As on March 31, 2018, the number of engineers and officers employed by the Company was 8790. A significant number of our employees are skilled engineers and technicians and we face strong competition, from both inside and outside the construction industry, to recruit and retain skilled and professionally qualified staff. New employee induction and training for the existing employees continued to remain focused on functional, technical and behavioural areas. Safety related training also remained an important area of intervention.

With a new strategic imperative, quality of human resources will play a very important role in the future of Simplex. To keep abreast with the growing needs of the business, the HR team has been making their best endeavours to achieve excellence by being the frontrunner in various initiatives. HR function of the business is ably supporting the building of capability and capacity, towards which a multi-pronged strategy has been developed and deployed. In particular, the HR team has been at the forefront of the company-wide capability building initiative. Further, HR policies & practices have been aligned to achieve an efficient delivery model and meet dynamic business requirements.

Financial Performance

During the year under review, on standalone basis, revenue from operations were Rs. 57662 mns as against Rs. 56075 mns in the previous year. Profit before tax stood at Rs. 1509 mns as against Rs. 1346 mns in the previous financial year and net profit for the year after tax was at Rs.1169 mns as against Rs.1203 mns in previous financial year. Other Comprehensive income for the year (net of tax) is Rs. (97) mns as against Rs. (133) mns in the previous year. After considering other comprehensive income, total Comprehensive income worked out at Rs.1072 mns as against Rs.1070 mns in the previous year.

On a consolidated basis, the revenue from operations increased to Rs.57669 mns from Rs. 56125 mns in the previous year. Profit before tax was at Rs. 1468 mns as compared to Rs. 1533 mns in the previous year and profit for the year after tax stood at Rs.1128 mns as against Rs.1342 mns in the previous year. Other Comprehensive income for the year (net of tax) is Rs.(125) mns as against Rs (122) mns in the previous year. After considering other comprehensive income, total Comprehensive income stood at Rs.1003 mns as against Rs.1220 mns in the previous year.

Future Outlook

CSO has estimated the GDP growth in 2017-18 to be 6.5 per cent. However, there are indicators that have emerged recently like manufacturing and services Purchasing Manager Index (PMI), growth of industrial sector as reflected by higher IIP, automobile sales etc. which seem to suggest that the GDP growth may be increased in the range of 6.5 to 6.75 percent for 2017 - 18. The growth during 2018-19 could be even higher, depending on a number of factors. On the positive side, as per IMF's World Economic Outlook released in October 2017, the global growth is expected to accelerate to 3.7 per cent in 2018 from 3.6 per cent in 2017. This can be expected to provide further boost to India's exports, which have already shown an acceleration in the current financial year.

Concerns have been expressed about growing protectionist tendencies in some countries and it remains to be seen as to how the situation unfolds. Additionally, average crude oil (Indian basket) prices have risen by around 14 per cent so far in 2017-18 (mid January 2018) visà-vis 2016-17. Going by the recent trends, the average crude oil prices could be in the vicinity of US$ 56-57 per barrel in the current financial year and could rise further by another 10- 15 per cent in 2018-19. Some of these factors could have dampening effect on GDP growth in the coming year. However, with world growth likely to witness moderate improvement in 2018, expectation of greater stability in GST, likly recovery in investment levels, and ongoing structural reforms, among others, should be supporting higher growth. On balance, country's economic performance should witness an improvement in 2018-19.

The Company is all geared up to consistently deliver enhanced value to customers, through continual improvement by way of innovative assimilation of new technologies and development of human resources.

Cautionary Statement

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

REPORT ON CORPORATE GOVERNANCE

Company's Philosophy on Code of Governance

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

Governance Structure

The Corporate Governance structure at Simplex is as follows:

1. **Board of Directors:** The Board is entrusted with an ultimate responsibility of the Management, directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosures.

2. **Committees of the Board:** The Board has constituted the following Committees viz, Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility (CSR) Committee, Committee of Directors, Committee of Directors for Raising Capital and the Committee of Directors for Preferential Issue. Each of the said Committee has been mandated to operate within a given framework.

3. **Other Committee:** The Board has constituted Risk management Committee to operate within a given framework.

The Board of Directors

Composition and category of Directors

Simplex has an optimum combination of Executive and Non-Executive Directors. As on 31st March, 2018, the Board comprised of 8 Directors, out of which 4 are Executive Directors and 4 are Non-Executive Directors, including one woman Director, who are also Independent Directors. Of the four Executive Directors, one is an Executive Chairman, who is a Promoter Director.

The composition of the Board during the financial year was in conformity with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

Independent Directors

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

Every Independent Director, fulfills the conditions of independence specified in Section 149 of the Companies Act, 2013 and Regulation 16 (1)(b) of the Listing Regulations and gives a declaration to this effect at the first meeting of the Board of Directors in every financial year. A formal letter of Appointment to Independent Directors as provided in Companies Act, 2013 has been issued and disclosed on website of the Company viz. *www.simplexinfra.com*. Moreover, the familiarization programme imparted to Independent Directors is also disclosed at the website of the Company.

The details of Composition of the Board, Number of Board Meetings, Attendance of Directors, Directorship, Committee positions held and shareholding in the Company as on 31st March, 2018 is given below:

Name of the Directors	Status	Number of Board Meetings attended (out of four meetings held during the year)	Attendance at the last AGM held on 22nd September, 2017	Directorships held in other Public Limited Companies incorporated in India	Committee positions held in other Indian Public Limited Companies (Refer Note 1)		Shareholding in the Company
					As Chairman	As Member	
Mr. Rajiv Mundhra	Promoter & Executive Director - Executive Chairman	4	Present	2	-	-	1868790 (Refer note 2)
Mr. S. Dutta	Non-Independent Executive Director	4	Present	2	-	-	500
Mr. Atindra Narayan Basu	Non-Independent Executive Director	4	Present	1	-	-	-
Mr. Dipak Narayan Basu	Non-Independent Executive Director	4 *	Present	1	-	-	-
Mr. N. N. Bhattacharyya	Non-Executive Independent Director	4	Present	-	-	-	-
Mr. Sheo Kishan Damani	Non-Executive Independent Director	3 **	Present	-	-	-	-
Mr. Asutosh Sen	Non-Executive Independent Director	4	Present	-	-	-	-
Ms. Leena Ghosh	Non-Executive Independent Director	4 ***	Absent	1	1	1	-

* Mr. Dipak Narayan Basu was present for the Board Meeting held on 30th May, 2017, but was absent for Adjourned Board Meetings held on 1st June, 2017 and 12th June, 2017.

** Mr. Sheo Kishan Damani was absent for Board Meeting held on 30th May, 2017 and the Adjourned Board Meetings held on 1st June, 2017 and 12th June, 2017.

*** Ms. Leena Ghosh was present for Board Meeting held on 30th May, 2017 and the Adjourned Board Meeting held on 1st June, 2017, but was absent for Adjourned Board Meeting held on 12th June, 2017.

Notes:

1. Chairmanship/Membership of Committee only includes Audit Committee and Stakeholders Relationship Committee in Indian Public Limited companies other than Simplex Infrastructures Limited.
2. Includes 233920 equity shares held as a Trustee, 65000 equity shares held on behalf of his minor son.

Board Meetings

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company and its subsidiaries. In the Financial Year 2017-2018, the Board met four times. The Meetings were held on 30th May, 2017 (Meeting was adjourned to 1st June, 2017 and 12th June, 2017), 14th August, 2017, 14th November, 2017 & 14th February, 2018. The interval between two Meetings was well within the maximum period mentioned under Section 173 of the Companies Act, 2013 and Regulation 17(2) of the Listing Regulations.

The Company provides the information as set out in Regulation 17 (7) read with Part A of Schedule II of the Listing Regulations to the Board and Committees of the Board to the extent it is applicable and relevant. Such information is submitted either as part of the agenda papers in advance of the respective Meetings or by way of presentations and discussions at the Board Meetings.

The important decisions taken at the Board/Committee of the Board Meetings are communicated to the concerned department/division. Sr.Vice President and Company Secretary attends the Board / Committee(s) Meetings and advises regarding compliance with applicable laws and governance.

Governance Codes

Code of Conduct

The Code of Conduct of Simplex Infrastructures Limited emphasizes the Company's commitment to compliance with the highest standards of legal and ethical behavior. The members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct.

A declaration to this effect signed by Mr. Atindra Narayan Basu, Whole-time Director of the Company is annexed with this report.

Insider Trading Code

The Company has in place Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Code of Conduct for Trading by Insiders in Securities of the Company pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015.

Others

The Company has in place a Policy for determination of materiality of event or information pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has in place 'Policy for determining material subsidiaries' and 'Policy on dealing with related party transactions'.

All the above Codes/ Policies are displayed on the website of the Company at *www.simplexinfra.com*

Committees of the Board

The Board of Directors have constituted Committees of Board to deal with specific areas and activities which concern the Company and requires a closer review. The Committees are formed with approval of the Board and function under their respective framework. These Committees play an important role in the overall management of day-to-day affairs and governance of the Company. The Board Committees meet at regular intervals and take necessary steps to perform its duties entrusted by the Board. The Minutes of the Committee Meetings are placed before the Board for noting.

The Board currently has the following Committees:

(A) Committee of Directors

The Board of Directors has delegated its certain powers to the Committee of Directors. As on 31st March, 2018, the Committee comprises three executive Directors. The Committee met twelve times during the year under review on 17th April, 2017, 15th May, 2017, 30th June, 2017, 28th July, 2017, 11th September, 2017, 10th October, 2017, 9th November, 2017, 12th December, 2017, 8th January, 2018, 5th February, 2018, 7th March, 2018 and 30th March, 2018.

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

Name of Directors	Meetings Attended
Mr. Rajiv Mundhra	12
Mr. S. Dutta	12
Mr. A. N. Basu	12

(B) Audit Committee

Composition

Audit Committee of the Board of Directors ("the Audit Committee") is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 and the provisions of Regulation 18 of the Listing Regulations. All members of the Audit Committee are financially literate and bring in expertise in the fields of Finance, Taxation and Internal Control. It functions in accordance with its terms of reference that defines its authority, responsibility and reporting function. Mr. Asutosh Sen, Independent Director is the Chairman of the Audit Committee. The other members of the Audit Committee include Mr. N. N. Bhattacharyya, Independent Director and Mr. S. Dutta, Whole-time Director & CFO. All the Members of the Committee are senior Chartered Accountants with vast knowledge and expertise. The Head of Internal Audit is invited to the meetings of the Audit Committee. The Statutory Auditors are also invited to the meeting. Sr. Vice-President & Company Secretary acts as the Secretary to the Committee. The minutes of the Audit Committee meetings are noted by the Board of Directors at the subsequent board meetings.

Meetings and Attendance

The Audit Committee met five times during the Financial Year 2017- 18. The maximum gap between two Meetings was not more than 120 days. The Committee met on 30th May, 2017 (Meeting was adjourned to 1st June, 2017 and 12th June, 2017), 14th August, 2017, 1st September, 2017, 14th November, 2017, and 14th February, 2018. The requisite quorum was present at all the Meetings. The Chairman of the Audit Committee was present at the Annual General Meeting of the Company held on 22nd September, 2017 to answer shareholders queries.

The Table below provides the attendance of the Audit Committee members:

Name of Directors	Position	Meetings Attended
Mr. Asutosh Sen	Chairman	5
Mr. N. N. Bhattacharyya	Member	5
Mr. S. Dutta	Member	5

The Company has formulated a vigil mechanism (whistle blower policy) for its Directors and employees of the Company for reporting genuine concerns about unethical practices and suspected or actual fraud or violation of the Code of Conduct of the Company as prescribed under the Companies Act, 2013 and Regulation 22 of Listing Regulations.

Terms of Reference

The terms of reference of the Audit Committee cover all the areas mentioned under section 177 of the Companies Act, 2013 and Regulation 18 read with Part C of Schedule II of Listing Regulations. The broad terms of reference of the Audit Committee therefore include review of financial results, statements and disclosure and recommend the same to the Board, review of internal audit reports and discuss the same with internal auditors, review internal control systems and procedures, evaluation of internal control systems and risk management systems and their effectiveness, the scope of audit, post audit discussion, auditors independence, audit qualifications if any, changes in accounting policies and practices, recommendation for the appointment of Statutory and Cost Auditors and their remuneration, recommendation for the appointment and remuneration of Internal Auditors, reviewing and approval of related party transactions, compliance of listing regulations.

(C) Nomination and Remuneration Committee

Composition

The Nomination and Remuneration Committee comprises of four Directors. Mr. S. K. Damani, Independent Director is the Chairman of the Committee. The other members of the Nomination and Remuneration Committee include Mr. N. N. Bhattacharyya, Independent Director, Ms. Leena Ghosh, Independent Director and Mr. Rajiv Mundhra, Executive Chairman. The composition of the committee is in conformity with Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

Meeting and Attendance

The Committee met once during the year on 14th August, 2017. The requisite quorum was present at the Meeting. The Chairman of the Committee was present at the last Annual General Meeting of the Company held on 22nd September, 2017.

The table below provides the attendance of the Nomination and Remuneration Committee members:

Name of Directors	Position	Meetings Attended
Mr. S. K. Damani	Chairman	1
Mr. Rajiv Mundhra	Member	1
Mr. N. N. Bhattacharyya	Member	1
Ms. Leena Ghosh	Member	1

Terms of Reference

The terms of reference of the Nomination and Remuneration Committee is in conformity with Section 178 of the Companies Act, 2013, and Regulation 19 of the Listing Regulations. The broad terms of reference of the Committee is recommending a policy relating to remuneration of whole-time directors and senior management personnel of the company, formulating the criteria and identify persons who may be appointed as directors or senior management personnel of the company, formulating the criteria of performance evaluation of the Board, Committees of the Board and Whole-time Directors.

Nomination and Remuneration Policy of the Company:

The salient features of Nomination and Remuneration Policy of the Company is given below:

a. **Objective**

- This Policy has been formulated in compliance with Section 178 of the Companies Act, 2013 read with the applicable rules thereto and Clause 49 of the earlier Listing Agreement and the same is in consonance with Listing Regulations.

b. **Responsibility of Nomination and Remuneration Committee**

- Formulating framework and/or policy for remuneration, terms of employment including service contracts, etc for Executives and reviewing it on a periodic basis;
- Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the Director;
- Identifying persons who are qualified to become directors and who may be appointed as Executives in accordance with the criteria laid down in this policy, recommend to the Board their appointment and removal and carry out their evaluation;
- Formulating terms for cessation of employment and ensure that any payments made are fair to the individual and the company.

c. **Procedure for selection and appointment of the Board Members /KMP/Senior Personnel**

The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Directors or KMP and recommend to the Board his/ her appointment. In case of Senior Personnel, the Committee recommends his/her appointment to the respective Department.

d. **Criteria for Determining Qualifications, Positive Attributes of Independent Director**

- **Qualification:** An Independent director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, engineering, administration, corporate governance, operations or other disciplines related to the company's business.
- **Positive Attributes:** An independent director shall be a person of integrity, who possesses relevant expertise and experience and who shall uphold ethical standards of integrity and probity; act objectively and constructively; exercise his responsibilities in a bona-fide manner in the interest of the company; devote sufficient time and attention to his professional obligations for informed and balanced decision making; and assist the company in implementing the best corporate governance practices.

- **Independence:** An Independent director should meet the requirements of the Companies Act, 2013 and Listing Regulations concerning independence of directors.

e. **Compensation Structures**

- **Remuneration to Executive Directors & Key Managerial Personnel(s) (KMPs):**

  The Company has a standard framework in respect of the remuneration of the Whole Time Directors (WTDs), Key Managerial Personnel(s) (KMPs) and Senior Management Personnel(s) (SMPs). Their remuneration shall be governed by the external competitive environment, track record, potential, individual performance and performance of the company as well as industry standards. The remuneration determined for WTDs and KMPs are subjected to the approval of the Board of Directors/ Shareholders in due compliance of the provisions of Companies Act, 2013. The Executive Directors are neither paid sitting fee nor any commission.

- **Remuneration to Non-Executive Directors**

  NEDs/Independent Directors receive remuneration by way of sitting fee for attending meetings of the Board or Committee thereof or any other meeting for any other purpose whatsoever as may be decided by the Board. The Non-Executive Directors are paid sitting fees at the rate of Rs. 20,000 for meetings of Board of Directors, Rs. 15,000 for meeting of Audit Committee and Rs. 10,000 for meeting of every other Committee. The Non-Executive Director/Independent Directors do not have any material pecuniary relationship or transactions with the Company.

f. **Composition of remuneration to Executive Directors, KMPs & Senior Management Personnel (s)**

- **Fixed Pay -** Executive Directors & KMP shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. It should be set at a level aimed at attracting and retaining executives with professional and personal competences required to drive the Company's performance.
- **Perquisites -** It includes inter-alia accomodation, leave travel concession, club fees, leave encashment, gratuity, etc in accordance with policy of the Company.
- **Incentives -** The Company pays special incentives / ex - gratia to employees in case of any exceptional performance during the year.

Presently, the Company does not have a stock options scheme for its Directors. The criteria for determining remuneration for Non-Executive Directors is displayed on the Company's website viz. *www.simplexinfra.com*

The table below provides the remuneration paid to the Directors for the services rendered during the financial year 2017-18.

(A) Non-Executive Directors

Sl. No.	Name of Director	Sitting Fees (In ₹)
1.	Mr. N. N. Bhattacharyya	2,95,000
2.	Mr. Sheo Kishan Damani	1,20,000
3.	Mr. Ashutosh Sen	2,45,000
4.	Ms. Leena Ghosh	1,30,000
	Total	**7,90,000**

(B) Executive Directors

Sl. No.	Name of Director	Salaries & Allowances (In ₹)
1.	Mr. Rajiv Mundhra	96,99,600
2.	Mr. S. Dutta	45,35,459
3.	Mr. A. N. Basu	90,21,764
4.	Mr. D. N. Basu	39,88,534
	Total	**2,72,45,357**

The appointment of Whole-time Directors are governed by resolutions passed by the Board and the Shareholders of the Company, which cover the terms and conditions of such appointment read with the service rules of the Company. The terms of employment of Mr. S. Dutta, Mr. Rajiv Mundhra, Mr. A. N. Basu and Mr. D. N. Basu, Whole-time Directors, stipulate a severance notice of six months on either side.

Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the Listing Regulations, the Board has carried out the annual evaluation of its own performance, its Committees and Directors individually. A structured evaluation questionnaire was prepared, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. The performance evaluation of the Chairman and Non Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

All the Independent Directors met separately on 9th March, 2018 and reviewed the performance of Executive Chairman of the Company, and considering the views of Whole-time Directors were of the view that Mr. Rajiv Mundhra is playing a vital role in strategic management and good corporate governance and steering the Company in right direction.

(D) Stakeholders' Relationship Committee

Composition, Meetings and Attendance

The Stakeholders' Relationship Committee comprises of three Directors. Mr. S.K.Damani, Independent Director is the Chairman of this Committee. The table below highlights the composition and attendance of the Members of the Committee. The requisite quorum was present at all the Meetings. Mr. B. L. Bajoria, Sr. Vice President & Company Secretary is the Compliance Officer of the Company. The composition of the Committee is in compliance with Companies Act, 2013 and Regulation 20 of Listing Regulations.

The Committee met four times during the year on 30th May, 2017, 14th August, 2017, 14th November, 2017 and 14th February, 2018. The composition of the Committee and attendance at the meetings out of four meetings held during the year are stated below:

Name of Directors	Position	Category	Meetings attended
Mr. S. K. Damani	Chairman	Independent Director	3
Mr. N. N. Bhattacharyya	Member	Independent Director	4
Mr. S. Dutta	Member	Whole-time Director	4

A summarized position with regard to security holders complaints is given below:

Particulars	No. of Complaints
As on 1st April, 2017	Nil
Received during the year	Nil
Attended to / resolved during the year	Nil
Pending as on 31st March, 2018	Nil

Number of shares pending for transfer as on 31st March, 2018: Nil

(E) Corporate Social Responsibility (CSR) Committee

Composition

The Corporate Social Responsibility (CSR) Committee comprises of three Directors. Mr. Rajiv Mundhra, Executive Chairman, is the Chairman of the Committee. The other members of the CSR Committee include Mr. S.K.Damani, Independent Director and Mr. S.Dutta, Whole-time Director & CFO. The Composition of CSR Committee is in accordance with the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

As per Section 135 of the Companies Act, 2013 the Company was required to spend 2% of the average net profits of last three years and accordingly the Company spent Rs. 1.94 Crores for the financial year 2017-18. The Company has formulated CSR Policy, which is uploaded on the website of the Company viz. *www.simplexinfra.com*

The Committee recommends the amount of expenditure to be incurred on individual projects and in aggregate for each financial year and also monitors the implementation of the framework of CSR policy.

The committee met once during the year, on 30th May, 2017. All the members were present at the meeting.

The composition and attendance of the Committee is stated below:

Name of Directors	Position	Meetings Attended
Mr. Rajiv Mundhra	Chairman	1
Mr. S. Dutta	Member	1
Mr. S. K. Damani	Member	Nil

(F) Others

(a) Committee of Directors for Raising Capital

Composition

The Committee of Directors for Raising Capital, is a Committee of the Board and comprises of three Directors. Mr. Rajiv Mundhra, Executive Chairman is the Chairman of the Committee. The other members are Mr. S. Dutta, Whole-time Director and Mr. A. N. Basu, Whole-time Director.

The Committee was formed on 14th February, 2018, devoted exclusively to issues related to further issue of capital and shall carry out all such activities required for the purpose of further issue of capital as it may deem fit.

(b) Committee of Directors for Preferential Issue

Composition

The Committee of Directors for Preferential Issue, is a Committee of the Board and comprises of three Directors. Mr. Rajiv Mundhra, Executive Chairman is the Chairman of the Committee. The other members of the Committee of Directors for Preferential Issue are Mr. S. Dutta, Whole-time Director and Mr. A. N. Basu, Whole-time Director.

The Committee was formed on 14th April, 2018, exclusively for the purpose of issuing convertible equity warrants to the Promoter/ Promoter Group Companies and all other related and incidental matters relating to warrants.

Other Committee:

Risk Management Committee

The Board of Directors had constituted a Risk Management Committee pursuant to the requirement of the erstwhile Clause 49 II (VII) of the Listing Agreement with Stock Exchanges. However, Regulation 21 of the Listing Regulations provides that the requirement to constitute Risk Management Committee shall be applicable to top 100 listed entities determined on the basis of market capitalization as at the end of immediate previous financial year. Under the Regulation the Company need not to constitute a Risk Management Committee but for risk assessment and its minimization, the Company decided to continue to have the Risk Management Committee.

The committee met once during the year, on 14th November, 2017. All the members were present in the meeting.

The composition and attendance of the committee is stated below:

Name of Members	Position	Meetings Attended
Mr. Rajiv Mundhra	Executive Chairman	1
Mr. S. Dutta	Whole-time Director & CFO	1
Mr. A.N. Basu*	Whole-time Director	N.A.
Mr. N. K. Kakani	Sr. Executive Director	1
Mr. S. K. Maiti	Sr. Technical Director	1

* Mr. A.N. Basu was inducted into the Risk Management Committee w.e.f. 14th February, 2018.

General Body Meetings

(a) Location and time of the last three AGMs held:

Year	Venue	Date	Time	Special Resolution Passed
2016-2017	Gyan Manch 11,Pretoria Street, Kolkata-700071	22nd September, 2017	11.30 am	YES
2015-2016	Gyan Manch 11,Pretoria Street, Kolkata-700071	20th September, 2016	11.00 am	YES
2014-2015	Gyan Manch 11,Pretoria Street, Kolkata-700071	24th September, 2015	11.00 am	YES

(b) Postal Ballot

During the year, no special resolutions were passed through postal ballot.

Means of Communication

In compliance with the requirements of Regulation 33 of the Listing Regulations the Company regularly intimates quarterly/ yearly financial results to the Stock Exchanges immediately after they are approved by the Board of Directors. Further coverage is given for the benefit of the shareholders and investors by publication of the financial results in English daily, Business Standard and Bengali daily, Dainik Statesman/Ekdin. The financial results, official press releases and presentation made to the institutional investors or/and analysts are posted on the website of the Company– *www.simplexinfra.com.*

A separate dedicated section under "Investors", on the Company's website gives information on unclaimed dividends, shareholding pattern, quarterly/half yearly results and other relevant information of interest to the investors / public.

The Management Discussion and Analysis forms part of the Annual Report, which is sent to the shareholders of the Company.

General Shareholder Information

AGM Date and Time	25th September, 2018
AGM Venue	Kala Kunj, 48, Shakespeare Sarani, Kolkata- 700017
Financial Year	April 1, 2017 to March 31, 2018
Dividend Payment Date	within 30 days from the date of AGM
Book Closure Dates	19th September,2018 to 25th September,2018
Address for correspondence	Secretarial Department Simplex Infrastructures Limited "Simplex House", 27 Shakespeare Sarani, Kolkata-700017 Tel No: 033 23011600, 033 2289-1476-81, 033 71002216 Email: secretarial.legal@simplexinfra.com
Website	www.simplexinfra.com
Registrar and share transfer agent	MCS Share Transfer Agent Limited, 12/1/5, Manoharpukur Road, Ground Floor ,Kolkata-700026

Details of Shares listed on Stock Exchanges as on March 31, 2018

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

Listing fees for the year 2018-19 have been paid to the Stock Exchanges.

Details regarding Non-Convertible Debentures

During the financial year ended 31st March, 2018, the company did not raise any fund by way of issuing Debentures.

Debentures Trustee of the Company for the debentures issued earlier	Vistra ITCL (India) Limited (Formerly IL &FS Trust Company Limited) The IL & FS Financial Center, Plot No. C-22, G Block, 3rd Floor, Bandra Kurla Complex, Bandra (East), Mumbai - 400051 Tel No: 022 2659 3535

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

(i) BSE Limited

Month	High (₹)	Low (₹)	Close (₹)	Sensex (closing)
April 2017	410.05	307.00	403.55	29918.40
May 2017	439.35	392.00	418.05	31145.80
June 2017	590.00	414.00	509.70	30921.61
July 2017	568.50	481.00	482.85	32514.94
August 2017	508.15	435.00	487.50	31730.49
September 2017	500.00	433.30	452.80	31283.72
October 2017	542.00	448.00	539.00	33213.13
November 2017	594.80	490.30	563.50	33149.35
December 2017	617.05	528.00	583.20	34056.83
January 2018	650.00	568.00	585.85	35965.02
February 2018	608.00	539.30	581.65	34184.04
March 2018	591.95	447.00	521.40	32968.68

(ii) National Stock Exchange of India Ltd.

Month	High (₹)	Low (₹)	Close (₹)	Nifty (Closing)
April 2017	410.00	305.00	404.85	9304.05
May 2017	437.80	392.65	419.20	9621.25
June 2017	589.70	412.85	513.60	9520.90
July 2017	569.10	477.10	484.55	10077.10
August 2017	508.90	431.60	488.90	9917.90
September 2017	500.00	431.70	444.10	9788.60
October 2017	545.00	445.00	541.55	10335.30
November 2017	594.80	492.60	561.75	10226.55
December 2017	617.60	538.00	582.15	10530.70
January 2018	654.50	566.05	584.90	11027.70
February 2018	609.50	542.20	579.65	10492.85
March 2018	582.00	442.90	530.80	10113.70

Share transfer system:

The transfer of shares in physical form is processed and completed by Registrar & Transfer Agent within a period of 15 days from the date of receipt thereof provided all the documents are in order. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through respective Depository Participants. In compliance with the Listing Regulations, a Practicing Company Secretary carries out audit of the System of Transfer and a certificate to that effect is issued.

Distribution of shareholding as on 31st March 2018:

Shares Held	2018				2017			
	No. of share holders	% of total share holders	No. of shares held	% of share holding	No. of share holders	% of total share holders	No. of shares held	% of share holding
1-500	10710	85.16	1006671	2.03	7630	80.12	871058	1.76
501-1000	855	6.80	668554	1.35	836	8.78	664170	1.34
1001-10000	818	6.50	2398576	4.85	870	9.14	2540542	5.14
10001-50000	132	1.05	2714044	5.49	129	1.35	2787386	5.63
50001 & above	62	0.49	42684485	86.28	58	0.61	42609174	86.13
TOTAL	**12577**	**100.00**	**49472330**	**100.00**	**9523**	**100.00**	**49472330**	**100.00**

Categories of Shareholders as on 31st March 2018:

Category	2018			2017		
	No. of Shareholders	% of share holding	No. of shares held	No. of Shareholders	% of share holding	No. of shares held
Promoters & Directors	20	56.34	27870290	20	56.20	27803509
UTI & Mutual Funds	4	17.93	8869561	9	17.80	8805428
Banks & Financial Institutions	2	0.65	323393	2	1.39	687606
Foreign Institutional Investors	39	2.01	995097	8	0.70	346507
Non Resident Indians/Overseas Corporate Bodies	511	1.43	706113	316	1.44	712222
Corporates	373	8.60	4257485	388	10.87	5380100
Individuals/ Trustees/ AOP	11627	12.91	6386544	8780	11.60	5736958
Investor Education and Protection Fund (IEPF)	1	0.13	63847	NA	NA	NA
TOTAL	**12577**	**100.00**	**49472330**	**9523**	**100.00**	**49472330**

Dematerialisation of shares and liquidity:

As on 31st March, 2018, 97.80 % of the equity shares of the Company have been dematerialized. The Company has entered into agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) whereby shareholders have an option to dematerialise their shares with either of the Depositories. As stipulated by SEBI, a qualified Practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges where the Company's shares are listed. The Company's ISIN No. is: INE059B01024

Foreign Exchange Risk and hedging Activities

Whole-time Directors, Senior Executive Directors and Members of Risk Management Committee take hedging decisions on the basis of recommendation provided by treasury team on the basis of trend analysis and expected movements in market.

Affirmations and Disclosures

- **Disclosures on materially significant related party transactions that may have potential conflict with the interest of the Company at large.**

All transactions entered into with the Related Parties as defined under the Companies Act, 2013 and Regulation 23 of the Listing Regulations during the financial year were in the ordinary course of business and on arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with Related Parties during the financial years.

Related party transactions have been disclosed under the Note 30 of significant accounting policies and notes forming part of the Financial Statements in accordance with "IND AS". A statement in summary form of transactions with Related Parties in ordinary course of business and arm's length basis is periodically placed before the Audit Committee for review and approval. As required under Regulation 23(1) of the Listing Regulations, the Company has formulated a policy on dealing with Related Party Transactions. The Policy is available on the website of the Company viz. *www.simplexinfra.com*.

None of the transactions with Related Parties were in conflict with the interest of Company. All the transactions are in the ordinary course of business and have no potential conflict with the interest of the Company at large.

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

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

- **Vigil Mechanism/ Whistle Blower Policy**

  Pursuant to Section 177(9) and (10) of the Companies Act, 2013, and Regulation 22 of the Listing Regulations, the Company has formulated Whistle Blower Policy for vigil mechanism of Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's Code of Conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairman of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. The Whistle Blower Policy is displayed on the Company's website *www.simplexinfra.com*.

- **Compliance with mandatory requirements and adoption of non-mandatory requirements**

  All mandatory requirements have been appropriately complied with. Adoption of non-mandatory requirements of the Listing Regulations is being reviewed by the Board from time-to-time.

- **Compliance with Corporate Governance Requirement**

  The Company is in compliance with all mandatory requirements under the Listing Regulations.

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

To the best of my knowledge and belief, I hereby declare that all the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company for the year ended March 31, 2018, as adopted by the Board of Directors.

Place: Kolkata
Date: May 31, 2018

A. N. Basu
Whole-time Director

Auditors' Certificate regarding compliance of conditions of Corporate Governance

To the Members of
Simplex Infrastructures Limited

We have examined the compliance of conditions of Corporate Governance by Simplex Infrastructures Limited ("the Company"), for the year ended on 31st March, 2018, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [collectively referred to as "SEBI Listing Regulations, 2015"].

The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI Listing Regulations, 2015.

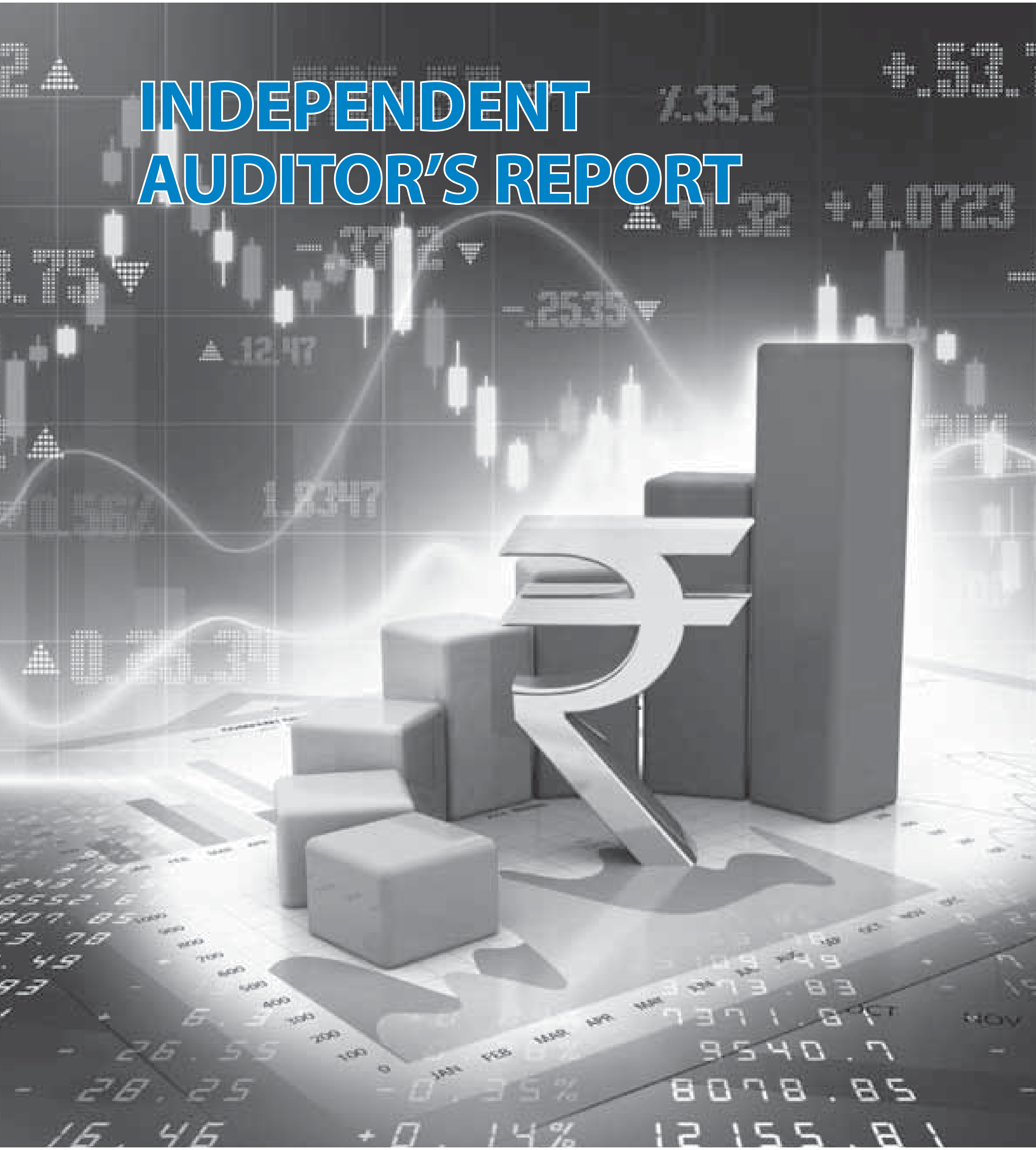
We state that such compliance is neither an assurance as to the future viability of the Company nor as to the efficiency or effectiveness with which the management has conducted the affairs of the Company.

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

H.S. Bhattacharjee
Partner
Membership No: 050370

Date: 31st May, 2018
Place: Kolkata

INDEPENDENT AUDITOR'S REPORT



To the Members of
Simplex Infrastructures Limited

Report on the Standalone Ind AS financial statements

We have audited the accompanying standalone Ind AS financial statements of Simplex Infrastructures Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for qualified opinion

Attention is invited to the following notes of standalone Ind AS financial statements:

I. Note 41(a) which states that Unbilled Revenues include Rs. 86,035 lakhs relating to earlier years, in respect of which, as informed, the management is in regular discussion with the concerned customers for completion of necessary certification and recovery thereof. As informed, the availability of appropriate audit evidence on these balances has been limited due to the geographical spread of the company's operations and the relevant records being maintained at respective project sites. Consequently, we have not been able to audit these balances and are unable to comment upon them.

II. Note 38 regarding certain old balances of trade receivables, retention monies on completed projects, inventories at completed project sites and claims recoverable amounting to Rs. 43,890 lakhs, Rs. 21,540 lakhs, Rs. 2,914 lakhs and Rs. 1,596 lakhs respectively, considered good of recovery by the management due to the reasons mentioned therein. We are unable to comment upon these balances, including the likely time period of collection of trade receivables considered by the company for determining their fair values.

Further, retention monies and unbilled revenues, disclosed as 'other current assets' instead of 'other financial assets' have been accounted for at transactional values instead of at fair values, which is not in accordance with the requirements of Ind AS 109 "Financial Instruments" and Ind AS 32 "Financial Instruments: Presentation".

The impact of the above matter on these financial statements is presently not ascertainable.

III. Note 39 in respect of (i) certain projects relating to a customer wherein the management of the Company has considered Trade Receivables, Unbilled Revenue, Retention Money and Inventories amounting to Rs. 5,083 lakhs (Net), Rs. 4,657 lakhs, Rs. 615 lakhs and Rs. 2,915 lakhs respectively, as good and fully recoverable since there are pending legal proceedings including liquidation proceedings against the customer; (ii) Further, advance to suppliers also include balances amounting to Rs. 1,063 lakhs relating to completed projects and outstanding for a long period of time. In our opinion these balances should have been provided for as doubtful of recovery.

Had the impact of the above matters been considered, year end balances of Trade Receivables, Unbilled Revenue, Retention Money, Inventories and Advance to suppliers would have been Rs. 139,994 lakhs, Rs. 392,563 lakhs, Rs. 55,459 lakhs, Rs. 72,694 lakhs and Rs. 12,636 lakhs as against reported amount of Rs. 145,077 lakhs, Rs. 397,220 lakhs, Rs. 56,074 lakhs, Rs. 75,609 lakhs and Rs. 13,699 lakhs with consequential impact on profit for the year and balance of other equity and thereby profit before tax for the year and balance of other equity at the year-end would have been Rs. 759 lakhs and Rs. 148,131 lakhs as against reported amount of Rs. 15,092 lakhs and Rs. 162,464 lakhs respectively.

IV. Note 41(b) regarding unreconciled Value Added Tax Liability relating to period before implementation of Goods and Service Tax, impact whereof is unascertained and will be considered upon completion of the reconciliation process. We are unable to comment on the impact thereof on these financial statements.

V. Note 41(c) regarding non-consideration of depreciation on property, plant and equipment and borrowing costs as project costs and for determining revenue as per percentage of completion of the contract activity for the reasons stated therein, which is not in accordance with Ind-AS 11 "Construction Contracts". The impact of this on these financial statements has not been ascertained by the management.

VI. Note 41(d) in respect of current assets as at the balance sheet date which includes certain balances of trade receivables, statutory advances pending assessment by relevant authorities, security deposits and other balances including those subject to arbitrations amounting to Rs. 8,370 lakhs, Rs. 25,137 lakhs, Rs. 1,885 lakhs and Rs. 17,257 lakhs respectively, which in our opinion should have been classified as non-current assets in these financial statements.

Qualified opinion

In our opinion and to the best of our information and according to the explanations given to us, except for effects of the matters described in Para III and VI in the Basis for Qualified Opinion paragraph above and possible effects of the matters described in the paragraphs I, II, IV and V in the Basis for Qualified Opinion paragraph, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the

Company as at March 31, 2018 of its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Other Matters

I. The Ind AS financial statements of the Company for the year ended March 31, 2017, included in these standalone Ind AS financial statements, have been audited by the predecessor auditor who expressed a modified opinion on those statements on June 1, 2017.

II. We have been appointed as joint auditors of the Company along with M/s H.S. Bhattacharjee & Co., Chartered Accountants (the 'joint auditor'). We are issuing a separate audit report in accordance with the requirements of SA 299 "Responsibility of Joint Auditors" in view of the difference of opinion with the joint auditor regarding the matters reported in paragraphs under Basis for Qualified Opinion Paragraph above other than Trade receivables, Unbilled revenue and Retention money referred in paragraph III (i) (excepting ascertainment of impact thereof).

III. These financial statements includes financial statements of three joint operations whose financial statements reflect total assets of Rs. 6,210 lakhs as at March 31, 2018 and total revenue of Rs. 2,124 lakhs and total profit before tax of Rs. 9 lakhs for the year ended March 31, 2018, which have not been audited by us. The financial statements of the said joint operations have been audited by other auditors whose reports have been furnished to us and our report on the standalone financial statements of the Company, in so far as it relates to the amounts and disclosures included in respect of the said joint operations, is based solely on the reports of the other auditors. Our report on the standalone financial statements of the Company is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

Our opinion is not qualified in respect of the above matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143(3) of the Act, we report that:

   (a) We have sought and, except for the effects/possible effects of the matters described in the Basis for Qualified Opinion paragraph above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

   (b) Except for the effects/possible effects of the matters described in the Basis for Qualified Opinion paragraph above, 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 and proper returns adequate for the purposes of our audit have been received from branches not visited by us;

   (c) Except for the possible effects of the matters described in Para I in the Basis for Qualified Opinion paragraph above, the Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive income, and Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account and with the returns received from branches not visited by us;

   (d) Except for the effects/possible effects of the matters described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of written representations received from the directors as on March 31, 2018 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of section 164 (2) of the Companies Act, 2013;

(f) In view of the matters I, II and III discussed in Basis for Qualified Opinion Paragraph above, we are unable to comment whether these may have an adverse effect on the functioning of the Company;

(g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above;

(h) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

  i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 34 and Note 36 to the standalone Ind AS financial statements;

  ii. In our opinion, the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

  iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For S. R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Kamal Agarwal
Partner
Membership No.: 058652

Kolkata
May 31, 2018

ANNEXURE 1

REFERRED TO IN PARAGRAPH 1 OF THE SECTION ON "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT ON THE EVEN DATE

To the Members of
Simplex Infrastructures Limited

i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets, except for the site/location wise details of fixed assets including in relation to movement/transfer of fixed assets across various sites, which as informed, are in the process of updation.

(b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given by the management, the title deeds of immovable properties included in fixed assets are held in the name of the Company except for the following:

Total Number of cases	Class of assets	Gross carrying amount (Rs. In Lakhs) as at March 31, 2018	Net carrying amount (Rs. In Lakhs) as at March 31, 2018
Four Properties located at New Delhi	Building	11	10
One Property located at Mumbai	Building	5	5

ii. Inventories have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification. In respect of inventories lying with third parties, these have been confirmed by them, and taken as such by the management.

iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

iv. In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the company.

v. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to its products/services, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

vii. a) According to the information and explanations given to us and the records of the Company, in our opinion, except for dues in respect of provident fund, employees' state insurance, income-tax, sales-tax and value added tax (including in respect of unreconciled Value Added Tax Liability in Para IV of Basis for qualified opinion impact whereof has not been ascertained), service tax, and professional tax, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues, including duty of customs, duty of excise, goods and service tax, cess and other material statutory dues, as applicable to it. According to the information and explanations given to us, the extent of the arrears of statutory dues outstanding as at March, 2018 for a period of more than six months from the date they became payable are as follows:

Statement of Arrears of Statutory Dues Outstanding for More than Six Months

Name of the statute	Nature of dues	Amount (Rs. in lakhs)	Period to which amount relates	Due date	Date of Payment
Haryana Value Added Tax Act, 2003	VAT-TDS	6.34	June 2016	July 15, 2016	-
Haryana Value Added Tax Act, 2003	VAT-TDS	5.03	July 2016	August 15, 2016	-
Haryana Value Added Tax Act, 2003	VAT-TDS	29.51	August 2016	September 15, 2016	-
Haryana Value Added Tax Act, 2003	VAT-TDS	26.18	October 2016	November 15,2016	-
Haryana Value Added Tax Act, 2003	VAT-TDS	11.78	November 2016	December 15, 2016	-
Haryana Value Added Tax Act, 2003	VAT-TDS	14.23	December 2016	January 15, 2017	-
Haryana Value Added Tax Act, 2003	VAT-TDS	11.97	January 2017	February 15, 2017	-
Haryana Value Added Tax Act, 2003	VAT-TDS	8.80	February 2017	March 15, 2017	-
Haryana Value Added Tax Act, 2003	VAT-TDS	41.84	March 2017	April 15, 2017	-
Haryana Value Added Tax Act, 2003	VAT-TDS	44.57	April 2017	May 15, 2017	-
Haryana Value Added Tax Act, 2003	VAT-TDS	51.49	May 2017	June 15, 2017	-
Haryana Value Added Tax Act, 2003	VAT-TDS	0.58	May 2017	June 15, 2017	April 20, 2018
Haryana Value Added Tax Act, 2003	VAT-TDS	63.32	June 2017	July 15, 2017	-
Haryana Value Added Tax Act, 2003	VAT-TDS	18.68	June 2017	July 15, 2017	April 20, 2018
Rajasthan Value Added Tax Act 2003	VAT-TDS	0.58	April 2017	May 15, 2017	-
Rajasthan Value Added Tax Act 2003	VAT-TDS	1.28	May 2017	June 15, 2017	-

Statement of Arrears of Statutory Dues Outstanding for More than Six Months (Contd..)

Name of the statute	Nature of dues	Amount (Rs. in lakhs)	Period to which amount relates	Due date	Date of Payment
Rajasthan Value Added Tax Act 2003	VAT-TDS	3.50	June 2017	July 15, 2017	-
Delhi Value Added Tax Act,2004	VAT-TDS	10.23	June 2017	July 15, 2017	-
Delhi Value Added Tax Act,2004	VAT-TDS	0.68	June 2017	July 15, 2017	May 23, 2018
Madhya Pradesh Value Added Tax Act, 2002	VAT-TDS	9.55	June 2017	July 21, 2017	May 18, 2018
Orissa Entry Tax Act, 1999	Entry Tax	6.32	June 2017	July 21, 2017	April 26, 2018
Assayita Woreda Finance Bureau, Ethiopia	Withholding Tax on Employment income	3.48	May 2017	June 30, 2017	-
Assayita Woreda Finance Bureau, Ethiopia	Withholding Tax on Employment income	2.95	June 2017	July 31, 2017	-
Assayita Woreda Finance Bureau, Ethiopia	Withholding Tax on Employment income	2.90	July 2017	August 31, 2017	-
Assayita Woreda Finance Bureau, Ethiopia	Withholding Tax on Employment income	2.95	August 2017	September 30, 2017	-
Assayita Woreda Finance Bureau, Ethiopia	Withholding Tax on Employment income	3.79	September 2017	October 31, 2017	-

b) According to the records of the Company, the dues of income-tax, sales-tax, service tax, duty of custom, duty of excise and value added tax on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act, 1944	Excise Duty	84	2007-08	Customs, Excise & Service Tax Appellate Tribunal
Central Excise Act, 1944	Excise Duty	30	2009-10 to 2010-11	Customs, Excise & Service Tax Appellate Tribunal
Central Excise Act, 1944	Excise Duty	141	January 2012 - March 2014	Customs, Excise & Service Tax Appellate Tribunal
Central Excise Act, 1944	Excise Duty	34	April 2009 - December 2009	CESTAT,Bangalore

Name of the statute	Nature of dues	Amount (Rs. in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Finance Act,1994-Service Tax	Service Tax	2,643	April 2005 - September 2006	Kolkata High Court
Finance Act,1994-Service Tax	Service Tax	3,272	October 2006 - September 2007	Kolkata High Court
Finance Act,1994-Service Tax	Service Tax	3,608	October 2007 - September 2008	Kolkata High Court
Finance Act,1994-Service Tax	Service Tax	2,122	October 2008 - March 2010	Kolkata High Court
Finance Act,1994-Service Tax	Service Tax	107	September 2004 - June 2005	Kolkata High Court
Finance Act,1994-Service Tax	Service Tax	170	June 2007 - May 2008	High Court of Jharkhand at Ranchi
Finance Act,1994-Service Tax	Service Tax	893	August 2008 - September 2011	Customs, Excise & Service Tax Appellate Tribunal
Finance Act,1994-Service Tax	Service Tax	669	September 2004 - March 2008	Supreme Court of India
Finance Act,1994-Service Tax	Service Tax	821	April 2008 - September 2008	Supreme Court of India
Finance Act,1994-Service Tax	Service Tax	104	October 2008 - September 2009	Supreme Court of India
Finance Act,1994-Service Tax	Service Tax	104	October 2009 - March 2010	Commissioner (Adjudication)
Finance Act,1994-Service Tax	Service Tax	62	April 2010 - March 2011	Customs, Excise & Service Tax Appellate Tribunal
Finance Act,1994-Service Tax	Service Tax	36	April 2011 - March 2012	Commissioner (Adjudication)
Finance Act,1994-Service Tax	Service Tax	25	April 2007 - March 2008	Commissioner (Appeal)
Finance Act,1994-Service Tax	Service Tax	63	October 2006 - March 2010	Customs, Excise & Service Tax Appellate Tribunal
Finance Act,1994-Service Tax	Service Tax	1	2007-08 & 2008-09	Commissioner of Central Excise
Andhra Pradesh General Sales Tax Act,1957	Sales Tax Cases	8	2003-04	Appellate Tribunal in Vizag
Andhra Pradesh Value Added Tax Act 2005	VAT	128	2007-08	Andhra Pradesh High Court
Andhra Pradesh Value Added Tax Act 2005	VAT	373	2008-09	Andhra Pradesh High Court
Andhra Pradesh Value Added Tax Act 2005	VAT	397	2009-10	Andhra Pradesh High Court
Andhra Pradesh Value Added Tax Act 2005	VAT	114	2010-11	A P High Court
Andhra Pradesh Value Added Tax Act 2005	VAT	25	2011-12	AP Taxation Tribunal
Goa - Central Sales Tax Act, 1956	CST Cases	7	2003-04	Additional CCT(Appeal), Margao
Goa Sales Tax Act, 1964	Sales Tax Cases	64	2004-05	Additional CCT(Appeal), Margao
Goa - Central Sales Tax Act, 1956	CST Cases	1	2006-07	Sales Tax Appellate Authority

Name of the statute	Nature of dues	Amount (Rs. in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
West Bengal Value Added Tax Act, 2003	VAT	4	2006-07	High Court at Calcutta
West Bengal Value Added Tax Act, 2003	VAT	375	2006-07	West Bengal Commercial Taxes Appellate and Revisional Board
West Bengal Value Added Tax Act, 2003	VAT	110	2008-09	West Bengal Commercial Taxes Appellate and Revisional Board
West Bengal Value Added Tax Act, 2003	VAT	11	2009-10	West Bengal Commercial Taxes Appellate and Revisional Board
West Bengal Value Added Tax Act, 2003	VAT	119	2010-11	West Bengal Commercial Taxes Appellate and Revisional Board
WB - Central Sales Tax Act 1956	CST Cases	9	2010-11	West Bengal Commercial Taxes Appellate and Revisional Board
West Bengal Value Added Tax Act, 2003	VAT	3,545	2011-12	West Bengal Commercial Taxes Appellate and Revisional Board
West Bengal - Central Sales Tax Act 1956	CST Cases	137	2011-12	West Bengal Commercial Taxes Appellate and Revisional Board
West Bengal Value Added Tax Act, 2003	VAT	64	2012-13	West Bengal Commercial Taxes Appellate and Revisional Board
West Bengal Value Added Tax Act, 2003	VAT	2,294	2013-14	West Bengal Commercial Taxes Appellate and Revisional Board
West Bengal - Central Sales Tax Act 1956	CST Cases	7	2013-14	West Bengal Commercial Taxes Appellate and Revisional Board
West Bengal - Central Sales Tax Act 1956	CST Cases	30	2014-15	Additional CCT (Appeal)
Maharashtra VAT Act,2002	VAT	5,539	2012-13	Joint Commissioner Sales Tax
Maharashtra VAT Act,2002	VAT	236	2013-14	Joint Commissioner Sales Tax
Orissa Sales Tax Act, 1947 [For Sambalpur]	Sales Tax Cases	3	1985-86, 1988-89 & 1989-90	Sales Tax Appellate Tribunal
Orissa Central Sales Tax	CST Cases	2	2013-14 & 2014-15	Additional CCT (Appeal) Cuttack
Jharkhand VAT Act, 2005	CST Cases	86	2013-14	As represented by the management, the appeal is yet to be filed with the JCCT due to pending receipt of certified copy of order.
Karnataka VAT Act,2003	VAT	34	2010-11	Karnataka Appellate Tribunal
Karnataka VAT Act, 2003	VAT	84	2013-14	Karnataka Appellate Tribunal
Kerala VAT Act, 2003	VAT	13	2007-08	DC (Appeal) Ernakulam
Kerala VAT Act, 2003	VAT	4	2009-10	AC (Works Contract) Ernakulam
The Uttar Pradesh Value Added Tax Act,2008	Vat Cases	6	2010-11	Additional Commissioner
The Uttar Pradesh Value Added Tax Act,2008	Vat Cases	10	2011-12	Additional Commissioner
The Uttar Pradesh Value Added Tax Act,2008	Vat Cases	25	2017-18	Additional Commissioner
The Uttar Pradesh Value Added Tax Act,2008	Vat Cases	4,169	2014-15	Deputy Commissioner
The Uttar Pradesh Value Added Tax Act,2008	CST Case	20	2014-15	Deputy Commissioner
Tamil Nadu General Sales Tax Act 1959	Sales Tax	145	1999-2000	Sales Tax Appellate Tribunal (STAT)
Tamil Nadu General Sales Tax Act 1959	Sales Tax	266	2000-2001	Sales Tax Appellate Tribunal (STAT)
Tamil Nadu Value Added Tax Act 2006	Value Added Tax	16	2007-2008	Deputy Commissioner of Commercial Taxes (Appeals)

Name of the statute	Nature of dues	Amount (Rs. in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Tamil Nadu Value Added Tax Act 2006	Value Added Tax	35	2008-2009	Deputy Commissioner of Commercial Taxes (Appeals)
Tamil Nadu Value Added Tax Act 2006	Value Added Tax	480	2010-2011	Madras High Court
Tamil Nadu Value Added Tax Act 2006	Value Added Tax	9	2011-2012	Deputy Commissioner of Commercial Taxes (Appeals)
Tamil Nadu Value Added Tax Act 2006	Value Added Tax	3	2012-2013	Deputy Commissioner of Commercial Taxes (Appeals)
		33,995		

viii. In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowings to a financial institution, bank or government or dues to debenture holders as at the balance sheet date.

ix. In our opinion, and according to the information and explanations given by the management, the Company has utilized the monies raised by way of term loans for the purposes for which they were raised, though idle funds of Rs. 498 lacs (out of which Rs. 362 lacs have since been utilized) outstanding at the end of the year were lying in the cash credit account of the Company. The Company has not raised any money by way of initial public offer / further public offer / debt instruments during the year.

x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud on the company by the officers and employees of the Company has been noticed or reported during the year.

xi. According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

xii. In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

xiii. According to the information and explanations given by the management, transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

xiv. According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.

xv. According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with them as referred to in section 192 of Companies Act, 2013.

xvi. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S. R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Kamal Agarwal
Partner
Membership No.: 058652

Kolkata
May 31, 2018

ANNEXURE 2
TO THE INDEPENDENT AUDITOR'S REPORT
OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF SIMPLEX INFRASTRUCTURES LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Simplex Infrastructures Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone IND-AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting With Reference to these Standalone Financial Statements

A company's internal financial control over financial reporting with reference to these standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting With Reference to these Standalone Financial Statements

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

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified in the operating effectiveness of the Company's internal financial controls over financial reporting with reference to these standalone financial statements as at March 31, 2018:

(a) The Company's Internal financial controls relating to documentation and other relevant evidences relating to exact status of unbilled revenue including discussions with concerned customers so as to substantiate recoverability thereof were not operating effectively which resulted in non-availability of appropriate audit evidence on certain such balances relating to earlier years.

(b) The Company's Internal financial controls relating to (i) old balances of trade receivables, retention monies on completed projects, inventories at completed project sites and claims recoverable, and also the time period of likely collection of trade receivables considered by the management for fair valuation thereof and (ii) application of appropriate policies and procedures that provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles were not operating effectively which resulted in accounting of certain such balances as good and recoverable by the management and accounting of retention money and unbilled revenue at transactional values instead of at fair value and disclosure thereof under Other Current Assets instead of Other Financial Assets;

(c) The Company's internal financial controls relating to review of assets, financial or otherwise, for considering appropriate provisioning / impairment / write downs thereagainst did not operate effectively which resulted in non-provisioning / impairment / write down of certain Trade Receivables, Retention Money, Unbilled Revenue, inventories and advances to suppliers.

(d) The Company's internal financial controls relating to reconciliation of statutory dues and balances did not operate effectively which resulted in unreconciled Value Added Tax Liability (relating to period before implementation of Goods and Service Tax) at the year end;

(e) The Company's Internal financial controls relating to inclusion of all project costs for determining percentage of completion of the contract activity did not operate effectively which resulted in non-consideration of depreciation on property, plant and equipment and borrowing costs as project costs for the purpose as stated above with consequential impact thereof on contract revenue and other consequential impact thereof in these accounts.

(f) The Company's internal financial controls relating to presentation and disclosure of balances of assets and liabilities in compliance of the provisions of Schedule III to the Companies Act, 2013 and IND AS 1 Presentation of Financial Statements did not operate effectively which resulted in certain balances of trade receivables, statutory advances pending assessment by relevant authorities, security deposits and other balances as current which should have been classified as non-current assets in these financial statements.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting with reference to these standalone financial statements, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the effect/possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting with reference to these standalone financial statements and such internal financial controls over financial reporting with reference to these standalone financial statements were operating effectively as of March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Explanatory paragraph

We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act, the standalone financial statements of the Company, which comprise the Balance Sheet as at March 31, 2018, and the related Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information. These material weaknesses were considered in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2018 standalone financial statements of the Company and this report does affect our report dated May 31, 2018 which expressed a qualified opinion on those financial statements.

For S. R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Kamal Agarwal
Partner
Membership No.: 058652

Kolkata
May 31, 2018

INDEPENDENT AUDITORS' REPORT

To the Members of
Simplex Infrastructures Limited

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

1. We have audited the accompanying standalone Ind AS financial statements of **Simplex Infrastructures Limited** ('the Company'), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act.

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

5. We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the Auditors' judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

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

Basis for Qualified Opinion

8. We draw your attention to Note 39 to the standalone Ind AS financial statements in respect of certain projects relating to a customer wherein the Management of the company has considered Trade Receivables aggregating Rs.5,083 Lakhs (Net); Unbilled Revenue aggregating Rs.4,657 Lakhs and Retention Money aggregating Rs.615 Lakhs (disclosed under Other Current Assets), as good and fully recoverable for the reasons stated therein. In view of pending legal proceeding against the customer and lack of adequate information, we are unable to comment on the extent of recoverability of these balances. The impact of this matter on the Trade Receivables, Other Current Assets, Total Current Assets, Total Assets, Other Equity and Total Equity as at March 31, 2018, 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, 2018 is presently not ascertainable.

Qualified Opinion

9. In our opinion and to the best of our information and according to explanations given to us, except for the indeterminate effects of the matters referred to in Paragraph 8 above, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at March 31, 2018, and its total comprehensive income (comprising of profit and other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Emphasis of Matter

10. We draw your attention to the following :

    a) Note 38 regarding outstanding balances as at March 31, 2018 on account of retention money not due for collection under respective contracts, unbilled revenue and liability towards retention money that have been accounted for at transaction value and disclosed under Other Current Assets / Other Current Liabilities respectively and we are in the agreement with the views of the management as set out in the said Note.

       Expected credit loss / fair value has not been determined for the unbilled revenues and retention monies since, in the management's view, these are not financial assets under Ind AS 32 "Financial Instruments: Presentation".

    b) Note 41(a) regarding recognition of unbilled revenue which is based on Cost to Complete (CTC) estimates as per Percentage of Completion Method (POCM) under Ind AS-11. This CTC is continuously reviewed and necessary changes are effected by the Management. Further, certification of unbilled revenue including final bills takes a fairly long time by the customer. At this stage, the Company feels that the unbilled revenue of Rs. 86,035 lakhs will be billed to the client, in due course on fulfilment of certain contractual terms and is good and recoverable and we are in the agreement with the views of the management as set out in the said Note.

    c) Note 38 regarding certain old balances of trade receivables of Rs.43,890 lakhs and claims recoverable of Rs.1,596 lakhs from customers against various projects, there are certain projects where the amount is outstanding for a considerable period but management is of the opinion that at this stage these are good and recoverable.

       In respect of the retention money, it is receivable only after the contract is completed and certification of final bill by client and after expiry of defect liability period, the customer certifies the said retention bills which takes a long time after physical completion of work. In the opinion of the company the retention amounts of Rs. 21,540 lakhs of certain completed contracts as on March 31, 2018 are good and recoverable. Management regularly reviews the old outstanding trade receivables, Claims recoverable and Retention monies as on March 31, 2018 and in the opinion of the management, these are good and recoverable.

Inventories of Rs.2,914 lakhs in the completed projects are good and will be transferred for onward use in other projects.

We are in agreement with the opinion of the management regarding the above matters which is being followed consistently.

d) Note 41(b) regarding VAT liability relating to period before implementation of GST w.e.f. July 1, 2017, all the unbilled revenue which were considered in books of account under pre GST resume were subsequently billed or will be billed under GST purview and as such no VAT will be payable on the said unbilled revenue as on June 30, 2017 and we are in the agreement with the views of the management as set out in the said Note.

e) Note 41(c) regarding consideration of depreciation on property, plant & equipment and borrowing costs, the Company, as per consistent practice does not consider depreciation on properties, plants and equipment and borrowing cost as part of the project cost in the Cost to Complete (CTC) in determining percentage of completion under Ind AS–11 "Contract Cost" for its various projects. The depreciation on Property Plant and Equipment etc. as also borrowing cost directly related to specific contracts is not material in relation to total cost of the project. However, in the Profit and Loss Statement, both depreciation and borrowing cost are charged to revenue. The Management is of the opinion that not considering the depreciation as stated above and borrowing cost in the Cost to Complete (CTC) statement does not affect the calculation of Percentage of Completion Method (POCM) materially and we are in the agreement with the views of the management as set out in the said Note.

f) Note 41(d) in respect of reclassification of certain current assets into non-current assets, the Company provides adequate Expected Credit Loss (ECL) on these assets and as the operating cycle for all projects is not uniform, the Company has not made any reclassification of the current assets in respect of Trade Receivables, Statutory Advances pending assessment by relevant authorities, Security Deposits and other balances including those subject to litigations amounting to Rs.8,370 lakhs, Rs.25,137 lakhs, Rs.1,885 lakhs and Rs.17,257 lakhs respectively and we are in the agreement with the views of the management as set out in the said Note.

Our opinion is not qualified in respect of these matters.

Other Matters

11. We have been appointed as joint auditors of the company along with M/s S. R. Batliboi & Co. LLP, Chartered Accountants (the 'joint auditor'). We are issuing a separate audit report in accordance with the requirements of SA 299 Responsibility of Joint Auditors in view of the difference of opinion with joint auditor regarding the matter reported in 8 and 10(a) to 10(f) above.

12. These financial statements include financial statements of three joint operations whose financial statements reflect total assets of Rs. 6,210 Lakhs as at March 31, 2018 and total revenue of Rs. 2,124 Lakhs and total profit before tax of Rs. 9 Lakhs for the year ended March 31, 2018 which have not been audited by us. The financial statements of the said joint operations have been audited by other auditors whose reports have been furnished to us and our report on the standalone financial statements of the Company, in so far as it relates to the amounts and disclosures included in respect of the said joint operations, is based solely on the reports of other auditors. Our report on the standalone financial statements of the Company is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditors.

Our opinion is not qualified in respect of these matters.

Report on Other Legal and Regulatory Requirements

13. As required by the Companies (Auditor's Report) Order, 2016, ('the Order') issued by the Central Government

of India in terms of Section 143(11) of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the 'Annexure B', a statement on the matters specified in paragraphs 3 and 4 of the Order.

14. As required by Section 143(3) of the Act, we report that:

    (a) We have sought and except for the indeterminate effects of the matters referred to in paragraph 8 above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

    (b) In our opinion, except for the indeterminate effects of the matters referred to in paragraph 8 above, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

    (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

    (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

    (e) On the basis of the written representations received from the directors as on March 31, 2018 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act;

    (f) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above;

    (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A' and

    (h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:

        i. The Company has disclosed the impact of pending litigations as at March 31, 2018 on its financial position in its standalone Ind AS financial statements – Refer Note 34 and Note 36 to the standalone Ind AS financial statements;

        ii. The Company has made provision as at March 31, 2018, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

        iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2018.

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

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

Kolkata
31st May, 2018

ANNEXURE – A
TO THE INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of Simplex Infrastructures Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external

purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Basis for Qualified Opinion

8. According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified in the operating effectiveness of the Company's internal financial controls over financial reporting as at March 31, 2018:

   (a) The Company's internal financial controls relating to review of Trade Receivables and Other Current Assets for appropriate provisioning did not operate effectively which resulted in non-ascertainment of adequate provision against certain Trade Receivables, Retention Money not due and Unbilled Revenue due from a customer.

9. A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

Qualified Opinion

10. In our opinion, except for the effects of the material weakness described in the Basis for Qualified Opinion paragraph above, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

11. We have considered the material weakness identified and reported above in determining the nature, timing and extent of audit tests applied in our audit of the standalone Ind AS financial statements of the Company for the year ended March 31, 2018, and the material weakness does affect our opinion on the standalone Ind AS financial statements of the Company.

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

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

Kolkata
31st May, 2018

ANNEXURE – B
TO THE INDEPENDENT AUDITORS' REPORT

Report on the Companies (Auditor's Report) Order, 2016, ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act ("the Order"),

i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.

(b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c) The title deeds of immovable properties, as disclosed in Note 2 on property, plant and equipment to the standalone financial statements, are held in the name of the Company, except for the following, for reasons set out in Note 2 to the standalone financial statements:

Particulars	Class of asset	Gross carrying amount (Rs. in Lakhs)	Net carrying amount (Rs. in Lakhs)
Four Properties located at New Delhi	Building	11	10
One property located at Mumbai	Building	5	5

ii. The physical verification of inventory has been conducted at reasonable intervals by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not material.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii)(a), (b) and (c) of the said Order are not applicable to the Company.

iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it, as applicable.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, except for dues in respect of provident fund, employees' state insurance, income tax, sales tax, value added tax and professional tax, the Company is regular in depositing undisputed statutory dues, including duty of customs, duty of excise, goods and service tax, cess and other material statutory dues, as applicable with the appropriate authorities. The extent of the arrears of statutory dues outstanding as at March 31, 2018 for a period of more than six months from date they became payable are as follows:

Statement of Arrears of Statutory Dues outstanding for more than Six months

Name of the statute	Nature of dues	Amount (Rs. in Lakhs)	Period to which amount relates	Due date	Date of Payment
Haryana Value Added Tax Act, 2003	VAT- TDS	6.34	June 2016	July 15, 2016	-
Haryana Value Added Tax Act, 2003	VAT- TDS	5.03	July 2016	August 15, 2016	-
Haryana Value Added Tax Act, 2003	VAT- TDS	29.51	August 2016	September 15, 2016	-
Haryana Value Added Tax Act, 2003	VAT- TDS	26.18	October 2016	November 15, 2016	-
Haryana Value Added Tax Act, 2003	VAT- TDS	11.78	November 2016	December 15, 2016	-
Haryana Value Added Tax Act, 2003	VAT- TDS	14.23	December 2016	January 15, 2017	-
Haryana Value Added Tax Act, 2003	VAT- TDS	11.97	January 2017	February 15, 2017	-
Haryana Value Added Tax Act, 2003	VAT- TDS	8.80	February 2017	March 15, 2017	-
Haryana Value Added Tax Act, 2003	VAT- TDS	41.84	March 2017	April 15, 2017	-
Haryana Value Added Tax Act, 2003	VAT- TDS	44.57	April 2017	May 15, 2017	-
Haryana Value Added Tax Act, 2003	VAT- TDS	51.49	May 2017	June 15, 2017	-
Haryana Value Added Tax Act, 2003	VAT- TDS	0.58	May 2017	June 15, 2017	April 20, 2018
Haryana Value Added Tax Act, 2003	VAT- TDS	63.32	June 2017	July 15, 2017	-
Haryana Value Added Tax Act, 2003	VAT- TDS	18.68	June 2017	July 15, 2017	April 20, 2018
Rajasthan Value Added Tax Act, 2003	VAT- TDS	0.58	April 2017	May 15, 2017	-
Rajasthan Value Added Tax Act, 2003	VAT- TDS	1.28	May 2017	June 15, 2017	-
Rajasthan Value Added Tax Act, 2003	VAT- TDS	3.50	June 2017	July 15, 2017	-
Delhi Value Added Tax Act, 2004	VAT- TDS	10.23	June 2017	July 15, 2017	-
Delhi Value Added Tax Act, 2004	VAT- TDS	0.68	June 2017	July 15, 2017	May 23, 2018

Statement of Arrears of Statutory Dues outstanding for more than Six months (Contd..)

Name of the statute	Nature of dues	Amount (Rs. in Lakhs)	Period to which amount relates	Due date	Date of Payment
Madhya Pradesh Value Added Tax Act, 2002	VAT- TDS	9.55	June 2017	July 15, 2017	May 18, 2018
Orissa Entry Tax Act, 1999	Entry Tax	6.32	June 2017	July 21, 2017	April 26, 2018
Assayita Woreda Finance Bureau, Ethiopia	Withholding Tax on Employment income	3.48	May 2017	June 30, 2017	-
Assayita Woreda Finance Bureau, Ethiopia	Withholding Tax on Employment income	2.95	June 2017	July 31, 2017	-
Assayita Woreda Finance Bureau, Ethiopia	Withholding Tax on Employment income	2.90	July 2017	August 31, 2017	-
Assayita Woreda Finance Bureau, Ethiopia	Withholding Tax on Employment income	2.95	August 2017	September 30, 2017	-
Assayita Woreda Finance Bureau, Ethiopia	Withholding Tax on Employment income	3.79	September 2017	October 31, 2017	-

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of duty of customs which have not been deposited on account of any dispute. The particulars of dues of income tax, sales tax, service tax, duty of excise and value added tax as at March 31, 2018 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act, 1944	Excise Duty	84	2007-08	Customs, Excise & Service Tax Apellate Tribunal
Central Excise Act, 1944	Excise Duty	30	2009-10 to 2010-11	Customs, Excise & Service Tax Apellate Tribunal
Central Excise Act, 1944	Excise Duty	141	January 2012- March 2014	Customs, Excise & Service Tax Apellate Tribunal
Central Excise Act, 1944	Excise Duty	34	April 2009 - December 2009	CESTAT, Bangalore
Finance Act, 1994 – Service Tax	Service Tax	2,643	April 2005 - September 2006	Kolkata High Court
Finance Act, 1994 – Service Tax	Service Tax	3,272	October 2006 - September 2007	Kolkata High Court
Finance Act, 1994 – Service Tax	Service Tax	3,608	October 2007 - September 2008	Kolkata High Court
Finance Act, 1994 – Service Tax	Service Tax	2,122	October 2008 – March 2010	Kolkata High Court

Name of the statute	Nature of dues	Amount (Rs. in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Finance Act, 1994 – Service Tax	Service Tax	107	September 2004 – June 2005	Kolkata High Court
Finance Act, 1994 – Service Tax	Service Tax	170	June 2007 – May 2008	High Court of Jharkhand at Ranchi
Finance Act, 1994 – Service Tax	Service Tax	893	August 2008 – September 2011	Customs, Excise & Service Tax Apellate Tribunal
Finance Act, 1994 – Service Tax	Service Tax	669	September 2004 – March 2008	Supreme Court of India
Finance Act, 1994 – Service Tax	Service Tax	821	April 2008 - September 2008	Supreme Court of India
Finance Act, 1994 – Service Tax	Service Tax	104	October 2008 - September 2009	Supreme Court of India
Finance Act, 1994 – Service Tax	Service Tax	104	October 2009 – March 2010	Commissioner (Adjudication)
Finance Act, 1994 – Service Tax	Service Tax	62	April 2010 – March 2011	Customs, Excise & Service Tax Apellate Tribunal
Finance Act, 1994 – Service Tax	Service Tax	36	April 2011 – March 2012	Commissioner (Adjudication)
Finance Act, 1994 – Service Tax	Service Tax	25	April 2007 – March 2008	Commissioner (Appeal)
Finance Act, 1994 – Service Tax	Service Tax	63	October 2006 – March 2010	Customs, Excise & Service Tax Apellate Tribunal
Finance Act, 1994 – Service Tax	Service Tax	1	2007-08 & 2008-09	Commissioner of Central Excise
Andhra Pradesh General Sales Tax Act, 1957	Sales Tax Cases	8	2003-04	Appellate Tribunal in Vizag
Andhra Pradesh Value Added Tax Act, 2005	VAT	128	2007-08	Andhra Pradesh High Court
Andhra Pradesh Value Added Tax Act, 2005	VAT	373	2008-09	Andhra Pradesh High Court
Andhra Pradesh Value Added Tax Act, 2005	VAT	397	2009-10	Andhra Pradesh High Court
Andhra Pradesh Value Added Tax Act, 2005	VAT	114	2010-11	Andhra Pradesh High Court
Andhra Pradesh Value Added Tax Act, 2005	VAT	25	2011-12	AP Taxation Tribunal
Goa - Central Excise Act, 1956	CST Cases	7	2003-04	Additional CCT (Appeal), Margao
Goa Sales Tax Act, 1964	Sales Tax Cases	64	2004-05	Additional CCT (Appeal), Margao
Goa - Central Sales Tax Act, 1956	CST Cases	1	2006-07	Sales Tax Appellate Authority
West Bengal Value Added Tax Act, 2003	VAT	4	2006-07	High Court at Calcutta
West Bengal Value Added Tax Act, 2003	VAT	375	2006-07	West Bengal Commercial Taxes Appellate and Revisional Board
West Bengal Value Added Tax Act, 2003	VAT	110	2008-09	West Bengal Commercial Taxes Appellate and Revisional Board

Name of the statute	Nature of dues	Amount (Rs. in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
West Bengal Value Added Tax Act, 2003	VAT	11	2009-10	West Bengal Commercial Taxes Appellate and Revisional Board
West Bengal Value Added Tax Act, 2003	VAT	119	2010-11	West Bengal Commercial Taxes Appellate and Revisional Board
WB Central Sales Tax Act, 1956	CST Cases	9	2010-11	West Bengal Commercial Taxes Appellate and Revisional Board
West Bengal Value Added Tax Act, 2003	VAT	3,545	2011-12	West Bengal Commercial Taxes Appellate and Revisional Board
WB Central Sales Tax Act, 1956	CST Cases	137	2011-12	West Bengal Commercial Taxes Appellate and Revisional Board
West Bengal Value Added Tax Act, 2003	VAT	64	2012-13	West Bengal Commercial Taxes Appellate and Revisional Board
West Bengal Value Added Tax Act, 2003	VAT	2,294	2013-14	West Bengal Commercial Taxes Appellate and Revisional Board
WB Central Sales Tax Act, 1956	CST Cases	7	2013-14	West Bengal Commercial Taxes Appellate and Revisional Board
WB Central Sales Tax Act, 1956	CST Cases	30	2014-15	Additional CCT (Appeal)
Maharashtra VAT Act, 2002	VAT	5,539	2012-13	Joint Commissioner Sales Tax
Maharashtra VAT Act, 2002	VAT	236	2013-14	Joint Commissioner Sales Tax
Orissa Sales Tax Act, 1947 [For Sambalpur]	Sales Tax Cases	3	1985-86, 1988-89 & 1989-90	Sales Tax Appellate Tribunal
Orissa Central Sales Tax	CST Cases	2	2013-14 & 2014-15	Additional CCT (Appeal) Cuttack
Jharkhand VAT Act, 2005	CST Cases	86	2013-14	As represented by the management, the appeal is yet to be filed with the JCCT due to pending receipt of certified copy of order.
Karnataka VAT Act, 2003	VAT	34	2010-11	Karnataka Appellate Tribunal
Karnataka VAT Act, 2003	VAT	84	2013-14	Karnataka Appellate Tribunal
Kerala VAT Act, 2003	VAT	13	2007-08	DC (Appeal) Ernakulam
Kerala VAT Act, 2003	VAT	4	2009-10	AC (Works Contract) Ernakulam
The Uttar Pradesh Value Added Tax Act, 2008	VAT Cases	6	2010-11	Additional Commissioner
The Uttar Pradesh Value Added Tax Act, 2008	VAT Cases	10	2011-12	Additional Commissioner
The Uttar Pradesh Value Added Tax Act, 2008	VAT Cases	25	2017-18	Additional Commissioner
The Uttar Pradesh Value Added Tax Act, 2008	VAT Cases	4,169	2014-15	Deputy Commissioner
The Uttar Pradesh Value Added Tax Act, 2008	CST Case	20	2014-15	Deputy Commissioner
Tamil Nadu General Sales Tax Act, 1959	Sales Tax	145	1999-2000	Sales Tax Appellate Tribunal (STAT)
Tamil Nadu General Sales Tax Act, 1959	Sales Tax	266	2000-2001	Sales Tax Appellate Tribunal (STAT)

Name of the statute	Nature of dues	Amount (Rs. in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Tamil Nadu Value Added Tax Act, 2006	VAT	16	2007-2008	Deputy Commissioner of Commercial Taxes (Appeals)
Tamil Nadu Value Added Tax Act, 2006	VAT	35	2008-2009	Deputy Commissioner of Commercial Taxes (Appeals)
Tamil Nadu Value Added Tax Act, 2006	VAT	480	2010-2011	Madras High Court
Tamil Nadu Value Added Tax Act, 2006	VAT	9	2011-2012	Deputy Commissioner of Commercial Taxes (Appeals)
Tamil Nadu Value Added Tax Act, 2006	VAT	3	2012-2013	Deputy Commissioner of Commercial Taxes (Appeals)
		33,995		

viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.

ix. In our opinion, and according to the information and explanations given by the management, the Company has utilized the monies raised by way of term loans for the purposes for which they were raised, though idle funds of Rs. 498 lacs (out of which Rs. 362 lacs have since been utilized) outstanding at the end of the year were lying in the cash credit account of the Company. The Company has not raised any money by way of initial public offer / further public offer / debt instruments during the year.

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi. The Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Ind AS 24, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xv. The Company has not entered into any non cash transactions with its directors or persons connected with them. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

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

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

Kolkata
31st May, 2018

Balance Sheet as at 31st March, 2018

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Note	As at 31st March, 2018	As at 31st March, 2017
ASSETS			
Non-current assets			
Property, plant and equipment	2	1,09,619	1,17,102
Capital work-in-progress		985	1,148
Intangible assets	3	155	197
Financial assets			
i. Investments	4(a)	13,405	13,156
ii. Other financial assets	4(b)	402	408
Other non-current assets	5	2,265	1,719
Total non-current assets		**1,26,831**	**1,33,730**
Current assets			
Inventories	6	75,609	74,644
Financial assets			
i. Investments	7(a)	*	229
ii. Trade receivables	7(b)	1,45,077	1,52,939
iii. Cash and cash equivalents	7(c)	9,920	2,024
iv. Bank balances other than (iii) above	7(d)	574	1,269
v. Loans	7(e)	22,013	14,273
vi. Other financial assets	7(f)	32,982	33,364
Current tax assets (net)	8	3,541	663
Other current assets	9	5,04,886	4,28,627
Total current assets		**7,94,602**	**7,08,032**
Total Assets		**9,21,433**	**8,41,762**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	10(a)	993	993
Other Equity	10(b)	1,62,464	1,52,037
Total Equity		**1,63,457**	**1,53,030**
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
i. Borrowings	11	55,107	58,043
Provisions	12	1,026	1,214
Deferred tax liabilities (net)	13	12,070	10,641
Total non-current liabilities		**68,203**	**69,898**
Current liabilities			
Financial liabilities			
i. Borrowings	14(a)	2,94,391	2,70,113
ii. Trade payables	14(b)	1,98,688	1,71,185
iii. Other financial liabilities	14(c)	44,318	36,642
Other current liabilities	15	1,51,649	1,39,239
Provisions	16	524	506
Current tax liabilities (net)	17	203	1,149
Total current liabilities		**6,89,773**	**6,18,834**
Total Liabilities		**7,57,976**	**6,88,732**
Total Equity and Liabilities		**9,21,433**	**8,41,762**
Significant accounting policies	1		

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

The accompanying notes are an integral part of the Financial Statements
As per our report of the even date

For S.R.Batliboi & Co. LLP
Firm Registration Number: 301003E/E300005
Chartered Accountants

per Kamal Agarwal
Partner
Membership Number: 058652

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

H.S.Bhattacharjee
Partner
Membership Number: 50370

For and on behalf of Board of Directors

S. Dutta
Whole-time Director &
Chief Financial Officer
DIN 00062827

A. N. Basu
Whole-time Director
DIN 05296613

B. L. Bajoria
Sr. V.P. & Company Secretary

Kolkata, 31st May, 2018

Statement of Profit and Loss for the year ended 31st March, 2018

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Note	Year ended 31st March, 2018	Year ended 31st March, 2017
Income			
Revenue from Operations	18	5,76,621	5,60,751
Other Income	19	13,631	16,154
Total Income		**5,90,252**	**5,76,905**
Expenses			
Construction Materials Consumed		1,89,466	1,63,665
Purchases of Stock-in-Trade		1,159	227
Changes in Inventories of Work-in-progress	20	(1,435)	330
Employee Benefits Expense	21	52,980	51,429
Finance Costs	22	47,086	44,539
Depreciation and Amortisation Expense	23	18,344	19,775
Other Expenses	24	2,67,560	2,83,482
Total Expenses		**5,75,160**	**5,63,447**
Profit before Tax		**15,092**	**13,458**
Income tax expense			
Current Tax		4,251	4,198
Excess Current Tax provision for earlier years written back (net)		(2,283)	(3,283)
Deferred Tax		1,429	516
Total Tax Expense	25	**3,397**	**1,431**
Profit for the year		**11,695**	**12,027**
Other comprehensive income			
(a) Items that will be reclassified to Statement of Profit and Loss			
Exchange differences on translation of foreign operations	10(b)(ii)	(1,216)	(2,334)
Income tax relating to this item	10(b)(ii)	-	757
		(1,216)	(1,577)
(b) Items that will not be reclassified to Statement of Profit and Loss			
Remeasurements of post-employment benefit obligations	10(b)(i)	2	(321)
Income tax relating to this item	10(b)(i)	(1)	111
Changes in fair value of FVOCI equity instruments	10(b)(ii)	244	454
		245	244
Other comprehensive income for the year, net of tax (a+b)		(971)	(1,333)
Total comprehensive income for the year		**10,724**	**10,694**
Earnings per equity share [Nominal value per share ₹ 2/- (31st March, 2017: ₹ 2/-)]		₹	₹
Basic and Diluted earnings per share	31	23.64	24.31

Significant accounting policies 1

The accompanying notes are an integral part of the Financial Statements
As per our report of the even date

For S.R.Batliboi & Co. LLP
Firm Registration Number: 301003E/E300005
Chartered Accountants

per Kamal Agarwal
Partner
Membership Number: 058652

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

H.S.Bhattacharjee
Partner
Membership Number: 50370

For and on behalf of Board of Directors

S. Dutta
Whole-time Director &
Chief Financial Officer
DIN 00062827

A. N. Basu
Whole-time Director
DIN 05296613

B. L. Bajoria
Sr. V.P. & Company Secretary

Kolkata, 31st May, 2018

Cash Flow Statement for the year ended 31st March, 2018

(All amounts in ₹ Lakhs, unless otherwise stated)

		Year ended 31st March, 2018		Year ended 31st March, 2017	
A.	**CASH FLOW FROM OPERATING ACTIVITIES:**				
	Profit before Tax		15,092		13,458
	Adjustments for:				
	Depreciation and Amortisation Expense (Refer Note 23)	18,344		19,775	
	Finance Costs (Refer Note 22)	47,086		44,539	
	Dividend Income from Non-current investments (Refer Note 19)	(92)		(16)	
	Interest Income (Refer Note 19)	(3,618)		(2,545)	
	Fair value gain from financial assets measured at FVPL (Refer Note 19)	-		(103)	
	Financial liabilities at amortised cost no longer required written back (Refer Note 19)	(4,118)		(4,967)	
	Net Reversal of Allowance for Expected Credit Loss (Refer Note 19)	(4,526)		(7,249)	
	Excess provision for gratuity written back (Refer Note 19)	-		(526)	
	Bad Debts / Advances written off (Refer Note 24)	5,901		9,269	
	Net losses on derivatives not designated as hedge (Refer Note 24)	76		1,250	
	Net Gain on fair valuation or settlement of derivative contracts measured at FVPL (Refer Note 19)	(583)		-	
	Net Loss on disposal of property, plant and equipment (Refer Note 24)	126		428	
	Exchange Loss (Net)	286		45	
	Effect of Changes in Foreign Exchange Translation	(63)		(189)	
			58,819		59,711
	Operating Profit before Working Capital Changes		73,911		73,169
	Change in operating assets and liabilities				
	Increase in Trade Payables	31,686		24,034	
	Increase in Other Liabilities	13,535		27,704	
	(Increase)/Decrease in Trade Receivables	5,790		(27,791)	
	Increase in Other Assets	(75,491)		(29,461)	
	(Increase)/Decrease in Non-current Assets	4		(44)	
	Increase in Inventories	(1,016)		(1,956)	
			(25,492)		(7,514)
	Cash generated from operations		48,419		65,655
	Income Taxes Paid (net)		(5,792)		(1,607)
	Net Cash inflow from Operating Activities		42,627		64,048
B.	**CASH FLOW FROM INVESTING ACTIVITIES:**				
	Purchase of Property, plant and equipment including capital work-in-progress and capital advances	(11,733)		(9,999)	
	Proceeds from Sale of Property, plant and equipment	1,143		1,851	
	Sale of Investment in Mutual Fund	228		861	
	Purchase of Investment in a Subsidiary Company	(5)		(878)	
	Dividend Received	92		16	
	Interest Received	2,908		1,719	
	Term Deposits (net)	(131)		312	
	Inter Corporate Loans Given	(20,203)		(5,906)	
	Inter Corporate Loans Recovered	12,001		325	
	Net Cash used in Investing Activities		(15,700)		(11,699)
	Carried Over		26,927		52,349

Cash Flow Statement for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

		Year ended 31st March, 2018		Year ended 31st March, 2017	
	Brought Forward		26,927		52,349
C.	**CASH FLOW FROM FINANCING ACTIVITIES:**				
	Proceeds from non-current borrowings (Refer Note 2 below)	8,796		1,298	
	Repayment of non-current borrowings (Refer Note 2 below)	(3,639)		(3,333)	
	Short term borrowings - Receipts / (Payment) (net) (Refer Note 2 below)	24,035		(4,842)	
	Finance Cost paid	(48,727)		(44,282)	
	Dividend Paid [including Dividend Tax ₹ 50 (F.Y. 2016-17: ₹ 50)]	(299)		(299)	
	Net Cash used in Financing Activities		(19,834)		(51,458)
	Net Increase / (decrease) in cash and cash equivalents		7,093		891
D.	**Effects of Exchange rate changes on Cash and Cash Equivalents**		(26)		(79)
			7,067		812
	Cash and Cash Equivalents at the beginning of the year [Refer Note 1(a) below]	2,946		2,134	
	Cash and Cash Equivalents at the end of the year [Refer Note 1(a) below]	10,013	7,067	2,946	812

1(a) **Reconciliation of Cash and Cash Equivalents as per cash flow statement**

	Year ended 31st March, 2018		Year ended 31st March, 2017	
Cash and Cash Equivalents as per above comprise the following:				
Cash and Cash Equivalents [Refer Note 7(c)]		9,920		2,024
Add : Unpaid Dividend Accounts as disclosed under Note 7(d)	12		14	
Add : Escrow Account as disclosed under Note 7(d)	81	93	908	922
Cash and Cash Equivalents as per cash flow statement		**10,013**		**2,946**

1(b) The above Cash Flow Statement is prepared as per "indirect method" specified in Ind AS 7 "Statement of Cash Flows"

2) Changes in liabilities arising from financing activities

	Opening Balance as on 1st April, 2017	Changes from financing cash flows	Effect of changes in foreign exchange rates	Other Changes	Closing Balance as on 31st March, 2018
Non Current Borrowings [Refer Note 11 and 14(c)]	62,426	5,157	(98)	(697)	66,788
Current Borrowings [Refer Note 14(a)]	2,70,113	24,035	570	(327)	2,94,391
	3,32,539	**29,192**	**472**	**(1,024)**	**3,61,179**

The accompanying notes are an integral part of the Financial Statements

As per our report of the even date

For S.R.Batliboi & Co. LLP
Firm Registration Number: 301003E/E300005
Chartered Accountants

per Kamal Agarwal
Partner
Membership Number: 058652

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

H.S.Bhattacharjee
Partner
Membership Number: 50370

For and on behalf of Board of Directors

S. Dutta
Whole-time Director &
Chief Financial Officer
DIN 00062827

A. N. Basu
Whole-time Director
DIN 05296613

B. L. Bajoria
Sr. V.P. & Company Secretary

Kolkata, 31st May, 2018

Statement of Changes in Equity for the year ended 31st March, 2018

(All amounts in ₹ Lakhs, unless otherwise stated)

A. Equity share capital

	Note	Amount
As at 1st April, 2016		**993**
Change in equity share capital		–
As at 31st March, 2017	10(a)	**993**
Change in equity share capital		–
As at 31st March, 2018	10(a)	**993**

B. Other Equity

	Note	Reserves and surplus [Refer Note 10(b)(i)]								Other reserves [Refer Note 10(b)(ii)]		Total other equity
		Securities Premium Reserve	General Reserve	Retained Earnings	Contingency Reserve	Debenture Redemption Reserve	Foreign Currency Monetary Item Translation Difference Account	Capital Reserve	Capital Redemption Reserve	FVOCI – Equity Instruments	Foreign Currency Translation Reserve	
Balance at 1st April, 2016		**49,421**	**11,186**	**67,659**	**3,500**	**5,572**	**(130)**	**2,206**	**1**	**(143)**	**2,238**	**1,41,510**
Profit for the year		-	-	12,027	-	-	-	-	-	-	-	12,027
Other Comprehensive Income for the year												
Remeasurements of post-employment benefit obligations		-	-	(210)	-	-	-	-	-	-	-	(210)
Other Items		-	-	-	-	-	-	-	-	454	(1,577)	(1,123)
Total Comprehensive Income for the year		**-**	**-**	**11,817**	**-**	**-**	**-**	**-**	**-**	**454**	**(1,577)**	**10,694**
Transactions with owners in their capacity as owners:												
Dividends	28(b)	-	-	(247)	-	-	-	-	-	-	-	(247)
Other transactions												
Dividend Distribution Tax		-	-	(50)	-	-	-	-	-	-	-	(50)
Transfer to Debenture Redemption Reserve		-	-	(3,022)	-	3,022	-	-	-	-	-	-
Transfer from Foreign Currency Monetary Item Translation Difference Account (net)		-	-	-	-	-	130	-	-	-	-	130
Transfer to retained earnings of FVOCI - Equity Instruments		-	-	(32)	-	-	-	-	-	32	-	-
Balance at 31st March, 2017		**49,421**	**11,186**	**76,125**	**3,500**	**8,594**	**-**	**2,206**	**1**	**343**	**661**	**1,52,037**
Balance at 1st April, 2017		**49,421**	**11,186**	**76,125**	**3,500**	**8,594**	**-**	**2,206**	**1**	**343**	**661**	**1,52,037**
Profit for the year		-	-	11,695	-	-	-	-	-	-	-	11,695
Other Comprehensive Income for the year												
Remeasurements of post-employment benefit obligations		-	-	1	-	-	-	-	-	-	-	1
Other Items		-	-	-	-	-	-	-	-	244	(1,216)	(972)
Total Comprehensive Income for the year		**-**	**-**	**11,696**	**-**	**-**	**-**	**-**	**-**	**244**	**(1,216)**	**10,724**
Transactions with owners in their capacity as owners:												
Dividends	28(b)	-	-	(247)	-	-	-	-	-	-	-	(247)
Other transactions												
Dividend Distribution Tax		-	-	(50)	-	-	-	-	-	-	-	(50)
Transfer to Debenture Redemption Reserve		-	-	(3,022)	-	3,022	-	-	-	-	-	-
Balance at 31st March, 2018		**49,421**	**11,186**	**84,502**	**3,500**	**11,616**	**-**	**2,206**	**1**	**587**	**(555)**	**1,62,464**

The accompanying notes are an integral part of the Financial Statements
As per our report of the even date

For S.R.Batliboi & Co. LLP
Firm Registration Number: 301003E/E300005
Chartered Accountants

per Kamal Agarwal
Partner
Membership Number: 058652
Kolkata, 31st May, 2018

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

H.S.Bhattacharjee
Partner
Membership Number: 50370

For and on behalf of Board of Directors

S. Dutta
Whole-time Director &
Chief Financial Officer
DIN 00062827

A. N. Basu
Whole-time Director
DIN 05296613

B. L. Bajoria
Sr. V.P. & Company Secretary

Notes to the Financial Statements as at and for the year ended 31st March, 2018

COMPANY OVERVIEW

Simplex Infrastructures Limited ('the Company') is a diversified Infrastructure Company established in 1924 and executing projects in several verticals like Piling, Energy and Power, Building & Housing, Marine, Roads and Highways, Railways, Urban infrastructures etc. The Company is a Public Limited Company and has its Registered Office in Kolkata, India with Branch Offices in Delhi, Mumbai and Chennai in India & Overseas Branches in Qatar, Oman, Abu Dhabi, Dubai, Sri Lanka, Ethiopia, Saudi Arabia and Bangladesh. The Company is listed on BSE Limited, National Stock Exchange of India Limited and the Calcutta Stock Exchange Limited.

Note 1: SIGNIFICANT ACCOUNTING POLICIES

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

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

i) Compliance with Ind AS

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

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

These Standalone Financial Statements were approved and authorised for issue with the resolution of the Board of Directors on 31st May, 2018.

ii) Historical cost convention

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

- Certain Financial Assets and Liabilities (including derivative instruments).
- Defined benefit plans – Plan Assets.

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

1.2 SEGMENT REPORTING

The Company's operating segments are established on the basis of those components of the Company that are evaluated regularly by the 'Chief Operating Decision Making Group' (CODMG) as defined in Ind AS 108 - 'Operating Segments', in deciding how to allocate resources and in assessing performance. CODMG consists of the Executive Chairman and the Whole-time Directors. These have been identified taking into account nature of products and services, the differing risks and returns and the internal business reporting systems. CODMG examines the Company's performance both from business and geographical perspective and has identified two reportable business segments viz. Construction and Others which comprises oil drilling services, real estate and hiring of plant and equipment.

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

1.3 PROPERTY, PLANT AND EQUIPMENT

Freehold land is stated at cost. All other items of property, plant and equipment are stated at cost, net of recoverable taxes, trade discounts and rebate, etc. less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Property, Plant and Equipment which are significant to the total cost of that item of Property, Plant and Equipment and having different useful life are accounted separately.

The carrying amount of any component accounted for as a separate asset is de-recognised when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

The items of property, plant and equipment which are not yet ready for use are disclosed as Capital work-in-progress and are carried at cost, net of accumulated impairment loss, if any.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in statement of Profit and Loss within 'Other Income/ Expense'.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1st April, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

(a) Depreciation is calculated using the straight line method to allocate their cost, net of their residual values on the basis of useful lives prescribed in Schedule II to the Act. In respect of the following assets, useful lives different from Schedule II have been considered on the basis of technical assessment made by expert and management estimate. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Particulars	Useful Lives
Concreting, Crushing, Piling, Road Making and Heavy Lift Equipment	3-20 years
Transmission Line, Tunneling Equipment	20 years
Material Handling, Welding Equipment	4-20 years
Plant and Equipment / Motor Vehicle (used at branches outside India)	10 Years (Maximum)

(b) Leasehold Land and Buildings thereon are amortised over the tenure of respective leases using the straight line method.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

1.4 INTANGIBLE ASSETS

Intangible assets acquired separately are measured on initial recognition at cost incurred till it is necessary for bringing intangible assets to the location and condition necessary for it to be capable of operating in the manner intended by

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

management. Such cost includes purchase price and any cost directly attributable to bringing the asset to its working condition for the intended use. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Computer Software for internal use which is primarily acquired is capitalised. Subsequent costs associated with maintaining such software are recognised as expense as incurred. Cost of Software includes licenses fees and cost of implementation, system integration services etc. where applicable.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets (Computer Software) recognised as at 1st April, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of such intangible assets.

Amortisation method and period

The Company amortises intangible assets (Computer Software) with a finite useful life using the straight line method over a period of 3 years.

The amortisation period and the amortisation method for Intangible Assets with a finite useful life are reviewed at each reporting date and adjusted prospectively, if appropriate.

1.5 IMPAIRMENT OF NON-FINANCIAL ASSETS (INCLUDING PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS)

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

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

Intangible assets are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

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

1.6 INVENTORIES

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

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

Contract cost incurred related to future activity of the contract are recognised as an asset provided it is probable that they will be recovered during the contract period. Such costs represent the amount due from customer and are often classified as contract work-in-progress.

1.7 FINANCIAL INSTRUMENTS

(i) Financial Assets

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

A. Initial Recognition and Measurement

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

B. Subsequent Measurement

Financial assets are subsequently classified as measured at

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

C. Investments in Subsidiaries, Joint Ventures and Associates

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

D. Other Equity Instruments

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

For investments in quoted equity instruments, the Company has made an irrevocable election at the time of initial recognition to account for equity instruments at FVOCI. The Company makes such election on an instrument-by-instrument basis. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the statement of profit and loss. Dividend income on the investments in equity instruments are recognised as 'Other Income' in the Statement of Profit and Loss.

E. Impairment of financial assets

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

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

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

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

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

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

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

(ii) Financial Liabilities

A. Initial Recognition and Measurement

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

B. Subsequent Measurement

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

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

(iii) Derecognition of Financial Instruments

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

(iv) Offsetting

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events. It must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

1.8 DERIVATIVES

The Company enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit and loss and are included in 'Other Income/Expense'.

1.9 CASH AND CASH EQUIVALENTS

For the purpose of presentation in the cash flow statement, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term highly liquid investments with original maturities of less than three months or less that are readily convertible to cash and which are subject to an insignificant risk of changes in value.

1.10 EMPLOYEE BENEFITS

i) Short term Employee Benefits:

The undiscounted amount of short term employee benefits expected to be settled in exchange for the services rendered by employees are recognised as expense during the period when the employee renders the service.

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

ii) Post Employment Benefit Plans

Contributions under Defined Contribution Plans payable in keeping with the related schemes are recognised as expenses for the period, in which the employee has rendered the service. The Company has no further payment obligations once the contributions have been paid. If the contribution payable for service received before the balance sheet date exceeds the contribution already paid, the deficit payable is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment.

For Defined Benefit Plans, the liability in respect of gratuity is calculated using the Projected Unit Credit Method, and spread over the period during which the benefit is expected to be derived from employees' services with actuarial valuations being carried out at each balance sheet date.

Re-measurement of Defined Benefit Plans in respect of post-employment are recognised in the Other Comprehensive Income. Past service costs due to changes in present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit and loss. The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of any economic benefit available in the form of reductions in future contributions to the plan.

iii) Other Long term Employee Benefits (unfunded):

The cost of providing other long term employee benefits is calculated using the Projected Unit Credit Method, and spread over the period during which the benefit is expected to be derived from employees' services. Re-measurement actuarial gains and losses and past service cost are recognised immediately in the statement of profit and loss for the period in which they occur. Other long term employee benefit obligation recognised in the balance sheet represents the present value of related obligation.

1.11 LEASES

Leases are classified as finance leases whenever the terms of the lease, transfers substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating lease.

Leased Assets: Assets held under finance leases, if any, are initially recognised as Assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments/receipts are recognised as an expense/income in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed.

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

1.12 PROVISION AND CONTINGENT LIABILITIES

Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimates of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense. Contingent liability is not recognised. However, a disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made.

1.13 INCOME TAX

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's operations generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses/tax credits only if it is probable that future taxable amounts will be available to utilise those temporary differences/credits and losses.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

1.14 REVENUE RECOGNITION

i) Revenue from Construction Contracts

Contract Revenue is recognised under 'percentage-of-completion method'. When the outcome of a construction contract can be estimated reliably contract revenue and contract costs associated with the construction contracts are recognised as revenue and expenses respectively by reference to the stage of completion of the contract activity.

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

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable.

Variations in contract work, claims and incentive payments are included in contract revenue to the extent it is probable that they will result in revenue and are capable of being reliably measured.

The stage of completion is measured by reference to the contract costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract. Costs incurred in the year in connection with future activity on a contract are excluded from contract costs in determining the stage of completion.

ii) Other Revenues

(a) Rendering of other services

Revenue from Oil Drilling services is recognised when the service is performed on a time basis at rates mutually agreed with the customer.

(b) Interest income

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

(c) Dividends

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

(d) Sale of traded goods

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

(e) Rental income

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature.

1.15 BORROWING COST

Borrowing cost attributable to the acquisition of qualifying assets (i.e. the assets that necessarily take substantial period of time to get ready for their intended use) are added to the cost up to the date when such assets are ready for their

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

intended use. Other borrowing cost are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

1.16 TRANSACTIONS IN FOREIGN CURRENCIES

i) Functional and presentation currency

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

ii) Transactions and balances

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

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss under finance cost. All other foreign exchange gains and losses (including notional) are presented in the statement of profit and loss on a net basis.

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

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the policy of accounting of exchange differences arising on reporting of long-term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of first Ind AS financial reporting period i.e. 1st April, 2016 in keeping with the previous GAAP, as set out below:

Exchange differences arising on reporting of long-term foreign currency monetary items (i) relating to acquisition of depreciable capital assets were allowed to be adjusted to the carrying amount of such assets (to be adjusted over the balance life of the related asset) and (ii) in other cases were allowed to be accumulated in a 'Foreign Currency Monetary item Translation Difference Account' (to be adjusted over the balance period of the related long term monetary asset/liability).

1.17 FOREIGN OPERATIONS

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

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

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

1.18 DIVIDEND

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

1.19 EARNINGS PER SHARE

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

1.20 RECENT ACCOUNTING PRONOUNCEMENTS

Standards issued but not yet effective

On March 28, 2018, the Ministry of Corporate Affairs (MCA) has notified Ind AS 115 - Revenue from Contracts with Customers and certain amendment to existing Ind AS as mentioned below. These amendments shall be applicable to the Company from April 01, 2018. The Company intends to adopt these standards, if applicable, when they become effective.

(a) **Issue of Ind AS 115 -** Revenue from Contracts with Customers - Ind AS 115 will supersede the current revenue recognition guidance including Ind AS 18 Revenue, Ind AS 11 Construction Contracts and the related interpretations. Ind AS 115 provides a single model of accounting for revenue arising from contracts with customers based on the identification and satisfaction of performance obligations.

The Company is currently evaluating the impact of implementation of Ind AS 115 "Revenue from Contracts with Customers". However, there will be additional presentation and disclosure requirement which will be provided in the next year's financial statements.

(b) **Amendment to Existing issued Ind AS -** The MCA has also carried out amendments of the following accounting standards:

i) Ind AS 21 - The Effects of Changes in Foreign Exchange Rates

ii) Ind AS 40 - Investment Property

iii) Ind AS 12 - Income Taxes

iv) Ind AS 28 - Investments in Associates and Joint Ventures and

v) Ind AS 112 - Disclosure of Interests in Other Entities

Application of standards as mentioned in (b) above are not expected to have any significant impact on the Company's Financial Statements.

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

Note 1A: Critical estimates and judgements

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

a) **Defined Benefit Plans (Gratuity and other post-employment benefits):** Refer Note 21.

b) **Depreciation/Amortisation and useful lives of Property, Plant and Equipment / Intangible Assets:** Refer Note 1.3, 1.4, 2 and 3.

c) **Fair value measurement of financial instruments:** Refer Note 26.

d) **Revenue Recognition:** Refer Note 1.14, 7(b) and 9.

e) **Allowance for expected credit losses:** Refer Note 27.

f) **Provisions:** Refer Note 1.12.

g) **Taxes:** Refer Note 1.13, 8, 13, 17 and 25.

h) **Impairment of Non-Financial Assets:** Refer Note: 1.5, 2, 3, 5 and 9.

i) **Impairment of Financial Assets:** Refer Note 1.7(E), 4(a), 4(b), 7(a), 7(b), 7(e) and 7(f).

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

Note 2: Property, plant and equipment

(All amounts in ₹ Lakhs, unless otherwise stated)

	Freehold Land	Leasehold Land	Buildings [Refer (a) and (b) below]	Plant and Equipment [Refer (f) below]	Computers	Furniture and Fittings	Motor Vehicles	Office Equipment	Electrical Equipment	Total
Year ended 31st March, 2017										
Gross carrying amount										
Opening gross carrying amount	1,081	40	3,649	1,37,105	665	1,503	3,359	576	77	1,48,055
Exchange differences [Refer (c) below]	-	-	-	(889)	(2)	(6)	(31)	(4)	-	(932)
Additions during the year	-	-	-	8,641	293	280	714	220	15	10,163
Less: Disposals	-	-	-	(1,131)	(1)	(1)	(84)	(1)	-	(1,218)
Closing gross carrying amount	**1,081**	**40**	**3,649**	**1,43,726**	**955**	**1,776**	**3,958**	**791**	**92**	**1,56,068**
Accumulated Depreciation										
Opening accumulated depreciation	-	1	64	18,748	203	242	654	159	11	20,082
Depreciation charge during the year	-	*	65	18,340	218	239	669	168	12	19,711
Less: Disposals	-	-	-	(462)	(*)	(*)	(44)	(*)	-	(506)
Exchange differences	-	-	-	(295)	(2)	(22)	(17)	15	-	(321)
Closing accumulated depreciation	**-**	**1**	**129**	**36,331**	**419**	**459**	**1,262**	**342**	**23**	**38,966**
Net carrying amount	**1,081**	**39**	**3,520**	**1,07,395**	**536**	**1,317**	**2,696**	**449**	**69**	**1,17,102**
Year ended 31st March, 2018										
Gross carrying amount										
Opening gross carrying amount	1,081	40	3,649	1,43,726	955	1,776	3,958	791	92	1,56,068
Exchange differences [Refer (c) below]	-	-	-	(606)	(*)	(*)	(1)	(*)	-	(607)
Additions during the year	-	-	72	10,261	253	293	675	151	19	11,724
Less: Disposals	-	-	(17)	(1,165)	(3)	(23)	(225)	(47)	-	(1,480)
Closing gross carrying amount	**1,081**	**40**	**3,704**	**1,52,216**	**1,205**	**2,046**	**4,407**	**895**	**111**	**1,65,705**
Accumulated Depreciation										
Opening accumulated depreciation	-	1	129	36,331	419	459	1,262	342	23	38,966
Depreciation charge during the year	-	1	64	16,680	271	419	602	143	14	18,194
Less: Disposals	-	-	(1)	(665)	(2)	(23)	(130)	(46)	-	(867)
Exchange differences	-	-	-	(205)	(1)	(1)	*	(*)	-	(207)
Closing accumulated depreciation	**-**	**2**	**192**	**52,141**	**687**	**854**	**1,734**	**439**	**37**	**56,086**
Net carrying amount	**1,081**	**38**	**3,512**	**1,00,075**	**518**	**1,192**	**2,673**	**456**	**74**	**1,09,619**

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

(a) Buildings include ₹ 9 (31st March, 2017: ₹ 9) being the Gross Carrying Amount of a building erected on land taken on lease and depreciated over the period of lease which is less than the useful life of the asset.

(b) Buildings include four properties [Gross Carrying Amount and Net Carrying Amount ₹ 11 (31st March, 2017: ₹ 11) and ₹ 10 (31st March, 2017: ₹ 10) respectively] located at New Delhi and another property [Gross Carrying Amount and Net Carrying Amount ₹ 5 (31st March, 2017: ₹ 5) and ₹ 5 (31st March, 2017: ₹ 5) respectively] located at Mumbai which are not held in the name of the Company, for which steps are being taken to execute the conveyance deed. Consideration of the above properties were paid in full by the Company and the properties are in the possession of the Company.

(c) Exchange differences comprise ₹ (76) [31st March, 2017: ₹ (291)] being capitalisation of exchange differences on long term foreign currency monetary items relating to Property, plant and equipment and ₹ (531) [31st March, 2017: ₹ (641)] being adjustments on account of exchange fluctuations relating to Property, plant and equipment of foreign operations.

(d) Refer to Note 33 for information relating to Property, plant and equipment pledged as security by the Company.

(e) Refer to Note 42(a) for disclosure of contractual commitments for the acquisition of Property, plant and equipment.

(f) The Net Carrying Amount of Plant and Equipment as on 31st March, 2018 includes Tools ₹ 7,325 (31st March, 2017: ₹ 9,099).

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 3: Intangible assets

	Computer Software	Total
Year ended 31st March, 2017		
Gross carrying amount		
Opening gross carrying amount	220	220
Exchange differences [Refer (a) below]	*	*
Additions	120	120
Closing gross carrying amount	**340**	**340**
Accumulated amortisation		
Opening accumulated amortisation	79	79
Amortisation charge for the year	64	64
Exchange differences	*	*
Closing accumulated amortisation	**143**	**143**
Closing net carrying amount	**197**	**197**
Year ended 31st March, 2018		
Gross carrying amount		
Opening gross carrying amount	340	340
Exchange differences [Refer (a) below]	*	*
Additions	108	108
Closing gross carrying amount	**448**	**448**
Accumulated amortisation		
Opening accumulated amortisation	143	143
Amortisation charge for the year	150	150
Exchange differences	*	*
Closing accumulated amortisation	**293**	**293**
Closing net carrying amount	**155**	**155**

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

(a) Exchange differences comprise adjustments on account of exchange fluctuation to Intangible assets of foreign operations.

(b) Refer to Note 33 for information relating to Intangible assets pledged as security by the Company.

(c) Refer to Note 42(a) for disclosure of contractual commitments for the acquisition of Intangible assets.

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 4(a): Non-current Investments

	As at 31st March, 2018		As at 31st March, 2017	
Investments in Equity Instruments				
Unquoted				
Investments in Subsidiary Companies (At Cost)#				
10,000 (31st March, 2017: 10,000) Equity Shares of ₹ 10/- each in Maa Durga Expressways Private Limited - Fully paid up	1		1	
Less: Impairment loss	(1)	-	(1)	-
10,000 (31st March, 2017: 10,000) Equity Shares of ₹ 10/- each in Jaintia Highway Private Limited - Fully paid up		1		1
520 (31st March, 2017: 520) Shares of United Arab Emirates Dirham (AED) 1,000 each in Simplex (Middle East) Limited - Fully paid up		68		68
9,750 (31st March, 2017: 9,750) Shares of Libyan Dinar (LYD) 100 each in Simplex Infrastructures Libya Joint Venture Co. - Fully paid up	387		387	
Less: Impairment loss	(387)	-	(387)	-
8,45,90,000 (31st March, 2017: 8,45,90,000) Equity Shares of ₹ 10/- each in Simplex Infra Development Private Limited (Formerly Simplex Infra Development Limited) - Fully paid up		8,337		8,337
51,000 (31st March, 2017: Nil) Equity Share of ₹ 10 each in PC Patel Mahalaxmi Simplex Consortium Private Limited		5		-
Investments in Joint Ventures (At Cost) #				
4,900 (31st March, 2017: 4,900) Shares of Bahraini Dinars (BHD) 50 each of Simplex Almoayyed W.L.L.- Fully paid up, a joint venture company		287		287
2,50,000 (31st March, 2017: 2,50,000) Equity Shares of ₹ 10/- each in Arabian Construction Company - Simplex Infra Private Limited - Fully paid up, a joint venture company		25		25
Investments in Associates (At Cost) #				
2,600 (31st March, 2017: 2,600) Equity Shares of ₹ 10/- each of Shree Jagannath Expressways Private Limited - Fully paid up [Refer Note 42(c) and Note (a) below]		*		*
1,12,500 (31st March, 2017: 1,12,500) Shares of Omani Rial (OMR) 1 each in Simplex Infrastructures LLC - Fully paid up		87		87
2,66,64,000 (31st March, 2017: 2,66,64,000) Equity Shares of ₹ 10/- each of Raichur Sholapur Transmission Company Private Limited - Fully paid up [Refer Note 42(c) and Note (b) below]		2,667		2,667
Others (At FVPL)				
5 (31st March, 2017: 5) - Fully paid-up Ordinary Shares of ₹ 50/- each in Mercantile Apartments Co-operative Housing Society Ltd., Mumbai - Face value ₹ 250/-		*		*
5 (31st March, 2017: 5) - Fully paid-up Ordinary Shares of ₹ 50/- each in Pallavi Beach Angle Co-operative Housing Society Ltd., Mumbai - Face value ₹ 250/-		*		*
5 (31st March, 2017: 5) - Fully paid-up Ordinary Shares of ₹ 50/- each in Borlo Co-operative Housing Society Ltd., Chembur, Mumbai - Face value ₹ 250/-		*		*
5 (31st March, 2017: 5) - Fully paid-up Ordinary Shares of ₹ 50/- each in Saket Co-operative Housing Society Ltd., Mumbai-Face value ₹ 250/-		*		*
1,500 (31st March, 2017: 1,500) - Fully paid-up ordinary shares of ₹ 10/- each in Simplex Avash Pvt. Ltd.		*		*
Investments in Equity Instruments (At FVOCI) [Refer (c) below]				
20,000 (31st March, 2017: 20,000) Equity Shares of ₹ 10/- each (₹ 5/- paid up) of Parasrampuria Synthetics Ltd.		-		-
4,700 (31st March, 2017: 4,700) Equity Shares of ₹ 10/- each of Pennar Patterson Securities Ltd.- Fully Paid up		-		-
Sub-Total		**11,477**		**11,472**

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 4(a): Non-current Investments (Contd..)

	As at 31st March, 2018		As at 31st March, 2017	
Quoted				
Others:				
Investments in Equity Instruments (At FVOCI) [Refer (c) below]				
3,70,500 (31st March, 2017: 3,70,500) Equity Shares of ₹ 2/- each of Emami Paper Mills Limited - Fully paid up		710		440
1,09,450 (31st March, 2017: 1,09,450) Equity Shares of ₹ 1/- each of Emami Limited - Fully paid up		1,169		1,155
20,00,000 (31st March, 2017: 20,00,000) Equity Shares of ₹ 10/- each of Electrosteel Steels Limited - Fully paid up		49		89
Sub-Total		**1,928**		**1,684**
Total		**13,405**		**13,156**
Aggregate amount of Quoted Investments and market value thereof		1,928		1,684
# Aggregate amount of Unquoted Investments (at cost)		11,477		11,472
Aggregate amount of impairment in value of investments		388		388

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

(a) Nil (31st March, 2017: 1,792) Equity Shares of Shree Jagannath Expressways Private Limited were pledged in favour of Axis Trustee Services Ltd., Security Trustee for the benefit of consortium of lending Banks.

(b) 1,35,98,640 (31st March, 2017:1,35,98,640) Equity Shares of Raichur Sholapur Transmission Company Private Limited are pledged in favour of IDBI Trusteeship Services Limited, Security Trustee for the benefit of Axis Bank Limited (DIFC Branch), Lender.

(c) These investments in equity instruments are not held for trading. Instead, they are held for medium or long-term strategic purpose. Upon the application of Ind AS 109, the Company has chosen to designate these investments in equity instruments as at FVOCI as the management believe that this provides a more meaningful presentation for medium or long-term strategic investments, than reflecting changes in fair value immediately in profit and loss.

(d) Additional Disclosures relating to Investments in Subsidiaries, Joint Ventures and Associates.

			Ownership Interest in % either directly or through subsidiaries	
Particulars		**Principal place of Business/ Country of Incorporation**	**As at 31st March, 2018**	**As at 31st March, 2017**
Subsidiaries				
(i)	Simplex (Middle East) Limited.	United Arab Emirates	100%	100%
(ii)	Simplex Infrastructures Libya Joint Venture Co.	Libya	65%	65%
(iii)	Simplex Infra Development Private Limited. (SIDPL)	India	100%	100%
(iv)	Maa Durga Expressways Private Limited. $	India	100%	100%
(v)	Jaintia Highway Private Limited. $	India	100%	100%
(vi)	PC Patel Mahalaxmi Simplex Consortium Private Limited	India	51%	N.A.
(vii)	Simplex Bangladesh Private Limited. $$	Bangladesh	95%	95%
Joint Ventures				
i)	Arabian Construction Company - Simplex Infra Private Limited	India	50%	50%
(ii)	Simplex - Almoayyed W.L.L.	Kingdom of Bahrain	49%	49%
Associates				
(i)	Shree Jagannath Expressways Private Limited ^	India	34%	34%
(ii)	Raichur Sholapur Transmission Company Private Limited	India	33.33%	33.33%
(iii)	Simplex Infrastructures L.L.C.	Sultanate of Oman	45%	45%

$ Represents subsidiary of Simplex Infra Development Private Limited (formerly Simplex Infra Development Limited).

$$ Represents subsidiary of Simplex (Middle East) Limited.

^ Associate company by way of direct share ownership to the extent of 0.0018% and indirect share ownership through a subsidiary, SIDPL to the extent of 33.9982%.

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 4(b): Other Non-current financial assets

	As at 31st March, 2018	As at 31st March, 2017
Security deposits	375	379
Deposit for Contracts	7	7
Deposit under Investment Deposit Scheme	15	15
Long Term Deposits with Banks with Maturity period more than 12 months [Refer (a) below]	5	7
Total	**402**	**408**

(a) Includes ₹ Nil (31st March, 2017: ₹ 4) held as Margin Money against bank guarantees.

Note 5: Other Non-current assets

	As at 31st March, 2018	As at 31st March, 2017
Capital advances	2,265	1,719
Total	**2,265**	**1,719**

Note 6: Inventories

	As at 31st March, 2018	As at 31st March, 2017
At lower of cost and net realisable value		
Work-in-progress	9,962	8,527
Construction Materials [includes in transit ₹ 138 (31st March, 2017: ₹ 173)]	54,986	55,619
Stores and Spares [includes in transit ₹ 124 (31st March, 2017: ₹ 111)]	10,661	10,498
Total	**75,609**	**74,644**

(a) Refer to Note 33 for information relating to Assets pledged as security by the Company.

Note 7(a): Current Investments

	As at 31st March, 2018	As at 31st March, 2017
Unquoted		
Investments in Government or Trust Securities [At amortised cost]		
6 Year National Savings Certificates (Matured) (Lodged as Security Deposits)	*	*
7 Year National Savings Certificates (Matured) (Lodged as Security Deposits)	*	*
Investment in Mutual Fund [At FVPL]		
Nil (31st March, 2017: 8,12,215.72) Units of HDFC Arbitrage Fund - Growth Plan	-	101
Nil (31st March, 2017: 7,44,301.20) Units of Reliance Arbitrage Advantage Fund - Growth Plan	-	128
Total	*	**229**
Aggregate amount of Unquoted Investments	*	**229**

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

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 7(b): Current Trade receivables

	As at 31st March, 2018		As at 31st March, 2017	
Unsecured considered good, unless otherwise stated				
Trade receivables				
Considered Good	1,51,698		1,65,140	
Less: Allowance for Expected Credit Loss	(9,227)	1,42,471	(13,700)	1,51,440
Considered Doubtful	207		2,439	
Less: Allowance for Expected Credit Loss	(207)	-	(2,439)	-
Receivables from related parties [Refer Note 30 and (b) below]				
Considered Good		2,606		1,499
Total		**1,45,077**		**1,52,939**

(a) Refer to Note 33 for information relating to Assets pledged as security by the Company.

(b) Trade receivables due by Private companies in which director of the Company is director or member.

	As at 31st March, 2018	As at 31st March, 2017
JMS Mining Services Pvt. Ltd	-	*
Maa Durga Expressways Private Limited	32	52
Arabian Construction Co - Simplex Infra Private Limited	948	925

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

Note 7(c): Cash and cash equivalents

	As at 31st March, 2018	As at 31st March, 2017
Cash and cash equivalents		
Balances with Banks		
- in current accounts	4,996	1,784
- in cash credit account	4,032	11
- in EEFC account	*	2
Deposits with maturity of less than three months	878	25
Remittances in Transit	-	162
Cash on hand	14	40
Total	**9,920**	**2,024**

* Amount is below the rounding off norm adopted by the Company.
There are no repatriations restrictions with regard to cash and cash equivalents as at the end of the reporting period.

(a) Refer to Note 33 for information relating to Assets pledged as security by the Company.

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 7(d): Bank balances other than (iii) above

	As at 31st March, 2018	As at 31st March, 2017
Unpaid Dividend Accounts @	12	14
Escrow Account #	81	908
Deposit Accounts lodged as Security Deposits [Refer (a) below]	*	113
Term Deposits with maturity more than 3 months and up to 12 months [Refer (a) below]	447	200
Term Deposits with maturity more than 12 months (Current Portion) [Refer (a) below]	34	34
Total	**574**	**1,269**

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

@ Earmarked for payment of unclaimed dividend.

(a) Held as Margin money against bank guarantee.

Comprise ₹ Nil (31st March, 2017: ₹ 858) received under arbitration award which is earmarked for utilisation as per terms of the Arbitration award/ agreement and ₹ 81 (31st March, 2017: ₹ 50) being receipt against a specific contract to be utilised for the said project execution and for general overheads and business expenses of the Company.

Note 7(e): Current Loans

	As at 31st March, 2018		As at 31st March, 2017	
Unsecured, Considered good				
Loans to Related Parties				
- Associates [Refer Note 30 and 43]		16,597		7,062
Loans to other bodies corporate		4,579		5,778
Loan to employees		837		1,433
Unsecured, Considered doubtful				
Loan to employees	69		69	
Less: Allowance for Expected Credit Loss	(69)	-	(69)	-
Total		**22,013**		**14,273**

(a) Refer to Note 33 for information relating to Assets pledged as security by the Company.

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 7(f): Other Current financial assets

	As at 31st March, 2018		As at 31st March, 2017	
Derivatives not designated as hedge (Refer Note 40)				
- Foreign exchange forward contracts		58		267
Unsecured considered good				
Advances recoverable in cash				
Due from related parties [Refer Note 30]				
Subsidiaries [Refer Note (b)(i) & (b)(ii) below]		78		142
Joint Ventures [Refer Note (b)(iii) below]		195		193
Associate Companies		6,427		5,646
Due from Others		355		248
Security Deposits		7,092		7,155
Deposit for Contracts	1,504		2,709	
Less: Allowance for Expected Credit Loss	(33)	1,471	(82)	2,627
Claim Recoverable	13,509		13,676	
Less: Allowance for Expected Credit Loss	(37)	13,472	(41)	13,635
Reimbursable Expenses [Refer Note 30]		408		79
Accrued Interest on Deposits with Banks and Others [Refer Note 30]		3,426		2,715
Receivable on account of sale of fixed assets to related parties [Refer Note 30]				
Subsidiaries		-		657
		32,982		33,364
Unsecured considered doubtful				
Security Deposits	32		32	
Less: Allowance for Expected Credit Loss	(32)	-	(32)	-
Deposit for Contracts	5		5	
Less: Allowance for Expected Credit Loss	(5)	-	(5)	-
Claim Recoverable	189		189	
Less: Allowance for Expected Credit Loss	(189)	-	(189)	-
Due from a related party - Subsidiary [Refer Note 30]	446		446	
Less: Allowance for Expected Credit Loss	(446)	-	(446)	-
		-		-
Total		**32,982**		**33,364**

(a) Refer to Note 33 for information relating to Assets pledged as security by the Company.

(b) Advances recoverable in cash includes due by Private companies in which director of the Company is director or member.

	As at 31st March, 2018	As at 31st March, 2017
i) Maa Durga Expressways Private Limited	*	*
ii) Jaintia Highway Private Limited	10	10
iii) Arabian Construction Co - Simplex Infra Private Limited	195	193

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

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 8: Current tax assets (net)

	As at 31st March, 2018	As at 31st March, 2017
Current tax assets [Net of current tax liabilities ₹ 11,671 (31st March, 2017: ₹ 483)]	3,541	663
Total	**3,541**	**663**

Note 9: Other current assets

	As at 31st March, 2018	As at 31st March, 2017
Unsecured considered good		
Prepaid Expenses	2,720	4,014
Advances to suppliers for goods and services		
Related Party [Refer Note 30]	2	67
Others	13,697	12,101
Statutory Advances (Advances to / Balances with government authorities)	34,039	35,081
Surplus in Gratuity Fund [Refer Note 21]	927	1,059
Retention Money on Construction Contracts (including amount not due as per terms of contracts) [Refer Note 30]	56,074	55,233
Accruals under Duty Free Credit Entitlement	207	389
Unbilled Revenues on Construction Contracts	3,97,220	3,20,683
	5,04,886	4,28,627
Unsecured considered doubtful		
Advances to suppliers for goods and services	129	129
Less: Allowance for Expected Credit Loss	(129)	(129)
	-	-
Total	**5,04,886**	**4,28,627**

Note 10(a): Equity share capital

	As at 31st March, 2018	As at 31st March, 2017
Authorised:		
37,49,00,000 (31st March, 2017: 37,49,00,000) Equity Shares of ₹ 2/- each	7,498	7,498
20,000 (31st March, 2017: 20,000) 15% Cumulative Preference Shares of ₹ 10/- each	2	2
	7,500	**7,500**
Issued, Subscribed and Paid-up:		
4,94,72,330 (31st March, 2017: 4,94,72,330) Equity Shares of ₹ 2/- each	989	989
Add: 1,26,000 Equity Shares of ₹ 10/- each (equivalent of 6,30,000 Equity Shares of ₹ 2/- each) forfeited in earlier years	4	4
Total	**993**	**993**

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 10(a): Equity share capital (Contd..)

(i) Rights, preferences and restrictions attached to shares

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

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

	Details of shareholder	As at 31st March, 2018	As at 31st March, 2017
(1)	Anupriya Consultants Pvt. Ltd.	72,59,397	72,59,397
		14.67%	14.67%
(2)	RBS Credit And Financial Developments Private Ltd.	47,65,764	47,65,764
		9.63%	9.63%
(3)	HDFC Trustee Company Limited - HDFC Equity Fund, HDFC Infrastructure Fund, HDFC Monthly Income Plan Long Term Plan	44,34,780	44,34,780
		8.96%	8.96%
(4)	Reliance Capital Trustee Co. Ltd. - A/c Reliance Tax Saver (ELSS) Fund, A/c Reliance Capital Builder Fund 2 SR B, A/c Reliance Equity Opportunities Fund	43,02,295	43,36,660
		8.70%	8.77%
(5)	Bithal Das Mundhra	30,29,245	30,35,464
		6.12%	6.14%

As per records of the Company, including its register of shareholders/members, the above shareholding represents legal ownership of shares.

(iii) The Company has allotted 36,09,261 convertible equity warrants at a price of ₹ 554.13 each on 15th May, 2018 to its Promoter Group Companies, in accordance with the SEBI Guidelines and Companies Act, 2013, upon receipt of upfront payment of 25% i.e. ₹ 5,000 lakhs of total consideration (of ₹ 20,000 lakhs) as per the terms of preferential issue.

(iv) The Company has raised ₹ 40,220 lakhs through QIP issue by allotting 70,68,490 Equity Shares of ₹ 2 each at a premium of ₹ 567 per share on 23rd May, 2018 in accordance with SEBI Guidelines and Companies Act, 2013. The QIP issue opened on 16th May, 2018 and closed on 19th May, 2018.

Note 10(b): Other Equity

		Refer following items	As at 31st March, 2018	As at 31st March, 2017
(i)	**Reserve and Surplus**			
	Capital Reserve	(a)	2,206	2,206
	Capital Redemption Reserve	(b)	1	1
	Securities Premium Reserve	(c)	49,421	49,421
	Debenture Redemption Reserve	(d)	11,616	8,594
	Contingency Reserve	(e)	3,500	3,500
	Foreign Currency Monetary Item Translation Difference Account	(f)	-	-
	General Reserve	(g)	11,186	11,186
	Retained Earnings	(h)	84,502	76,125
	Total		**1,62,432**	**1,51,033**

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 10(b): Other Equity (Contd..)

		As at 31st March, 2018	As at 31st March, 2017
(a)	Capital Reserve - Balance at the beginning and end of the year	2,206	2,206
(b)	Capital Redemption Reserve - Balance at the beginning and end of the year	1	1
(c)	Securities Premium Reserve - Balance at the beginning and end of the year	49,421	49,421
(d)	Debenture Redemption Reserve		
	Balance at the beginning of the year	8,594	5,572
	Add: Transferred during the year from Retained Earnings	3,022	3,022
	Balance at the end of the year	11,616	8,594
(e)	Contingency Reserve - Balance at the beginning and end of the year	3,500	3,500
(f)	Foreign Currency Monetary Item Translation Difference Account		
	Balance at the beginning of the year	-	(130)
	Less: Transferred during the year	-	130
	Balance at the end of the year	-	-
(g)	General Reserve - Balance at the beginning and end of the year	11,186	11,186
(h)	Retained Earnings		
	Balance at the beginning of the year	76,125	67,659
	Profit for the year	11,695	12,027
	Items of other comprehensive income recognised directly in retained earnings		
	Remeasurements of post-employment benefit obligations [Net of Tax ₹ (1) (F.Y. 2016-17: ₹ 111)]	1	(210)
	Transferred to retained earnings from FVOCI equity instruments on de-recognition	-	(32)
	Transfer to Debenture Redemption Reserve	(3,022)	(3,022)
	Dividends [Refer Note 28(b)]	(247)	(247)
	Dividend Distribution Tax	(50)	(50)
	Balance at the end of the year	84,502	76,125
Total		**1,62,432**	**1,51,033**

		Refer following items	As at 31st March, 2018	As at 31st March, 2017
(ii)	**Other Reserves**			
	FVOCI Equity Instruments	(i)	587	343
	Foreign Currency Translation Reserve	(j)	(555)	661
Total			**32**	**1,004**
Total Other Equity (i) + (ii)			**1,62,464**	**1,52,037**

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 10(b): Other Equity (Contd..)

	Note	FVOCI - Equity Instruments (i)	Foreign Currency Translation Reserve (j)	Total Other reserves
As at 31st March, 2016		(143)	2,238	2,095
Changes in fair value of FVOCI - Equity instruments	4(a)	454	-	454
Transferred to retained earnings of FVOCI equity investments		32	-	32
Exchange difference on translation of foreign operations		-	(2,334)	(2,334)
Income tax relating to the above		-	757	757
As at 31st March, 2017		343	661	1,004
Change in fair value of FVOCI Equity instruments	4(a)	244	-	244
Exchange difference on translation of foreign operation (Refer Note 37)		-	(1,216)	(1,216)
As at 31st March, 2018		587	(555)	32

Nature and purpose of Reserves

Capital Reserve: Represents mainly amount out of forfeiture of equity shares and warrants for non-payment of call money and arisen pursuant to acquisition of additional interest in a Joint Venture.

Capital Redemption Reserve: Represents amount on redemption of Preference Shares and will be utilised as per the provisions of the Companies Act, 2013.

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

Debenture Redemption Reserve: The Company is required to create a debenture redemption reserve out of the profits which will be utilised for the purpose of redemption of Debentures.

Contingency Reserve: Represents reserve created out of Surplus in earlier years in the Statement of Profit and Loss for meeting future contingencies, if any.

Foreign Currency Monetary Item Translation Difference Account: Represents foreign exchange gain / loss arising on loans taken up to 31st March, 2016 and not routed through profit and loss. The cumulative amount is reclassified to the Statement of Profit and Loss over the balance period of such non-current asset/liability.

General Reserve: The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

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

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

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 11: Non-current Borrowings

	As at 31st March, 2018	As at 31st March, 2017
Secured Borrowings		
Debentures [Refer (a) below]	44,316	51,628
Term Loans from Banks		
Rupee Loans [Refer (b) below]	4,713	4,847
Foreign Currency Loans [Refer (c) below]	-	958
Term Loans from Financial Companies [Refer (d) below]	6,078	610
Total	**55,107**	**58,043**

Nature of security and other terms

a) Debentures

i) 11.60% (31st March, 2017: 11.60%) Non-Convertible Debentures of Face value of ₹ 10,00,000 each amounting to ₹ 4,961 (31st March, 2017: ₹ 4,945) are secured by way of First pari passu charge on specified immovable Property, Plant and Equipment (Fixed Assets) & First charge on specified movable Property, Plant and Equipment (Fixed Assets) of the Company. The Principal is repayable by way of bullet payment at the end of 10th year with put & call option at the end of 7th year from the date of disbursement being 12th February, 2013. If the put & call option is not exercised at the end of the 7th year, the coupon shall be 10.80% per annum from the beginning of the 8th year.

ii) 11.15% (31st March, 2017: 11.15%) Non-Convertible Debentures of Face Value of ₹ 10,00,000 each amounting to ₹ 2,440 (31st March, 2017: ₹ 2,426) are secured by way of First pari passu charge on specified immovable Property, Plant and Equipment (Fixed Assets) & First charge on specified movable Property, Plant and Equipment (Fixed Assets) of the Company. The Principal is repayable on 28th July, 2021 i.e. 7th year from the date of allotment being 28th July, 2014.

iii) 11.15% (31st March, 2017: 11.15%) Non-Convertible Debentures of Face Value of ₹ 10,00,000 each amounting to ₹ 7,321 (31st March, 2017: ₹ 7,279) are secured by way of First pari passu charge on specified immovable Property, Plant and Equipment (Fixed Assets) & First charge on specified movable Property, Plant and Equipment (Fixed Assets) of the Company. The Principal is repayable on 9th July, 2021 i.e. 7th year from the date of allotment being 9th July, 2014.

iv) 11.75% (31st March, 2017: 11.75%) Non-Convertible Debentures of Face value of ₹ 10,00,000 each amounting to ₹ 490 (31st March, 2017: ₹ 487) are secured by way of First pari passu charge on specified immovable Property, Plant and Equipment (Fixed Assets) & First charge on specified movable Property, Plant and Equipment (Fixed Assets) of the Company. The Principal is repayable on 28th March, 2021 i.e. 7th year from the date of allotment being 28th March, 2014.

v) 11.75% (31st March, 2017: 11.75%) Non-Convertible Debentures of Face value of ₹ 10,00,000 each amounting to ₹ 2,449 (31st March, 2017: ₹ 2,435) are secured by way of First pari passu charge on specified immovable Property, Plant and Equipment (Fixed Assets) & First charge on specified movable Property, Plant and Equipment (Fixed Assets) of the Company. The Principal is repayable on 18th March, 2021 i.e. 7th year from the date of allotment being 18th March, 2014.

vi) 11.75% (31st March, 2017: 11.75%) Non-Convertible Debentures of Face value of ₹ 10,00,000 each amounting to ₹ 2,939 (31st March, 2017: ₹ 2,922) are secured by way of First pari passu charge on specified immovable Property, Plant and Equipment (Fixed Assets) & First charge on specified movable Property, Plant and Equipment (Fixed Assets) of the Company. The Principal is repayable on 11th March, 2021 i.e. 7th year from the date of allotment being 11th March, 2014.

vii) 10.75% (31st March, 2017: 10.75%) Non-Convertible Debentures of Face value of ₹ 10,00,000 each amounting to ₹ 7,387 (31st March, 2017: ₹ 7,365) are secured by way of First pari passu charge on specified immovable Property, Plant and Equipment (Fixed Assets) & First charge on specified movable Property, Plant and Equipment (Fixed Assets) of the Company. The Principal is repayable in three annual Instalments at the end of 8th year -30%, 9th year -30% & 10th year -40% with put & call option at the end of 7th year from the date of allotment being 6th December, 2012 and 31st December, 2012.

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 11: Non-current Borrowings (Contd..)

viii) 11.75% (31st March, 2017: 11.75%) Non-Convertible Debentures of Face value of ₹ 10,00,000 each amounting to ₹ 3,923 (31st March, 2017: ₹ 3,901) are secured by way of First pari passu charge on specified immovable Property, Plant and Equipment (Fixed Assets) & First charge on specified movable Property, Plant and Equipment (Fixed Assets) of the Company. The Principal is repayable on 26th December, 2020 i.e. 7th year from the date of allotment being 26th December, 2013.

ix) 11% (31st March, 2017: 11%) Non-Convertible Debentures of Face value of ₹ 10,00,000 each amounting to ₹ 7,413 (31st March, 2017: ₹ 7,392) are secured by First Charge by way of mortgage and charge on the specified immovable Properties/ Assets and first exclusive charge on specified movable Properties/Assets of the Company. The Principal is repayable in three Annual Instalments at the end of 8th year -30%, 9th year -30 % & 10th year -40% with put & call option at the end of 7th year from the date of allotment being 29th June, 2012.

x) 11.55% (31st March, 2017: 11.55%) Non-Convertible Debentures of Face Value of ₹ 10,00,000 each amounting to ₹ 4,994 (31st March, 2017: ₹ 4,991) representing Current payables ₹ 4,994 (31st March, 2017: ₹ Nil) are secured by way of First pari passu charge on specified immovable Property, Plant and Equipment (Fixed Assets) & First charge on specified movable Property, Plant and Equipment (Fixed Assets) of the Company. The Principal is repayable on 17th June, 2020 i.e. 5 years from the date of allotment being 17th June, 2015 subject to put & call option at the end of 3rd Year from the date of allotment.

xi) 11.55% (31st March, 2017: 11.55%) Non-Convertible Debentures of Face Value of ₹ 10,00,000 each amounting to ₹ 2,497 (31st March, 2017: ₹ 2,496) representing Current payables ₹ 2,497 (31st March, 2017: ₹ Nil) are secured by way of First pari passu charge on specified immovable Property, Plant and Equipment (Fixed Assets) & First charge on specified movable Property, Plant and Equipment (Fixed Assets) of the Company. The Principal is repayable on 17th June, 2020 i.e. 1790 days from the date of allotment being 24th July, 2015 with put & call option on 17th June, 2018.

xii) 12.15% (31st March, 2017: 12.15%) Non-Convertible Debentures of Face Value of ₹ 10,00,000 each amounting to ₹ 4,993 (31st March, 2017: ₹ 4,989) are secured by way of First pari passu charge on specified immovable Property, Plant and Equipment (Fixed Assets) & First charge on specified movable Property, Plant and Equipment (Fixed Assets) of the Company. The Principal is repayable on 22nd January, 2020 i.e. 5 year from the date of allotment being 22nd January, 2015 with put option at the end of 3rd year from the date of allotment.

b) Rupee Term Loans from Banks

i) Term Loans from a Bank ₹ 3,779 (31st March, 2017: ₹ 2,539) including Current maturities ₹ 1,142 (31st March, 2017: ₹ 960) are secured by way of hypothecation / first and exclusive charge on assets purchased or to be purchased out of said loans. Repayable along with Interest ranging from 8.10% to 10.30% p.a (as on 31st March, 2018) in Monthly Instalments ranging from 1 to 59.

ii) Term Loans from a Bank ₹ 326 (31st March, 2017: ₹ 458) including Current maturities ₹ 146 (31st March, 2017: ₹ 132) are secured by way of hypothecation/exclusive charge on assets purchased out of said loans. Repayable along with Interest 10.15% p.a (as on 31st March, 2018) in Monthly Instalments ranging from 25 to 26.

iii) Term Loan from a Bank ₹ 1,562 (31st March, 2017: ₹ 2,187) including Current maturities ₹ 625 (31st March, 2017: ₹ 624) is secured by way of exclusive charge on the plant, machinery and equipments purchased out of the said loan. Repayable along with Interest of Base Rate + 0.15% p.a. (as on 31st March, 2018) in 10 equal quarterly Instalments.

iv) Term Loan from a Bank ₹ 875 (31st March, 2017: ₹ 1,375) including Current maturities ₹ 500 (31st March, 2017: ₹ 500) is secured by way of exclusive charge of specific equipments. Repayable along with Interest of Base Rate + 0.50% p.a. (as on 31st March, 2018) in 7 equal quarterly Instalments.

v) Term Loans from a Bank ₹ 355 (31st March, 2017: ₹ 345) including Current maturities ₹ 115 (31st March, 2017: ₹ 95) are secured by way of hypothecation/exclusive charge on the assets financed. Repayable along with Interest ranging from 8.20% to 10.49% p.a (as on 31st March, 2018) in monthly Instalments ranging from 1 to 58.

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 11: Non-current Borrowings (Contd..)

vi) Term Loans from a Bank ₹ 465 (31st March, 2017: ₹ 354) including Current maturities ₹ 141 (31st March, 2017: ₹ 137) are secured by way of hypothecation/exclusive charge on the assets financed. Repayable along with Interest ranging from 8.05% to 10.75% p.a (as on 31st March, 2018) in monthly Instalments ranging from 2 to 60.

vii) Term Loans from a Bank ₹ 6 (31st March, 2017: ₹ 12) including Current maturities ₹ 3 (31st March, 2017: ₹ 6) are secured by way of hypothecation/exclusive charge on the assets financed. Repayable along with Interest 10.30% p.a (as on 31st March, 2018) in 24 Monthly Instalments.

viii) Term Loans from a Bank ₹ 30 (31st March, 2017: ₹ 43) including Current maturities ₹ 13 (31st March, 2017: ₹ 12) are secured by way of hypothecation/exclusive charge on assets purchased out of said loans. Repayable along with Interest ranging from 9.80% to 9.85% p.a. (as on 31st March, 2018) in Monthly Instalments ranging from 20 to 29.

c) Foreign Currency Term Loans from Banks

Foreign Currency Term Loan from a Bank ₹ 974 (31st March, 2017: ₹ 2,741) including Current maturities ₹ 974 (31st March, 2017: ₹ 1,783) is secured by an exclusive charge over Moveable Fixed Assets purchased out of said loans. Repayable along with Interest of 6 month USD LIBOR+1.9% p.a. (as on 31st March, 2018) in one Half Yearly instalment on 19th September, 2018.

d) Term Loans from Financial Companies

i) Term Loans from a Financial Company ₹ 648 (31st March, 2017: ₹ 673) including Current maturities ₹ 148 (31st March, 2017: ₹ 118) are secured by an exclusive charge on the equipment purchased out of the said loans. Repayable along with Interest 9.50% (as on 31st March, 2018) in Monthly Instalments ranging from 45 to 48.

ii) Term Loans from a Financial Company ₹ 1,872 (31st March, 2017: ₹ Nil) including Current maturities ₹ 347 (31st March, 2017: ₹ Nil) are secured by an exclusive charge on the equipment purchased or to be purchased out of the said loans. Repayable along with Interest from 8.40% to 8.51% p.a (as on 31st March, 2018) in Monthly Instalments ranging from 51 to 58.

iii) Term Loans from a Financial Company ₹ 3,937 (31st March, 2017: ₹ Nil) are secured by an exclusive charge by way of mortgage of land and building for maintaining minimum security cover to 1.25 times of the Loan amount. Repayable along with Interest 10.50% (as on 31st March, 2018) in 20 quarterly Instalments.

iv) Term Loans from a Financial Company ₹ 102 (31st March, 2017: ₹ 71) including Current maturities ₹ 27 (31st March, 2017: ₹ 16) are secured by way of hypothecation/exclusive first charge on assets purchased out of said loans. Repayable along with Interest ranging from 8.32% to 10.25% p.a (as on 31st March, 2018) in Monthly Instalments ranging from 21 to 56.

v) Term Loans from a Financial Company ₹ 50 (31st March, 2017: ₹ Nil) including Current maturities ₹ 9 (31st March, 2017: ₹ Nil) are secured by way of exclusive charge on assets purchased out of said loans. Repayable along with Interest ranging from 8.00% to 8.50% p.a (as on 31st March, 2018) in Monthly Instalments ranging from 55 to 56.

e) Outstanding balances of borrowings as indicated in (a) to (d) above are inclusive of Current maturities or payables out of such borrowings which are disclosed in Note 14(c).

Note 12: Non-current Provisions

	As at 31st March, 2018	As at 31st March, 2017
Provision for Employee Benefits		
Employees End of Service Benefit / Severance Pay [Refer Note 21]	398	555
Other Long-term Employee Benefits	627	654
Gratuity (Unfunded) [Refer Note 21]	1	5
Total	**1,026**	**1,214**

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

Note 13: Deferred tax liabilities (net)

(All amounts in ₹ Lakhs, unless otherwise stated)

Movements in deferred tax liabilities / (assets)	Balance as at 31st March, 2016	Recognised in Profit and Loss during F.Y. 2016-17	MAT Credit utilised	Balance as at 31st March, 2017	Recognised in Profit and Loss during F.Y. 2017-18	Balance as at 31st March, 2018
Deferred tax assets						
MAT Credit Entitlement	(2,144)	-	2,144	-	-	-
Financial assets at fair value through profit and loss (including derivatives)	-	(267)	-	(267)	-	(267)
Allowance for Expected Credit Loss	(8,417)	2,525	-	(5,892)	2,336	(3,556)
Expenditures admissible on payment basis	(190)	(522)	-	(712)	152	(560)
	(10,751)	**1,736**	**2,144**	**(6,871)**	**2,488**	**(4,383)**
Deferred tax liabilities						
Property, plant and equipment and intangible assets	4,465	(933)	-	3,532	(812)	2,720
Financial assets at fair value through profit and loss (including derivatives)	152	(152)	-	-	220	220
Retention Money on Construction Contracts (including amount not due as per terms of contracts)	13,588	(78)	-	13,510	(364)	13,146
Other temporary differences	527	(57)	-	470	(103)	367
	18,732	**(1,220)**	**-**	**17,512**	**(1,059)**	**16,453**
Deferred tax liabilities (net)	**7,981**	**516**	**2,144**	**10,641**	**1,429**	**12,070**

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 14(a): Current Borrowings

		As at 31st March, 2018	As at 31st March, 2017
A.	**Secured Borrowings**		
	Debentures [Refer (a) below]	2,500	2,497
	Term Loans from Banks		
	Rupee Loans [Refer (b) below]	414	595
	Foreign Currency Loans [Refer (c) below]	4,987	5,686
	Term Loans from Financial Companies		
	Rupee Loans [Refer (d) below]	1,008	-
	Working Capital Loans repayable on demand from Banks		
	Rupee Loans [Refer (e)(i) below]	2,44,924	2,33,988
	Foreign Currency Loans [Refer (e)(ii) and (iii) below]	17,628	4,285
Sub-Total		**2,71,461**	**2,47,051**
B.	**Unsecured Borrowings**		
	Term Loans from Banks		
	Rupee Loans	7,433	5,000
	Term Loans from Financial Companies		
	Rupee Loans	25	-
	Commercial Papers [including from Banks ₹ 5,000 (31st March, 2017: ₹ 10,000)] [Maximum balance outstanding at any time during the year ₹ 57,500 (F.Y. 2016-17: ₹ 63,000)]	5,000	10,000
	Working Capital Loans repayable on demand from a Bank	442	507
	Intercorporate Deposit (repayable on demand)	10,030	7,555
Sub-Total		**22,930**	**23,062**
Total		**2,94,391**	**2,70,113**

a) Debentures

12.15% (31st March, 2017: 12.15%) Non-Convertible Debentures of Face Value of ₹ 10,00,000 Each amounting to ₹ 2,500 (31st March, 2017: ₹ 2,497) are secured by way of First pari passu charge on specified immovable Property, Plant and Equipment (Fixed Assets) & First charge on specified movable Property, Plant and Equipment (Fixed Assets) of the Company.

b) Rupee Term Loans from Banks

i) Term Loans from Banks ₹ 253 (31st March, 2017: ₹ 508) are secured by an exclusive charge on assets acquired out of the said loans.

ii) Term Loans from Banks ₹ 161 (31st March, 2017: ₹ 87) are secured by an exclusive charge on the equipment acquired out of the said loans.

c) Foreign Currency Term Loans from Banks

i) Foreign Currency Term Loans from a Bank ₹ 1,257 (31st March, 2017: ₹ Nil) are secured by way of security as recited in (e)(i) below.

ii) Foreign Currency Term Loans from a Bank ₹ 892 (31st March, 2017: ₹ 1,397) are secured by way of security as recited in (e)(i) below.

iii) Foreign Currency Term Loans from a Bank ₹ 2,440 (31st March, 2017: ₹ 4,289) are secured by an exclusive charge on specific assets.

iv) Foreign Currency Term Loans from a Bank ₹ 398 (31st March, 2017: ₹ Nil) are secured by an exclusive charge on assets financed out of said loans.

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 14(a): Current Borrowings (Contd..)

d) Rupee Term Loans from Financial Companies

Term Loans from Financial Company ₹ 1,008 (31st March, 2017: ₹ Nil) are secured by an exclusive charge over the equipment acquired out of the said loan.

e) Working Capital Loans repayable on demand from Banks

i) Working Capital Rupee Loans from Banks ₹ 244,924 (31st March, 2017: ₹ 233,988) are secured by first charge by way of hypothecation on entire current assets including stocks, stores, trade receivables etc., second charge on movable Plant and Equipment (other than those which are exclusively charged in favour of the respective lenders) ranking pari passu amongst the Banks on the point of security, as also by second pari passu charge on specific immovable properties by deposit of title deeds / documents in India.

ii) Working Capital Foreign Currency Loans from Banks ₹ 2,620 (31st March, 2017: ₹ 4,285) are secured by assignment of receivables at overseas branches.

iii) Working Capital Foreign Currency Loans from Banks ₹ 15,008 (31st March, 2017: ₹ Nil) are secured by way of security as recited in (e)(i) above.

Note 14(b): Trade payables

		As at 31st March, 2018	As at 31st March, 2017
Acceptances		7,446	3,045
Other Trade payables to :			
(i)	Related party [Refer Note 30]	-	64
(ii)	Other Parties [Refer Note (a) below]	1,91,242	1,68,076
Total		**1,98,688**	**1,71,185**

		As at 31st March, 2018	As at 31st March, 2017
a)	**Information relating to Micro and Small Enterprises (MSEs) :**		
(I)	The principal amount and interest due thereon remaining unpaid to any supplier as at the end of the year		
	Principal	27	11
	Interest	-	-
(II)	The amount of interest paid by the buyer in terms of Section 16 to the Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the year		
	Principal	5	2
	Interest	-	-
(III)	The amount of interest accrued and remaining unpaid at the end of accounting year	100	96
(IV)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest due on above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006	-	-

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

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 14(c): Other Current financial liabilities

	As at 31st March, 2018	As at 31st March, 2017
Current maturities of long-term debts [Refer Note 11]	4,190	4,383
Interest accrued but not due on borrowings	2,861	2,840
Interest accrued and due on borrowings	330	336
Interest accrued on others	1,702	2,267
Unpaid dividends	12	14
Application money received due for refund and interest accrued thereon	*	*
Temporary Overdraft from bank on current accounts	3,930	3,701
Employee related liabilities [Refer Note 30]	7,466	7,630
Capital Liabilities	1,424	941
Money held in trust	14,380	13,080
Security Deposit	91	92
Payable to Co-Venturer	281	357
Derivatives not designated as hedge [Refer Note 40]		
Foreign exchange forward contracts	34	751
Interest rate swaps	57	133
Other payables [Refer Note 11 and (a) below]	7,560	117
Total	**44,318**	**36,642**

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

a) Other payables includes:

i) 11.55% (31st March, 2017: 11.55%) Non-Convertible Debentures of Face Value of ₹ 10,00,000 Each amounting to ₹ 4,994 (31st March, 2017: ₹ Nil). The Principal is repayable on 17th June, 2020 i.e. 5 years from the date of allotment being 17th June, 2015 subject to put & call option at the end of 3rd Year from the date of allotment i.e. with put & call option on 17th June, 2018.

ii) 11.55% (31st March, 2017 : 11.55%) Non-Convertible Debentures of Face Value of ₹ 10,00,000 Each amounting to ₹ 2,497 (31st March, 2017: ₹ Nil). The Principal is repayable on 17th June, 2020 i.e. 1790 days from the date of allotment being 24th July, 2015 with put & call option on 17th June, 2018.

Note 15: Other current liabilities

	As at 31st March, 2018	As at 31st March, 2017
Advances from Customers [Refer Note 30]	1,08,222	99,804
Statutory Dues (Excise duty, service tax, sales tax, TDS, GST, etc.)	8,908	10,700
Sub-Contractors Retention	32,606	28,610
Billing in Excess of Revenue	1,913	125
Total	**1,51,649**	**1,39,239**

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 16: Current Provisions

	As at 31st March, 2018	As at 31st March, 2017
Provision for Employee Benefits		
Employees End of Service Benefit / Severance Pay [Refer Note 21]	56	50
Other Long-term Employee Benefits	377	366
Gratuity (Unfunded) [Refer Note 21]	1	*
Other Provisions	90	90
Total	**524**	**506**

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

Note 17: Current tax liabilities (net)

	As at 31st March, 2018	As at 31st March, 2017
Current tax liabilities [Net of current taxes paid ₹ 34 (31st March, 2017: ₹ 9,337)]	203	1,149
Total	**203**	**1,149**

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 18: Revenue from Operations

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Sale of services		
Contract Turnover (Refer Note 44)	5,63,252	5,49,363
Oil Drilling Services	7,772	8,049
Sale of Traded goods	1,494	233
Other operating revenue		
Accruals under Duty Free Credit Entitlement	903	302
Equipment Hire Charges	1,076	1,121
Miscellaneous Receipts	523	331
Sale of Scrap	1,601	1,352
Total	**5,76,621**	**5,60,751**

Note 19: Other Income

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Dividend income from equity instruments designated at FVOCI	92	16
Fair value gain from financial assets measured at FVPL	-	103
Interest income from financial assets at amortised cost	3,618	2,545
Financial liabilities at amortised cost no longer required written back	4,118	4,967
Net Reversal of Allowance for Expected Credit Loss	4,526	7,249
Other non-operating income	694	748
Net Gain on fair valuation or settlement of derivative contracts measured at FVPL	583	-
Excess provision for gratuity written back	-	526
Total	**13,631**	**16,154**

Note 20: Changes in inventories of Work-in-progress

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Work-in-progress		
Opening Stock	8,527	8,857
Closing Stock	9,962	8,527
Changes in inventories of work-in-progress (Increase) / Decrease	**(1,435)**	**330**

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 21: Employee Benefits Expense

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Salaries, wages and bonus	49,876	48,557
Contribution to provident fund and other funds	1,244	1,131
Staff welfare expenses	1,860	1,741
Total	**52,980**	**51,429**

a) Defined Contribution Plans

The Company has recognised, in the Statement of Profit and Loss for the year ended 31st March, 2018 an amount of ₹ 1,109 (31st March, 2017: ₹ 1,131) as expenses under defined contribution plans.

b) Post Employment Defined Benefit Plans

i) a) Gratuity (Funded)

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. As per the scheme, the Gratuity Trust fund managed by the Trust, makes payment to vested employees on retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's eligible salary (half month's salary) depending upon the tenure of service subject to a revised maximum limit of amount payable under Payment of Gratuity Act. Vesting occurs upon completion of five years of service. Liabilities with regard to the Gratuity plan are determined by actuarial valuation as set out in Note 1.10, based upon which, the Company makes contribution to the Gratuity fund.

b) Gratuity (Unfunded)

The Company provides for gratuity, a defined benefit retirement plan covering employees of a foreign branch. As per the scheme, the Company makes payment to vested employees on retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's eligible salary (one month's salary) depending upon the tenure of service subject to a maximum limit of twenty month's salary. Vesting occurs upon completion of one year of service. Liabilities with regard to the unfunded Gratuity plan are determined by actuarial valuation as set out in Note 1.10.

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

The Company provides for End of Service Benefit / Severance Pay (unfunded) defined benefit retirement plans for certain foreign branches covering eligible employees. As per the schemes, the Company makes payment to vested employees on retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's eligible salary for specified number of days (ranging from five days to actual period of service rendered) depending upon the tenure of service. Vesting occurs upon completion of one year of service (except for a foreign branch where there is no vesting period). Vesting period is not applicable in case of death or disability in certain foreign branches. Liabilities with regard to the End of Service Benefit / Severance Pay Scheme are determined by actuarial valuation as set out in Note 1.10.

c) Other long term employee benefit plan

Leave Encashment Scheme [LES] (Unfunded)

The Company provides for accumulated leave benefit for eligible employees payable at the time of retirement of service subject to maximum of ninety / one hundred twenty days (for India and a foreign branch) and in case of other foreign branches, actual number of days outstanding based on last drawn salary. Liabilities with regard to leave encashment scheme are determined by actuarial valuation as set out in Note 1.10.

d) Risk Exposure

Aforesaid post-employment defined benefit plans typically expose the Company to actuarial risks, most significant of which are discount rate risk, salary escalation risk and demographic risk.

Discount Rate Risk

The Company is exposed to the risk of fall in discount rate. A fall in discount rate will eventually increase the ultimate cost of providing the above benefit thereby increasing the value of the liability.

Salary Escalation Risk

The present value of defined benefit plan liability is calculated by reference to the future salaries of plan participant. An increase in the salary of plan participants will increase the plan liability.

Demographic Risk

In the valuation of liability certain demographic (mortality and attrition rates) assumptions are made. The Company is exposed to this risk to the extent of actual experience eventually being worse compared to the assumptions thereby causing an increase in the plan liability.

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 21: Employee benefit obligations

(i) The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Gratuity (Funded)					Gratuity (Unfunded)	ESB/SP (Unfunded)
	Present Value of obligation	Fair value of Plan assets	Total	Impact of minimum funding requirement / asset ceiling	Net amount	Present Value of obligation	Present Value of obligation
As on 1st April, 2016	**2,035**	**(2,973)**	**(938)**	**-**	**(938)**	**3**	**590**
Current Service Cost	176	-	176	-	176	1	163
Interest Expenses / (Income)	149	(226)	(77)	-	(77)	-	43
(Gains) and Losses on curtailment and settlement	(625)	-	(625)	-	(625)	-	-
Total expense charged to the Statement of Profit and Loss	**(300)**	**(226)**	**(526)**	**-**	**(526)** @	**1** #	**206** #
Remeasurements							
Return on plan assets, excluding amounts included in interest expenses / (income)	-	(6)	(6)	-	(6)	-	-
(Gain) / loss from change in financial assumptions	(190)	-	(190)	-	(190)	-	(84)
Experience (Gains) / losses	621	-	621	-	621	-	-
Change in asset ceiling, excluding amounts included in interest expenses	-	-	-	(20)	(20)	-	-
Total amount recognised in other comprehensive income	**431**	**(6)**	**425**	**(20)**	**405**	**-**	**(84)**
Exchange (Gains) / Loss	-	-	-	-	-	1	(15)
Contributions:							
Benefit Payments	(199)	199	-	-	-	-	(92)
Balance as on 31st March, 2017	**1,967**	**(3,006)**	**(1,039)**	**(20)**	**(1,059)**	**5**	**605**

@ recognised as 'Excess provision for gratuity written back' in Note 19.

recognised under Salaries and wages.

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 21: Employee benefit obligations (Contd..)

(i) The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows: (Contd..)

Particulars	Gratuity (Funded)					Gratuity (Unfunded)	ESB/SP (Unfunded)
	Present Value of obligation	Fair value of Plan assets	Total	Impact of minimum funding requirement / asset ceiling	Net amount	Present Value of obligation	Present Value of obligation
As on 1st April, 2017	**1,967**	**(3,006)**	**(1,039)**	**(20)**	**(1,059)**	**5**	**605**
Current Service Cost	164	-	164	-	164	*	115
Interest Expenses / (Income)	129	(206)	(77)	-	(77)	1	32
(Gains) and Losses on curtailment and settlement	48	-	48	-	48	-	-
Total expense charged to the Statement of Profit and Loss	**341**	**(206)**	**135**	**-**	**135 #**	**1 #**	**147 #**
<u>Remeasurements</u>							
Return on plan assets, excluding amounts included in interest expenses / (income)	-	(11)	(11)	-	(11)	-	-
(Gain) / loss from change in financial assumptions	(54)	-	(54)	-	(54)	*	4
Experience (Gains) / losses	82	-	82	-	82	(3)	-
Change in asset ceiling, excluding amounts included in interest expenses	-	-	-	(20)	(20)	-	-
Total amount recognised in other comprehensive income	**28**	**(11)**	**17**	**(20)**	**(3)**	**(3)**	**4**
Exchange (Gains) / Loss	-	-	-	-	-	-	(5)
Contributions:							
Benefit Payments	(241)	241	-	-	-	-	(297)
Balance as on 31st March, 2018	**2,095**	**(2,982)**	**(887)**	**(40)**	**(927)**	**2**	**454**

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

recognised under Salaries and wages.

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 21: Employee benefit obligations (Contd..)

(ii) The net liability disclosed above relating to funded and unfunded plans are as follows:

Particulars	As at 31st March, 2018	As at 31st March, 2017
Present value of funded obligations	2,095	1,967
Fair value of plan assets	(2,982)	(3,006)
Impact of minimum funding requirement / asset ceiling	(40)	(20)
Surplus of funded plans ##	**(927)**	**(1,059)**
Unfunded plans ###		
- Gratuity	2	5
- ESB / SP	454	605
Net Surplus	**(471)**	**(449)**

recognised under other current assets in Note 9

Recognised under

Particulars	As at 31st March, 2018	As at 31st March, 2017
Non-current Provisions (Refer Note 12)	399	560
Current Provisions (Refer Note 16)	57	50

The estimates of future salary increase, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors. The Company expects to contribute ₹ Nil (F.Y. 2016-17: ₹ Nil) to gratuity fund in the next year as there is net surplus.

(iii) The following table shows a breakdown of the defined benefit obligation and plan assets by location:

Sr No	Particulars	As at 31st March, 2018			As at 31st March, 2017		
		Gratuity (Funded)	Gratuity (Unfunded)	ESB/SP (Unfunded)	Gratuity (Funded)	Gratuity (Unfunded)	ESB/SP (Unfunded)
		India	Foreign	Foreign	India	Foreign	Foreign
(a)	Present value of obligation	2,095	2	454	1,967	5	605
(b)	Fair value of plan assets	(2,982)	-	-	(3,006)	-	-
(c)	Asset ceiling	(40)	-	-	(20)	-	-
	Net liability/ (assets)	**(927)**	**2**	**454**	**(1,059)**	**5**	**605**

(iv) The Principal Actuarial Assumptions are shown below:

Sr No	Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
		Gratuity (Funded)		Gratuity (Unfunded)		ESB/SP (Unfunded)	
	Financial Assumptions :						
(a)	Discount Rate (per annum)	7.62%	7.14%	7.49%	7.10%	7.69%-7.71%	7.2%-7.26%
(b)	Expected Rate of Return on Plan Assets (per annum)	7.14%	7.14%	NA	NA	NA	NA
(c)	Salary Escalation						
	Permanent Employees	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
	Contractual Employees	1.00%	1.00%	-	-	-	-

Demographic Assumptions:

Mortality in service: mortality rates prior to retirement for the valuation were taken from the standard table - Indian Assured Lives Mortality (2006-08) ultimate.

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 21: Employee benefit obligations (Contd..)

(v) Sensitivity analysis

The sensitivity of the overall defined benefit obligation to changes in the weighted principal assumptions are as follows:

Sr No	Particulars	Change in assumption		Increase in assumption		Decrease in assumption	
		As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
(a)	Discount rate (per annum)	(+/-) 1%	(+/-) 1%	(140)	(168)	160	192
(b)	Salary escalation rate (per annum)	(+/-) 1%	(+/-) 1%	172	205	(151)	(181)
(c)	Withdrawal rates	(+/-) 50%	(+/-) 50%	88	105	(100)	(120)
(d)	Mortality rate	(+/-) 10%	(+/-) 10%	3	3	(3)	(4)

The sensitivity analysis above has been determined based on reasonably possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous year.

(vi) The major categories of plan assets are as follows:

Sr No	Particulars	As at 31st March, 2018	As at 31st March, 2017
		Gratuity (funded)	
(a)	**Equity Instruments**		
	Mutual funds	61	33
(b)	**Investment Funds**		
	Central Government Securities	510	648
	State Government Securities	898	803
	Public Sector Securities	595	825
	Private Sector Bonds	688	455
(c)	Cash and cash equivalents	113	128
(d)	Others	117	114
		2,982	**3,006**

(vii) The weighted average duration of the defined benefits obligations (in years):

Sr No	Particulars	As at 31st March, 2018	As at 31st March, 2017
(a)	Gratuity India (Funded)	9.56	9.97
(b)	Gratuity India (Unfunded)	12.58	13.63
(c)	End of Service Benefit / Severance Pay (Unfunded)	10.76 - 15.54	11.39 - 16.07

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 21: Employee benefit obligations (Contd..)

(viii) The expected maturity analysis of undiscounted gratuity (funded), gratuity (unfunded) and end of service benefit / severance pay benefits is as follows:

Particulars	Less than a year	Between 2 to 5 years	Between 6 to 10 years	More than 10 years	Total
31st March, 2018					
Defined Benefit Obligation					
Gratuity (funded)	832	541	728	1,562	3,663
Gratuity (unfunded)	1	*	*	3	4
ESB/SP (Unfunded)	56	128	171	733	1,088
Total	**889**	**669**	**899**	**2,298**	**4,755**
31st March, 2017					
Defined Benefit Obligation					
Gratuity (funded)	592	469	715	1,584	3,360
Gratuity (unfunded)	-	3	1	7	11
ESB/SP (Unfunded)	51	168	232	990	1,441
Total	**643**	**640**	**948**	**2,581**	**4,812**

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

(ix) Provident Fund

Provident Fund contributions in respect of certain employees are made to Trust administered by the Company and such Trust invests funds following a pattern of investments prescribed by the Government. Both the employer and employee contribute to this Fund and such contributions together with interest accumulated thereon are payable to employees at the time of their separation from the Company or retirement, whichever is earlier. The benefit vests immediately on rendering of services by the employee. The interest rate payable to the members of the Trust is not lower than the rate of interest declared annually by the Government under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, on account of interest is to be made good by the Company.

The Actuary has carried out actuarial valuation of interest rate guarantee obligations as at the Balance Sheet date using Projected Unit Credit Method and Deterministic Approach as outlined in the Guidance Note 29 issued by the Institute of Actuaries of India. Based on such valuation, there is no future anticipated shortfall with regard to interest rate guarantee obligation of the Company as at the balance sheet date. Further during the year, the Company's contribution of ₹ 410 (F.Y. 2016-17: ₹ 399) to the Provident Fund Trust, has been expensed under "Contribution to Provident and Other Funds". Disclosures given hereunder are restricted to the information available as per the Actuary's report.

Principal Actuarial Assumptions	As at 31st March, 2018	As at 31st March, 2017
Discount Rate	7.64%	7.14%
Expected Investment Return	9.41%	9.41%
Guaranteed Interest Rate	8.55%	8.65%

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 21: Employee benefit obligations (Contd..)

(x) The Company Liabilities for sick and earned leave.

Particulars	As at 31st March, 2018	As at 31st March, 2017
Current leave obligations expected to be settled within the next 12 months	211	198

Note 22: Finance Costs

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Interest Expenses	45,814	43,366
Other Borrowing Costs	1,272	1,173
Total	**47,086**	**44,539**

Note 23: Depreciation and Amortisation Expense

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Depreciation of property, plant and equipment	18,194	19,711
Amortisation of intangible assets	150	64
Total	**18,344**	**19,775**

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 24: Other Expenses

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Consumption of stores and spare parts	8,749	10,662
Power and Fuel	14,127	9,991
Rent	9,708	9,971
Repairs to buildings	51	94
Repairs to machinery	9,804	9,462
Repairs to Others	2,010	1,301
Insurance	1,928	2,764
Rates and taxes	3,584	186
Sub-Contractors' Charges	1,63,060	1,73,405
Equipment Hire Charges	13,392	13,580
Bad Debts / Advances written off [Net of allowance for doubtful debts and advances adjusted ₹ 2,232 (F.Y. 2016-17: ₹ Nil)]	5,901	9,269
Freight and Transport	4,012	3,314
Net loss on foreign currency transactions [Refer (a) below]	1,438	109
Net Loss on disposal of property, plant and equipment	126	428
Expenditure incurred as Corporate social responsibility activities [Refer (b) below]	194	213
Bank Charges	1	*
Net losses on derivatives not designated as hedge [Net of derivative gain of ₹ Nil (F.Y. 2016-17: ₹ 267)]	76	1,250
Miscellaneous Expenses [Refer (c) below]	29,399	37,483
Total	**2,67,560**	**2,83,482**

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

(a) Includes amortisation of Foreign Currency Monetary Item Translation Difference ₹ Nil (F.Y. 2016-17: ₹ 130).

(b) Expenditure incurred as Corporate social responsibility activities:

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
(i) Construction/acquisition of any Assets	-	-
(ii) On purposes other than (i) above	194	213
Total	**194**	**213**

Amount required to be spent as per Section 135 of the Act is ₹ 193 (F.Y. 2016-17: ₹ 204).

(c) Details of Auditors' Remuneration and out-of-pocket expenses is as below:

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Auditors' Remuneration and out-of-pocket expenses		
(i) As auditors #	124	173
(ii) For other services	23	30
(iii) Out-of-pocket expenses	6	2
Total	**153**	**205**

including ₹ Nil (F.Y. 2016-17: ₹ 8) relating to earlier year.

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 25: Income tax expense

This Note provides an analysis of the Company's income tax expense and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Company's tax positions.

		For the year ended 31st March, 2018	For the year ended 31st March, 2017
(a)	**Income tax expense**		
	Current tax		
	Current tax on profits for the year	4,251	4,198
	Excess Current Tax provision for earlier years written back (net)	(2,283)	(3,283)
	Total current tax expense	**1,968**	**915**
	Deferred tax	1,429	516
	Income tax expense	**3,397**	**1,431**
	Refer Note 37 on Income Computation and Disclosure Standards (ICDS).		
(b)	**Reconciliation of tax charge as per Statutory rate of tax and effective rate of tax for the Company:**		
	Profit before income tax	15,092	13,458
	Enacted Tax rates in India (%)	34.608	34.608
	Computed expected tax expense	5,223	4,658
	Tax effect due to non-taxable income for Indian tax purposes	-	(345)
	Excess Current Tax provision for earlier years written back (net)	(2,283)	(3,283)
	Effect of non-deductible expenses	80	617
	Others	377	(216)
	Income tax expense	**3,397**	**1,431**

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 26: Fair value measurements

Financial instruments by category

Particulars	Note	As at 31st March, 2018			As at 31st March, 2017		
		FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
Financial assets							
Investments							
- Equity instruments	4(a)	*	1,928	-	*	1,684	-
- Mutual Funds	7(a)	-	-	-	229	-	-
- Government or Trust Securities	7(a)	-	-	*	-	-	*
Trade receivables	7(b)	-	-	1,45,077	-	-	1,52,939
Cash and Cash equivalents	7(c)	-	-	9,920	-	-	2,024
Bank balances other than above	7(d)	-	-	574	-	-	1,269
Loans	7(e)	-	-	22,013	-	-	14,273
Derivatives							
- Foreign-exchange forward contracts	7(f)	58	-	-	267	-	-
Other financial assets	4(b) & 7(f)	-	-	33,326	-	-	33,505
Total Financial Assets		**58**	**1,928**	**2,10,910**	**496**	**1,684**	**2,04,010**
Financial liabilities							
Borrowings (including current maturities or payables of non-current borrowings)	11,14(a) & 14(c)	-	-	3,61,179	-	-	3,32,539
Trade payables	14(b)	-	-	1,98,688	-	-	1,71,185
Derivatives							
- Foreign exchange forward contracts	14(c)	34	-	-	751	-	-
- Interest rate swaps	14(c)	57	-	-	133	-	-
Other financial liabilities	14(c)	-	-	32,546	-	-	31,375
Total Financial Liabilities		**91**	**-**	**5,92,413**	**884**	**-**	**5,35,099**

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

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 26: Fair value measurements (Contd..)

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements	Note	As at 31st March, 2018				As at 31st March, 2017			
		Level I	Level II	Level III	Total	Level I	Level II	Level III	Total
Financial assets									
Financial Investments at FVPL									
Investments									
- Equity instruments	4(a)	-	-	*	*	-	-	*	*
- Mutual Funds	7(a)	-	-	-	-	229	-	-	229
Derivatives - foreign exchange forward contract	7(f)	-	58	-	58	-	267	-	267
Financial Investments at FVOCI									
Investments									
- Equity instruments	4(a)	1,928	-	-	1,928	1,684	-	-	1,684
Total Financial Assets		**1,928**	**58**	*****	**1,986**	**1,913**	**267**	*****	**2,180**
Financial liabilities									
Derivatives									
- Foreign-exchange forward contracts	14(c)	-	34	-	34	-	751	-	751
- Interest rate swaps	14(c)	-	57	-	57	-	133	-	133
Total Financial Liabilities		**-**	**91**	**-**	**91**	**-**	**884**	**-**	**884**

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

Level I: Level I hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, Mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The Mutual funds are valued using the closing NAV.

Level II: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level II.

Level III: If one or more of the significant inputs is not based on observable market data, the instrument is included in level III.

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 26: Fair value measurements (Contd..)

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

1. The fair values of investment in quoted equity instruments is based on the current market price of respective instruments as at the Balance Sheet date.
2. The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.
3. The fair values of the derivative financial instruments have been received from the respective Banks which has been determined by using valuation techniques with market observable inputs at the end of each reporting dates.

(iii) Fair value of financial assets and liabilities measured at amortised cost

Borrowings measured at amortised cost for which fair value are disclosed	As at 31st March, 2018		As at 31st March, 2017	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial liabilities				
Non-current and current				
Borrowings (including current maturities or payables of non-current borrowings)	3,61,179	3,64,479	3,32,539	3,35,656
Total Financial Liabilities	**3,61,179**	**3,64,479**	**3,32,539**	**3,35,656**

The carrying amount of financial assets and liabilities other than borrowings measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled. The fair values for the same were calculated based on cash flows discounted using a current lending rate. They are classified as level III fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

The fair values of borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level III fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Note 27: Financial Risk Management

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

(A) Credit risk

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

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

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 27: Financial Risk Management (Contd..)

Trade receivables includes Government and Non-Government customers and diversified in various construction verticals and geographies. All trade receivables are reviewed and assessed on a quarterly basis.

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

(i) Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Company focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

(ii) Allowance for expected credit losses

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

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

(a) the contractual cash flows that are due to an entity under the contract; and

(b) the cash flows that the entity expects to receive

The Company recognises in profit and loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date in accordance with Ind AS 109.

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the creditworthiness of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

In determination of the allowances for credit losses on trade receivables, the Company has used a practical expedience by computing the expected credit losses based on ageing matrix, which has taken into account historical credit loss experience and adjusted for forward looking information.

(iii) The movement of Trade Receivables and Allowance for Expected Credit Loss thereto are as follows:

Particulars	Note	As at 31st March, 2018	As at 31st March, 2017
Trade Receivables (Gross)	7(b)	1,54,511	1,69,078
Less: Allowances for Expected Credit Loss	7(b)	9,434	16,139
Trade Receivables (Net)		**1,45,077**	**1,52,939**

(iv) The movement of Loans to Employees and Allowance for Expected Credit Loss thereto are as follows:

Particulars	Note	As at 31st March, 2018	As at 31st March, 2017
Loan to Employees (Gross)	7(e)	906	1,502
Less: Allowances for Expected Credit Loss	7(e)	69	69
Loan to Employees (Net)		**837**	**1,433**

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 27: Financial Risk Management (Contd..)

(v) The movement of Security Deposit and Allowance for Expected Credit Loss thereto are as follows:

Particulars	Note	As at 31st March, 2018	As at 31st March, 2017
Security Deposit (Gross)	4(b) & 7(f)	7,499	7,566
Less: Allowances for Expected Credit Loss	7(f)	32	32
Security Deposit (Net)		**7,467**	**7,534**

(vi) The movement of Claim Recoverable and Allowance for Expected Credit Loss thereto are as follows:

Particulars	Note	As at 31st March, 2018	As at 31st March, 2017
Claim Recoverable (Gross)	7(f)	13,698	13,865
Less: Allowances for Expected Credit Loss	7(f)	226	230
Claim Recoverable (Net)		**13,472**	**13,635**

(vii) The movement of Deposit for Contract and Allowance for Expected Credit Loss thereto are as follows:

Particulars	Note	As at 31st March, 2018	As at 31st March, 2017
Deposit for Contract (Gross)	4(b) & 7(f)	1,516	2,721
Less: Allowances for Expected Credit Loss	7(f)	38	87
Deposit for Contract (Net)		**1,478**	**2,634**

(viii) The movement of Due from Subsidiary and Allowance for Expected Credit Loss thereto are as follows:

Particulars	Note	As at 31st March, 2018	As at 31st March, 2017
Due from Subsidiary (Gross)	7(f)	524	588
Less: Allowances for Expected Credit Loss	7(f)	446	446
Due from Subsidiary (Net)		**78**	**142**

(ix) Reconciliation of Allowance for Expected Credit Loss:

	Trade Receivable	Loan to Employees	Security Deposit	Claim Recoverable	Deposit for Contract	Due from Subsidiary	Total
Allowance for Expected Credit Loss as on 31st March, 2016	**23,432**	**71**	**33**	**239**	**82**	**446**	**24,303**
Net Reversal of Allowance for Expected Credit Loss	(7,293)	(2)	(1)	(9)	5	-	(7,300)
Allowance for Expected Credit Loss as on 31st March, 2017	**16,139**	**69**	**32**	**230**	**87**	**446**	**17,003**
Net Reversal of Allowance for Expected Credit Loss	(4,473)	-	-	(4)	(49)	-	(4,526)
Bad Debts / Advances written off	(2,232)	-	-	-	-	-	(2,232)
Allowance for Expected Credit Loss as on 31st March, 2018	**9,434**	**69**	**32**	**226**	**38**	**446**	**10,245**

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 27: Financial Risk Management (Contd..)

(B) Liquidity risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The Company manages the liquidity risk by maintaining adequate funds in cash and cash equivalents and short term investments in mutual funds. The Company maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended 31st March, 2018 and 31st March, 2017. The Company also has adequate credit facilities agreed with banks to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost-effective manner.

The following table shows the maturity analysis of the Company's derivative and non-derivative financial liabilities based on contractually agreed undiscounted cash flows.

As at 31st March, 2018

Contractual maturities of financial liabilities	Note	Within 1 Year	Between 1 and 2 years	Between 2 and 4 years	4 Years and above	Total
Non-derivatives						
Borrowings (including current maturities or payables of non-current borrowings) [Refer (a) below]	11,14(a) & 14(c)	3,06,296	28,937	24,707	2,262	3,62,202
Trade payables	14(b)	1,98,688	-	-	-	1,98,688
Other financial liabilities	14(c)	32,546	-	-	-	32,546
Total non-derivative liabilities		**5,37,530**	**28,937**	**24,707**	**2,262**	**5,93,436**
Derivatives (Not designated as hedge)						
- Foreign exchange forward contracts	14(c)	34	-	-	-	34
- Interest rate swaps	14(c)	57	-	-	-	57
Total derivative liabilities		**91**	**-**	**-**	**-**	**91**

As at 31st March, 2017

Contractual maturities of financial liabilities	Note	Within 1 Year	Between 1 and 2 years	Between 2 and 4 years	4 Years and above	Total
Non-derivatives						
Borrowings (including current maturities or payables of non-current borrowings) [Refer (a) below]	11,14(a) & 14(c)	2,69,755	8,470	29,922	25,712	3,33,859
Trade payables	14(b)	1,71,185	-	-	-	1,71,185
Other financial liabilities	14(c)	31,375	-	-	-	31,375
Total non-derivative liabilities		**4,72,315**	**8,470**	**29,922**	**25,712**	**5,36,419**
Derivatives (Not designated as hedge)						
- Foreign exchange forward contracts	14(c)	751	-	-	-	751
- Interest rate swaps	14(c)	-	133	-	-	133
Total derivative liabilities		**751**	**133**	**-**	**-**	**884**

(a) The carrying amount of Borrowings (including current maturities or payables of non-current borrowings) is ₹ 361,179 (31st March, 2017: ₹ 332,539).

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 27: Financial Risk Management (Contd..)

(C) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk.

The sensitivity analyses in the following sections relate to the position as at 31st March, 2018 and 31st March, 2017.

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant. The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31st March, 2018 and 31st March, 2017.

a) **Interest rate risk:** Interest rate risk is measured by using cash flow sensitivity for changes in variable interest rate. Any movement in the reference rates could have an impact on the Company's cash flow as well as cost. The management is focused towards reducing the volatility due to interest rates, which is reflected in proportion of variable interest rate borrowing to total borrowing.

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

	As at 31st March, 2018	%	As at 31st March, 2017	%
Variable rate borrowings	26,924	7%	64,533	19%
Fixed rate borrowings	3,34,255	93%	2,68,006	81%
Total borrowings	**3,61,179**	**100%**	**3,32,539**	**100%**

Working Capital Loan from Banks which are linked with one year fixed Marginal Cost of funds based Lending Rate (MCLR) of respective Banks are considered as Fixed rate borrowings and Working Capital Loans from Banks which are linked with base rates of respective Banks are considered as Variable rate Borrowings.

Sensitivity: A change of 50 bps in interest rates of variable rate borrowings would have following impact before tax on profit and equity:

Particulars	FY 2017-18	FY 2016-17
50 bps increase would decrease the equity and profit before tax by	(135)	(323)
50 bps decrease would Increase the equity and profit before tax by	135	323

b) **Foreign currency risk:** Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. The Company generally enters into forward exchange contracts to hedge against its foreign currency exposures relating to the recognised underlying liabilities / assets and firm commitments. The Company's policy is to hedge its exposures other than natural hedge. The Company does not enter into any derivative instruments for trading or speculative purposes.

Sensitivity: A change of 3% in Foreign currency would have following impact before tax on profit and equity:

Amount in ₹ Lakhs

Particulars	FY 2017-18		FY 2016-17	
	3% Increase	3% Decrease	3% Increase	3% Decrease
USD	24	(24)	347	(347)
LYD	15	(15)	14	(14)
AED	*	(*)	*	(*)
BDT	1	(1)	1	(1)
EURO	*	(*)	*	(*)
Total	**40**	**(40)**	**362**	**(362)**

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 27: Financial Risk Management (Contd..)

c) **Other price risk:** The Company's exposure to securities price risk arises from investments in mutual funds and equity instruments held by the Company and classified in the balance sheet as FVPL and FVOCI respectively.

Sensitivity: The sensitivity of other comprehensive income to changes in BSE Index of the Company's equity instruments as at year end:

Amount in ₹ Lakhs

Particulars	FY 2017-18	FY 2016-17
5% increase in BSE Sensex 30 would increase the other comprehensive income by	96	84
5% decrease in BSE Sensex 30 would decrease the other comprehensive income by	(96)	(84)

The sensitivity of profit and loss to changes in Net Asset Value (NAVs) as at year end for investments in mutual funds.

Amount in ₹ Lakhs

Particulars	FY 2017-18	FY 2016-17
5% increase in NAV would increase the equity and profit before tax by	-	11
5% decrease in NAV would decrease the equity and profit before tax by	-	(11)

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

Note 28: Capital Management

(a) Risk management

The Company's objectives when managing capital are to

- safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Management regularly monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents) divided by Total 'equity' (as shown in the balance sheet).

The Company's strategy is to maintain a gearing ratio within 2.50. The gearing ratios were as follows:

	As at 31st March, 2018	As at 31st March, 2017
Net debt	3,51,259	3,30,515
Total equity	1,63,457	1,53,030
Net debt to equity ratio	**2.15**	**2.16**

The debt capital is subject to usual debt covenants, such as timely servicing of debts, maintaining adequate security coverage and appropriate gearing ratios etc. as may be specified by the lenders from time to time. The Company has complied with these covenants during the year.

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 28: Capital Management (Contd..)

(b) Dividends

		As at 31st March, 2018	As at 31st March, 2017
(i)	Equity shares Final dividend for the year ended 31st March, 2017 of ₹ 0.50 (31st March, 2016: ₹ 0.50) per fully paid share	247	247
(ii)	Dividends not recognised at the end of the reporting period The directors have recommended the payment of a final dividend of ₹ 0.50 per fully paid equity share (31st March, 2017: ₹ 0.50). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	283	247

Note 29: Segment Information

Description of segments and principal activities

The Company's chief operating decision making group [CODMG] (as set out in note 1.2), examines the Company's performance both from business, geographical perspective and has identified two reportable business segments viz. Construction and Others which comprises oil drilling services, real estate and hiring of plant and equipment. Segment disclosures are consistent with the information provided to CODMG which primarily uses operating profit/ loss of the respective segments to assess their performance. CODMG also periodically receives information about the segments revenue and assets.

(a) Summarised Segment information

Particulars	Construction	Others	Total
External Sales (i.e. Revenue from Operations) #	**5,68,186**	**8,435**	**5,76,621**
	5,52,464	*8,287*	*5,60,751*
Other Income	**8,944**	**-**	**8,944**
	12,444	*-*	*12,444*
Segment Revenue #	**5,77,130**	**8,435**	**5,85,565**
	5,64,908	*8,287*	*5,73,195*
Segment Result	**64,114**	**3,144**	**67,258**
	59,194	*3,782*	*62,976*

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

(b) Specified amounts included in Segment Results

Particulars	Construction	Others	Total
Depreciation and Amortisation	**17,781**	**546**	**18,327**
	19,241	*516*	*19,757*
Net Foreign Exchange loss / (gain)	**(141)**	**(44)**	**(185)**
	(72)	*(41)*	*(113)*
Net Non cash expense / (income) other than depreciation and amortisation	**(3,200)**	**-**	**(3,200)**
	(2,548)	*-*	*(2,548)*

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 29: Segment Information (Contd..)

(c) Reconciliation of Segment Results with Profit after tax

Particulars	Construction	Others	Total
Segment Results	**64,114**	**3,144**	**67,258**
	59,194	*3,782*	*62,976*
Finance Costs	**-**	**-**	**(47,086)**
	-	-	*(44,539)*
Corporate Unallocated (net)	**-**	**-**	**(5,080)**
	-	-	*(4,979)*
Provision for Taxation - Current Tax (Net of Excess Current Tax provision for earlier years written back)	**-**	**-**	**(1,968)**
	-	-	*(915)*
Provision for Taxation - Deferred Tax	**-**	**-**	**(1,429)**
	-	-	*(516)*
Profit after tax as per Financial Statements	**-**	**-**	**11,695**
	-	-	*12,027*

(d) Other information

Particulars	Construction	Others	Total
Segment Assets	**8,68,163**	**18,539**	**8,86,702**
	8,01,877	*16,820*	*8,18,697*
Corporate Unallocated (net)	**-**	**-**	**34,731**
	-	-	*23,065*
Total Assets	**8,68,163**	**18,539**	**9,21,433**
	8,01,877	*16,820*	*8,41,762*
Segment Liabilities	**3,72,332**	**3,946**	**3,76,278**
	3,30,786	*3,177*	*3,33,963*
Corporate Unallocated (net)	**-**	**-**	**3,81,698**
	-	-	*3,54,769*
Total liabilities	**3,72,332**	**3,946**	**7,57,976**
	3,30,786	*3,177*	*6,88,732*
Addition to Non-current assets (other than financial instruments, deferred tax assets and net defined benefit plan assets).	**11,332**	**337**	**11,669**
	10,195	*4*	*10,199*

Figures as of and for the year ended 31st March, 2017 have been presented in italics.

(e) Additional Segment Information - By geography

	As at 31st March, 2018				As at 31st March, 2017			
	India	Other Asian Countries	Africa	Total	India	Other Asian Countries	Africa	Total
Segment Revenue - External *	5,33,053	52,372	140	5,85,565	4,83,562	88,965	668	5,73,195
Carrying cost of segment non-current assets **@	1,00,785	9,403	417	1,10,605	96,858	15,430	628	1,12,916

* Based on location of customers.

** Excluding financial assets, deferred tax assets and post employment benefit assets.

@ Based on geographical location of assets.

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 30: Related party transactions

Related Party Disclosures pursuant to Ind AS 24 prescribed under the Act.

Names of Related Parties		Relationship
(a)	**Where control exists:**	
	Subsidiaries	Simplex (Middle East) Limited
		Simplex Infrastructures Libya Joint Venture Co
		Simplex Infra Development Private Limited (Formerly Simplex Infra Development Limited)
		Maa Durga Expressways Private Limited
		Jaintia Highway Private Limited
		Simplex (Bangladesh) Private Limited
		PC Patel Mahalaxmi Simplex Consortium Pvt. Ltd. $
(b)	**Others with whom transactions were carried out during the year etc. :**	
	Associates	Shree Jagannath Expressways Private Limited
		Raichur Sholapur Transmission Company Private Limited
		Simplex Infrastructures LLC
	Joint Ventures	Simplex Almoayyed WLL
		Arabian Construction Co- Simplex Infra Pvt. Ltd.
	Key Management Personnels (KMP)	**Executive Directors**
		Mr. Rajiv Mundhra
		Mr. S. Dutta
		Mr. A. K. Chatterjee #
		Mr. A. N. Basu ##
		Mr. D. N. Basu ###
		Non-executive Directors
		Mr. Ashutosh Sen
		Mr. N. N. Bhattacharyya
		Ms. Leena Ghosh
		Mr. Sheo Kishan Damani
		Mr. Amitabh Das Mundhra #
		Company Secretary
		Mr. B. L. Bajoria
	Relatives of KMP	Mrs. Yamuna Mundhra
		Mrs. Savita Bagri
		Mrs. Sarmistha Dutta
		Mr. Subhabrata Dutta
		Mr. Sumit Dutta
		Mrs. Anuja Mundhra
		Mrs. Savita Mundhra
		Master Shreyan Mundhra
		Mr. B. D. Mundhra
		Mr. Amitabh Das Mundhra ##

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 30: Related party transactions (Contd..)

Related Party Disclosures pursuant to Ind AS 24 prescribed under the Act. (Contd..)

Names of Related Parties	Relationship
Entities controlled by Director or relatives of Director	Giriraj Apartments Pvt. Ltd.
	Mundhra Estates
	Safe Builders
	RBS Credit & Financial Developments Private Limited
	Anupriya Consultants Private Limited
	Baba Basuki Distributors Private Limited
	Asnew Finance & Investment Private Limited
	Anjali Tradelink Private Limited
	Universal Earth Engineering Consultancy Services Private Limited
	Varuna Multifin Pvt. Ltd.
	East End Trading & Engineering Co. Pvt. Ltd.
	Ajay Merchants Pvt. Ltd.
	Sandeepan Exports (P) Ltd.
	Simplex Technologies Pvt. Ltd
	Regard Fin-Cap Private Limited
	JMS Mining Services Pvt Ltd
	Salarpuria Simplex Dwelling LLP
	Raseshwar Engineers & Consultants Pvt. Ltd.
	Simplex Infra Properties Pvt Limited
Post employment benefit plan entity	Simplex Infrastructures Gratuity Fund
	Simplex Employees Provident fund

$ with effect from 17th November, 2017

up to 20th September, 2016

with effect from 21st September, 2016

with effect from 21st November, 2016

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

Note 30: Related party transactions (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

(c) Transactions with related parties

	Associates		Subsidiaries		Joint Ventures		Key Management Personnel		Relative of Key Management Personnel		Entities controlled by Director or relatives of Director		Post employment benefit plan entity		Total	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Dividend Paid																
Giriraj Apartments Pvt Ltd	-	-	-	-	-	-	-	-	-	-	*	*	-	-	*	*
RBS Credit & Financial Developments Private Limited	-	-	-	-	-	-	-	-	-	-	24	24	-	-	24	24
Anupriya Consultants Private Limited	-	-	-	-	-	-	-	-	-	-	36	35	-	-	36	35
Baba Basuki Distributors Private Limited	-	-	-	-	-	-	-	-	-	-	12	11	-	-	12	11
Asnew Finance & Investment Private Limited	-	-	-	-	-	-	-	-	-	-	-	1	-	-	-	1
Simplex Infra Properties Pvt Limited	-	-	-	-	-	-	-	-	-	-	1	-	-	-	1	-
Anjali Tradelink Private Limited	-	-	-	-	-	-	-	-	-	-	4	4	-	-	4	4
Universal Earth Engineering Consultancy Private Limited	-	-	-	-	-	-	-	-	-	-	1	1	-	-	1	1
Varuna Multifin Pvt Ltd	-	-	-	-	-	-	-	-	-	-	-	1	-	-	-	1
East End Trading & Engineering Co Pvt. Ltd	-	-	-	-	-	-	-	-	-	-	6	6	-	-	6	6
Ajay Merchants Pvt. Ltd.	-	-	-	-	-	-	-	-	-	-	*	*	-	-	*	*
Sandeepan Exports (P) Ltd.	-	-	-	-	-	-	-	-	-	-	5	5	-	-	5	5
Regard Fin-Cap Private Limited	-	-	-	-	-	-	-	-	-	-	1	1	-	-	1	1
Rasheshwar Engineers & Consultants Pvt. Ltd.	-	-	-	-	-	-	-	-	-	-	*	*	-	-	*	*
JMS Mining Services Pvt Ltd	-	-	-	-	-	-	-	-	-	-	2	2	-	-	2	2
Mr. Rajiv Mundhra	-	-	-	-	-	-	9	9	-	-	-	-	-	-	9	9
Mr. S. Dutta	-	-	-	-	-	-	*	*	-	-	-	-	-	-	*	*
Mr. Amitabh Das Mundhra	-	-	-	-	-	-	-	10	10	-	-	-	-	-	10	10
Mr. A. K. Chatterjee	-	-	-	-	-	-	-	*	-	-	-	-	-	-	-	*
Mrs. Yamuna Mundhra	-	-	-	-	-	-	-	-	11	11	-	-	-	-	11	11
Mrs. Savita Bagri	-	-	-	-	-	-	-	-	*	*	-	-	-	-	*	*
Mrs. Anuja Mundhra	-	-	-	-	-	-	-	-	*	*	-	-	-	-	*	*
Master Shreyan Mundhra	-	-	-	-	-	-	-	-	*	*	-	-	-	-	*	*
Mr. B. D. Mundhra	-	-	-	-	-	-	-	-	15	15	-	-	-	-	15	15
	-	-	-	-	-	-	9	19	36	26	92	91	-	-	137	136
Contract Revenue Billed																
Salarpuria Simplex Dwellings LLP	-	-	-	-	-	-	-	-	-	-	-	548	-	-	-	548
Shree Jagannath Expressways Private Limited	2,174	4,430	-	-	-	-	-	-	-	-	-	-	-	-	2,174	4,430
Arabian Construction Co- Simplex Infra Private Limited	-	-	-	-	-	86	-	-	-	-	-	-	-	-	-	86
	2,174	4,430	-	-	-	86	-	-	-	-	-	548	-	-	2,174	5,064
Dividend Income																
Simplex Almoayyed WLL	-	-	-	-	81	-	-	-	-	-	-	-	-	-	81	-
	-	-	-	-	81	-	-	-	-	-	-	-	-	-	81	-

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

Note 30: Related party transactions (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

(c) Transactions with related parties (Contd..)

	Associates		Subsidiaries		Joint Ventures		Key Management Personnel		Relative of Key Management Personnel		Entities controlled by Director or relatives of Director		Post employment benefit plan entity		Total	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Net Loans and Advances taken / (repaid)																
Simplex Infrastructures L.L.C	-	(1,678)	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,678)
JMS Mining Services Pvt Ltd	-	-	-	-	-	-	-	-	-	-	(1,200)	2,700	-	-	(1,200)	2,700
	-	(1,678)	-	-	-	-	-	-	-	-	(1,200)	2,700	-	-	(1,200)	1,022
Loans given / (repaid)																
Shree Jagannath Expressways Private Limited	574	2,053	-	-	-	-	-	-	-	-	-	-	-	-	574	2,053
Raichur Sholapur Transmission Company Private Limited	(36)	36	-	-	-	-	-	-	-	-	-	-	-	-	(36)	36
Simplex Infrastructures L.L.C	8,940	3,417	-	-	-	-	-	-	-	-	-	-	-	-	8,940	3,417
	9,478	5,506	-	-	-	-	-	-	-	-	-	-	-	-	9,478	5,506
Miscellaneous Receipts																
Simplex Infrastructures L.L.C	394	521	-	-	-	-	-	-	-	-	-	-	-	-	394	521
JMS Mining Services Pvt Ltd	-	-	-	-	-	-	-	-	-	-	17	-	-	-	17	-
Simplex Bangladesh Pvt Ltd	-	-	-	3	-	-	-	-	-	-	-	-	-	-	-	3
	394	521	-	3	-	-	-	-	-	-	17	-	-	-	411	524
Contribution during the year																
Simplex Employees Provident Fund	-	-	-	-	-	-	-	-	-	-	-	-	410	399	410	399
Simplex Infrastructures Gratuity Fund	-	-	-	-	-	-	-	-	-	-	-	-	132	-	132	-
	-	-	-	-	-	-	-	-	-	-	-	-	542	399	542	399
Rent																
Giriraj Apartments Pvt Ltd	-	-	-	-	-	-	-	-	-	-	3	2	-	-	3	2
Mundhra Estate	-	-	-	-	-	-	-	-	-	-	9	4	-	-	9	4
Safe Builders	-	-	-	-	-	-	-	-	-	-	3	3	-	-	3	3
Mrs. Yamuna Mundhra	-	-	-	-	-	-	-	-	2	1	-	-	-	-	2	1
Mr. Subhabrata Dutta	-	-	-	-	-	-	-	-	3	3	-	-	-	-	3	3
Mrs. Sarmistha Dutta	-	-	-	-	-	-	-	-	3	3	-	-	-	-	3	3
Mr. Sumit Dutta	-	-	-	-	-	-	-	-	3	3	-	-	-	-	3	3
	-	-	-	-	-	-	-	-	11	10	15	9	-	-	26	19
Interest income from financial assets at amortised cost																
Shree Jagannath Expressways Private Limited	644	436	-	-	-	-	-	-	-	-	-	-	-	-	644	436
Raichur Sholapur Transmission Company Private Limited	3	1	-	-	-	-	-	-	-	-	-	-	-	-	3	1
Simplex Infrastructures L.L.C	623	72	-	-	-	-	-	-	-	-	-	-	-	-	623	72
	1,270	509	-	-	-	-	-	-	-	-	-	-	-	-	1,270	509
Equipment Hire Charges																
Simplex Infrastructures L.L.C	632	876	-	-	-	-	-	-	-	-	-	-	-	-	632	876
	632	876	-	-	-	-	-	-	-	-	-	-	-	-	632	876
Managerial Remuneration #																
Mr. Rajiv Mundhra	-	-	-	-	-	-	97	62	-	-	-	-	-	-	97	62
Mr. S. Dutta	-	-	-	-	-	-	45	41	-	-	-	-	-	-	45	41
Mr. A. K. Chatterjee	-	-	-	-	-	-	-	33	-	-	-	-	-	-	-	33
Mr. A. N. Basu	-	-	-	-	-	-	90	44	-	-	-	-	-	-	90	44
Mr. D. N. Basu	-	-	-	-	-	-	40	13	-	-	-	-	-	-	40	13
Mr. B. L. Bajoria	-	-	-	-	-	-	23	22	-	-	-	-	-	-	23	22
	-	-	-	-	-	-	295	215	-	-	-	-	-	-	295	215

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

Note 30: Related party transactions (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

(c) Transactions with related parties (Contd..)

	Associates		Subsidiaries		Joint Ventures		Key Management Personnel		Relative of Key Management Personnel		Entities controlled by Director or relatives of Director		Post employment benefit plan entity		Total	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Sitting Fees																
Mr. Asutosh Sen	-	-	-	-	-	-	2	2	-	-	-	-	-	-	2	2
Mr. N. N. Bhattacharjee	-	-	-	-	-	-	3	3	-	-	-	-	-	-	3	3
Ms. Leena Ghosh	-	-	-	-	-	-	1	1	-	-	-	-	-	-	1	1
Mr. Sheo Kishan Damani	-	-	-	-	-	-	1	2	-	-	-	-	-	-	1	2
Mr. Amitabh Das Mundhra	-	-	-	-	-	-	-	1	-	-	-	-	-	-	-	1
	-	-	-	-	-	-	7	9	-	-	-	-	-	-	7	9
Reimbursement / (Recovery) of expense (Net)																
Giriraj Apartments Pvt Ltd	-	-	-	-	-	-	-	-	-	-	3	5	-	-	3	5
Salarpuria Simplex Dwellings LLP	-	-	-	-	-	-	-	-	-	-	(48)	(48)	-	-	(48)	(48)
JMS Mining Services Pvt Ltd	-	-	-	-	-	-	-	-	-	-	6	34	-	-	6	34
Simplex Infra Development Private Limited	-	-	*	16	-	-	-	-	-	-	-	-	-	-	*	16
Maa Durga Expressways Private Limited	-	-	*	*	-	-	-	-	-	-	-	-	-	-	*	*
Jaintia Highway Pvt. Ltd.	-	-	*	10	-	-	-	-	-	-	-	-	-	-	*	10
Simplex Bangladesh Pvt Ltd	-	-	-	79	-	-	-	-	-	-	-	-	-	-	-	79
Shree Jagannath Expressways Private Limited	68	5	-	-	-	-	-	-	-	-	-	-	-	-	68	5
Raichur Sholapur Transmission Company Private Limited	7	(5)	-	-	-	-	-	-	-	-	-	-	-	-	7	(5)
Arabian Construction Co- Simplex Infra Private Limited	-	-	-	-	1	(148)	-	-	-	-	-	-	-	-	1	(148)
Simplex Infrastructures L.L.C	35	-	-	-	-	-	-	-	-	-	-	-	-	-	35	-
	110	-	*	105	1	(148)	-	-	-	-	(39)	(9)	-	-	72	(52)
Advance given/(refund)																
Simplex Infrastructures L.L.C	-	5,019	-	-	-	-	-	-	-	-	-	-	-	-	-	5,019
Simplex Infra Development Private Limited	-	-	1	-	-	-	-	-	-	-	-	-	-	-	1	-
Arabian Construction Co- Simplex Infra Private Limited	-	-	-	-	1	-	-	-	-	-	-	-	-	-	1	-
Simplex Middle East Limited	-	-	3	2	-	-	-	-	-	-	-	-	-	-	3	2
	-	5,019	4	2	1	-	-	-	-	-	-	-	-	-	5	5,021
Sale of Fixed Assets																
Simplex Bangladesh Pvt Ltd	-	-	-	31	-	-	-	-	-	-	-	-	-	-	-	31
	-	-	-	31	-	-	-	-	-	-	-	-	-	-	-	31
Investment made during the year																
Simplex Infra Development Private Limited	-	-	-	878	-	-	-	-	-	-	-	-	-	-	-	878
PC Patel Mahalaxmi Simplex Consortium Pvt. Ltd.	-	-	5	-	-	-	-	-	-	-	-	-	-	-	5	-
	-	-	5	878	-	-	-	-	-	-	-	-	-	-	5	878
Sub-contracting Charges																
Simplex Bangladesh Pvt Ltd	-	-	-	1,140	-	-	-	-	-	-	-	-	-	-	-	1,140
	-	-	-	1,140	-	-	-	-	-	-	-	-	-	-	-	1,140
Guarantees Given/(released)(net)																
Shree Jagannath Expressways Private Limited	(2,490)	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,490)	-
Raichur Sholapur Transmission Company Private Limited	(2,783)	(554)	-	-	-	-	-	-	-	-	-	-	-	-	(2,783)	(554)
Simplex Infrastructures L.L.C	(20,354)	(7,614)	-	-	-	-	-	-	-	-	-	-	-	-	(20,354)	(7,614)
Arabian Construction Co- Simplex Infra Private Limited	-	-	-	-	(265)	(2,149)	-	-	-	-	-	-	-	-	(265)	(2,149)
	(25,627)	(8,168)	-	-	(265)	(2,149)	-	-	-	-	-	-	-	-	(25,892)	10,317)
Grand Total	**(11,569)**	**7,015**	**9**	**2,159**	**(182)**	**(2,211)**	**311**	**243**	**47**	**36**	**(1,115)**	**3,339**	**542**	**399**	**(11,957)**	**10,980**

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

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 30: Related party transactions (Contd..)

(d) Balance outstanding at the year end

	Associates		Subsidiaries		Joint Ventures		Key Management Personnel		Relative of Key Management Personnel		Entities controlled by Director or relatives of Director		Post employment benefit plan entity		Total	
	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
Financial asset- Trade receivable																
Salarpuria Simplex Dwellings LLP	-	-	-	-	-	-	-	-	-	-	21	13	-	-	21	13
JMS Mining Services Pvt Ltd	-	-	-	-	-	-	-	-	-	-	19	*	-	-	19	*
Maa Durga Expressways Private Limited	-	-	32	52	-	-	-	-	-	-	-	-	-	-	32	52
Shree Jagannath Expressways Private Limited	840	157	-	-	-	-	-	-	-	-	-	-	-	-	840	157
Raichur Sholapur Transmission Company Private Limited	278	278	-	-	-	-	-	-	-	-	-	-	-	-	278	278
Simplex Infrastructures L.L.C	468	74	-	-	-	-	-	-	-	-	-	-	-	-	468	74
Arabian Construction Co- Simplex Infra Private Limited	-	-	-	-	948	925	-	-	-	-	-	-	-	-	948	925
	1,586	509	32	52	948	925	-	-	-	-	40	13	-	-	2,606	1,499
Financial asset- Loans																
Shree Jagannath Expressways Private Limited	4,250	3,676	-	-	-	-	-	-	-	-	-	-	-	-	4,250	3,676
Raichur Sholapur Transmission Company Private Limited	-	36	-	-	-	-	-	-	-	-	-	-	-	-	-	36
Simplex Infrastructures L.L.C	12,347	3,350	-	-	-	-	-	-	-	-	-	-	-	-	12,347	3,350
	16,597	7,062	-	-	-	-	-	-	-	-	-	-	-	-	16,597	7,062
Other financial assets (comprising advances and other items)																
Safe Builders	-	-	-	-	-	-	-	-	-	-	*	*	-	-	*	*
Simplex Infrastructures Libya Joint Venture Co	-	-	^ 446	^ 446	-	-	-	-	-	-	-	-	-	-	446	446
Simplex Middle East Limited	-	-	14	11	-	-	-	-	-	-	-	-	-	-	14	11
Simplex Infra Development Private Limited	-	-	17	16	-	-	-	-	-	-	-	-	-	-	17	16
Maa Durga Expressways Private Limited	-	-	*	*	-	-	-	-	-	-	-	-	-	-	*	*
Jaintia Highway Pvt. Ltd.	-	-	10	10	-	-	-	-	-	-	-	-	-	-	10	10
Giriraj Apartments Pvt. Ltd.	-	-	-	-	-	-	-	-	-	-	9	6	-	-	9	6
Simplex Bangladesh Pvt Ltd	-	-	37	762	-	-	-	-	-	-	-	-	-	-	37	762
JMS Mining Services Pvt Ltd	-	-	-	-	-	-	-	-	-	-	80	-	-	-	80	-
Arabian Construction Co- Simplex Infra Private Limited	-	-	-	-	195	193	-	-	-	-	-	-	-	-	195	193
Shree Jagannath Expressways Private Limited	487	413	-	-	-	-	-	-	-	-	-	-	-	-	487	413
Raichur Sholapur Transmission Company Private Limited	15	5	-	-	-	-	-	-	-	-	-	-	-	-	15	5
Simplex Infrastructures L.L.C	7,027	5,621	-	-	-	-	-	-	-	-	-	-	-	-	7,027	5,621
	7,529	6,039	524	1,245	195	193	-	-	-	-	89	6	-	-	8,337	7,483

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

Note 30: Related party transactions (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

(d) Balance outstanding at the year end (Contd..)

	Associates		Subsidiaries		Joint Ventures		Key Management Personnel		Relative of Key Management Personnel		Entities controlled by Director or relatives of Director		Post employment benefit plan entity		Total	
	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
Other current assets (comprising advances and other items)																
Salarpuria Simplex Dwellings LLP	-	-	-	-	-	-	-	-	-	-	-	1,446	-	-	-	1,446
Safe Builders	-	-	-	-	-	-	-	-	-	-	*	*	-	-	*	*
Mundhra Estates	-	-	-	-	-	-	-	-	-	-	2	2	-	-	2	2
Simplex Technologies Pvt Ltd	-	-	-	-	-	-	-	-	-	-	-	1	-	-	-	1
Raichur Sholapur Transmission Company Private Limited	36	36	-	-	-	-	-	-	-	-	-	-	-	-	36	36
Arabian Construction Co- Simplex Infra Private Limited	-	-	-	-	1,091	1,091	-	-	-	-	-	-	-	-	1,091	1,091
Simplex Infrastructures Gratuity Fund	-	-	-	-	-	-	-	-	-	-	-	-	927	1,059	927	1,059
	36	36	-	-	1,091	1,091	-	-	-	-	2	1,449	927	1,059	2,056	3,635
Financial Liabilities - Trade payable																
Simplex Bangladesh Pvt Ltd	-	-	-	64	-	-	-	-	-	-	-	-	-	-	-	64
	-	-	-	64	-	-	-	-	-	-	-	-	-	-	-	64
Other Financial Liabilities																
Mr. Rajiv Mundhra	-	-	-	-	-	-	4	7	-	-	-	-	-	-	4	7
Mr. S. Dutta	-	-	-	-	-	-	2	3	-	-	-	-	-	-	2	3
Mr. A. N. Basu	-	-	-	-	-	-	2	7	-	-	-	-	-	-	2	7
Mr. D. N. Basu	-	-	-	-	-	-	2	3	-	-	-	-	-	-	2	3
	-	-	-	-	-	-	10	20	-	-	-	-	-	-	10	20
Other Current Liabilities																
JMS Mining Services Pvt Ltd	-	-	-	-	-	-	-	-	-	-	1,500	2,625	-	-	1,500	2,625
Raichur Sholapur Transmission Company Private Limited	9	8	-	-	-	-	-	-	-	-	-	-	-	-	9	8
Simplex Infrastructures L.L.C	672	668	-	-	-	-	-	-	-	-	-	-	-	-	672	668
Arabian Construction Co- Simplex Infra Private Limited	-	-	-	-	341	325	-	-	-	-	-	-	-	-	341	325
Simplex Employees Provident Fund	-	-	-	-	-	-	-	-	-	-	-	-	119	116	119	116
	681	676	-	-	341	325	-	-	-	-	1,500	2,625	119	116	2,641	3,742
Guarantees Given																
Shree Jagannath Expressways Private Limited [Refer (a) below]	5,550	8,040	-	-	-	-	-	-	-	-	-	-	-	-	5,550	8,040
Raichur Sholapur Transmission Company Private Limited [Refer (a) below]	23,359	26,142	-	-	-	-	-	-	-	-	-	-	-	-	23,359	26,142
Simplex Infrastructures L.L.C	76,315	96,669	-	-	-	-	-	-	-	-	-	-	-	-	76,315	96,669
Arabian Construction Co- Simplex Infra Private Limited	-	-	-	-	-	265	-	-	-	-	-	-	-	-	-	265
	1,05,224	1,30,851	-	-	-	265	-	-	-	-	-	-	-	-	1,05,224	1,31,116
Grand Total	1,31,653	1,45,173	556	1,361	2,575	2,799	10	20	-	-	1,631	4,087	1,046	1,175	1,37,471	1,54,621

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

^ Provided in full.

Remuneration for current year is exclusive of perquisites not covered under the Income Tax Act, 1961.

(a) Refer note 42(c) for certain undertakings given by the company.

Terms and Conditions:

Balances of Trade receivables are non-interest bearing. All outstanding balances are unsecured and repayable in cash.

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 30: Related party transactions (Contd..)

(e) Key management personnel compensation - Summary :

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Short-term employee benefits	295	215
Total compensation	**295**	**215**

Note: Post employment benefit costs are recognised as per actuarial valuation from which expenses relating to individual employees are not readily available.

Note 31: Computation of Earnings per Equity Share (Basic and Diluted)

		F.Y. 2017-18	F.Y. 2016-17
(I)	Basic		
(a)	(i) Weighted average number of Equity Shares outstanding	4,94,72,330	4,94,72,330
	(ii) Face Value of each Equity Share (In ₹)	2/-	2/-
(b)	Amount of Profit after tax attributable to Equity Shareholders		
	Profit for the year	11,695	12,027
(c)	Basic Earnings per Equity Share [(b)/(a)(i)]	23.64	24.31
(II)	Diluted		
(a)	Weighted average number of Equity Shares outstanding	4,94,72,330	4,94,72,330
(b)	Diluted Earnings per Equity Share [Same as (I)(c) above]	23.64	24.31

Note 32: Information in accordance with the requirements of the Indian Accounting Standard (Ind AS 11) on 'Construction Contracts' specified under the Act.

	F.Y. 2017-18	F.Y. 2016-17
Contract revenue recognised for the year (Refer Note 18)	5,63,252	5,49,363
Aggregate amount of contract costs incurred and recognised profits (less recognised losses) up to year ended for all the contracts in progress	18,84,436	18,33,545
The amount of customer advances outstanding for contracts in progress as at the year end	99,522	91,333
The amount of retention due from customers for contracts in progress as at the year end	28,909	31,774
Gross amount due from customers for contracts in progress [Refer Note (a) and (b) below]	4,00,257	3,23,980
Gross amount due to customers for contracts in progress (Billing in Excess of Revenue) [Refer Note 15 and Note (a) and (b) below]	1,913	125

(a) Construction Contracts

On the balance sheet date, the Company reports the net contract position for each contract as either an asset or a liability. A contract represents an asset where costs incurred plus recognised profits (less recognised losses) exceed progress billings. A contract represents a liability where the progress billings exceeds costs incurred plus recognised profits (less recognised losses).

(b) Amounts due from /(to) customers under construction contracts

	As at 31st March, 2018	As at 31st March, 2017
Gross amount due from customers for contracts in progress	4,00,257	3,23,980
Gross amount due to customers for contracts in progress (Billing in Excess of Revenue)	(1,913)	(125)
	3,98,344	**3,23,855**

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 33: Assets pledged as security

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

	As at 31st March, 2018	As at 31st March, 2017
Current assets		
Financial assets	2,08,469	1,71,984
Non-financial assets		
Inventories	75,274	70,076
Total (A)	**2,83,743**	**2,42,060**
Non-current assets		
Property, plant and equipment	1,07,845	1,10,375
Intangible Assets	155	192
Total (B)	**1,08,000**	**1,10,567**
Total (A + B)	**3,91,743**	**3,52,627**

Note 34: Contingent Liabilities - Attributable to Claims against the Company not acknowledged as debts:

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

		As at 31st March, 2018	As at 31st March, 2017
a)	Interest (others)	6	6
b)	Professional Tax	4	4
c)	Sales Tax / Value Added Tax	19,476	17,457
d)	Entry Tax	375	294
e)	Excise Duty	380	344
f)	Income Tax	2,726	2,054
g)	Service Tax	2,941	3,182
h)	The Company does not expect any reimbursement in respect of the above matters.		

Note 35: Contingent Liabilities - Attributable to Guarantees:

In respect of Guarantees set out below, the cash outflows, if any, could generally occur during the validity period of the respective guarantees:

		As at 31st March, 2018	As at 31st March, 2017
i)	Corporate Guarantees given to Banks against credit facilities extended to third parties.		
	a) In respect of Associates #	76,449	94,347
ii)	Bank Guarantees		
	a) In respect of Joint Ventures	-	265
	b) In respect of Associates	5,932	8,500

Relates to the following:

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 35: Contingent Liabilities - Attributable to Guarantees: (Contd..)

(A) Amount of credit facilities utilised aggregating ₹ 53,472 (31st March, 2017: ₹ 68,665) against corporate guarantee given to banks of ₹ 76,315 (31st March, 2017: ₹ 96,669) in respect of an associate; and

(B) In respect of an another Associate Company, corporate guarantee given to the lender equivalent to the outstanding amount as at 31st March, 2018 for repayment of facility given amounting to USD 353 lakhs (equivalent ₹ 22,977), has been provided by the Company along with its others consortium members. In terms of the Deed of Guarantee, guarantors' obligation are joint and several.

Note 36: Arbitration / Legal proceedings are on in respect of company's claims on certain completed / suspended contracts, against which certain customers have also raised counter claims on the company. Pending disposal of the proceedings, no effect has been given in these financial statements for such matters.

Note 37: The Income Tax Act (the Act) has been amended to include the provisions of Income Computation and Disclosure Standards (ICDS) in the sections 43AA and 43CB, with retrospective effect from 1st April 2016, which inter alia makes foreign currency translation reserves (FCTR) and retention monies on construction contracts taxable for the Company. The Company already has a Writ Petition challenging the validity of ICDS pending adjudication by the Hon'ble High Court of Calcutta, while the Hon'ble High Court of Delhi has already rendered the ICDS null and void and 'non-est' in law in the Chamber of Tax Consultants Case (2017).

Further, based on legal opinion of a Senior Advocate, the Company is of the view t hat the changes in the Act are not applicable consequent to the ruling of the Delhi High Court as above, and also referring to various relevant judgements of the Hon'ble Supreme Court.

In view of the above, the Company has not considered the aforesaid balances for computation of tax expenses in these financial statements, and will continue to dispute their taxability with the relevant authorities.

Note 38: As on 31st March, 2018 in respect of trade receivables of ₹ 43,890 lakhs [included under Note 7(b)] and claims recoverable of ₹ 1,596 lakhs from customers against various project sites [included under Note 7(f)], where the amount is outstanding for a long period and based on its discussions and correspondence with those customers, the management is of the opinion that at this stage these are good and recoverable.

Inventories of ₹ 2,914 lakhs (included under Note 6) as on 31st March, 2018 at certain completed project sites are good and will be transferred for onward use in other projects.

In respect of the retention money due from customer, it is receivable only after the contract is completed, certification of final bill by customer and after expiry of defect liability period. In the opinion of the company the retention amounts of ₹ 21,540 lakhs due from customer of certain completed contracts (included under Note 9) as on 31st March, 2018 are good and recoverable. Management regularly reviews the old outstanding trade receivables, Claims recoverable and Retention monies due from customers as on 31st March, 2018 and in the opinion of the management, these are good and recoverable.

Retention money due from customer and unbilled revenue (included under Note 9) as at 31st March, 2018 have been considered as 'other current assets' as per Ind AS-32. Further, in the opinion of the management, there is lack of clarity in respect of application of the provisions of Ind AS with regard to fair value of these items and there has not been any authoritative clarification / interpretation in this regard. This is the consistent practice being followed by the Company and the industry peers.

On this issue, one of the joint auditors is in agreement with the views of the management. The above reasons explain the qualification by the other Joint Auditor on this issue in their audit report on the company's financial results for the year ended 31st March, 2018.

Note 39: Arbitration proceedings are on in respect of certain Trade Receivables [included under Note 7(b)], Unbilled Revenue and Retention Money due from a customer (included under Note 9) which is under legal proceedings including liquidation proceedings amounting to ₹ 5,083 lakhs (net), ₹ 4,657 lakhs and ₹ 615 lakhs respectively as at 31st March, 2018. 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 both the Joint Auditors' on the same issue in their Audit reports on the Company's financial results for the year ended 31st March, 2018. Further, there is inventory amounting to ₹ 2,915 lakhs (included under Note 6) also lying at such project site as on date and are good as per Management's opinion.

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

In view of above, we are unable to agree with the auditors' comments on changes in the figures of Trade Receivables, Unbilled Revenue, Retention Money, Inventories etc. and the consequential impact on profit for the year/quarter and balance of other equity at the year-end.

There are advances to suppliers related to certain completed project sites, amounting to ₹ 1,063 lakhs (included under Note 9) on which the company is in active pursuit and confident of recovery / settlement of these advances within a reasonable period of time. On this issue, one of the joint auditors is in agreement with the views of the management. The above reasons explain the qualification by the other Joint Auditor on this issue in their audit report on the company's financial results for the year ended 31st March, 2018.

Note 40: The Company has provided for mark to market losses amounting to ₹ 33 (F.Y. 2016-17: ₹ 617) relating to derivative contracts.

Note 41: (a) Recognition of unbilled revenue is based on Cost to Complete (CTC) estimates as per Percentage of Completion Method (POCM) under Ind AS-11 'Construction Contracts'. This CTC is regularly reviewed and necessary changes are effected by the Management. Certification of unbilled revenue including final bills takes a long time from project to project by the customer. At this stage based on its discussion with the concerned customers, the Company feels that old unbilled revenue of ₹ 86,035 lakhs (included under Note 9) as on 31st March, 2018 will be billed and realised in due course, the records and documents for which are maintained at respective project sites spread across the country and also outside India.

Further on this issue, one of the joint auditors is in agreement with the views of the management. The above reasons explain the qualification by the other Joint Auditor on this issue in their audit report on the company's financial results for the year ended 31st March, 2018.

(b) The Company is in the process of reconciling VAT liability (Refer Note 15 and Note 9 - "Statutory dues" and "Statutory advances") till 30th June, 2017. The impact of difference, if any, in such VAT liability, which the management does not expect to be significant, will be considered thereafter. On this issue, one of the joint auditors is in agreement with the views of the management. The above reasons explain the qualification by the other Joint Auditor on this issue in their audit report on the company's financial results for the year ended 31st March, 2018.

(c) The Company, as per consistent practice followed, does not consider depreciation on properties, plants and equipment and borrowing cost as part of the project cost in the Cost to Complete (CTC) for determining contract turnover referred in Note 18 as per percentage of completion under Ind AS–11 "Contract Cost" for its various projects. The depreciation on Property Plant and Equipment etc. as also borrowing cost directly related to specific contracts is not material. However, in the Profit and Loss Statement, both depreciation and borrowing cost being the period cost are charged to revenue. The Management is of the opinion that not considering the depreciation as stated above and borrowing cost in the Cost to Complete (CTC) statement does not affect the calculation of Percentage of Completion Method (POCM) materially. On this issue, one of the joint auditors is in agreement with the views of the management. The above reasons explain the qualification by the other Joint Auditor on this issue in their audit report on the company's financial results for the year ended 31st March, 2018.

(d) In respect of classification of certain current assets into non-current assets, the Company provides expected credit loss (ECL) on these current assets. The Company considers an average normal operating cycle for its operations though the operating cycle for all the projects are not uniform, the company has classified certain trade receivables [included under Note 7(b)], statutory advances pending assessment by relevant authorities (included under Note 9), security deposits [included under Note 7(f)] and other balances including those subject to arbitrations (included under Note 8 and Note 9), amounting to ₹ 8,370 lakhs, ₹ 25,137 lakhs, ₹ 1,885 lakhs and ₹ 17,257 lakhs respectively as current assets. On this issue, one of the joint auditors is in agreement with the views of the management. The above reasons explain the qualification by the other Joint Auditor on this issue in their audit report on the company's financial results for the year ended 31st March, 2018.

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 42: Commitments

		As at 31st March, 2018	As at 31st March, 2017
a)	Capital Commitments contracted for at end of reporting period but not recognised as liabilities:		
	Property, plant and equipment	2,885	1,283
	Intangible Assets	5	3
b)	Uncalled liability on partly paid shares	1	1

c) Other Commitments

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

(a) To National Highways Authority of India, to hold together with its associates, other sponsors/ shareholders, not less than 26% of the issued and paid up equity share capital in Shree Jagannath Expressways Private Limited (SJEPL), an associate company, during construction period of the project being executed by SJEPL and two years thereafter. As at 31st March, 2018, the Company holds 2,600 (31st March, 2017: 2,600) equity shares of ₹ 10/- each fully paid up of SJEPL [Note 4(a)] representing 0.002% (31st March, 2017: 0.002%) of the total paid up equity share capital of SJEPL.

(b) To Long Term Transmission Customers, to hold together with its other sponsors/ shareholders, not less than 26% in the issued and paid up equity share capital of Raichur Sholapur Transmission Company Private Limited (RSTCPL), an associate company, up to 3rd July, 2019, i.e. a period of five years after Commercial Operation Date (achieved on 4th July, 2014) of the project being executed by RSTCPL. As at 31st March, 2018, the Company holds 2,66,64,000 (31st March, 2017: 2,66,64,000) equity shares of ₹ 10/- each fully paid up of RSTCPL [Note 4(a)] representing 33.33% (31st March, 2017: 33.33%) of the total paid up equity share capital of RSTCPL.

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

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

d) The Company has not entered into non-cancellable operating lease for office, warehouses and employee accommodation.

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

f) Lease payments in respect of (e) above are recognised in the statement of profit and loss under the heads 'Rent' and 'Equipment Hire Charges' in Note 24.

Note 43: Loans to Associates

Name of the Company	Balance as at		Maximum outstanding during	
	31st March, 2018	31st March, 2017	F.Y. 2017-18	F.Y. 2016-17
Shree Jagannath Expressways Private Limited	4,250	3,676	4,250	3,676
Raichur Sholapur Transmission Company Private Limited	-	36	176	36
Simplex Infrastructures LLC	12,347	3,350	12,347	3,350

Note 44: The Company is in discussion with its customers on the impact of Goods and Service Tax on the contract terms and conditions for certain contracts and necessary adjustments, which in the opinion of the management will not be significant, would be made upon completion of such discussions.

Notes to the Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 45: Offsetting financial assets and financial liabilities in terms of Ind AS 32 on Financial Instruments: Presentation

Effect of offsetting on the balance sheet:

The following table presents the recognised financial instruments that are offset as at 31st March, 2018 and 31st March, 2017. The column 'net amount' shows the net amount presented in the balance sheet after offsetting.

	Note No.	Effect of offsetting on the balance sheet		
		Gross Amounts	Gross amounts set off in the balance sheet	Net amounts presented in the balance sheet
As at 31st March, 2018				
Financial assets				
Cash and cash equivalents [Refer (a) below]	7(c)	17,378	(7,458)	9,920
Trade receivables	7(b)	1,47,888	(2,811)	1,45,077
Total		**1,65,265**	**(10,268)**	**1,54,997**
Financial liabilities				
Trade payables	14(b)	2,01,499	(2,811)	1,98,688
Current Borrowings [Refer (a) below]	14(a)	3,01,849	(7,458)	2,94,391
Advance from customers payable		11,614	(11,614)	-
Total		**5,14,961**	**(21,882)**	**4,93,079**

	Note No.	Effect of offsetting on the balance sheet		
		Gross Amounts	Gross amounts set off in the balance sheet	Net amounts presented in the balance sheet
As at 31st March, 2017				
Financial assets				
Cash and cash equivalents [Refer (a) below]	7(c)	29,840	(27,816)	2,024
Bank balance other than above [Refer (a) below]	7(d)	1,474	(205)	1,269
Trade receivables	7(b)	1,64,788	(11,849)	1,52,939
Total		**1,96,102**	**(39,870)**	**1,56,232**
Financial liabilities				
Trade payables	14(b)	1,72,824	(1,639)	1,71,185
Current Borrowings [Refer Note (a) below]	14(a)	2,98,134	(28,021)	2,70,113
Advance from customers payable		10,210	(10,210)	-
Total		**4,81,168**	**(39,870)**	**4,41,298**

a) Gross amounts set off in the balance sheet represents outstanding borrowings for respective banks where there is balance in current accounts also.

Note 46: Amount subject to master netting arrangements but not offset:

The Company does not have any financial assets and financial liabilities subject to master netting arrangements but not offset in the respective financial years.

Note 47: Previous year's figures are regrouped/ rearranged, where necessary, to conform to the current year's presentation.

Signatures to Notes 1 to 47.

For S.R.Batliboi & Co. LLP
Firm Registration Number: 301003E/E300005
Chartered Accountants

per Kamal Agarwal
Partner
Membership Number: 058652

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

H.S.Bhattacharjee
Partner
Membership Number: 50370

For and on behalf of Board of Directors

S. Dutta
Whole-time Director &
Chief Financial Officer
DIN 00062827

A. N. Basu
Whole-time Director
DIN 05296613

B. L. Bajoria
Sr. V.P. & Company Secretary

Kolkata, 31st May, 2018

INDEPENDENT AUDITOR'S REPORT

To the Members of
Simplex Infrastructures Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of Simplex Infrastructures Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and joint ventures, comprising of the consolidated Balance Sheet as at March 31, 2018, the consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated Cash Flow Statement, the consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated cash flows and consolidated statement of changes in equity of the Group including its Associates and Joint Ventures in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associates and joint ventures and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) and (b) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

Basis for qualified opinion

Attention is invited to the following notes to the consolidated Ind AS financial statements:

I. Note 39(a) which states that Unbilled Revenues in case of Holding Company include Rs. 86,035 lakhs relating to earlier years, in respect of which, as informed, the management is in regular discussion with the concerned customers for completion of necessary certification and recovery thereof. As informed, the availability of appropriate audit evidence on these balances has been limited due to the geographical spread of the Holding company's operations and the relevant records being maintained at respective project sites. Consequently, we have not been able to audit these balances and are unable to comment upon them.

II. Note 36 regarding certain old balances of trade receivables, retention monies on completed projects, inventories at completed project sites and claims recoverable in case of Holding Company amounting to Rs. 43,890 lakhs, Rs. 21,540 lakhs, Rs 2,914 lakhs and Rs. 1,596 lakhs respectively, considered good of recovery by the management due to the reasons mentioned therein. We are unable to comment upon these balances, including the likely time period of collection of trade receivables considered by the Holding company for determining their fair values.

    Further, retention monies and unbilled revenues, disclosed as 'other current assets' instead of 'other financial assets' have been accounted for at transactional values instead of at fair values, which is not in accordance with the requirements of Ind AS 109 "Financial Instruments" and Ind AS 32 "Financial Instruments: Presentation".

    The impact of the above matter on these consolidated financial statements is presently not ascertainable.

III. Note 37 in respect of (i) certain projects relating to a customer of the Holding Company wherein the management thereof has considered Trade Receivables, Unbilled Revenue, Retention Money and Inventories amounting to Rs. 5,083 lakhs (Net), Rs. 4,657 lakhs, Rs. 615 lakhs and Rs. 2,915 lakhs respectively, as good and fully recoverable since there are pending legal proceedings including liquidation proceedings against the customer; (ii) Further, advance to suppliers by the Holding Company also include balances amounting to Rs. 1,063 lakhs relating to completed projects and outstanding for a long period of time. In our opinion these balances should have been provided for as doubtful of recovery.

    Had the impact of the observations above been considered, year end balances of Trade Receivables, Unbilled Revenue, Retention Money, Inventories and Advance to suppliers would have been Rs. 139,962 lakhs, Rs. 392,563 lakhs, Rs. 55,459 lakhs, Rs. 72,761 lakhs and Rs. 12,670 lakhs as against reported amount of Rs, 145,045 lakhs, Rs. 397,220 lakhs, Rs. 56,074 lakhs, Rs. 75,676 lakhs and Rs 13,733 lakhs with consequential impact on profit for the year and balance of other equity and thereby profit before tax for the year and balance of other equity at the year-end would have been Rs. 346 lakhs and Rs. 147,722 lakhs as against reported amount of Rs. 14,679 lakhs and Rs 162,055 lakhs respectively.

IV. Note 39(b) regarding unreconciled Value Added Tax Liability relating to period before implementation of Goods and Service Tax in the Holding Company, impact whereof is unascertained and will be considered upon completion of the reconciliation process. We are unable to comment on the impact thereof on these financial statements.

V. Note 39(c) regarding non-consideration of depreciation on property, plant and equipment and borrowing costs as project costs and for determining revenue as per percentage of completion of the contract activity by the Holding Company for the reasons stated therein, which is not in accordance with Ind-AS 11 "Construction Contracts". The impact of this on these financial statements has not been ascertained by the management.

VI. Note 39(d) in respect of current assets as at the balance sheet date which includes certain balances of trade receivables, statutory advances pending assessment by relevant authorities, security deposits and other balances including those subject to arbitrations pertaining to the Holding Company amounting to Rs. 8,370 lakhs, Rs. 25,137 lakhs, Rs. 1,885 lakhs and Rs. 17,257 lakhs respectively, which in our opinion should have been classified as non-current assets in these financial statements.

Qualified opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, associates and joint ventures, except for the effects of the matter described in Para III and VI above and possible effects of the matters described in the Paragraphs I, II, IV and V in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of consolidated the state of affairs of the Group, its associates and joint ventures as at March 31, 2018, of their consolidated profit including other comprehensive income and their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Other Matters

(a) We did not audit the financial statements and other financial information, in respect of five subsidiaries, whose Ind AS financial statements include total assets of Rs. 1,547 lakhs as at March 31, 2018, total revenues of Rs. 74 lakhs and total loss (net) of Rs. 65 lakhs for the year ended on that date. These financial statement and other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. The consolidated Ind AS financial statements also include the Group's share of loss (net) of Rs. 359 lakhs for the year ended March 31, 2018, in respect of associate companies and joint venture companies, whose financial statements and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's report have been furnished to us by the management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint ventures and associates, is based solely on the reports of such other auditors.

(b) The financial statements of the Holding Company includes three joint operations whose financial statements reflect total assets of Rs. 6,210 lakhs as at March 31, 2018, total revenue of Rs. 2,124 lakhs and total profit before tax of Rs. 9 lakhs for the year ended March 31, 2018, which have not been audited by us. The financial statements of the said joint operations have been audited by other auditors whose reports have been furnished to us and our report on the consolidated IND-AS financial results, in so far as it relates to the amounts and disclosures included in respect of the said joint operations, is based solely on the reports of other auditors. Our report on the consolidated IND-AS financial statements is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditors.

(c) We have been appointed as joint auditors of the Company along with M/s H.S. Bhattacharjee & Co., Chartered Accountants (the 'joint auditor'). We are issuing a separate audit report in accordance with the requirements of SA 299 "Responsibility of Joint Auditors" in view of the difference of opinion with the joint auditor regarding the matters reported in paragraphs under Basis for Qualified Opinion Paragraph above other than Trade receivables, Unbilled revenue and Retention money referred in paragraph III (i) (excepting ascertainment of impact thereof) under Basis for Qualified Opinion Paragraph above.

(d) The consolidated Ind AS financial statements of the Group, its associates and joint ventures for the year ended March 31, 2017, included in these consolidated Ind AS financial statements, have been audited by the predecessor auditor who expressed modified opinion on those statements on June 12, 2017.

Our above opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, associates and joint ventures, as noted in the 'other matter' paragraph, to the extent applicable, we report that:

   (a) Except for the effects/possible effects of the matters described in the Basis for Qualified Opinion paragraph above, we / the other auditors whose reports we have relied upon, have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated Ind AS financial statements;

   (b) Except for the effects/possible effects of the matters described in the Basis for Qualified Opinion paragraph above, in our opinion proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept by the Company so far as appears from our examination of those books and the reports of the other auditors and proper returns adequate for the purposes of our audit have been received from branches not visited by us;

   (c) Except for the possible effects of the matters described in Para I in the Basis for Qualified Opinion paragraph above, the consolidated Balance Sheet, consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the consolidated Cash Flow Statement and consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

   (d) Except for the effects/possible effects of the matters described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, associate companies and joint ventures, none of the directors of the Group's companies, its associates and joint ventures incorporated in India is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

   (f) In view of the matters I, II and III discussed in Basis for Qualified Opinion Paragraph above, we are unable to comment whether these may have an adverse effect on the functioning of the Group;

   (g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above;

   (h) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company and its subsidiary companies, associate companies and joint ventures, refer to our separate report in "Annexure 1" to this report;

(i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, associates and joint ventures, as noted in the 'Other matter' paragraph:

   i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, its associates and joint ventures– Refer Note 32 and Note 34 to the consolidated Ind AS financial statements;

   ii. In our opinion, provisions has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, associates and joint ventures incorporated in India during the year ended March 31, 2018.

For **S. R. BATLIBOI & CO. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Kamal Agarwal
Partner
Membership Number: 058652

Place of Signature: Kolkata
Date: May 31, 2018

ANNEXURE 1
TO THE INDEPENDENT AUDITOR'S REPORT
OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF SIMPLEX INFRASTRUCTURES LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of Simplex Infrastructures Limited as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of Simplex Infrastructures Limited (hereinafter referred to as the "Holding Company") and its subsidiaries, its associates and joint ventures, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting with reference to these consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the Holding Company's internal financial controls system over financial reporting with reference to these consolidated financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these consolidated financial statements

A company's internal financial control over financial reporting with reference to these consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified in the operating effectiveness of the Holding Company's internal financial controls over financial reporting with reference to these consolidated financial statements as at March 31, 2018:

(a) The Holding Company's Internal financial controls relating to documentation and other relevant evidences relating to exact status of unbilled revenue including discussions with concerned customers so as to substantiate recoverability thereof were not operating effectively which resulted in non-availability of appropriate audit evidence on certain such balances relating to earlier years.

(b) The Holding Company's Internal financial controls relating to (i) old balances of trade receivables, retention monies on completed projects, inventories at completed project sites and claims recoverable, and also the time period of likely collection of trade receivables considered by the management for fair valuation thereof and (ii) application of appropriate policies and procedures that provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles were not operating effectively which resulted in accounting of certain such balances as good and recoverable by the management and accounting of retention money and unbilled revenue at transactional values instead of at fair value and disclosure thereof under Other Current Assets instead of Other Financial Assets;

(c) The Holding Company's internal financial controls relating to review of assets, financial or otherwise, for considering appropriate provisioning/impairment/write downs thereagainst did not operate effectively which resulted in non-provisioning/impairment/write down of certain Trade Receivables, Retention Money, Unbilled Revenue, inventories and advances to suppliers.

(d) The Holding Company's internal financial controls relating to reconciliation of statutory dues and balances did not operate effectively which resulted in unreconciled Value Added Tax Liability (relating to period before implementation of Goods and Service Tax) at the year end;

(e) The Holding Company's Internal financial controls relating to inclusion of all project costs for determining percentage of completion of the contract activity did not operate effectively which resulted in non-consideration of depreciation on property, plant and equipment and borrowing costs as project costs for the purpose as stated above with consequential impact thereof on contract revenue and other consequential impact thereof in these accounts.

(f) The Holding Company's internal financial controls relating to presentation and disclosure of balances of assets and liabilities in compliance of the provisions of Schedule III to the Companies Act, 2013 and IND AS 1 Presentation of Financial Statements did not operate effectively which resulted in certain balances of trade receivables, statutory advances pending assessment by relevant authorities, security deposits and other balances as current which should have been classified as non-current assets in these financial statements.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the effect/possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Holding Company has maintained, in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated financial statements and such internal financial controls were operating effectively as of March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2018 consolidated financial statements of the Holding Company, and these material weaknesses does affect our opinion on the consolidated financial statements of the Holding Company and our report dated May 31, 2018 expressed qualified opinion.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to these two subsidiary companies and two associate companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not qualified in respect of this matters.

For **S. R. BATLIBOI & CO. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Kamal Agarwal
Partner
Membership Number: 058652

Place of Signature: Kolkata
May 31, 2018

INDEPENDENT AUDITORS' REPORT

To the Members of
Simplex Infrastructures Limited

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

1. We have audited the accompanying consolidated Ind AS financial statements of **Simplex Infrastructures Limited** (hereinafter referred to as **"the Holding Company"**), its subsidiaries (the Holding Company and its subsidiaries together referred to as the "the Group"), its joint ventures and associate companies, comprising the Consolidated Balance Sheet as at 31st March, 2018, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirement of the Companies Act, 2013 (hereinafter referred to as 'the Act') that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated cash flows and consolidated statement of changes in equity of the Group including its associate companies and joint ventures in accordance with accounting principles generally accepted in India including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associate companies and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and of its associate companies and joint ventures respectively and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which has been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.

4. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated Ind AS

financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

6. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matters paragraph below is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated Ind AS financial statements.

Basis for Qualified Opinion

7. We draw your attention to Note 37 to the consolidated Ind AS financial statements in respect of certain projects relating to a customer of the Holding Company wherein the Management has considered Trade Receivables aggregating Rs. 5,083 Lakhs (Net); Unbilled Revenue aggregating Rs. 4,657 Lakhs and Retention Money aggregating Rs.615 Lakhs (disclosed under Other Current Assets), as good and fully recoverable for the reasons stated therein. In view of pending legal proceeding against the customer and lack of adequate information, we are unable to comment on the extent of recoverability of these balances. The impact of this matter on Trade Receivables, Other Current Assets, Total Current Assets, Total Assets, Other Equity, Equity attributable to owners of Simplex Infrastructures Limited, Total Equity and Total Equity and Liabilities as at 31st March, 2018; Other Expenses, Total Expenses, Profit before Exceptional Items, Share of Net Profits of Investments accounted for using Equity Method and Tax, Profit before Exceptional Items and Tax, Profit before Tax, Total Tax Expense, Profit for the Year, Total Comprehensive Income for the Year, Profit attributable to Owners of Simplex Infrastructures Limited, Total Comprehensive Income attributable to Owners of Simplex Infrastructures Limited, Earnings Per Equity Share attributable to Owners of Simplex Infrastructures Limited for the year ended 31st March, 2018 is presently not ascertainable.

Qualified Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, except for the indeterminate effects of the matters referred to in paragraph 7 above, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group, its associate companies and joint ventures as at 31st March, 2018, and their consolidated total comprehensive income (comprising consolidated profit and consolidated other comprehensive income), their consolidated cash flows and consolidated changes in equity for the year ended on that date.

Emphasis of Matter

9. We draw your attention to the following :

   a) Note 36 regarding outstanding balances as at March 31, 2018 on account of retention money not due for collection under respective contracts, unbilled revenue and liability towards retention money that have been accounted for at transaction value and disclosed under Other Current Assets / Other Current Liabilities respectively and we are in the agreement with the views of the management as set out in the said Note.

      Expected credit loss / fair value has not been determined for the unbilled revenues and retention monies since, in the management's view, these are not financial assets under Ind AS 32 "Financial Instruments: Presentation".

   b) Note 39(a) regarding recognition of unbilled revenue which is based on Cost to Complete (CTC) estimates as per Percentage of Completion Method (POCM) under Ind AS-11. This CTC is continuously reviewed and necessary changes are effected by the Management. Further, certification of unbilled revenue including final bills takes a fairly long time by the customer. At this stage, the Company feels that the unbilled revenue of Rs. 86,035 lakhs will be billed to the client, in due course on fulfilment of certain contractual terms and is good and recoverable and we are in the agreement with the views of the management as set out in the said Note.

c) Note 36 regarding certain old balances of trade receivables of Rs.43,890 lakhs and claims recoverable of Rs.1,596 lakhs from customers of Holding Company against various projects, there are certain projects where the amount is outstanding for a considerable period but management is of the opinion that at this stage these are good and recoverable.

   In respect of the retention money, it is receivable only after the contract is completed and certification of final bill by client and after expiry of defect liability period, the customer certifies the said retention bills which takes a long time after physical completion of work. In the opinion of the Holding Company the retention amounts of Rs.21,540 lakhs of certain completed contracts as on March 31, 2018 are good and recoverable. Management regularly reviews the old outstanding trade receivables, Claims recoverable and Retention monies as on March 31, 2018 and in the opinion of the management, these are good and recoverable.

   Inventories of Rs.2,914 lakhs in the completed projects of the Holding Company are good and will be transferred for onward use in other projects.

   We are in agreement with the opinion of the management regarding the above matters which is being followed consistently.

d) Note 39(b) regarding Holding Company's VAT liability relating to period before implementation of GST w.e.f. July 1, 2017, all the unbilled revenue which were considered in books of account under pre GST resume were subsequently billed or will be billed under GST purview and as such no VAT will be payable on the said unbilled revenue as on June 30, 2017 and we are in the agreement with the views of the management as set out in the said Note.

e) Note 39(c) regarding consideration of depreciation on property, plant & equipment and borrowing costs, the Company, as per consistent practice does not consider depreciation on properties, plants and equipment and borrowing cost as part of the project cost in the Cost to Complete (CTC) in determining percentage of completion under Ind AS–11 "Contract Cost" for its various projects. The depreciation on Property Plant and Equipment etc. as also borrowing cost directly related to specific contracts is not material in relation to total cost of the project. However, in the Profit and Loss Statement, both depreciation and borrowing cost are charged to revenue. The Management is of the opinion that not considering the depreciation as stated above and borrowing cost in the Cost to Complete (CTC) statement does not affect the calculation of Percentage of Completion Method (POCM) materially and we are in the agreement with the views of the management as set out in the said Note.

f) Note 39(d) in respect of reclassification of certain current assets into non-current assets, the Holding Company provides adequate Expected Credit Loss (ECL) on these assets and as the operating cycle for all projects is not uniform, the Holding Company has not made any reclassification of the current assets in respect of Trade Receivables, Statutory Advances pending assessment by relevant authorities, Security Deposits and other balances including those subject to litigations amounting to Rs.8,370 lakhs, Rs.25,137 lakhs, Rs.1,885 lakhs and Rs.17,257 lakhs respectively and we are in the agreement with the views of the management as set out in the said Note.

Our opinion is not qualified in respect of these matters.

Other Matters

10. We did not audit the financial statements and other financial information, in respect of five subsidiaries whose Ind AS financial statements include total assets of Rs. 1,547 Lakhs as at March 31, 2018, total revenues of Rs. 74 Lakhs and total loss (net) of Rs.65 Lakhs for the year ended on that date. These Ind AS financial statements and other financial information have been audited by other auditors, whose financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated Ind AS financial statements also include the Group's share of loss (net) of Rs. 359 Lakhs for the year ended March 31, 2018 in respect of associate companies and joint venture companies, whose financial statements and other financial information and auditor's reports have been furnished to us by the management. Our opinion, insofar as it relates to the affairs of associate companies and joint venture companies, is based solely on such audited financial statement and other audited financial information.

11. The financial statements of the holding Company include three joint operations whose financial statements reflect total assets of Rs. 6,210 Lakhs as at March 31, 2018, total revenue of Rs. 2,124 Lakhs and total profit before tax of Rs. 9 Lakhs for the year ended March 31, 2018 which have not been audited by us. The financial statements of the said joint operations have been audited by other auditors whose reports have been furnished to us and our report on the Consolidated financial statements of the Company, insofar as it relates to the amounts and disclosures included in respect of the said joint operations, is based solely on the reports of other auditors. Our report on the Consolidated Ind AS financial statements of the Company is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditors.

12. We have been appointed as joint auditors of the company along with M/s S.R.Batliboi & Co. LLP, Chartered Accountants (the 'joint auditor'). We are issuing a separate audit report in accordance with the requirements of SA 299 Responsibility of Joint Auditors in view of the difference of opinion with joint auditor regarding the matter reported in 7 and 9(a) to 9(f) above.

    Our above opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by sub section 3 of section 143 of the Act, we report, to the extent applicable, that:

(a) We / the other auditors whose reports we have relied upon have sought and except for the indeterminate effects of the matters referred to in paragraph 7 above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.

(b) In our opinion, except for the indeterminate effects of the matters referred to in paragraph 7 above, proper books of account as required by law maintained by the Holding Company, its subsidiaries included in the Group, associate companies and joint venture incorporated in India including relevant records relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and records of the Holding Company and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company, its subsidiaries included in the Group, associate companies and joint venture incorporated in India including relevant records relating to the preparation of the consolidated Ind AS financial statements.

(d) In our opinion, except for the indeterminate effects of the matter referred to in paragraph 7 above, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Holding Company taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and joint venture incorporated in India, none of the directors of the Group companies, its associate companies and joint venture incorporated in India is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.

(g) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, its subsidiary companies included in the group, associate companies and joint venture incorporated in India and the operating effectiveness of such controls, refer to our separate Report in Annexure A.

(h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, associates and joint ventures, as noted in the 'Other matter' paragraph :

i. The consolidated Ind AS financial statements disclose the impact, if any, of pending litigations as at 31st March, 2018 on the consolidated financial position of the Group, its associate companies and joint ventures – Refer Note 32 and Note 34 to the consolidated Ind AS financial statements.

ii. In our opinion, provisions has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, associates and joint ventures incorporated in India during the year ended 31st March, 2018.

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

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

Kolkata
31st May, 2018

ANNEXURE – A
TO THE INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31st March, 2018, we have audited the internal financial controls over financial reporting of Simplex Infrastructures Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the Holding Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies

and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Basis for Qualified Opinion

8. According to the information and explanations given to us and based on our audit, the following material weakness have been identified in the operating effectiveness of the Holding Company's internal financial controls over financial reporting as at 31st March, 2018:

   a) The Holding Company's internal financial controls relating to review of Trade Receivables and Other Current Assets for appropriate provisioning did not operate effectively which resulted in non-ascertainment of adequate provision against certain Trade Receivables, Retention Money not due and Unbilled Revenue due from a customer.

9. A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

Qualified Opinion

10. In our opinion, except for the effects of the material weakness described in the Basis for Qualified Opinion paragraph above, the Holding Company, its subsidiary companies, its associate companies and joint venture, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

11. We have considered the material weakness identified and reported above in determining the nature, timing and extent of audit tests applied in our audit of the consolidated Ind AS financial statements of the Holding Company for the year ended 31st March, 2018, and the material weakness does affect our opinion on the consolidated Ind AS financial statements of the Holding Company.

Other Matter

12. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to two subsidiary companies and two associate companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not qualified in respect of this matter.

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

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

Kolkata
31st May, 2018

Consolidated Balance Sheet as at 31st March, 2018

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Note	As at 31st March, 2018	As at 31st March, 2017
ASSETS			
Non-current assets			
Property, plant and equipment	2	1,10,049	1,17,712
Capital work-in-progress		987	1,148
Intangible assets	3	155	197
Intangible assets under development	3A	317	317
Investments accounted for using equity method	28 (c) & (d)	8,914	9,270
Financial assets			
i. Investments	4(a)	1,928	1,684
ii. Other financial assets	4(b)	402	408
Other non-current assets	5	2,775	2,229
Total non-current assets		**1,25,527**	**1,32,965**
Current assets			
Inventories	6	75,676	74,645
Financial assets			
i. Investments	7(a)	24	251
ii. Trade receivables	7(b)	1,45,045	1,52,913
iii. Cash and cash equivalents	7(c)	10,466	3,825
iv. Bank balances other than (iii) above	7(d)	574	1,269
v. Loans	7(e)	22,058	14,318
vi. Other financial assets	7(f)	32,915	32,566
Current tax assets (net)	8	3,545	797
Other current assets	9	5,04,978	4,28,709
Total current assets		**7,95,281**	**7,09,293**
Total Assets		**9,20,808**	**8,42,258**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	10(a)	993	993
Other equity	10(b)	1,62,055	1,52,250
Equity attributable to owners of Simplex Infrastructures Limited		**1,63,048**	**1,53,243**
Non-controlling interests	28(a)	(354)	(300)
Total Equity		**1,62,694**	**1,52,943**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
i. Borrowings	11	55,107	58,043
Provisions	12	1,026	1,214
Deferred tax liabilities (net)	13	12,070	10,641
Total non-current liabilities		**68,203**	**69,898**
Current liabilities			
Financial liabilities			
i. Borrowings	14(a)	2,94,391	2,70,113
ii. Trade payables	14(b)	1,98,716	1,71,143
iii. Other financial liabilities	14(c)	44,385	36,649
Other current liabilities	15	1,51,654	1,39,284
Provisions	16	524	506
Current tax liabilities (net)	17	241	1,722
Total current liabilities		**6,89,911**	**6,19,417**
Total Liabilities		**7,58,114**	**6,89,315**
Total Equity and Liabilities		**9,20,808**	**8,42,258**

Significant accounting policies 1

The accompanying notes are an integral part of the Financial Statements
As per our report of the even date

For S.R.Batliboi & Co. LLP
Firm Registration Number: 301003E/E300005
Chartered Accountants

per Kamal Agarwal
Partner
Membership Number: 058652
Kolkata, 31st May, 2018

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

H.S.Bhattacharjee
Partner
Membership Number: 50370

For and on behalf of Board of Directors

S. Dutta
Whole-time Director &
Chief Financial Officer
DIN 00062827

A. N. Basu
Whole-time Director
DIN 05296613

B. L. Bajoria
Sr. V.P. & Company Secretary

Consolidated Statement of Profit and Loss for the year ended 31st March, 2018

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Note	Year ended 31st March, 2018	Year ended 31st March, 2017
Income			
Revenue from Operations	18	5,76,687	5,61,249
Other Income	19	13,556	16,158
Total Income		**5,90,243**	**5,77,407**
Expenses			
Construction Materials Consumed		1,89,466	1,63,665
Purchases of Stock-in-trade		1,159	227
Changes in Inventories of Work-in-progress	20	(1,501)	1,136
Employee Benefits Expense	21	53,028	51,514
Finance Costs	22	47,086	44,496
Depreciation and Amortisation Expense	23	18,399	19,901
Other Expenses	24	2,67,648	2,81,049
Total Expenses		**5,75,285**	**5,61,988**
Profit before share of net loss of associates and joint ventures accounted for using equity method and Tax		**14,958**	**15,419**
Share of net loss of associates and joint ventures accounted for using equity method	28(e)	**(279)**	**(83)**
Profit before Tax		**14,679**	**15,336**
Income Tax Expense			
Current Tax		4,251	4,679
Excess Current Tax provision for earlier years written back (net)		(2,284)	(3,283)
Deferred Tax		1,429	516
Total Tax Expense	25	**3,396**	**1,912**
Profit for the year		**11,283**	**13,424**
Other comprehensive income			
(a) Items that will be reclassified to Statement of Profit and Loss			
Exchange differences on translation of foreign operations	10(b)(ii)	(1,506)	(2,216)
Income tax relating to this item	10(b)(ii)	-	757
Share of other comprehensive income of associates and joint ventures accounted using equity method	10(b)(ii) & 28(f)	4	(13)
		(1,502)	(1,472)
(b) Items that will not be reclassified to Statement of Profit and Loss			
Remeasurements of post-employment benefit obligations	10(b)(i)	2	(321)
Income tax relating to this item	10(b)(i)	(1)	111
Share of other comprehensive income of associates and joint ventures accounted using equity method	10(b)(i) & 28(f)	1	6
Changes in fair value of FVOCI equity instruments	10(b)(ii)	244	454
		246	250
Other comprehensive income for the year, net of tax (a+b)		(1,256)	(1,222)
Total comprehensive income for the year		**10,027**	**12,202**

Consolidated Statement of Profit and Loss for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Note	Year ended 31st March, 2018	Year ended 31st March, 2017
Profit / (Loss) for the year attributable to:			
Owners of Simplex Infrastructures Limited		11,286	13,678
Non-controlling Interests	28(b)	(3)	(254)
		11,283	**13,424**
Other Comprehensive Income attributable to:			
Owners of Simplex Infrastructures Limited		(1,184)	(1,254)
Non-controlling interests	28(b)	(72)	32
		(1,256)	**(1,222)**
Total Comprehensive Income attributable to:			
Owners of Simplex Infrastructures Limited		10,102	12,424
Non-controlling interests	28(b)	(75)	(222)
		10,027	**12,202**
		₹	₹
Earnings per equity share [Nominal value per share ₹ 2/- (31st March, 2017: ₹ 2/-)]			
Basic and Diluted earnings per share	31	22.81	27.65
Significant accounting policies	1		

The accompanying notes are an integral part of the Financial Statements
As per our report of the even date

For S.R.Batliboi & Co. LLP
Firm Registration Number: 301003E/E300005
Chartered Accountants

per Kamal Agarwal
Partner
Membership Number: 058652

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

H.S.Bhattacharjee
Partner
Membership Number: 50370

For and on behalf of Board of Directors

S. Dutta
Whole-time Director &
Chief Financial Officer
DIN 00062827

A. N. Basu
Whole-time Director
DIN 05296613

B. L. Bajoria
Sr. V.P. & Company Secretary

Kolkata, 31st May, 2018

Consolidated Cash Flow Statement for the year ended 31st March, 2018

(All amounts in ₹ Lakhs, unless otherwise stated)

		Year ended 31st March, 2018		Year ended 31st March, 2017	
A.	**CASH FLOW FROM OPERATING ACTIVITIES:**				
	Profit before Tax		14,679		15,336
	Adjustments for:				
	Depreciation and Amortisation Expense (Refer Note 23)	18,399		19,901	
	Finance Costs (Refer Note 22)	47,086		44,496	
	Dividend Income from Current investments	(2)		(19)	
	Dividend Income from Non-current investments	(10)		-	
	Interest Income (Refer Note 19)	(3,623)		(2,545)	
	Fair value gain from financial assets measured at FVPL (Refer Note 19)	-		(103)	
	Financial liabilities at amortised cost no longer required written back (Refer Note 19)	(4,118)		(4,967)	
	Excess provision for gratuity written back (Refer Note 19)	-		(526)	
	Share of net loss of associates and joint ventures accounted for using equity method	279		83	
	Net Reversal of Allowance for Expected Credit Loss (Refer Note 19)	(4,526)		(7,249)	
	Bad Debts / Advances written off (Refer Note 24)	5,901		7,727	
	Net losses on derivatives not designated as hedge (Refer Note 24)	76		1,250	
	Net Gain on fair valuation or settlement of derivative contracts measured at FVPL (Refer Note 19)	(583)		-	
	Net Loss on disposal of property, plant and equipment (Refer Note 24)	126		428	
	Exchange Loss (Net)	286		45	
	Effect of Changes in Foreign Exchange Translation	(215)		(130)	
			59,076		58,391
	Operating Profit before Working Capital Changes		73,755		73,727
	Change in operating assets and liabilities				
	Increase in Trade Payables	31,758		24,243	
	Increase in Other Liabilities	13,563		28,385	
	(Increase)/Decrease in Trade Receivables	5,796		(26,177)	
	Increase in Other Assets	(75,572)		(29,885)	
	(Increase)/Decrease in Non-current Assets	4		(45)	
	Increase in Inventories	(1,082)		(1,157)	
			(25,533)		(4,636)
	Cash generated from operations		48,222		69,091
	Income Taxes Paid (net)		(6,198)		(1,759)
	Net Cash inflow from Operating Activities		42,024		67,332
B.	**CASH FLOW FROM INVESTING ACTIVITIES:**				
	Purchase of Property, plant and equipment including capital work-in-progress and capital advances	(11,735)		(10,034)	
	Proceeds from Sale of Property, plant and equipment	486		285	
	Sale of Investments of mutual fund	227		905	
	Acquisition of additional stake in a Subsidiary Company	-		(878)	
	Dividend Received	93		19	
	Interest Received	2,909		1,719	
	Term Deposits (net)	(131)		312	
	Inter Corporate Loans Given	(20,203)		(5,951)	
	Inter Corporate Loans Recovered	12,001		325	
	Net Cash used in Investing Activities		(16,353)		(13,298)
	Carried Over		25,671		54,034

Consolidated Cash Flow Statement for the year ended 31st March, 2018 (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

		Year ended 31st March, 2018		Year ended 31st March, 2017	
	Brought Forward		25,671		54,034
C.	CASH FLOW FROM FINANCING ACTIVITIES:				
	On issue of equity shares to non-controlling interests in a subsidiary company	5		-	
	Proceeds from non-current borrowings (Refer Note 2 below)	8,796		1,298	
	Repayment of non-current borrowings (Refer Note 2 below)	(3,639)		(3,333)	
	Short term borrowings - Receipts / (Payment) (net) (Refer Note 2 below)	24,035		(4,842)	
	Finance Cost paid	(48,727)		(44,238)	
	Dividend Paid [including Dividend Tax ₹ 50 (31st March, 2017: ₹ 50)]	(299)		(299)	
	Net Cash used in Financing Activities		(19,829)		(51,414)
	Net Increase/(decrease) in cash and cash equivalents		5,842		2,620
D.	**Effects of Exchange rate changes on Cash and Cash Equivalents**		(30)		(135)
			5,812		2,485
	Cash and Cash Equivalents at the beginning of the year [Refer Note 1(a) below]	4,747		2,262	
	Cash and Cash Equivalents at the end of the year [Refer Note 1(a) below]	10,559	5,812	4,747	2,485

1(a) **Reconciliation of Cash and Cash Equivalents as per cash flow statement**

	Year ended 31st March, 2018		Year ended 31st March, 2017	
Cash and Cash Equivalents as per above comprise the following:				
Cash and Cash Equivalents [Refer Note 7(c)]		10,466		3,825
Add : Unpaid Dividend Accounts as disclosed under Note 7(d)	12		14	
Add : Escrow Account as disclosed under Note 7(d)	81	93	908	922
Cash and Cash Equivalents as per cash flow statement		**10,559**		**4,747**

1(b) The above Consolidated Cash Flow Statement is prepared as per "indirect method" specified in Ind AS 7 "Statement of Cash Flows"

2) Changes in liabilities arising from financing activities

	Opening Balance as on 1st April, 2017	Changes from financing cash flows	Effect of changes in foreign exchange rates	Other Changes	Closing Balance as on 31st March, 2018
Non Current Borrowings [Refer Note 11 and 14(c)]	62,426	5,157	(98)	(697)	66,788
Current Borrowings [Refer Note 14(a)]	2,70,113	24,035	570	(327)	2,94,391
	3,32,539	**29,192**	**472**	**(1,024)**	**3,61,179**

The accompanying notes are an integral part of the Financial Statements
As per our report of the even date

For S.R.Batliboi & Co. LLP
Firm Registration Number: 301003E/E300005
Chartered Accountants

per Kamal Agarwal
Partner
Membership Number: 058652

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

H.S.Bhattacharjee
Partner
Membership Number: 50370

For and on behalf of Board of Directors

S. Dutta
Whole-time Director & Chief Financial Officer
DIN 00062827

A. N. Basu
Whole-time Director
DIN 05296613

B. L. Bajoria
Sr. V.P. & Company Secretary

Kolkata, 31st May, 2018

Consolidated Statement of Changes in Equity for the year ended 31st March, 2018

A. Equity share capital

(All amounts in ₹ Lakhs, unless otherwise stated)

	Note	Amount
As at 1st April, 2016		**993**
Change in equity share capital		-
As at 31st March, 2017	10(a)	**993**
Change in equity share capital		-
As at 31st March, 2018	10(a)	**993**

B. Other Equity

	Note	Reserves and surplus [Refer Note 10(b)(i)]								Other reserves [Refer Note 10(b)(ii)]		Total other equity	Non-controlling Interest	Total
		Securities Premium Reserve	General Reserve	Retained Earnings	Contingency Reserve	Debenture Redemption Reserve	Foreign Currency Monetary Item Translation Difference Account	Capital Reserve	Capital Redemption Reserve	FVOCI – Equity Instruments	Foreign Currency Translation Reserve			
Balance at 1st April, 2016		**49,421**	**11,186**	**66,152**	**3,500**	**5,572**	**(130)**	**2,206**	**1**	**(143)**	**2,238**	**1,40,003**	**789**	**1,40,792**
Profit for the year		-	-	13,678	-	-	-	-	-	-	-	13,678	(254)	13,424
Other Comprehensive Income for the year														
Remeasurements of post-employment benefit obligations		-	-	(204)	-	-	-	-	-	-	-	(204)	-	(204)
Other Items		-	-	-	-	-	-	-	-	454	(1,504)	(1,050)	32	(1,018)
Total Comprehensive Income for the year		**-**	**-**	**13,474**	**-**	**-**	**-**	**-**	**-**	**454**	**(1,504)**	**12,424**	**(222)**	**12,202**
Transactions with owners in their capacity as owners:														
Dividends	48(b)	-	-	(247)	-	-	-	-	-	-	-	(247)	-	(247)
Changes in the Proportion held by Non-controlling Interest	28(b)	-	-	(10)	-	-	-	-	-	-	-	(10)	10	-
Non-controlling interests on acquisition of subsidiary		-	-	-	-	-	-	-	-	-	-	-	(877)	(877)
Other transactions														
Dividend Distribution Tax		-	-	(50)	-	-	-	-	-	-	-	(50)	-	(50)
Transfer to Debenture Redemption Reserve		-	-	(3,022)	-	3,022	-	-	-	-	-	-	-	-
Transfer from Foreign Currency Monetary Item Translation Difference Account (net)		-	-	-	-	-	130	-	-	-	-	130	-	130
Transfer to retained earnings of FVOCI - Equity Instruments		-	-	(32)	-	-	-	-	-	32	-	-	-	-
Balance at 31st March, 2017		**49,421**	**11,186**	**76,265**	**3,500**	**8,594**	**-**	**2,206**	**1**	**343**	**734**	**1,52,250**	**(300)**	**1,51,950**
Balance at 1st April, 2017		**49,421**	**11,186**	**76,265**	**3,500**	**8,594**	**-**	**2,206**	**1**	**343**	**734**	**1,52,250**	**(300)**	**1,51,950**
Profit for the year		-	-	11,286	-	-	-	-	-	-	-	11,286	(3)	11,283
Other Comprehensive Income for the year														
Remeasurements of post-employment benefit obligations		-	-	2	-	-	-	-	-	-	-	2	-	2
Other Items		-	-	-	-	-	-	-	-	244	(1,430)	(1,186)	(72)	(1,258)
Total Comprehensive Income for the year		**-**	**-**	**11,288**	**-**	**-**	**-**	**-**	**-**	**244**	**(1,430)**	**10,102**	**(75)**	**10,027**
Transactions with owners in their capacity as owners:														
Dividends	48(b)	-	-	(247)	-	-	-	-	-	-	-	(247)	-	(247)
Non-controlling interests on acquisition of subsidiary		-	-	-	-	-	-	-	-	-	-	-	5	5
Other transactions														
Dividend Distribution Tax		-	-	(50)	-	-	-	-	-	-	-	(50)	-	(50)
Transfer to Debenture Redemption Reserve		-	-	(3,022)	-	3,022	-	-	-	-	-	-	-	-
Other movements		-	-	-	-	-	-	-	-	-	-	-	16	16
Balance at 31st March, 2018		**49,421**	**11,186**	**84,234**	**3,500**	**11,616**	**-**	**2,206**	**1**	**587**	**(696)**	**1,62,055**	**(354)**	**1,61,701**

The accompanying notes are an integral part of the Financial Statements
As per our report of the even date

For S.R.Batliboi & Co. LLP
Firm Registration Number: 301003E/E300005
Chartered Accountants

per Kamal Agarwal
Partner
Membership Number: 058652
Kolkata, 31st May, 2018

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

H.S.Bhattacharjee
Partner
Membership Number: 50370

For and on behalf of Board of Directors

S. Dutta
Whole-time Director &
Chief Financial Officer
DIN 00062827

A. N. Basu
Whole-time Director
DIN 05296613

B. L. Bajoria
Sr. V.P. & Company Secretary

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018

COMPANY OVERVIEW

Simplex Infrastructures Limited ('the Company') is a diversified Infrastructure Company established in 1924 and its subsidiaries (collectively referred to as 'the Group'), are executing projects in several verticals like Piling, Energy and Power, Building & Housing, Marine, Roads and Highways, Railways, Urban infrastructures etc. The Company is a Public Limited Company and has its Registered Office in Kolkata, India with Branch Offices in Delhi, Mumbai and Chennai in India & Overseas Branches in Qatar, Oman, Abu Dhabi, Dubai, Sri Lanka, Ethiopia, Saudi Arabia and Bangladesh. The Company is listed on BSE Limited, National Stock Exchange of India Limited and the Calcutta Stock Exchange Limited.

Note 1: SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. The financial statements are for the Group consisting of Simplex Infrastructures Limited (the "Parent Company" or "SIMPLEX") and its subsidiaries.

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

i) Compliance with Ind AS

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

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

These Consolidated Financial Statements were approved and authorised for issue with the resolution of the Board of Directors on 31st May, 2018.

ii) Historical cost convention

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

- Certain Financial Assets and Liabilities (including derivative instruments).
- Defined benefit plans – Plan Assets.

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

1.2 SEGMENT REPORTING

Operating segments are established on the basis of those components that are evaluated regularly by the 'Chief Operating Decision Making Group' (CODMG) as defined in Ind AS 108 - 'Operating Segments', in deciding how to allocate resources and in assessing performance. CODMG consists of the Executive Chairman and the Whole-time Directors. These have been identified taking into account nature of products and services, the differing risks and returns and the internal business reporting systems. CODMG examines the performance both from business and geographical perspective and has identified two reportable business segments viz. Construction and Others which comprises oil drilling services, real estate and hiring of plant and equipment.

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

1.3 PROPERTY, PLANT AND EQUIPMENT

Freehold land is stated at cost. All other items of property, plant and equipment are stated at cost, net of recoverable taxes, trade discounts and rebate, etc. less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.

Property, Plant and Equipment which are significant to the total cost of that item of Property, Plant and Equipment and having different useful life are accounted separately.

The carrying amount of any component accounted for as a separate asset is de-recognised when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

The items of property, plant and equipment which are not yet ready for use are disclosed as Capital work-in-progress and are carried at cost, net of accumulated impairment loss, if any.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in statement of Profit and Loss within 'Other Income/ Expense'.

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1st April, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

(a) Depreciation is calculated using the straight line method to allocate their cost, net of their residual values on the basis of useful lives prescribed in Schedule II to the Act. In respect of the following assets, useful lives different from Schedule II have been considered on the basis of technical assessment made by expert and management estimate. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Particulars	Useful Lives
Concreting, Crushing, Piling, Road Making and Heavy Lift Equipment	3-20 years
Transmission Line, Tunneling Equipment	20 years
Material Handling, Welding Equipment	4-20 years
Plant and Equipment / Motor Vehicle (used at branches outside India)	10 Years (Maximum)

(b) Leasehold Land and Buildings thereon are amortised over the tenure of respective leases using the straight line method.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(c) In case of a foreign subsidiary and a foreign associate, depreciation is provided on "Straight Line Method" at the following rates which are different from those applied by the Parent Company :

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

Class of Assets	Straight Line Method
Plant and Equipment	15%
Furniture and Fittings	33.33%
Computer	15-20%
Motor Vehicles	33.33%
Office Equipment	10-15%

(d) In case of a foreign Joint Venture Company, depreciation is provided on "Straight Line Method" at the following rates which are different from those applied by the Parent Company :

Class of Assets	Straight Line Method
Plant and Equipment	20%
Motor Vehicles	20-50%
Office Equipment	20-50%

(e) In case of an associate company, depreciation is provided on a pro-rata basis on the straight-line method over the estimated useful lives of the assets which are higher than the rates prescribed under Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets.

Class of Assets	Useful Lives
Plant and Equipment	25 years

1.4 INTANGIBLE ASSETS

Intangible assets acquired separately are measured on initial recognition at cost incurred till it is necessary for bringing intangible assets to the location and condition necessary for it to be capable of operating in the manner intended by management. Such cost includes purchase price and any cost directly attributable to bringing the asset to its working condition for the intended use. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Computer Software for internal use which is primarily acquired is capitalised. Subsequent costs associated with maintaining such software are recognised as expense as incurred. Cost of Software includes licenses fees and cost of implementation, system integration services etc. where applicable.

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its intangible assets (Computer Software) recognised as at 1st April, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of such intangible assets.

Amortisation method and period

The Group amortises intangible assets (Computer Software) with a finite useful life using the straight line method over a period of 3 years.

The amortisation period and the amortisation method for Intangible Assets with a finite useful life are reviewed at each reporting date and adjusted prospectively, if appropriate.

1.5 IMPAIRMENT OF NON-FINANCIAL ASSETS (INCLUDING PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS)

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

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

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

Intangible assets are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

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

1.6 INVENTORIES

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

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

Contract cost incurred related to future activity of the contract are recognised as an asset provided it is probable that they will be recovered during the contract period. Such costs represent the amount due from customer and are often classified as contract work-in-progress.

1.7 FINANCIAL INSTRUMENTS

(i) Financial Assets

A. Initial Recognition and Measurement

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

B. Subsequent Measurement

Financial assets are subsequently classified as measured at

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

C. Other Equity Instruments

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

For investments in quoted equity instruments, the Group has made an irrevocable election at the time of initial recognition to account for equity instruments at FVOCI. The Group makes such election on an instrument-by-instrument basis. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the statement of profit and loss. Dividend income on the investments in equity instruments are recognised as 'Other Income' in the Statement of Profit and Loss.

D. Impairment of financial assets

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

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

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

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

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

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

(ii) Financial Liabilities

A. Initial Recognition and Measurement

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

B. Subsequent Measurement

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

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

(iii) Derecognition of Financial Instruments

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

(iv) Offsetting

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events. It must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

1.8 DERIVATIVES

The Group enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit and loss and are included in 'Other Income/Expense'.

1.9 CASH AND CASH EQUIVALENTS

For the purpose of presentation in the cash flow statement, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term highly liquid investments with original maturities of less than three months or less that are readily convertible to cash and which are subject to an insignificant risk of changes in value.

1.10 EMPLOYEE BENEFITS

i) Short term Employee Benefits:

The undiscounted amount of short term employee benefits expected to be settled in exchange for the services rendered by employees are recognised as expense during the period when the employee renders the service.

ii) Post Employment Benefit Plans

Contributions under Defined Contribution Plans payable in keeping with the related schemes are recognised as expenses for the period, in which the employee has rendered the service. The Group has no further payment obligations once the contributions have been paid. If the contribution payable for service received before the balance sheet date exceeds the contribution already paid, the deficit payable is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment.

For Defined Benefit Plans, the liability in respect of gratuity is calculated using the Projected Unit Credit Method, and spread over the period during which the benefit is expected to be derived from employees' services with actuarial valuations being carried out at each balance sheet date.

Re-measurement of Defined Benefit Plans in respect of post-employment are recognised in the Other Comprehensive Income. Past service costs due to changes in present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit and loss. The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of any economic benefit available in the form of reductions in future contributions to the plan.

iii) Other Long term Employee Benefits (unfunded):

The cost of providing other long term employee benefits is calculated using the Projected Unit Credit Method, and spread over the period during which the benefit is expected to be derived from employees' services. Re-measurement actuarial gains and losses and past service cost are recognised immediately in the statement of profit and loss for the period in which they occur. Other long term employee benefit obligation recognised in the balance sheet represents the present value of related obligation.

1.11 LEASES

Leases are classified as finance leases whenever the terms of the lease, transfers substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating lease.

Leased Assets: Assets held under finance leases, if any, are initially recognised as Assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments/receipts are recognised as an expense/income in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed.

1.12 PROVISIONS AND CONTINGENT LIABILITIES

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimates of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense. Contingent liability is not recognised. However, a disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made.

1.13 INCOME TAX

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Group's operations generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses/tax credits only if it is probable that future taxable amounts will be available to utilise those temporary differences/credits and losses.

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

1.14 REVENUE RECOGNITION

i) Revenue from Construction Contracts

Contract Revenue is recognised under 'percentage-of-completion method'. When the outcome of a construction contract can be estimated reliably contract revenue and contract costs associated with the construction contracts are recognised as revenue and expenses respectively by reference to the stage of completion of the contract activity.

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

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable.

Variations in contract work, claims and incentive payments are included in contract revenue to the extent it is probable that they will result in revenue and are capable of being reliably measured.

The stage of completion is measured by reference to the contract costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract. Costs incurred in the year in connection with future activity on a contract are excluded from contract costs in determining the stage of completion.

ii) Other Revenues

(a) Rendering of other services

Revenue from Oil Drilling services is recognised when the service is performed on a time basis at rates mutually agreed with the customer.

(b) Interest income

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

(c) Dividends

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

(d) Sale of traded goods

Revenue from sale of traded goods is recognised upon transfer of significant risk and rewards of ownership of

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

such goods without retaining effective control over the goods sold and when associated costs of purchase of such goods and related revenue can be measured reliably.

(e) Rental income

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in revenue in the Statement of Profit or Loss due to its operating nature.

1.15 BORROWING COST

Borrowing cost attributable to the acquisition of qualifying assets (i.e. the assets that necessarily take substantial period of time to get ready for their intended use) are added to the cost up to the date when such assets are ready for their intended use. Other borrowing cost are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

1.16 TRANSACTIONS IN FOREIGN CURRENCIES

i) Functional and presentation currency

Items reported in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the respective entities operate (the functional currency). The financial statements of the Group are presented in Indian Rupee (₹) which is the functional and presentation currency of the Parent Company.

ii) Transactions and balances

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

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss under finance cost. All other foreign exchange gains and losses (including notional) are presented in the statement of profit and loss on a net basis.

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

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the policy of accounting of exchange differences arising on reporting of long-term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of first Ind AS financial reporting period i.e. 1st April, 2016 in keeping with the previous GAAP, as set out below:

Exchange differences arising on reporting of long-term foreign currency monetary items (i) relating to acquisition of depreciable capital assets were allowed to be adjusted to the carrying amount of such assets (to be adjusted over the balance life of the related asset) and (ii) in other cases were allowed to be accumulated in a 'Foreign Currency Monetary item Translation Difference Account' (to be adjusted over the balance period of the related long term monetary asset/liability).

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

iii) FOREIGN OPERATIONS - GROUP COMPANIES

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

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

On consolidation, exchange differences arising from the translation of any net investment in foreign entities are recognised in other comprehensive income. When a foreign operation is sold, the associated exchange differences are reclassified to profit and loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

1.17 DIVIDEND

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Group, on or before the end of the reporting period but not distributed at the end of the reporting period.

1.18 EARNINGS PER SHARE

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

1.19 PRINCIPLES OF CONSOLIDATION AND EQUITY ACCOUNTING

i) Subsidiaries

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

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

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively [Refer Note 28(a) for list of subsidiaries].

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

ii) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting [see (iv) below], after initially being recognised at cost [Refer Note 28(c) for list of associates].

iii) Joint arrangements

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement.

Joint ventures

Interests in joint ventures are accounted for using the equity method [see (iv) below], after initially being recognised at cost in the consolidated balance sheet [Refer Note 28(d) for list of joint ventures].

iv) Equity method

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

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

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

v) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity (Refer Note 28).

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit and loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit and loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit and loss where appropriate.

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

1.20 RECENT ACCOUNTING PRONOUNCEMENTS

Standards issued but not yet effective

On March 28, 2018, the Ministry of Corporate Affairs (MCA) has notified Ind AS 115 - Revenue from Contracts with Customers and certain amendment to existing Ind AS as mentioned below. These amendments shall be applicable to the Group from April 01, 2018. The Group intends to adopt these standards, if applicable, when they become effective.

(a) Issue of Ind AS 115 - Revenue from Contracts with Customers- Ind AS 115 will supersede the current revenue recognition guidance including Ind AS 18 Revenue, Ind AS 11 Construction Contracts and the related interpretations. Ind AS 115 provides a single model of accounting for revenue arising from contracts with customers based on the identification and satisfaction of performance obligations.

The Group is currently evaluating the impact of implementation of Ind AS 115 "Revenue from Contracts with Customers". However, there will be additional presentation and disclosure requirement which will be provided in the next year's financial statements.

(b) Amendment to Existing issued Ind AS - The MCA has also carried out amendments of the following accounting standards:

i) Ind AS 21 - The Effects of Changes in Foreign Exchange Rates

ii) Ind AS 40 - Investment Property

iii) Ind AS 12 - Income Taxes

iv) Ind AS 28 - Investments in Associates and Joint Ventures and

v) Ind AS 112 - Disclosure of Interests in Other Entities

Application of standards as mentioned in (b) above are not expected to have any significant impact on the Group's Financial Statements.

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

Note 1A: Critical estimates and judgements

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

a) **Defined Benefit Plans (Gratuity and other post-employment benefits):** Refer Note 21.

b) **Depreciation/Amortisation and useful lives of Property, Plant and Equipment / Intangible Assets:** Refer Note 1.3, 1.4, 2, 3 and 3A.

c) **Fair value measurement of financial instruments:** Refer Note 26.

d) **Revenue Recognition:** Refer Note 1.14, 7(b) and 9.

e) **Allowance for expected credit losses:** Refer Note 27.

f) **Provisions:** Refer Note 1.12.

g) **Taxes:** Refer Note 1.13, 8, 13, 17 and 25.

h) **Impairment of Non-Financial Assets:** Refer Note: 1.5, 2, 3, 3A, 5 and 9.

i) **Impairment of Financial Assets:** Refer Note 1.7(D), 4(a), 4(b), 7(a), 7(b), 7(e) and 7(f).

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

Note 2: Property, plant and equipment

(All amounts in ₹ Lakhs, unless otherwise stated)

	Freehold Land	Leasehold Land	Buildings [Refer (a) and (b) below]	Plant and Equipment [Refer (f) below]	Computers	Furniture and Fittings	Motor Vehicles	Office Equipment	Electrical Equipment	Total
Year ended 31st March, 2017										
Gross carrying amount										
Opening gross carrying amount	1,081	40	3,649	1,38,046	665	1,503	3,359	579	77	1,48,999
Exchange differences [Refer (c) below]	-	-	-	(917)	(2)	(6)	(31)	(5)	-	(961)
Additions during the year	-	-	-	8,675	293	280	715	220	15	10,198
Less: Disposals	-	-	-	(1,131)	(1)	(1)	(84)	(1)	-	(1,218)
Closing gross carrying amount	**1,081**	**40**	**3,649**	**1,44,673**	**955**	**1,776**	**3,959**	**793**	**92**	**1,57,018**
Accumulated Depreciation										
Opening accumulated depreciation	-	1	64	18,977	203	242	654	161	11	20,313
Depreciation charge during the year	-	*	65	18,466	218	239	669	168	12	19,837
Less: Disposals	-	-	-	(461)	(*)	(*)	(44)	(*)	-	(505)
Exchange differences	-	-	-	(313)	(2)	(22)	(17)	15	-	(339)
Closing accumulated depreciation	**-**	**1**	**129**	**36,669**	**419**	**459**	**1,262**	**344**	**23**	**39,306**
Net carrying amount	**1,081**	**39**	**3,520**	**1,08,004**	**536**	**1,317**	**2,697**	**449**	**69**	**1,17,712**
Year ended 31st March, 2018										
Gross carrying amount										
Opening gross carrying amount	1,081	40	3,649	1,44,673	955	1,776	3,959	793	92	1,57,018
Exchange differences [Refer (c) below]	-	-	-	(730)	(*)	(*)	(2)	(*)	-	(732)
Additions during the year	-	-	72	10,261	253	293	675	151	19	11,724
Less: Disposals	-	-	(17)	(1,165)	(3)	(23)	(225)	(47)	-	(1,480)
Closing gross carrying amount	**1,081**	**40**	**3,704**	**1,53,039**	**1,205**	**2,046**	**4,407**	**897**	**111**	**1,66,530**
Accumulated Depreciation										
Opening accumulated depreciation	-	1	129	36,669	419	459	1,262	344	23	39,306
Depreciation charge during the year	-	1	64	16,735	271	419	602	143	14	18,249
Less: Disposals	-	-	(1)	(665)	(2)	(23)	(130)	(46)	-	(867)
Exchange differences	-	-	-	(205)	(1)	(1)	-	(*)	-	(207)
Closing accumulated depreciation	**-**	**2**	**192**	**52,534**	**687**	**854**	**1,734**	**441**	**37**	**56,481**
Net carrying amount	**1,081**	**38**	**3,512**	**1,00,505**	**518**	**1,192**	**2,673**	**456**	**74**	**1,10,049**

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

(a) Buildings include ₹ 9 (31st March, 2017: ₹ 9) being the Gross Carrying Amount of a building erected on land taken on lease and depreciated over the period of lease which is less than the useful life of the asset.

(b) Buildings include four properties [Gross Carrying Amount and Net Carrying Amount ₹ 11 (31st March, 2017: ₹ 11) and ₹ 10 (31st March, 2017: ₹ 10) respectively] located at New Delhi and another property [Gross Carrying Amount and Net Carrying Amount ₹ 5 (31st March, 2017: ₹ 5) and ₹ 5 (31st March, 2017: ₹ 5) respectively] located at Mumbai which are not held in the name of the Parent Company, for which steps are being taken to execute the conveyance deed. Consideration of the above properties were paid in full by the Parent Company and the properties are in the possession of the Parent Company.

(c) Exchange differences comprise ₹ (76) [31st March, 2017: ₹ (291)] being capitalisation of exchange differences on long term foreign currency monetary items relating to Property, plant and equipment and ₹ (654) [31st March, 2017: ₹ (670)] being adjustments on account of exchange fluctuations relating to Property, plant and equipment of foreign operations.

(d) Refer to Note 40 for information relating to Property, Plant and Equipment pledged as security by the Parent Company.

(e) Refer to Note 42(a) for disclosure of contractual commitments for the acquisition of Property, Plant and Equipment.

(f) The Net Carrying Amount of Plant and Equipment as on 31st March, 2018 includes Tools ₹ 7,325 (31st March, 2017: ₹ 9,099).

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 3: Intangible assets

	Computer Software	Total
Year ended 31st March, 2017		
Gross carrying amount		
Opening gross carrying amount	220	220
Exchange differences [Refer (a) below]	*	*
Additions	120	120
Closing gross carrying amount	**340**	**340**
Accumulated amortisation		
Opening accumulated amortisation	79	79
Amortisation charge for the year	64	64
Exchange differences	*	*
Closing accumulated amortisation	**143**	**143**
Closing net carrying amount	**197**	**197**
Year ended 31st March, 2018		
Gross carrying amount		
Opening gross carrying amount	340	340
Exchange differences [Refer (a) below]	*	*
Additions	108	108
Closing gross carrying amount	**448**	**448**
Accumulated amortisation		
Opening accumulated amortisation	143	143
Amortisation charge for the year	150	150
Exchange differences	*	*
Closing accumulated amortisation	**293**	**293**
Closing net carrying amount	**155**	**155**

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

(a) Exchange differences comprise adjustments on account of exchange fluctuation to Intangible assets of foreign operations.

(b) Refer to Note 42(a) for disclosure of contractual commitments for the acquisition of Intangible assets.

(c) Refer to Note 40 for information relating to Intangible assets pledged as security by the Parent Company.

Note 3A: Intangible assets under Development

	As at 31st March, 2018	As at 31st March, 2017
Finance Costs	274	274
Rates and Taxes	*	*
Bank Charges	*	*
Other Pre-operative Expenses	45	45
	319	319
Less: Other Income		
Miscellaneous Income	2	2
Total	**317**	**317**

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

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

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 4(a): Non-current Investments

	As at 31st March, 2018	As at 31st March, 2017
Investments in Equity Instruments		
Unquoted		
Others (At FVPL)		
5 (31st March, 2017: 5) - Fully paid-up Ordinary Shares of ₹ 50/- each in Mercantile Apartments Co-operative Housing Society Ltd., Mumbai - Face value ₹ 250/-	*	*
5 (31st March, 2017: 5) - Fully paid-up Ordinary Shares of ₹ 50/- each in Pallavi Beach Angle Co-operative Housing Society Ltd., Mumbai - Face value ₹ 250/-	*	*
5 (31st March, 2017: 5) - Fully paid-up Ordinary Shares of ₹ 50/- each in Borlo Co-operative Housing Society Ltd., Chembur, Mumbai - Face value ₹ 250/-	*	*
5 (31st March, 2017: 5) - Fully paid-up Ordinary Shares of ₹ 50/- each in Saket Co-operative Housing Society Ltd., Mumbai - Face value ₹ 250/-	*	*
1,500 (31st March, 2017: 1,500) - Fully paid-up ordinary shares of ₹ 10/- each in Simplex Avash Pvt. Ltd.	*	*
Investments in Equity Instruments (At FVOCI) [Refer (a) below]		
20,000 (31st March, 2017: 20,000) Equity Shares of ₹10/- each (₹ 5/- paid up) of Parasrampuria Synthetics Ltd.	-	-
4,700 (31st March, 2017: 4,700) Equity Shares of ₹ 10/- each of Pennar Patterson Securities Ltd.- Fully Paid up	-	-
Sub-Total	*	*
Quoted		
Others:		
Investments in Equity Instruments (At FVOCI) [Refer (a) below]		
3,70,500 (31st March, 2017: 3,70,500) Equity Shares of ₹ 2/- each of Emami Paper Mills Limited - Fully paid up	710	440
1,09,450 (31st March, 2017: 1,09,450) Equity Shares of ₹ 1/- each of Emami Limited - Fully paid up	1,169	1,155
20,00,000 (31st March, 2017: 20,00,000) Equity Shares of ₹ 10/- each of Electrosteel Steels Limited - Fully paid up	49	89
Sub-Total	**1,928**	**1,684**
Total	**1,928**	**1,684**
Aggregate amount of Quoted Investments and market value thereof	1,928	1,684

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

(a) These investments in equity instruments are not held for trading. Instead, they are held for medium or long-term strategic purpose. Upon the application of Ind AS 109, the Group has chosen to designate these investments in equity instruments as at FVOCI as the management believe that this provides a more meaningful presentation for medium or long-term strategic investments, than reflecting changes in fair value immediately in profit and loss.

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 4(b): Other Non-current financial assets

	As at 31st March, 2018	As at 31st March, 2017
Security deposits	376	379
Deposit for Contracts	7	7
Deposit under Investment Deposit Scheme	15	15
Long Term Deposits with Banks with Maturity period more than 12 months [Refer (a) below]	4	7
Total	**402**	**408**

(a) Includes ₹ Nil (31st March, 2017: ₹ 4) held as Margin Money against bank guarantees.

Note 5: Other Non-current assets

	As at 31st March, 2018	As at 31st March, 2017
Capital advances	2,775	2,229
Total	**2,775**	**2,229**

Note 6: Inventories

	As at 31st March, 2018	As at 31st March, 2017
At lower of cost and net realisable value		
Work-in-progress	10,029	8,527
Construction Material [includes in transit ₹ 138 (31st March, 2017: ₹ 173)]	54,986	55,620
Stores and Spares [includes in transit ₹ 124 (31st March, 2017: ₹ 111)]	10,661	10,498
Total	**75,676**	**74,645**

(a) Refer to Note 40 for information relating to Assets pledged as security by the Parent Company.

Note 7(a): Current Investments

	As at 31st March, 2018	As at 31st March, 2017
Unquoted		
Investments in Government or Trust Securities [At amortised cost]		
6 Year National Savings Certificates (Matured) (Lodged as Security Deposits)	*	*
7 Year National Savings Certificates (Matured) (Lodged as Security Deposits)	*	*
Investment in Mutual Fund [At FVPL]		
Axis Liquid Fund - Daily Dividend Reinvestment Plan	24	22
Nil (31st March, 2017: 8,12,215.72) Units of HDFC Arbitrage Fund - Growth Plan	-	101
Nil (31st March, 2017: 7,44,301.20) Units of Reliance Arbitrage Advantage Fund - Growth Plan	-	128
Total	**24**	**251**
Aggregate amount of Unquoted Investments	**24**	**251**

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

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 7(b): Current Trade receivables

	As at 31st March, 2018		As at 31st March, 2017	
Unsecured considered good, unless otherwise stated				
Trade receivables				
Considered Good	1,51,698		1,65,166	
Less: Allowance for Expected Credit Loss	(9,227)	1,42,471	(13,700)	1,51,466
Considered Doubtful	207		2,439	
Less: Allowance for Expected Credit Loss	(207)	-	(2,439)	-
Receivables from related parties [Refer Note 30 and (b) below]				
Considered Good		2,574		1,447
Total		**1,45,045**		**1,52,913**

(a) Refer to Note 40 for information relating to Assets pledged as security by the Parent Company.

(b) Trade receivables due by Private companies in which director of the Parent Company is director or member.

	As at 31st March, 2018	As at 31st March, 2017
JMS Mining Services Pvt. Ltd	-	*
Arabian Construction Co - Simplex Infra Private Limited	948	925

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

Note 7(c): Cash and cash equivalents

	As at 31st March, 2018	As at 31st March, 2017
Cash and cash equivalents		
Balances with Banks		
- in current accounts	5,541	3,582
- in cash credit account	4,032	11
- in EEFC account	*	2
Deposits with maturity of less than three months	878	25
Remittances in Transit	-	163
Cash on hand	15	42
Total	**10,466**	**3,825**

* Amount is below the rounding off norm adopted by the Group.
There are no repatriations restrictions with regard to cash and cash equivalents as at the end of the reporting period.

(a) Refer to Note 40 for information relating to Assets pledged as security by the Parent Company.

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 7(d): Bank balances other than (iii) above

	As at 31st March, 2018	As at 31st March, 2017
Unpaid Dividend Accounts @	12	14
Escrow Account #	81	908
Deposit Accounts lodged as Security Deposits [Refer (a) below]	*	113
Term Deposits with maturity more than 3 months and up to 12 months [Refer (a) below]	447	200
Term Deposits with maturity more than 12 months (Current Portion) [Refer (a) below]	34	34
Total	**574**	**1,269**

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

@ Earmarked for payment of unclaimed dividend.

(a) Held as Margin money against bank guarantee.

Comprise ₹ Nil (31st March, 2017: ₹ 858) received under arbitration award which is earmarked for utilisation as per terms of the Arbitration award/ agreement and ₹ 81 (31st March, 2017: ₹ 50) being receipt against a specific contract to be utilised for the said project execution and for general overheads and business expenses of the Parent Company.

Note 7(e): Current Loans

	As at 31st March, 2018		As at 31st March, 2017	
Unsecured, Considered good				
Loans to Related Parties				
- Associates [Refer Note 30 and 44]		16,598		7,062
Loans to other bodies corporate		4,623		5,823
Loan to employees		837		1,433
Unsecured, Considered doubtful				
Loan to employees	69		69	
Less: Allowance for Expected Credit Loss	(69)	-	(69)	-
Total		**22,058**		**14,318**

(a) Refer to Note 40 for information relating to Assets pledged as security by the Parent Company.

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 7(f): Other Current financial assets

	As at 31st March, 2018		As at 31st March, 2017	
Derivatives not designated as hedge (Refer Note 38)				
- Foreign exchange forward contracts		58		267
Unsecured considered good				
Advances recoverable in cash				
Due from related parties [Refer Note 30]				
Joint Ventures [Refer (b) below]		195		193
Associate Companies		6,354		5,646
Due from Others		355		248
Security Deposits		7,100		7,156
Deposit for Contracts	1,504		2,709	
Less: Allowance for Expected Credit Loss	(33)	1,471	(82)	2,627
Claim Recoverable	13,509		13,676	
Less: Allowance for Expected Credit Loss	(37)	13,472	(41)	13,635
Reimbursable Expenses [Refer Note 30]		481		79
Accrued Interest on Deposits with Banks and Others [Refer Note 30]		3,429		2,715
		32,915		32,566
Unsecured considered doubtful				
Security Deposits	32		32	
Less: Allowance for Expected Credit Loss	(32)	-	(32)	-
Deposit for Contracts	5		5	
Less: Allowance for Expected Credit Loss	(5)	-	(5)	-
Claim Recoverable	189		189	
Less: Allowance for Expected Credit Loss	(189)	-	(189)	-
		-		-
Total		**32,915**		**32,566**

(a) Refer to Note 40 for information relating to Assets pledged as security by the Parent Company.

(b) Advances recoverable in cash includes due by Private companies in which director of the Parent Company is director or member.

	As at 31st March, 2018	As at 31st March, 2017
i) Arabian Construction Co - Simplex Infra Private Limited	195	193

Note 8: Current tax assets (net)

	As at 31st March, 2018	As at 31st March, 2017
Current tax assets [Net of current tax liabilities ₹ 11,671 (31st March, 2017: ₹ 483)]	3,545	797
Total	**3,545**	**797**

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 9: Other current assets

	As at 31st March, 2018		As at 31st March, 2017	
Unsecured considered good				
Prepaid Expenses		2,720		4,014
Advances to suppliers for goods and services				
Related Party [Refer Note 30]		2		67
Others		13,731		12,130
Statutory Advances (Advances to / Balances with government authorities)		34,097		35,134
Surplus in Gratuity Fund [Refer Note 21]		927		1,059
Retention Money on Construction Contracts (including amount not due as per terms of contracts) [Refer Note 30]		56,074		55,233
Accruals under Duty Free Credit Entitlement		207		389
Unbilled Revenues on Construction Contracts		3,97,220		3,20,683
		5,04,978		4,28,709
Unsecured considered doubtful				
Advances to suppliers for goods and services	129		129	
Less: Allowance for Expected Credit Loss	(129)	-	(129)	-
		-		-
Total		**5,04,978**		**4,28,709**

Note 10(a): Equity share capital

	As at 31st March, 2018	As at 31st March, 2017
Authorised:		
37,49,00,000 (31st March, 2017: 37,49,00,000) Equity Shares of ₹ 2/- each	7,498	7,498
20,000 (31st March, 2017: 20,000) 15% Cumulative Preference Shares of ₹ 10/- each	2	2
	7,500	**7,500**
Issued, Subscribed and Paid-up:		
4,94,72,330 (31st March, 2017: 4,94,72,330) Equity Shares of ₹ 2/- each	989	989
Add: 1,26,000 Equity Shares of ₹ 10/- each (equivalent of 6,30,000 Equity Shares of ₹ 2/- each) forfeited in earlier years	4	4
Total	**993**	**993**

(i) Rights, preferences and restrictions attached to shares

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

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 10(a): Equity share capital (Contd..)

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

	Details of shareholder	As at 31st March, 2018	As at 31st March, 2017
(1)	Anupriya Consultants Pvt. Ltd.	72,59,397	72,59,397
		14.67%	14.67%
(2)	RBS Credit And Financial Developments Private Ltd.	47,65,764	47,65,764
		9.63%	9.63%
(3)	HDFC Trustee Company Limited - HDFC Equity Fund, HDFC Infrastructure Fund, HDFC Monthly Income Plan Long Term Plan	44,34,780	44,34,780
		8.96%	8.96%
(4)	Reliance Capital Trustee Co. Ltd. - A/c Reliance Tax Saver (ELSS) Fund, A/c Reliance Capital Builder Fund 2 SR B, A/c Reliance Equity Opportunities Fund	43,02,295	43,36,660
		8.70%	8.77%
(5)	Bithal Das Mundhra	30,29,245	30,35,464
		6.12%	6.14%

As per records of the Company, including its register of shareholders/members, the above shareholding represents legal ownership of shares.

(iii) The Parent Company has allotted 36,09,261 convertible equity warrants at a price of ₹ 554.13 each on 15th May, 2018 to its Promoter Group Companies, in accordance with the SEBI Guidelines and Companies Act, 2013, upon receipt of upfront payment of 25% i.e. ₹ 5,000 lakhs of total consideration (of ₹ 20,000 lakhs) as per the terms of preferential issue.

(iv) The Parent Company has raised ₹ 40,220 lakhs through QIP issue by allotting 70,68,490 Equity Shares of ₹ 2 each at a premium of ₹ 567 per share on 23rd May, 2018 in accordance with SEBI Guidelines and Companies Act, 2013. The QIP issue opened on 16th May, 2018 and closed on 19th May, 2018.

Note 10(b): Other equity

		Refer following items	As at 31st March, 2018	As at 31st March, 2017
(i)	**Reserve and Surplus**			
	Capital Reserve	(a)	2,206	2,206
	Capital Redemption Reserve	(b)	1	1
	Securities Premium Reserve	(c)	49,421	49,421
	Debenture Redemption Reserve	(d)	11,616	8,594
	Contingency Reserve	(e)	3,500	3,500
	Foreign Currency Monetary Item Translation Difference Account	(f)	-	-
	General Reserve	(g)	11,186	11,186
	Retained Earnings	(h)	84,234	76,265
	Total		**1,62,164**	**1,51,173**

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 10(b): Other equity (Contd..)

		As at 31st March, 2018	As at 31st March, 2017
(a)	Capital Reserve - Balance at the beginning and end of the year	2,206	2,206
(b)	Capital Redemption Reserve - Balance at the beginning and end of the year	1	1
(c)	Securities Premium Reserve - Balance at the beginning and end of the year	49,421	49,421
(d)	Debenture Redemption Reserve		
	Balance at the beginning of the year	8,594	5,572
	Add: Transferred during the year from Retained Earnings	3,022	3,022
	Balance at the end of the year	11,616	8,594
(e)	Contingency Reserve - Balance at the beginning and end of the year	3,500	3,500
(f)	Foreign Currency Monetary Item Translation Difference Account		
	Balance at the beginning of the year	-	(130)
	Less: Transferred during the year	-	130
	Balance at the end of the year	-	-
(g)	General Reserve - Balance at the beginning and end of the year	11,186	11,186
(h)	Retained Earnings		
	Balance at the beginning of the year	76,265	66,152
	Profit for the year	11,286	13,678
	Transactions with Non Controlling Interest	-	(10)
	Items of other comprehensive income recognised directly in retained earnings		
	Remeasurements of post-employment benefit obligations [Net of Tax ₹ (1) (F.Y. 2016-17: ₹ 111)]	2	(204)
	Transferred to retained earnings from FVOCI equity instruments on de-recognition	-	(32)
	Transfer to Debenture Redemption Reserve	(3,022)	(3,022)
	Dividends [Refer Note 48(b)]	(247)	(247)
	Dividend Distribution Tax	(50)	(50)
	Balance at the end of the year	84,234	76,265
Total		**1,62,164**	**1,51,173**

		Refer following items	As at 31st March, 2018	As at 31st March, 2017
(ii)	**Other Reserves**			
	FVOCI Equity Instruments	(i)	587	343
	Foreign Currency Translation Reserve	(j)	(696)	734
Total			**(109)**	**1,077**
Total Other Equity (i) + (ii)			**1,62,055**	**1,52,250**

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 10(b): Other equity (Contd..)

	Note	FVOCI - Equity Instruments (i)	Foreign Currency Translation Reserve (j)	Total Other reserves
As at 1st April, 2016		(143)	2,238	2,095
Changes in fair value of FVOCI - Equity instruments	4(a)	454	-	454
Transferred to retained earnings of FVOCI equity investments		32	-	32
Exchange difference on translation of foreign operations		-	(2,216)	(2,216)
Exchange difference on translation of foreign operations of associates and joint ventures		-	(13)	(13)
Non-controlling interests share in translation differences		-	(32)	(32)
Income tax relating to the above		-	757	757
As at 31st March, 2017		343	734	1,077
Change in fair value of FVOCI Equity instruments	4(a)	244	-	244
Exchange difference on translation of foreign operations (Refer Note 35)		-	(1,506)	(1,506)
Exchange difference on translation of foreign operations of associates and joint ventures		-	4	4
Non-controlling interests share in translation differences		-	72	72
As at 31st March, 2018		587	(696)	(109)

Nature and purpose of Reserves

Capital Reserve: Represents mainly amount out of forfeiture of equity shares and warrants for non-payment of call money and arisen pursuant to acquisition of additional interest in a Joint Venture.

Capital Redemption Reserve: Represents amount on redemption of Preference Shares and will be utilised as per the provisions of the Companies Act, 2013.

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

Debenture Redemption Reserve: The Group is required to create a debenture redemption reserve out of the profits which will be utilised for the purpose of redemption of Debentures.

Contingency Reserve: Represents reserve created out of Surplus in earlier years in the Statement of Profit and Loss for meeting future contingencies, if any.

Foreign Currency Monetary Item Translation Difference Account: Represents foreign exchange gain / loss arising on loans taken up to 31st March, 2016 and not routed through profit and loss. The cumulative amount is reclassified to the Statement of Profit and Loss over the balance period of such non-current asset/liability.

General Reserve: The Group has transferred a portion of the net profit of the Group before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

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

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

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 11: Non-current Borrowings

	As at 31st March, 2018	As at 31st March, 2017
Secured Borrowings		
Debentures [Refer (a) below]	44,316	51,628
Term Loans from Banks		
Rupee Loans [Refer (b) below]	4,713	4,847
Foreign Currency Loans [Refer (c) below]	-	958
Term Loans from Financial Companies [Refer (d) below]	6,078	610
Total	**55,107**	**58,043**

Nature of security and other terms

a) Debentures

i) 11.60% (31st March, 2017: 11.60%) Non-Convertible Debentures of Face value of ₹ 10,00,000 each amounting to ₹ 4,961 (31st March, 2017: ₹ 4,945) are secured by way of First pari passu charge on specified immovable Property, Plant and Equipment (Fixed Assets) & First charge on specified movable Property, Plant and Equipment (Fixed Assets) of the Parent Company. The Principal is repayable by way of bullet payment at the end of 10th year with put & call option at the end of 7th year from the date of disbursement being 12th February, 2013. If the put & call option is not exercised at the end of the 7th year, the coupon shall be 10.80% per annum from the beginning of the 8th year.

ii) 11.15% (31st March, 2017: 11.15%) Non-Convertible Debentures of Face Value of ₹ 10,00,000 each amounting to ₹ 2,440 (31st March, 2017: ₹ 2,426) are secured by way of First pari passu charge on specified immovable Property, Plant and Equipment (Fixed Assets) & First charge on specified movable Property, Plant and Equipment (Fixed Assets) of the Parent Company. The Principal is repayable on 28th July, 2021 i.e. 7th year from the date of allotment being 28th July, 2014.

iii) 11.15% (31st March, 2017: 11.15%) Non-Convertible Debentures of Face Value of ₹ 10,00,000 each amounting to ₹ 7,321 (31st March, 2017: ₹ 7,279) are secured by way of First pari passu charge on specified immovable Property, Plant and Equipment (Fixed Assets) & First charge on specified movable Property, Plant and Equipment (Fixed Assets) of the Parent Company. The Principal is repayable on 9th July, 2021 i.e. 7th year from the date of allotment being 9th July, 2014.

iv) 11.75% (31st March, 2017: 11.75%) Non-Convertible Debentures of Face value of ₹ 10,00,000 each amounting to ₹ 490 (31st March, 2017: ₹ 487) are secured by way of First pari passu charge on specified immovable Property, Plant and Equipment (Fixed Assets) & First charge on specified movable Property, Plant and Equipment (Fixed Assets) of the Parent Company. The Principal is repayable on 28th March, 2021 i.e. 7th year from the date of allotment being 28th March, 2014.

v) 11.75% (31st March, 2017: 11.75%) Non-Convertible Debentures of Face value of ₹ 10,00,000 each amounting to ₹ 2,449 (31st March, 2017: ₹ 2,435) are secured by way of First pari passu charge on specified immovable Property, Plant and Equipment (Fixed Assets) & First charge on specified movable Property, Plant and Equipment (Fixed Assets) of the Parent Company. The Principal is repayable on 18th March, 2021 i.e. 7th year from the date of allotment being 18th March, 2014.

vi) 11.75% (31st March, 2017: 11.75%) Non-Convertible Debentures of Face value of ₹ 10,00,000 each amounting to ₹ 2,939 (31st March, 2017: ₹ 2,922) are secured by way of First pari passu charge on specified immovable Property, Plant and Equipment (Fixed Assets) & First charge on specified movable Property, Plant and Equipment (Fixed Assets) of the Parent Company. The Principal is repayable on 11th March, 2021 i.e. 7th year from the date of allotment being 11th March, 2014.

vii) 10.75% (31st March, 2017: 10.75%) Non-Convertible Debentures of Face value of ₹ 10,00,000 each amounting to ₹ 7,387 (31st March, 2017: ₹ 7,365) are secured by way of First pari passu charge on specified immovable Property, Plant and Equipment (Fixed Assets) & First charge on specified movable Property, Plant and Equipment (Fixed Assets) of the Parent Company. The Principal is repayable in three annual Instalments at the end of 8th year -30%, 9th year -30% & 10th year -40% with put & call option at the end of 7th year from the date of allotment being 6th December, 2012 and 31st December, 2012.

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 11: Non-current Borrowings (Contd..)

viii) 11.75% (31st March, 2017: 11.75%) Non-Convertible Debentures of Face value of ₹ 10,00,000 each amounting to ₹ 3,923 (31st March, 2017: ₹ 3,901) are secured by way of First pari passu charge on specified immovable Property, Plant and Equipment (Fixed Assets) & First charge on specified movable Property, Plant and Equipment (Fixed Assets) of the Parent Company. The Principal is repayable on 26th December, 2020 i.e. 7th year from the date of allotment being 26th December, 2013.

ix) 11% (31st March, 2017: 11%) Non-Convertible Debentures of Face value of ₹ 10,00,000 each amounting to ₹ 7,413 (31st March, 2017: ₹ 7,392) are secured by First Charge by way of mortgage and charge on the specified immovable Properties/ Assets and first exclusive charge on specified movable Properties/Assets of the Parent Company. The Principal is repayable in three Annual Instalments at the end of 8th year -30%, 9th year -30 % & 10th year -40% with put & call option at the end of 7th year from the date of allotment being 29th June, 2012.

x) 11.55% (31st March, 2017: 11.55%) Non-Convertible Debentures of Face Value of ₹ 10,00,000 each amounting to ₹ 4,994 (31st March, 2017: ₹ 4,991) representing Current payables ₹ 4,994 (31st March, 2017: ₹ Nil) are secured by way of First pari passu charge on specified immovable Property, Plant and Equipment (Fixed Assets) & First charge on specified movable Property, Plant and Equipment (Fixed Assets) of the Parent Company. The Principal is repayable on 17th June, 2020 i.e. 5 years from the date of allotment being 17th June, 2015 subject to put & call option at the end of 3rd Year from the date of allotment.

xi) 11.55% (31st March, 2017: 11.55%) Non-Convertible Debentures of Face Value of ₹ 10,00,000 each amounting to ₹ 2,497 (31st March, 2017: ₹ 2,496) representing Current payables ₹ 2,497 (31st March, 2017: ₹ Nil) are secured by way of First pari passu charge on specified immovable Property, Plant and Equipment (Fixed Assets) & First charge on specified movable Property, Plant and Equipment (Fixed Assets) of the Parent Company. The Principal is repayable on 17th June, 2020 i.e. 1790 days from the date of allotment being 24th July, 2015 with put & call option on 17th June, 2018.

xii) 12.15% (31st March, 2017: 12.15%) Non-Convertible Debentures of Face Value of ₹ 10,00,000 each amounting to ₹ 4,993 (31st March, 2017: ₹ 4,989) are secured by way of First pari passu charge on specified immovable Property, Plant and Equipment (Fixed Assets) & First charge on specified movable Property, Plant and Equipment (Fixed Assets) of the Parent Company. The Principal is repayable on 22nd January, 2020 i.e. 5 year from the date of allotment being 22nd January, 2015 with put option at the end of 3rd year from the date of allotment.

b) Rupee Term Loans from Banks

i) Term Loans from a Bank, taken by the Parent Company ₹ 3,779 (31st March, 2017: ₹ 2,539) including Current maturities ₹ 1,142 (31st March, 2017: ₹ 960) are secured by way of hypothecation / first and exclusive charge on assets purchased or to be purchased out of said loans. Repayable along with Interest ranging from 8.10% to 10.30% p.a (as on 31st March, 2018) in Monthly Instalments ranging from 1 to 59.

ii) Term Loans from a Bank, taken by the Parent Company ₹ 326 (31st March, 2017: ₹ 458) including Current maturities ₹ 146 (31st March, 2017: ₹ 132) are secured by way of hypothecation/exclusive charge on assets purchased out of said loans. Repayable along with Interest 10.15% p.a (as on 31st March, 2018) in Monthly Instalments ranging from 25 to 26.

iii) Term Loan from a Bank, taken by the Parent Company ₹ 1,562 (31st March, 2017: ₹ 2,187) including Current maturities ₹ 625 (31st March, 2017: ₹ 624) is secured by way of exclusive charge on the plant, machinery and equipments purchased out of the said loan. Repayable along with Interest of Base Rate + 0.15% p.a. (as on 31st March, 2018) in 10 equal quarterly Instalments.

iv) Term Loan from a Bank, taken by the Parent Company ₹ 875 (31st March, 2017: ₹ 1,375) including Current maturities ₹ 500 (31st March, 2017: ₹ 500) is secured by way of exclusive charge of specific equipments. Repayable along with Interest of Base Rate + 0.50% p.a. (as on 31st March, 2018) in 7 equal quarterly Instalments.

v) Term Loans from a Bank, taken by the Parent Company ₹ 355 (31st March, 2017: ₹ 345) including Current maturities ₹ 115 (31st March, 2017: ₹ 95) are secured by way of hypothecation/exclusive charge on the assets financed. Repayable along with Interest ranging from 8.20% to 10.49% p.a (as on 31st March, 2018) in monthly Instalments ranging from 1 to 58.

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 11: Non-current Borrowings (Contd..)

vi) Term Loans from a Bank, taken by the Parent Company ₹ 465 (31st March, 2017: ₹ 354) including Current maturities ₹ 141 (31st March, 2017: ₹ 137) are secured by way of hypothecation/exclusive charge on the assets financed. Repayable along with Interest ranging from 8.05% to 10.75% p.a (as on 31st March, 2018) in monthly Instalments ranging from 2 to 60.

vii) Term Loans from a Bank, taken by the Parent Company ₹ 6 (31st March, 2017: ₹ 12) including Current maturities ₹ 3 (31st March, 2017: ₹ 6) are secured by way of hypothecation/exclusive charge on the assets financed. Repayable along with Interest 10.30% p.a (as on 31st March, 2018) in 24 Monthly Instalments.

viii) Term Loans from a Bank, taken by the Parent Company ₹ 30 (31st March, 2017: ₹ 43) including Current maturities ₹ 13 (31st March, 2017: ₹ 12) are secured by way of hypothecation/exclusive charge on assets purchased out of said loans. Repayable along with Interest ranging from 9.80% to 9.85% p.a. (as on 31st March, 2018) in Monthly Instalments ranging from 20 to 29.

c) Foreign Currency Term Loans from Banks

Foreign Currency Term Loan from a Bank, taken by the Parent Company ₹ 974 (31st March, 2017: ₹ 2,741) including Current maturities ₹ 974 (31st March, 2017: ₹ 1,783) is secured by an exclusive charge over Moveable Fixed Assets purchased out of said loans. Repayable along with Interest of 6 month USD LIBOR+1.9% p.a. (as on 31st March, 2018) in one Half Yearly instalment on 19th September, 2018.

d) Term Loans from Financial Companies

i) Term Loans from a Financial Company, taken by the Parent Company ₹ 648 (31st March, 2017: ₹ 673) including Current maturities ₹ 148 (31st March, 2017: ₹ 118) are secured by an exclusive charge on the equipment purchased out of the said loans. Repayable along with Interest 9.50% (as on 31st March, 2018) in Monthly Instalments ranging from 45 to 48.

ii) Term Loans from a Financial Company, taken by the Parent Company ₹ 1,872 (31st March, 2017: ₹ Nil) including Current maturities ₹ 347 (31st March, 2017: ₹ Nil) are secured by an exclusive charge on the equipment purchased or to be purchased out of the said loans. Repayable along with Interest from 8.40% to 8.51% p.a (as on 31st March, 2018) in Monthly Instalments ranging from 51 to 58.

iii) Term Loans from a Financial Company, taken by the Parent Company ₹ 3,937 (31st March, 2017: ₹ Nil) are secured by an exclusive charge by way of mortgage of land and building for maintaining minimum security cover to 1.25 times of the Loan amount. Repayable along with Interest 10.50% (as on 31st March, 2018) in 20 quarterly Instalments.

iv) Term Loans from a Financial Company, taken by the Parent Company ₹ 102 (31st March, 2017: ₹ 71) including Current maturities ₹ 27 (31st March, 2017: ₹ 16) are secured by way of hypothecation/exclusive first charge on assets purchased out of said loans. Repayable along with Interest ranging from 8.32% to 10.25% p.a (as on 31st March, 2018) in Monthly Instalments ranging from 21 to 56.

v) Term Loans from a Financial Company, taken by the Parent Company ₹ 50 (31st March, 2017: ₹ Nil) including Current maturities ₹ 9 (31st March, 2017: ₹ Nil) are secured by way of exclusive charge on assets purchased out of said loans. Repayable along with Interest ranging from 8.00% to 8.50% p.a (as on 31st March, 2018) in Monthly Instalments ranging from 55 to 56.

e) Outstanding balances of borrowings as indicated in (a) to (d) above are inclusive of Current maturities or payables out of such borrowings which are disclosed in Note 14(c).

Note 12: Non-current Provisions

	As at 31st March, 2018	As at 31st March, 2017
Provision for Employee Benefits		
Employees End of Service Benefit / Severance Pay [Refer Note 21]	398	555
Other Long-term Employee Benefits	627	654
Gratuity (Unfunded) [Refer Note 21]	1	5
Total	**1,026**	**1,214**

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 13: Deferred tax liabilities (net)

Movements in deferred tax liabilities / (assets)	**Balance as at 31st March, 2016**	Recognised in Profit and Loss during F.Y. 2016-17	MAT Credit utilised	**Balance as at 31st March, 2017**	Recognised in Profit and Loss during F.Y. 2017-18	**Balance as at 31st March, 2018**
Deferred tax assets						
MAT Credit Entitlement	(2,144)	-	2,144	-	-	-
Financial assets at fair value through profit and loss (including derivatives)	-	(267)	-	(267)	-	(267)
Allowance for Expected Credit Loss	(8,417)	2,525	-	(5,892)	2,336	(3,556)
Expenditures admissible on payment basis	(190)	(522)	-	(712)	152	(560)
	(10,751)	**1,736**	**2,144**	**(6,871)**	**2,488**	**(4,383)**
Deferred tax liabilities						
Property, plant and equipment and intangible assets	4,465	(933)	-	3,532	(812)	2,720
Financial assets at fair value through profit and loss (including derivatives)	152	(152)	-	-	220	220
Retention Money on Construction Contracts (including amount not due as per terms of contracts)	13,588	(78)	-	13,510	(364)	13,146
Other temporary differences	527	(57)	-	470	(103)	367
	18,732	**(1,220)**	**-**	**17,512**	**(1,059)**	**16,453**
Deferred tax liabilities (net)	**7,981**	**516**	**2,144**	**10,641**	**1,429**	**12,070**

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 14(a): Current Borrowings

		As at 31st March, 2018	As at 31st March, 2017
A.	**Secured Borrowings**		
	Debentures [Refer (a) below]	2,500	2,497
	Term Loans from Banks		
	Rupee Loans [Refer (b) below]	414	595
	Foreign Currency Loans [Refer (c) below]	4,987	5,686
	Term Loans from Financial Companies		
	Rupee Loans [Refer (d) below]	1,008	-
	Working Capital Loans repayable on demand from Banks		
	Rupee Loans [Refer (e)(i) below]	2,44,924	2,33,988
	Foreign Currency Loans [Refer (e)(ii) and (iii) below]	17,628	4,285
Sub-Total		**2,71,461**	**2,47,051**
B.	**Unsecured Borrowings**		
	Term Loans from Banks		
	Rupee Loans	7,433	5,000
	Term Loans from Financial Companies		
	Rupee Loans	25	-
	Commercial Papers [including from Banks ₹ 5,000 (31st March, 2017: ₹ 10,000)] [Maximum balance outstanding at any time during the year ₹ 57,500 (F.Y. 2016 -17: ₹ 63,000)]	5,000	10,000
	Working Capital Loans repayable on demand from a Bank	442	507
	Intercorporate Deposit (repayable on demand)	10,030	7,555
Sub-Total		**22,930**	**23,062**
Total		**2,94,391**	**2,70,113**

a) Debentures

12.15% (31st March, 2017: 12.15%) Non-Convertible Debentures of Face Value of ₹ 10,00,000 Each amounting to ₹ 2,500 (31st March, 2017: ₹ 2,497) are secured by way of First pari passu charge on specified immovable Property, Plant and Equipment (Fixed Assets) & First charge on specified movable Property, Plant and Equipment (Fixed Assets) of the Parent Company.

b) Rupee Term Loans from Banks

i) Term Loans from Banks, taken by the Parent Company ₹ 253 (31st March, 2017: ₹ 508) are secured by an exclusive charge on assets acquired out of the said loans.

ii) Term Loans from Banks, taken by the Parent Company ₹ 161 (31st March, 2017: ₹ 87) are secured by an exclusive charge on the equipment acquired out of the said loans.

c) Foreign Currency Term Loans from Banks

i) Foreign Currency Term Loans from a Bank, taken by the Parent Company ₹ 1,257 (31st March, 2017: ₹ Nil) are secured by way of security as recited in (e)(i) below.

ii) Foreign Currency Term Loans from a Bank, taken by the Parent Company ₹ 892 (31st March, 2017: ₹ 1,397) are secured by way of security as recited in (e)(i) below.

iii) Foreign Currency Term Loans from a Bank, taken by the Parent Company ₹ 2,440 (31st March, 2017: ₹ 4,289) are secured by an exclusive charge on specific assets.

iv) Foreign Currency Term Loans from a Bank, taken by the Parent Company ₹ 398 (31st March, 2017: ₹ Nil) are secured by an exclusive charge on assets financed out of said loans.

d) Rupee Term Loans from Financial Companies

Term Loans from Financial Company, taken by the Parent Company ₹ 1,008 (31st March, 2017: ₹ Nil) are secured by an exclusive charge over the equipment acquired out of the said loan.

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 14(a): Current Borrowings (Contd..)

e) Working Capital Loans repayable on demand from Banks

i) Working Capital Rupee Loans from Banks, taken by the Parent Company ₹ 244,924 (31st March, 2017: ₹ 233,988) are secured by first charge by way of hypothecation on entire current assets including stocks, stores, trade receivables etc., second charge on movable Plant and Equipment (other than those which are exclusively charged in favour of the respective lenders) ranking pari passu amongst the Banks on the point of security, as also by second pari passu charge on specific immovable properties by deposit of title deeds / documents in India.

ii) Working Capital Foreign Currency Loans from Banks, taken by the Parent Company ₹ 2,620 (31st March, 2017: ₹ 4,285) are secured by assignment of receivables at overseas branches.

iii) Working Capital Foreign Currency Loans from Banks, taken by the Parent Company ₹ 15,008 (31st March, 2017: ₹ Nil) are secured by way of security as recited in (e)(i) above.

Note 14(b): Trade payables

	As at 31st March, 2018	As at 31st March, 2017
Acceptances	7,446	3,045
Other payables	1,91,270	1,68,098
Total	**1,98,716**	**1,71,143**

Note 14(c): Other Current financial liabilities

	As at 31st March, 2018	As at 31st March, 2017
Current maturities of long-term debts [Refer Note 11]	4,190	4,383
Interest accrued but not due on borrowings	2,861	2,840
Interest accrued and due on borrowings	330	336
Interest accrued on others	1,702	2,267
Unpaid dividends	12	14
Application money received due for refund and interest accrued thereon	*	*
Temporary Overdraft from bank on current accounts	3,930	3,701
Employee related liabilities	7,474	7,631
Capital Liabilities	1,424	941
Money held in trust	14,380	13,080
Security Deposit	91	92
Payable to co-venturer	281	357
Derivatives not designated as hedge [Refer Note 38]		
Foreign exchange forward contracts	34	751
Interest rate swaps	57	133
Other payables [Refer Note 11 and (a) below]	7,619	123
Total	**44,385**	**36,649**

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

a) Other payables includes:

i) 11.55% (31st March, 2017: 11.55%) Non-Convertible Debentures of Face Value of ₹ 10,00,000 Each amounting to ₹ 4,994 (31st March, 2017: ₹ Nil). The Principal is repayable on 17th June, 2020 i.e. 5 years from the date of allotment being 17th June, 2015 subject to put & call option at the end of 3rd Year from the date of allotment i.e. with put & call option on 17th June, 2018.

ii) 11.55% (31st March, 2017: 11.55%) Non-Convertible Debentures of Face Value of ₹ 10,00,000 Each amounting to ₹ 2,497 (31st March, 2017: ₹ Nil). The Principal is repayable on 17th June, 2020 i.e. 1790 days from the date of allotment being 24th July, 2015 with put & call option on 17th June, 2018.

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 15: Other current liabilities

	As at 31st March, 2018	As at 31st March, 2017
Advances from Customers [Refer Note 30]	1,08,222	99,808
Statutory Dues (Excise duty, service tax, sales tax, TDS, GST, etc.)	8,913	10,741
Sub-Contractors Retention	32,606	28,610
Billing in Excess of Revenue	1,913	125
Total	**1,51,654**	**1,39,284**

Note 16: Current Provisions

	As at 31st March, 2018	As at 31st March, 2017
Provision for Employee Benefits		
Employees End of Service Benefit / Severance Pay [Refer Note 21]	56	50
Other Long-term Employee Benefits	377	366
Gratuity (Unfunded) [Refer Note 21]	1	*
Other Provisions	90	90
Total	**524**	**506**

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

Note 17: Current tax liabilities (net)

	As at 31st March, 2018	As at 31st March, 2017
Current tax liabilities [Net of current taxes paid ₹ 120 (31st March, 2017: ₹ 9,337)]	241	1,722
Total	**241**	**1,722**

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 18: Revenue from Operations

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Sale of services		
Contract Turnover (Refer Note 45)	5,63,318	5,49,864
Oil Drilling Services	7,772	8,049
Sale of Traded goods	1,494	233
Other operating revenue		
Accruals under Duty Free Credit Entitlement	903	302
Equipment Hire Charges	1,076	1,121
Miscellaneous Receipts	523	328
Sale of Scrap	1,601	1,352
Total	**5,76,687**	**5,61,249**

Note 19: Other Income

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Dividend income from equity instruments designated at FVOCI	12	19
Fair value gain from financial assets measured at FVPL	-	103
Interest income from financial assets at amortised cost	3,623	2,545
Financial liabilities at amortised cost no longer required written back	4,118	4,967
Net Reversal of Allowance for Expected Credit Loss	4,526	7,249
Other non-operating income	694	749
Net Gain on fair valuation or settlement of derivative contracts measured at FVPL	583	-
Excess provision for gratuity written back	-	526
Total	**13,556**	**16,158**

Note 20: Changes in inventories of Work-in-progress

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Work-in-progress		
Opening Stock	8,527	9,663
Closing Stock	10,028	8,527
Changes in inventories of Work-in-progress (Increase) / Decrease	**(1,501)**	**1,136**

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 21: Employee Benefits Expense

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Salaries, wages and bonus	49,923	48,640
Contribution to provident fund and other funds	1,244	1,131
Staff welfare expenses	1,861	1,743
Total	**53,028**	**51,514**

a) Defined Contribution Plans

The Group has recognised, in the Statement of Profit and Loss for the year ended 31st March, 2018 an amount of ₹ 1,109 (31st March, 2017: ₹ 1,131) as expenses under defined contribution plans.

b) Post Employment Defined Benefit Plans

i) a) Gratuity (Funded)

The Group provides for gratuity, a defined benefit retirement plan covering eligible employees of SIMPLEX working in India. As per the scheme, the Gratuity Trust fund managed by the Trust, makes payment to vested employees on retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's eligible salary (half month's salary) depending upon the tenure of service subject to a revised maximum limit of amount payable under Payment of Gratuity Act effective. Vesting occurs upon completion of five years of service. Liabilities with regard to the Gratuity plan are determined by actuarial valuation as set out in Note 1.10, based upon which, the Group makes contribution to the Gratuity fund.

b) Gratuity (Unfunded)

The Group provides for gratuity, a defined benefit retirement plan covering employees of a foreign branch of SIMPLEX. As per the scheme, the Group makes payment to vested employees on retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's eligible salary (one month's salary) depending upon the tenure of service subject to a maximum limit of twenty month's salary. Vesting occurs upon completion of one year of service. Liabilities with regard to the unfunded Gratuity plan are determined by actuarial valuation as set out in Note 1.10.

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

The Group provides for End of Service Benefit / Severance Pay (unfunded) defined benefit retirement plans for certain foreign branches covering eligible employees. As per the schemes, the Group makes payment to vested employees on retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's eligible salary for specified number of days (ranging from five days to actual period of service rendered) depending upon the tenure of service. Vesting occurs upon completion of one year of service (except for a foreign branch where there is no vesting period). Vesting period is not applicable in case of death or disability in certain foreign branches. Liabilities with regard to the End of Service Benefit / Severance Pay Scheme are determined by actuarial valuation as set out in Note 1.10.

c) Other long term employee benefit plan

Leave Encashment Scheme [LES] (Unfunded)

The Group provides for accumulated leave benefit for eligible employees payable at the time of retirement of service subject to maximum of ninety / one hundred twenty days and in case of foreign branches, actual number of day's undrawn leave based on last drawn salary. Liabilities with regard to leave encashment scheme are determined by actuarial valuation as set out in Note 1.10.

d) Risk Exposure

Aforesaid post-employment defined benefit plans typically expose the Group to actuarial risks, most significant of which are discount rate risk, salary escalation risk and demographic risk.

Discount Rate Risk

The Group is exposed to the risk of fall in discount rate. A fall in discount rate will eventually increase the ultimate cost of providing the above benefit thereby increasing the value of the liability.

Salary Escalation Risk

The present value of defined benefit plan liability is calculated by reference to the future salaries of plan participant. An increase in the salary of plan participants will increase the plan liability.

Demographic Risk

In the valuation of liability certain demographic (mortality and attrition rates) assumptions are made. The Group is exposed to this risk to the extent of actual experience eventually being worse compared to the assumptions thereby causing an increase in the plan liability.

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 21: Employee benefit obligations

(i) The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Gratuity (Funded)					Gratuity (Unfunded)	ESB/SP (Unfunded)
	Present Value of obligation	Fair value of Plan assets	Total	Impact of minimum funding requirement / asset ceiling	Net amount	Present Value of obligation	Present Value of obligation
As on 1st April, 2016	**2,035**	**(2,973)**	**(938)**	**-**	**(938)**	**3**	**590**
Current Service Cost	176	-	176	-	176	1	163
Interest Expenses / (Income)	149	(226)	(77)	-	(77)	-	43
(Gains) and Losses on curtailment and settlement	(625)	-	(625)	-	(625)	-	-
Total expense charged to the Statement of Profit and Loss	**(300)**	**(226)**	**(526)**	**-**	**(526)** @	**1** #	**206** #
Remeasurements							
Return on plan assets, excluding amounts included in interest expenses / (income)	-	(6)	(6)	-	(6)	-	-
(Gain) / loss from change in financial assumptions	(190)	-	(190)	-	(190)	-	(84)
Experience (Gains) / losses	621	-	621	-	621	-	-
Change in asset ceiling, excluding amounts included in interest expenses	-	-	-	(20)	(20)	-	-
Total amount recognised in other comprehensive income	**431**	**(6)**	**425**	**(20)**	**405**	**-**	**(84)**
Exchange (Gains) / Loss	-	-	-	-	-	1	(15)
Contributions:							
Benefit Payments	(199)	199	-	-	-	-	(92)
Balance as on 31st March, 2017	**1,967**	**(3,006)**	**(1,039)**	**(20)**	**(1,059)**	**5**	**605**

@ recognised as 'Excess provision for gratuity written back' in Note 19.

recognised under Salaries and wages.

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 21: Employee benefit obligations (Contd..)

(i) The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows: (Contd..)

Particulars	Gratuity (Funded)					Gratuity (Unfunded)	ESB/SP (Unfunded)
	Present Value of obligation	Fair value of Plan assets	Total	Impact of minimum funding requirement / asset ceiling	Net amount	Present Value of obligation	Present Value of obligation
As on 1st April, 2017	**1,967**	**(3,006)**	**(1,039)**	**(20)**	**(1,059)**	**5**	**605**
Current Service Cost	164	-	164	-	164	*	115
Interest Expenses / (Income)	129	(206)	(77)	-	(77)	1	32
(Gains) and Losses on curtailment and settlement	48	-	48	-	48	-	-
Total expense charged to the Statement of Profit and Loss	**341**	**(206)**	**135**	**-**	**135**	**1 #**	**147 #**
Remeasurements							
Return on plan assets, excluding amounts included in interest expenses / (income)	-	(11)	(11)	-	(11)	-	-
(Gain) / loss from change in financial assumptions	(54)	-	(54)	-	(54)	*	4
Experience (Gains) / losses	82	-	82	-	82	(3)	-
Change in asset ceiling, excluding amounts included in interest expenses	-	-	-	(20)	(20)	-	-
Total amount recognised in other comprehensive income	**28**	**(11)**	**17**	**(20)**	**(3)**	**(3)**	**4**
Exchange (Gains) / Loss	-	-	-	-	-	-	(5)
Contributions:							
Benefit Payments	(241)	241	-	-	-	-	(297)
Balance as on 31st March, 2018	**2,095**	**(2,982)**	**(887)**	**(40)**	**(927)**	**2**	**454**

recognised under Salaries and wages.

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

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 21: Employee benefit obligations (Contd..)

(ii) The net liability disclosed above relating to funded and unfunded plans are as follows:

Particulars	As at 31st March, 2018	As at 31st March, 2017
Present value of funded obligations	2,095	1,967
Fair value of plan assets	(2,982)	(3,006)
Impact of minimum funding requirement / asset ceiling	(40)	(20)
Surplus of funded plans ##	**(927)**	**(1,059)**
Unfunded plans ###		
- Gratuity	2	5
- ESB / SP	454	605
Net Surplus	**(471)**	**(449)**

recognised under other current assets in Note 9

Recognised under

Particulars	As at 31st March, 2018	As at 31st March, 2017
Non-current Provisions (Refer Note 12)	399	560
Current Provisions (Refer Note 16)	57	50

The estimates of future salary increase, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors. The Group expects to contribute ₹ Nil (31st March, 2017: ₹ Nil) to gratuity fund in the next year as there is net surplus.

(iii) The following table shows a breakdown of the defined benefit obligation and plan assets by location:

Sr No	Particulars	As at 31st March, 2018			As at 31st March, 2017		
		Gratuity (Funded)	Gratuity (Unfunded)	ESB/SP (Unfunded)	Gratuity (Funded)	Gratuity (Unfunded)	ESB/SP (Unfunded)
		India	Foreign	Foreign	India	Foreign	Foreign
(a)	Present value of obligation	2,095	2	454	1,967	5	605
(b)	Fair value of plan assets	(2,982)	-	-	(3,006)	-	-
(c)	Asset ceiling	(40)	-	-	(20)	-	-
	Net liability/ (assets)	**(927)**	**2**	**454**	**(1,059)**	**5**	**605**

(iv) The Principal Actuarial Assumptions are shown below:

Sr No	Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
		Gratuity (Funded)		Gratuity (Unfunded)		ESB/SP (Unfunded)	
	Financial Assumptions :						
(a)	Discount Rate (per annum)	7.62%	7.14%	7.49%	7.10%	7.69%-7.71%	7.2%-7.26%
(b)	Expected Rate of Return on Plan Assets (per annum)	7.14%	7.14%	NA	NA	NA	NA
(c)	Salary Escalation						
	Permanent Employees	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
	Contractual Employees	1.00%	1.00%	-	-	-	-

Demographic Assumptions:

Mortality in service: mortality rates prior to retirement for the valuation were taken from the standard table - Indian Assured Lives Mortality (2006-08) ultimate.

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 21: Employee benefit obligations (Contd..)

(v) Sensitivity analysis

The sensitivity of the overall defined benefit obligation to changes in the weighted principal assumptions are as follows:

Sr No	Particulars	Change in assumption		Increase in assumption		Decrease in assumption	
		As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
(a)	Discount rate (per annum)	(+/-) 1%	(+/-) 1%	(140)	(168)	160	192
(b)	Salary escalation rate (per annum)	(+/-) 1%	(+/-) 1%	172	205	(151)	(181)
(c)	Withdrawal rates	(+/-) 50%	(+/-) 50%	88	105	(100)	(120)
(d)	Mortality rate	(+/-) 10%	(+/-) 10%	3	3	(3)	(4)

The sensitivity analysis above has been determined based on reasonably possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous year.

(vi) The major categories of plan assets are as follows:

Sr No	Particulars	As at 31st March, 2018	As at 31st March, 2017
		Gratuity (funded)	
(a)	**Equity Instruments**		
	Mutual funds	61	33
(b)	**Investment Funds**		
	Central Government Securities	510	648
	State Government Securities	898	803
	Public Sector Securities	595	825
	Private Sector Bonds	688	455
(c)	Cash and cash equivalents	113	128
(d)	Others	117	114
		2,982	**3,006**

(vii) The weighted average duration of the defined benefits obligations (in years):

Sr No	Particulars	As at 31st March, 2018	As at 31st March, 2017
(a)	Gratuity India (Funded)	9.56	9.97
(b)	Gratuity India (Unfunded)	12.58	13.63
(c)	End of Service Benefit / Severance Pay (Unfunded)	10.76 - 15.54	11.39 - 16.07

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 21: Employee benefit obligations (Contd..)

(viii) The expected maturity analysis of undiscounted gratuity (funded), gratuity (unfunded) and end of service benefit / severance pay benefits is as follows:

Particulars	Less than a year	Between 2 to 5 years	Between 6 to 10 years	More than 10 years	Total
31st March, 2018					
Defined Benefit Obligation					
Gratuity (funded)	832	541	728	1,562	3,663
Gratuity (unfunded)	1	*	*	3	4
ESB/SP (Unfunded)	56	128	171	733	1,088
Total	**889**	**669**	**899**	**2,298**	**4,755**
31st March, 2017					
Defined Benefit Obligation					
Gratuity (funded)	592	469	715	1,584	3,360
Gratuity (unfunded)	-	3	1	7	11
ESB/SP (Unfunded)	51	168	232	990	1,441
Total	**643**	**640**	**948**	**2,581**	**4,812**

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

(ix) Provident Fund

Provident Fund contributions in respect of certain employees are made to Trust administered by SIMPLEX and such Trust invests funds following a pattern of investments prescribed by the Government. Both the employer and employee contribute to this Fund and such contributions together with interest accumulated thereon are payable to employees at the time of their separation from SIMPLEX or retirement, whichever is earlier. The benefit vests immediately on rendering of services by the employee. The interest rate payable to the members of the Trust is not lower than the rate of interest declared annually by the Government under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, on account of interest is to be made good by SIMPLEX.

The Actuary has carried out actuarial valuation of interest rate guarantee obligations as at the Balance Sheet date using Projected Unit Credit Method and Deterministic Approach as outlined in the Guidance Note 29 issued by the Institute of Actuaries of India. Based on such valuation, there is no future anticipated shortfall with regard to interest rate guarantee obligation of SIMPLEX as at the balance sheet date. Further during the year, the SIMPLEX's contribution of ₹ 410 (F.Y. 2016 - 17: ₹ 399) to the Provident Fund Trust, has been expensed under "Contribution to Provident and Other Funds". Disclosures given hereunder are restricted to the information available as per the Actuary's report.

Principal Actuarial Assumptions	As at 31st March, 2018	As at 31st March, 2017
Discount Rate	7.64%	7.14%
Expected Investment Return	9.41%	9.41%
Guaranteed Interest Rate	8.55%	8.65%

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 21: Employee benefit obligations (Contd..)

(x) The Group Liabilities for sick and earned leave.

Particulars	As at 31st March, 2018	As at 31st March, 2017
Current leave obligations expected to be settled within the next 12 months	211	198

Note 22: Finance Costs

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Interest Expenses	45,814	42,581
Other Borrowing Costs	1,272	1,915
Total	**47,086**	**44,496**

Note 23: Depreciation and Amortisation Expense

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Depreciation of Property, plant and equipment	18,249	19,837
Amortisation of intangible assets	150	64
Total	**18,399**	**19,901**

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 24: Other Expenses

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Consumption of stores and spare parts	8,768	10,703
Power and Fuel	14,128	9,992
Rent	9,708	9,977
Repairs to buildings	51	94
Repairs to machinery	9,805	9,468
Repairs to Others	2,010	1,301
Insurance	1,933	2,764
Rates and taxes	3,585	187
Sub-Contractors' Charges	1,63,060	1,72,279
Equipment Hire Charges	13,392	13,580
Bad Debts / Advances written off [Net of allowance for doubtful debts and advances adjusted ₹ 2,232 (F.Y. 2016-17: ₹ Nil)]	5,901	7,727
Freight and Transport	4,012	3,316
Net loss on foreign currency transactions [Refer (a) below]	1,437	195
Net Loss on disposal of property, plant and equipment	126	428
Expenditure incurred as Corporate Social Responsibility activities [Refer (b) below]	194	213
Bank Charges	1	*
Net losses on derivatives not designated as hedge [Net of derivative gains of ₹ Nil (F.Y. 2016-17: ₹ 267)]	76	1,250
Miscellaneous Expenses [Refer (c) below]	29,461	37,575
Total	**2,67,648**	**2,81,049**

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

(a) Includes amortisation of Foreign Currency Monetary Item Translation Difference ₹ Nil (F.Y. 2016-17: ₹ 130).

(b) Expenditure incurred as Corporate Social Responsibility activities by the Parent Company:

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
(i) Construction/acquisition of any assets	-	-
(ii) On purposes other than (i) above	194	213
Total	**194**	**213**

Amount required to be spent as per Section 135 of the Act is ₹ 193 (F.Y. 2016-17: ₹ 204).

(c) Details of Auditors' Remuneration and out-of-pocket expenses is as below:

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Auditors' Remuneration and out-of-pocket expenses		
(i) As auditors #	125	173
(ii) For other services	23	30
(iii) Out-of-pocket expenses	6	2
Total	**154**	**205**

including ₹ Nil (F.Y. 2016-17: ₹ 8) relating to earlier year.

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 25: Income tax expense

This Note provides an analysis of the Group's income tax expense and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Group's tax positions.

		For the year ended 31st March, 2018	For the year ended 31st March, 2017
(a)	**Income tax expense**		
	Current tax		
	Current tax on profits for the year	4,251	4,679
	Excess Current Tax provision for earlier years written back (net)	(2,284)	(3,283)
	Total current tax expense	**1,967**	**1,396**
	Deferred tax	1,429	516
	Income tax expense	**3,396**	**1,912**
	Income tax expense is attributable to:		
	Profit from Continuing operations	3,396	1,912
	Total	**3,396**	**1,912**
	Refer Note 35 on Income Computation and Disclosure Standards (ICDS).		
(b)	**Reconciliation of tax charge as per Statutory rate of tax and effective rate of tax :**		
	Profit from continuing operations before income tax expense	14,958	15,419
	Enacted Tax rates in India (%)	34.608	34.608
	Computed expected tax expense	5,177	5,336
	Tax effect due to non-taxable income for Indian tax purposes	-	(345)
	Excess Current Tax provision for earlier years written back (net)	(2,284)	(3,283)
	Effect of non-deductible expenses	80	83
	Tax losses of subsidiary for which no deferred income tax was recognised #	21	304
	Others	402	(183)
	Income tax expense	**3,396**	**1,912**

The unused tax losses were incurred by a subsidiary that is not likely to generate taxable income in the foreseeable future. The losses can be carried forward indefinitely and have no expiry date.

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 26: Fair value measurements

Financial instruments by category

Particulars	Note No.	As at 31st March, 2018			As at 31st March, 2017		
		FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
Financial assets							
Investments							
- Equity instruments	4(a)	*	1,928	-	*	1,684	-
- Mutual Funds	7(a)	24	-	-	251	-	-
- Government or Trust Securities	7(a)	-	-	*	-	-	*
Trade receivables	7(b)	-	-	1,45,045	-	-	1,52,913
Cash and Cash equivalents	7(c)	-	-	10,466	-	-	3,825
Bank balances other than above	7(d)	-	-	574	-	-	1,269
Loans	7(e)	-	-	22,058	-	-	14,318
Derivatives							
- Foreign-exchange forward contracts	7(f)	58	-	-	267	-	-
Other financial assets	4(b) & 7(f)	-	-	33,259	-	-	32,707
Total Financial Assets		**82**	**1,928**	**2,11,402**	**518**	**1,684**	**2,05,032**
Financial liabilities							
Borrowings (including current maturities or payables of non-current borrowings)	11,14(a) & 14(c)	-	-	3,61,179	-	-	3,32,539
Trade payables	14(b)	-	-	1,98,716	-	-	1,71,143
Derivatives							
- Foreign exchange forward contracts	14(c)	34	-	-	751	-	-
- Interest rate swaps	14(c)	57	-	-	133	-	-
Other financial liabilities	14(c)	-	-	32,613	-	-	31,382
Total Financial Liabilities		**91**	**-**	**5,92,508**	**884**	**-**	**5,35,064**

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

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 26: Fair value measurements (Contd..)

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements	Note	As at 31st March, 2018				As at 31st March, 2017			
		Level I	Level II	Level III	Total	Level I	Level II	Level III	Total
Financial assets									
Financial Investments at FVPL									
Investments									
- Equity instruments	4(a)	-	-	*	*	-	-	*	*
- Mutual Funds	7(a)	24	-	-	24	251	-	-	251
Derivatives - foreign exchange forward contract	7(f)	-	58	-	58	-	267	-	267
Financial Investments at FVOCI									
Investments									
- Equity instruments	4(a)	1,928	-	-	1,928	1,684	-	-	1,684
Total Financial Assets		**1,952**	**58**	*****	**2,010**	**1,935**	**267**	*****	**2,202**
Financial liabilities									
Derivatives									
- Foreign-exchange forward contracts	14(c)	-	34	-	34	-	751	-	751
- Interest rate swaps	14(c)	-	57	-	57	-	133	-	133
Total Financial Liabilities		**-**	**91**	**-**	**91**	**-**	**884**	**-**	**884**

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

Level I: Level I hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, Mutual Funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The Mutual Funds are valued using the closing NAV.

Level II: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level II.

Level III: If one or more of the significant inputs is not based on observable market data, the instrument is included in level III.

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 26: Fair value measurements (Contd..)

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

1. The fair values of investment in quoted equity instruments is based on the current market price of respective instruments as at the Balance Sheet date.
2. The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.
3. The fair values of the derivative financial instruments have been received from the respective Banks which has been determined by using valuation techniques with market observable inputs at the end of each reporting dates.

(iii) Fair value of financial assets and liabilities measured at amortised cost

Borrowings measured at amortised cost for which fair value are disclosed	As at 31st March, 2018		As at 31st March, 2017	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial liabilities				
Non-current and current				
Borrowings (including current maturities or payables of non-current borrowings)	3,61,179	3,64,479	3,32,539	3,35,656
Total Financial Liabilities	**3,61,179**	**3,64,479**	**3,32,539**	**3,35,656**

The carrying amount of financial assets and liabilities other than borrowings measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Group does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled. The fair values for the same were calculated based on cash flows discounted using a current lending rate. They are classified as level III fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

The fair values of borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level III fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Note 27: Financial Risk Management

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

(A) Credit risk

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

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

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 27: Financial Risk Management (Contd..)

Trade receivables include Government and Non-Government customers and are diversified in various construction verticals and geographies. All trade receivables are reviewed and assessed on a quarterly basis.

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

(i) Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Group focuses on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

(ii) Allowance for expected credit losses

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

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

(a) the contractual cash flows that are due to an entity under the contract; and

(b) the cash flows that the entity expects to receive

The Group recognises in profit and loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date in accordance with Ind AS 109.

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the creditworthiness of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

In determination of the allowances for credit losses on trade receivables, the Group has used a practical expedience by computing the expected credit losses based on ageing matrix, which has taken into account historical credit loss experience and adjusted for forward looking information.

(iii) The movement of Trade Receivables and Allowance for Expected Credit Loss thereto are as follows:

Particulars	Note	As at 31st March, 2018	As at 31st March, 2017
Trade Receivables (Gross)	7(b)	1,54,479	1,69,052
Less: Allowances for Expected Credit Loss	7(b)	9,434	16,139
Trade Receivables (Net)		**1,45,045**	**1,52,913**

(iv) The movement of Loans to Employees and Allowance for Expected Credit Loss thereto are as follows:

Particulars	Note	As at 31st March, 2018	As at 31st March, 2017
Loan to Employees (Gross)	7(e)	906	1,502
Less: Allowances for Expected Credit Loss	7(e)	69	69
Loan to Employees (Net)		**837**	**1,433**

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 27: Financial Risk Management (Contd..)

(v) The movement of Security Deposit and Allowance for Expected Credit Loss thereto are as follows:

Particulars	Note	As at 31st March, 2018	As at 31st March, 2017
Security Deposit (Gross)	4(b) & 7(f)	7,508	7,567
Less: Allowances for Expected Credit Loss	7(f)	32	32
Security Deposit (Net)		**7,476**	**7,535**

(vi) The movement of Claim Recoverable and Allowance for Expected Credit Loss thereto are as follows:

Particulars	Note	As at 31st March, 2018	As at 31st March, 2017
Claim Recoverable (Gross)	7(f)	13,698	13,865
Less: Allowances for Expected Credit Loss	7(f)	226	230
Claim Recoverable (Net)		**13,472**	**13,635**

(vii) The movement of Deposit for Contract and Allowance for Expected Credit Loss thereto are as follows:

Particulars	Note	As at 31st March, 2018	As at 31st March, 2017
Deposit for Contract (Gross)	4(b) & 7(f)	1,516	2,721
Less: Allowances for Expected Credit Loss	7(f)	38	87
Deposit for Contract (Net)		**1,478**	**2,634**

(viii) Reconciliation of Allowance for Expected Credit Loss:

Particulars	Trade Receivable	Loan to Employees	Security Deposit	Claim Recoverable	Deposit for Contract	Total
Allowance for Expected Credit Loss as on 31st March, 2016	**23,432**	**71**	**33**	**239**	**82**	**23,857**
Net Reversal of Allowance for Expected Credit Loss	(7,293)	(2)	(1)	(9)	5	(7,300)
Allowance for Expected Credit Loss as on 31st March, 2017	**16,139**	**69**	**32**	**230**	**87**	**16,557**
Net Reversal of Allowance for Expected Credit Loss	(4,473)	-	-	(4)	(49)	(4,526)
Bad Debts / Advances written off	(2,232)	-	-	-	-	(2,232)
Allowance for Expected Credit Loss as on 31st March, 2018	**9,434**	**69**	**32**	**226**	**38**	**9,799**

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 27: Financial Risk Management (Contd..)

(B) Liquidity risk

Liquidity risk is the risk that the Group will face in meeting its obligations associated with its financial liabilities. The Group has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The Group manages the liquidity risk by maintaining adequate funds in cash and cash equivalents and short term investments in mutual funds. The Group maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended 31st March, 2018 and 31st March, 2017. The Group also has adequate credit facilities agreed with banks to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost-effective manner.

The following table shows the maturity analysis of the Group's derivative and non-derivative financial liabilities based on contractually agreed undiscounted cash flows.

As at 31st March, 2018

Contractual maturities of financial liabilities	Note	Within 1 Year	Between 1 and 2 years	Between 2 and 4 years	4 Years and above	Total
Non-derivatives						
Borrowings (including current maturities or payables of non-current borrowings)	11,14(a) & 14(c)	3,06,296	28,937	24,707	2,262	3,62,202
Trade payables	14(b)	1,98,716	-	-	-	1,98,716
Other financial liabilities	14(c)	32,613	-	-	-	32,613
Total non-derivative liabilities		**5,37,625**	**28,937**	**24,707**	**2,262**	**5,93,531**
Derivatives (Not designated as hedge)						
- Foreign exchange forward contracts	14(c)	34	-	-	-	34
- Interest rate swaps	14(c)	57	-	-	-	57
Total derivative liabilities		**91**	**-**	**-**	**-**	**91**

As at 31st March, 2017

Contractual maturities of financial liabilities	Note	Within 1 Year	Between 1 and 2 years	Between 2 and 4 years	4 Years and above	Total
Non-derivatives						
Borrowings (including current maturities or payables of non-current borrowings)	11,14(a) & 14(c)	2,69,755	8,470	29,922	25,712	3,33,859
Trade payables	14(b)	1,71,143	-	-	-	1,71,143
Other financial liabilities	14(c)	31,382	-	-	-	31,382
Total non-derivative liabilities		**4,72,280**	**8,470**	**29,922**	**25,712**	**5,36,384**
Derivatives (Not designated as hedge)						
- Foreign exchange forward contracts	14(c)	751	-	-	-	751
- Interest rate swaps	14(c)	-	133	-	-	133
Total derivative liabilities		**751**	**133**	**-**	**-**	**884**

The carrying amount of Borrowings (including current maturities or payables of non-current borrowings) is ₹ 361,179 (31st March, 2017: ₹ 332,539).

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 27: Financial Risk Management (Contd..)

(C) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk.

The sensitivity analyses in the following sections relate to the position as at 31st March, 2018 and 31st March, 2017.

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant. The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31st March, 2018 and 31st March, 2017.

a) **Interest rate risk:** Interest rate risk is measured by using cash flow sensitivity for changes in variable interest rate. Any movement in the reference rates could have an impact on the Group's cash flow as well as cost. The management is focused towards reducing the volatility due to interest rates, which is reflected in proportion of variable interest rate borrowing to total borrowing.

The exposure of the Group's borrowing to interest rate changes at the end of the reporting period are as follows:

	As at 31st March, 2018	%	As at 31st March, 2017	%
Variable rate borrowings	26,924	7%	64,533	19%
Fixed rate borrowings	3,34,255	93%	2,68,006	81%
Total borrowings	**3,61,179**	**100%**	**3,32,539**	**100%**

Working Capital Loan from Banks which are linked with one year fixed Marginal Cost of funds based Lending Rate (MCLR) of respective Banks are considered as Fixed rate borrowings and Working Capital Loans from Banks which are linked with base rates of respective Banks are considered as Variable rate Borrowings.

Sensitivity: A change of 50 bps in interest rates of variable rate borrowings would have following impact before tax on profit and equity:

Particulars	FY 2017-18	FY 2016-17
50 bps increase would decrease the equity and profit before tax by	(135)	(323)
50 bps decrease would Increase the equity and profit before tax by	135	323

b) **Foreign currency risk:** Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. The Parent Company generally enters into forward exchange contracts to hedge against its foreign currency exposures relating to the recognised underlying liabilities / assets and firm commitments. The Parent Company's policy is to hedge its exposures other than natural hedge. The Parent Company does not enter into any derivative instruments for trading or speculative purposes.

Sensitivity: A change of 3% in Foreign currency would have following impact before tax on profit and equity:

Amount in ₹ Lakhs

Particulars	FY 2017-18		FY 2016-17	
	3% Increase	3% Decrease	3% Increase	3% Decrease
USD	24	(24)	347	(347)
EURO	*	(*)	*	(*)
Total	**24**	**(24)**	**347**	**(347)**

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 27: Financial Risk Management (Contd..)

c) **Other price risk:** The Group's exposure to securities price risk arises from investments in mutual funds and equity instruments held by the Group and classified in the balance sheet as FVPL and FVOCI respectively.

Sensitivity: The sensitivity of other comprehensive income to changes in BSE Index of the Group's equity instruments as at year end.

Amount in ₹ Lakhs

Particulars	FY 2017-18	FY 2016-17
5% increase in BSE Sensex 30 would increase the other comprehensive income by	96	84
5% decrease in BSE Sensex 30 would decrease the other comprehensive income by	(96)	(84)

The sensitivity of profit and loss to changes in Net Asset Value (NAVs) as at year end for investments in mutual funds.

Amount in ₹ Lakhs

Particulars	FY 2017-18	FY 2016-17
5% increase in NAV would increase the equity and profit before tax by	1	13
5% decrease in NAV would decrease the equity and profit before tax by	(1)	(13)

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

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 28: Interests in other entities

(a) Interests in subsidiaries

The Group's subsidiaries at 31st March, 2018 and at 31st March, 2017 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name	Country of Incor-poration	Ownership Interest held by the group		Ownership Interest held by non - controlling interests		Non - controlling interests		Principal business activities
		As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017	
Subsidiaries								
Simplex (Middle East) Limited	United Arab Emirates	100%	100%	-	-	N.A.	N.A.	Set up for Construction activities
Simplex Infrastructures Libya Joint Venture Co.	Libya	65%	65%	35%	35%	(401)	(355)	Set up for Construction activities
Simplex Infra Development Private Limited (formerly Simplex Infra Development Limited)	India	100%	100%	-	-	N.A.	N.A.	Set up for Construction of Infrastructure projects
Maa Durga Expressways Private Limited ^	India	100%	100%	-	-	N.A.	N.A.	Set up for Construction activities
Jaintia Highway Private Limited ^	India	100%	100%	-	-	N.A.	N.A.	Set up for Construction activities
Simplex Bangladesh Private Limited ^^	Bangladesh	95%	95%	5%	5%	42	55	Set up for Construction activities
PC Patel Mahalaxmi Simplex Consortium Private Limited ^^^	India	51%	N.A.	49%	N.A.	5	N.A.	Set up for Mine Developing and Operating
Total						**(354)**	**(300)**	

^ represents subsidiary of Simplex Infra Development Private Limited (formerly Simplex Infra Development Limited).

^^ represents a subsidiary of Simplex (Middle East) Limited formed during the Financial Year 2015-16.

^^^ acquisition during the year ended 31st March, 2018.

Parent Company has acquired 51,000 Equity Shares of ₹ 10 each in PC Patel Mahalaxmi Simplex Consortium Private Limited on17th November, 2017.

N.A. - Not Applicable

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 28: Interests in other entities (Contd..)

(b) Non-controlling interests (NCI)

Set out below is summarised financial information for each subsidiary that has non-controlling interests.

Summarised Balance Sheet	Simplex Bangladesh Private Limited		Simplex Infrastructures Libya Joint Venture Co.		Simplex Infra Development Private Limited	
	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017	As at 31st March,2018	As at 31st March, 2017
Current Assets	465	1,796	34	32	149	168
Current Liabilities	80	1,326	1,928	1,798	60	84
Net Current Assets	**385**	**470**	**(1,894)**	**(1,766)**	**89**	**84**
Non-current Assets	446	627	1	2	6,835	7,217
Non-current Liabilities	-	-	-	-	-	-
Net Non-current Assets	**446**	**627**	**1**	**2**	**6,835**	**7,217**
Net assets	**831**	**1,097**	**(1,893)**	**(1,764)**	**6,924**	**7,301**
Accumulated NCI	**42**	**55**	**(401)**	**(355)**	**N.A.**	**N.A.**

N.A. - Not Applicable

Summarised statement of profit and loss	Simplex Bangladesh Private Limited		Simplex Infrastructures Libya Joint Venture Co.		Simplex Infra Development Private Limited		Total	
	For the year ended 31st March, 2018	For the year ended 31st March, 2017	For the year ended 31st March, 2018	For the year ended 31st March, 2017	For the year ended 31st March, 2018	For the year ended 31st March, 2017	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Revenue	66	1,640	-	-	6	47	72	1,687
Profit/(loss) for the year	(56)	891	(1)	(853)	4	(15)	(53)	23
Other comprehensive income	(213)	-	(177)	91	-	-	(390)	91
Total Comprehensive income	**(269)**	**891**	**(178)**	**(762)**	**4**	**(15)**	**(443)**	**114**
Profit/(loss) allocated to NCI	(3)	45	*	(299)	N.A.	N.A.	(3)	(254)
Total profit/(loss) allocated to NCI	**(3)**	**45**	*****	**(299)**	**N.A.**	**N.A.**	**(3)**	**(254)**
Other comprehensive income allocated to NCI	(10)	N.A.	(62)	32	N.A.	N.A.	(72)	32
Total comprehensive income allocated to NCI	**(13)**	**N.A.**	**(62)**	**(267)**	**N.A.**	**N.A.**	**(75)**	**(222)**

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

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 28: Interests in other entities (Contd..)

(b) Non-controlling interests (NCI) (Contd..)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Profit/(loss) allocated to NCI which are material to the Group [As above]	(3)	(254)
Profit/(loss) allocated to other NCI which are immaterial to the Group	-	-
Total profit/(loss) attributable to NCI	**(3)**	**(254)**
Other comprehensive income allocated to NCI which are material to the Group [As above]	(72)	32
Total comprehensive income allocated to NCI	**(75)**	**(222)**

Summarised Cash flows	Simplex Bangladesh Private Limited		Simplex Infrastructures Libya Joint Venture Co.		Simplex Infra Development Private Limited		Total	
	For the year ended 31st March, 2018	For the year ended 31st March, 2017	For the year ended 31st March, 2018	For the year ended 31st March, 2017	For the year ended 31st March, 2018	For the year ended 31st March, 2017	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Cash flows from operating activities	(891)	1,719	-	-	(24)	(3)	(915)	1,716
Cash flows from investing activities	-	-	-	-	-	44	-	44
Cash flows from financing activities	-	2	-	-	-	(33)	-	(31)
Effects of Exchange Differences on cash and cash equivalents	-	1	-	-	-	-	-	1
Net increase /(decrease) in cash and cash equivalents	**(891)**	**1,722**	**-**	**-**	**(24)**	**8**	**(915)**	**1,730**

N.A. - Not Applicable

Transactions with non-controlling interest.

i) The Group has disposed off 5% stake in Simplex Bangladesh Private Limited during the previous financial year 2016-17 for ₹ *. Immediately prior to the disposal, the carrying amount of 5% stake was ₹ 10. The Group recognised an increase in the non-controlling interest of ₹ 10 and a decrease in equity attributable to owners of Parent Company of ₹ 10 in the previous year. The effect on the equity attributable to the owners of the Parent Company during the year is summarised as follows:

	31st March, 2018	31st March, 2017
Carrying amount of non-controlling interest acquired	-	(10)
Consideration received from non-controlling interest	-	*
Excess of consideration paid recognised in retained earnings within equity	-	(10)

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

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 28: Interests in other entities (Contd..)

(c) Interests in associates

Set out below are the associates of the Group as at 31st March, 2018. The entities listed below have share capital consisting solely of equity shares, which are held directly by the Group. The country of incorporation is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of the entity	Country of Incorpora-tion	% of Ownership interest	Principal business activities	Accounting Method	Quoted fair value		Carrying Amount	
					As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
Raichur Sholapur Transmission Company Private Limited [Refer (a) & (b) below]	India	33.33%	Transmission of Electricity	Equity Method	#	#	2,400	2,401
Shree Jagannath Expressways Private Limited ^ [Refer (c) & (d) below]	India	34%	Building of roads under Build Owned Operate Transfer	Equity Method	#	#	6,007	6,389
Simplex Infrastructures LLC	Sultanate of Oman	45%	Construction activities	Equity Method	#	#	-	-
Total							**8,407**	**8,790**

^ Associate company by way of direct share ownership to the extent of 0.0018% and indirect share ownership through a subsidiary, Simplex Infra Development Private Limited to the extent of 33.9982%.

(a) The Group has pledged 1,35,98,640 (31st March, 2017: 1,35,98,640) Equity Shares of Raichur Sholapur Transmission Company Private Limited in favour of IDBI Trusteeship Services Limited, Security Trustee for the benefit of Axis Bank Limited (DIFC Branch), Lender.

(b) Refer Note 42 (c) for certain undertakings given by Parent Company in respect of its Interests in associates.

(c) Carrying amount includes Goodwill arising on Acquisition ₹ 1,500 (31st March,2017: ₹ 1,500)

(d) The Group has pledged 2,56,40,658 Equity Shares of Shree Jagannath Expressways Private Limited in favour of Catalyst Trusteeship Limited, (31st March, 2017: 2,56,40,658 Equity Shares of Shree Jagannath Expressways Private Limited were pledged in favour of Axis Trustee Services Ltd.) Security Trustee for the benefit of consortium of lending banks.

unlisted entity - no quoted price available.

Summarised financial information for associates.

The tables below provide summarised financial information for the associates of the Group. The information disclosed reflects the amounts presented in the financial statements of the relevant associates and not Group's share of those amounts. They have been amended to reflect adjustments made by the entity when using the equity method.

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 28: Interests in other entities (Contd..)

(c) Interests in associates (Contd..)

Summarised balance sheet	Raichur Sholapur Transmission Company Private Limited		Shree Jagannath Expressways Private Limited		Simplex Infrastructures LLC	
	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017	As at 31st March,2018	As at 31st March, 2017
Current assets	1,819	1,166	7,745	3,374	1,18,695	1,03,059
Non-current assets	31,559	33,162	1,24,815	1,22,284	8,972	11,961
Total Assets	**33,378**	**34,328**	**1,32,560**	**1,25,658**	**1,27,667**	**1,15,020**
Current Liabilities	3,201	6,437	5,626	3,958	1,26,499	1,13,437
Non-current Liabilities	22,976	20,688	1,13,679	1,07,321	82	96
Total Liabilities	**26,177**	**27,125**	**1,19,305**	**1,11,279**	**1,26,581**	**1,13,533**
Net Equity	**7,201**	**7,203**	**13,255**	**14,379**	**1,086**	**1,487**

Reconciliation to carrying amounts	Raichur Sholapur Transmission Company Private Limited		Shree Jagannath Expressways Private Limited		Simplex Infrastructures LLC	
	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017	As at 31st March,2018	As at 31st March, 2017
Opening net equity	7,203	7,494	14,379	14,786	1,487	1,788
Profit/(Loss) for the year	(2)	(291)	(1,124)	(405)	(179)	(379)
Other comprehensive income	-	-	-	(2)	(222)	78
Closing net equity	**7,201**	**7,203**	**13,255**	**14,379**	**1,086**	**1,487**
Group Share in %	33.33%	33.33%	34%	34%	45%	45%
Group Share in ₹	2,400	2,401	4,507	4,889	489	669
Goodwill	-	-	1,500	1,500	-	-
Loss on fair valuation of shares held as on the date of sale by the group	-	-	-	-	(612)	(612)
Elimination of Mark up price on sale of trading Items	-	-	-	-	(53)	(53)
Share of unrealised profit on sale of Plant & Equipment	-	-	-	-	(126)	(126)
Carrying amount / (unrecognised losses)	**2,400**	**2,401**	**6,007**	**6,389**	**(302)**	**(122)**
					$	**$**

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 28: Interests in other entities (Contd..)

(c) Interests in associates (Contd..)

Summarised statement of profit and loss	Raichur Sholapur Transmission Company Private Limited		Shree Jagannath Expressways Private Limited		Simplex Infrastructures LLC		Total	
	For the year ended 31st March, 2018	For the year ended 31st March, 2017	For the year ended 31st March, 2018	For the year ended 31st March, 2017	For the year ended 31st March, 2018	For the year ended 31st March, 2017	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Revenue	3,834	3,585	20,710	15,080	29,462	44,565	54,006	63,230
Profit from continuing operations	(2)	(291)	(1,124)	(405)	(179)	(379)	(1,305)	(1,075)
Profit from discontinued operation	-	-	-	-	-	-	-	-
Profit for the year	**(2)**	**(291)**	**(1,124)**	**(405)**	**(179)**	**(379)**	**(1,305)**	**(1,075)**
Other comprehensive income	-	-	-	(2)	(222)	78	(222)	76
Total comprehensive income	**(2)**	**(291)**	**(1,124)**	**(407)**	**(401)**	**(301)**	**(1,527)**	**(999)**
Group Share in %	33.33%	33.33%	34%	34%	45%	45%		
Group Share of:								
Profit/(Loss) for the year	**(1)**	**(97)**	**(382)**	**(138)**	**-**	**(14)**	**(383)**	**(249)**
Other comprehensive income	**-**	**-**	**-**	**(1)**	**-** $	**-** $	**-**	**(1)**

$ restricted to the carrying value of investment made by the Group in the entity.

(d) Interests in joint ventures

Set out below are the joint ventures of the Group as at 31st March, 2018. The entities listed below have share capital consisting solely of equity shares, which are held directly by the Group. The country of incorporation is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of the entity	Country of Incorpora-tion	% of Ownership interest	Principal business activities	Accounting Method	Quoted fair value		Carrying Amount	
					As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
Arabian Construction Co - Simplex Infra Private Limited	India	50%	Construction activities	Equity Method	#	#	-	-
Simplex Almoayyed WLL	Kingdom of Bahrain	49%	Construction activities	Equity Method	#	#	507	480
Total							**507**	**480**

unlisted entity - no quoted price available.

<u>Summarised financial information for joint ventures.</u>

The tables below provide summarised financial information for joint ventures of the Group. The information disclosed reflects the amounts presented in the financial statements of the relevant joint ventures and not Group's share of those amounts. They have been amended to reflect adjustments made by the entity when using the equity method.

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 28: Interests in other entities (Contd..)

(d) Interests in joint ventures (Contd..)

Summarised balance sheet	Arabian Construction Co - Simplex Infra Private Limited		Simplex Almoayyed WLL	
	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
Current assets				
Cash and cash equivalents	613	513	27	198
Other Assets	1,903	1,857	955	1,095
Total Current Assets	**2,516**	**2,370**	**982**	**1,293**
Non-current Assets				
Other Assets	-	-	629	228
Total Non-current Assets	**-**	**-**	**629**	**228**
Current Liabilities				
Financial liabilities (excluding trade payables & provisions)	220	918	66	4
Other liabilities	2,435	1,597	453	502
Total current liabilities	**2,655**	**2,515**	**519**	**506**
Non-current liabilities				
Other liabilities	-	-	57	35
Total non-current liabilities	**-**	**-**	**57**	**35**
Net Assets	**(139)**	**(145)**	**1,035**	**980**

Reconciliation to carrying amounts	Arabian Construction Co - Simplex Infra Private Limited		Simplex Almoayyed WLL	
	31st March, 2018	31st March, 2017	31st March, 2018	31st March, 2017
Opening net assets	(145)	(154)	980	654
Profit for the year	6	9	212	339
Other comprehensive income	-	-	10	(13)
Dividends Paid	-	-	(167)	-
Closing net assets	**(139)**	**(145)**	**1,035**	**980**
Group Share in %	50%	50%	49%	49%
Group Share in ₹	(70)	(73)	507	480
Carrying amount	**(70)** **$**	**(73)** **$**	**507**	**480**

$ restricted to the carrying value of investment made by the Group in the entity.

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

Note 28: Interests in other entities (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

(d) Interests in joint ventures (Contd..)

Summarised statement of profit and loss	Arabian Construction Co - Simplex Infra Private Limited		Simplex Almoayyed WLL		Total	
	For the year ended 31st March, 2018	For the year ended 31st March, 2017	For the year ended 31st March, 2018	For the year ended 31st March, 2017	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Revenue	140	25	2,206	2,123	2,346	2,148
Other Income	-	13	59	47	59	60
Construction Materials Consumed	-	-	1,343	1,171	1,343	1,171
Employee benefits expense	-	2	97	143	97	145
Depreciation and amortisation expense	-	-	95	49	95	49
Other expenses	133	25	518	468	651	493
Income tax expense	1	2	-	-	1	2
Profit for the year	**6**	**9**	**212**	**339**	**218**	**348**
Other comprehensive Income	-	-	10	(13)	10	(13)
Total comprehensive income	**6**	**9**	**222**	**326**	**228**	**335**
Group Share in %	50%	50%	49%	49%		
Group Share of:						
Profit/(Loss) for the year	**-**	**-**	**104**	**166**	**104**	**166**
Other comprehensive income	**-** **$**	**-** **$**	**5**	**(6)**	**5**	**(6)**

$ restricted to the carrying value of investment made by the Group in the entity.

(e) Share of net loss from associates and joint ventures

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Share of profit/(loss) from associates [Refer Note 28(c)]	(383)	(249)
Share of profit/(loss) from joint ventures [Refer Note 28(d)]	104	166
Total share of net loss from associates and joint ventures	**(279)**	**(83)**

(f) Share of other comprehensive income from associates and joint ventures

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Share of other comprehensive income from associates [Refer Note 28(c)]	-	(1)
Share of other comprehensive income from joint ventures [Refer Note 28(d)]	5	(6)
Total share of other comprehensive income from associates and joint ventures	**5**	**(7)**

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 29: Segment Information

Description of segments and principal activities

The Group's chief operating decision making group [CODMG] (as set out in Note 1.2), examines the Group's performance both from business, geographical perspective and has identified two reportable business segments viz. Construction and Others which comprises oil drilling services, real estate and hiring of plant and equipment. Segment disclosures are consistent with the information provided to CODMG which primarily uses operating profit/ loss of the respective segments to assess their performance. CODMG also periodically receives information about the segments revenue and assets.

(a) Summarised Segment information

Particulars	Construction	Others	Total
External Sales (i.e. Revenue from Operations) #	**5,68,252**	**8,435**	**5,76,687**
	5,52,962	*8,287*	*5,61,249*
Other Income	**8,944**	**-**	**8,944**
	12,444	*-*	*12,444*
Segment Revenue #	**5,77,196**	**8,435**	**5,85,631**
	5,65,406	*8,287*	*5,73,693*
Segment Result	**64,060**	**3,144**	**67,204**
	61,110	*3,782*	*64,892*

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

(b) Specified amounts included in Segment Results

Particulars	Construction	Others	Total
Depreciation and Amortisation	**17,836**	**546**	**18,382**
	19,367	*516*	*19,883*
Net Foreign Exchange loss / (gain)	**(141)**	**(44)**	**(185)**
	(154)	*(41)*	*(195)*
Net Non cash expense / (income) other than depreciation and amortisation	**(3,200)**	**-**	**(3,200)**
	(4,091)	*-*	*(4,091)*

(c) Reconciliation of Segment Results with Profit after tax

Particulars	Construction	Others	Total
Segment Results	**64,060**	**3,144**	**67,204**
	61,110	*3,782*	*64,892*
Finance Costs	**-**	**-**	**(47,086)**
	-	*-*	*(44,496)*
Corporate Unallocated (net)	**-**	**-**	**(5,160)**
	-	*-*	*(4,977)*
Provision for Taxation - Current Tax (Net of excess Current Tax provision for earlier years written back)	**-**	**-**	**(1,967)**
	-	*-*	*(1,396)*
Provision for Taxation - Deferred Tax	**-**	**-**	**(1,429)**
	-	*-*	*(516)*
Share of profit / (loss) of associates and joint ventures accounted for using equity method	-	-	**(279)**
	-	*-*	*(83)*
Profit after tax as per Financial Statements	**-**	**-**	**11,283**
	-	*-*	*13,424*

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 29: Segment Information (Contd..)

(d) Other information

Particulars	Construction	Others	Total
Segment Assets@	**8,67,466**	**18,539**	**8,86,005**
	8,00,874	*16,957*	*8,17,831*
Corporate Unallocated (net)	**-**	**-**	**34,803**
	-	*-*	*24,427*
Total Assets	**8,67,466**	**18,539**	**9,20,808**
	8,00,874	*16,957*	*8,42,258*
Segment Liabilities	**3,72,434**	**3,946**	**3,76,380**
	3,31,369	*3,177*	*3,34,546*
Corporate Unallocated (net)	**-**	**-**	**3,81,734**
	-	*-*	*3,54,769*
Total Liabilities	**3,72,434**	**3,946**	**7,58,114**
	3,31,369	*3,177*	*6,89,315*
Addition to Non-current assets (other than financial instruments, deferred tax assets and net defined benefit plan assets).	**11,334**	**337**	**11,671**
	10,229	*4*	*10,233*

Figures as of and for the year ended 31st March, 2017 have been presented in italics.

@ Segment Assets include Investments in associates and joint ventures ₹ 8,914 (31st March, 2017: ₹ 9,270).

(e) Additional Segment Information - By geography

	As at 31st March, 2018				As at 31st March, 2017			
	India	Other Asian Countries	Africa	Total	India	Other Asian Countries	Africa	Total
Segment Revenue - External *	5,33,053	52,438	140	5,85,631	4,83,562	89,463	668	5,73,693
Carrying cost of segment non-current assets **@	1,01,615	9,833	418	1,11,866	1,00,729	16,037	630	1,17,396

* Based on location of customers.

** Excluding financial assets, deferred tax assets and post employment benefit assets.

@ Based on geographical location of assets.

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 30: Related party transactions

Related Party Disclosures pursuant to Ind AS 24 prescribed under the Act.

Names of Related Parties		Relationship
(a)	**Where control exists:**	
	Information relating to subsidiaries have been set out in Note 28(a)	
(b)	**Name of the related parties with whom transactions were carried out during the year etc.:**	
	Associates	Shree Jagannath Expressways Private Limited
		Raichur Sholapur Transmission Company Private Limited
		Simplex Infrastructures LLC
	Joint Ventures	Simplex Almoayyed WLL
		Arabian Construction Co- Simplex Infra Pvt. Ltd.
	Key Management Personnels (KMP)	**Executive Directors**
		Mr. Rajiv Mundhra
		Mr. S. Dutta
		Mr. A. K. Chatterjee #
		Mr. A. N. Basu ##
		Mr. D. N. Basu ###
		Non-executive Directors
		Mr. Ashutosh Sen
		Mr. N. N. Bhattacharyya
		Ms. Leena Ghosh
		Mr. Sheo Kishan Damani
		Mr. Amitabh Das Mundhra #
		Company Secretary
		Mr. B. L. Bajoria
	Relatives of KMP	Mrs. Yamuna Mundhra
		Mrs. Savita Bagri
		Mrs. Sarmistha Dutta
		Mr. Subhabrata Dutta
		Mr. Sumit Dutta
		Mrs. Anuja Mundhra
		Mrs. Savita Mundhra
		Master Shreyan Mundhra
		Mr. B. D. Mundhra
		Mr. Amitabh Das Mundhra ##

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 30: Related party transactions (Contd..)

Related Party Disclosures pursuant to Ind AS 24 prescribed under the Act.

Names of Related Parties	Relationship
Entities controlled by Director or relatives of Director	Giriraj Apartments Pvt. Ltd.
	Mundhra Estates
	Safe Builders
	RBS Credit & Financial Developments Private Limited
	Anupriya Consultants Private Limited
	Baba Basuki Distributors Private Limited
	Asnew Finance & Investment Private Limited
	Anjali Tradelink Private Limited
	Universal Earth Engineering Consultancy Services Private Limited
	Varuna Multifin Pvt. Ltd.
	East End Trading & Engineering Co. Pvt. Ltd.
	Ajay Merchants Pvt. Ltd.
	Sandeepan Exports (P) Ltd.
	Simplex Technologies Pvt. Ltd
	Regard Fin-Cap Private Limited
	JMS Mining Services Pvt Ltd
	Salarpuria Simplex Dwelling LLP
	Raseshwar Engineers & Consultants Pvt. Ltd.
	Simplex Infra Properties Pvt Limited
Post employment benefit plan entity	Simplex Infrastructures Gratuity Fund
	Simplex Employees Provident fund

up to 20th September, 2016

with effect from 21st September, 2016

with effect from 21st November, 2016

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 30: Related party transactions (Contd..)

(c) Transactions with related parties

	Associates		Joint Ventures		Key Management Personnel		Relative of Key Management Personnel		Entities controlled by Director or relatives of Director		Post employment benefit plan entity		Total	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Dividend Paid														
Giriraj Apartments Pvt Ltd	-	-	-	-	-	-	-	-	*	*	-	-	*	*
RBS Credit & Financial Developments Private Limited	-	-	-	-	-	-	-	-	24	24	-	-	24	24
Anupriya Consultants Private Limited	-	-	-	-	-	-	-	-	36	35	-	-	36	35
Baba Basuki Distributors Private Limited	-	-	-	-	-	-	-	-	12	11	-	-	12	11
Asnew Finance & Investment Private Limited	-	-	-	-	-	-	-	-	-	1	-	-	-	1
Simplex Infra Properties Pvt Limited	-	-	-	-	-	-	-	-	1	-	-	-	1	-
Anjali Tradelink Private Limited	-	-	-	-	-	-	-	-	4	4	-	-	4	4
Universal Earth Engineering Consultancy Private Limited	-	-	-	-	-	-	-	-	1	1	-	-	1	1
Varuna Multifin Pvt Ltd	-	-	-	-	-	-	-	-	-	1	-	-	-	1
East End Trading & Engineering Co Pvt. Ltd	-	-	-	-	-	-	-	-	6	6	-	-	6	6
Ajay Merchants Pvt. Ltd.	-	-	-	-	-	-	-	-	*	*	-	-	*	*
Sandeepan Exports (P) Ltd.	-	-	-	-	-	-	-	-	5	5	-	-	5	5
Regard Fin-Cap Private Limited	-	-	-	-	-	-	-	-	1	1	-	-	1	1
Rasheshwar Engineers & Consultants Pvt. Ltd.	-	-	-	-	-	-	-	-	*	*	-	-	*	*
JMS Mining Services Pvt Ltd	-	-	-	-	-	-	-	-	2	2	-	-	2	2
Mr. Rajiv Mundhra	-	-	-	-	9	9	-	-	-	-	-	-	9	9
Mr. S. Dutta	-	-	-	-	*	*	-	-	-	-	-	-	*	*
Mr. Amitabh Das Mundhra	-	-	-	-	-	10	10	-	-	-	-	-	10	10
Mr. A. K. Chatterjee	-	-	-	-	-	*	-	-	-	-	-	-	-	*
Mrs. Yamuna Mundhra	-	-	-	-	-	-	11	11	-	-	-	-	11	11
Mrs. Savita Bagri	-	-	-	-	-	-	*	*	-	-	-	-	*	*
Mrs. Anuja Mundhra	-	-	-	-	-	-	*	*	-	-	-	-	*	*
Master Shreyan Mundhra	-	-	-	-	-	-	*	*	-	-	-	-	*	*
Mr. B. D. Mundhra	-	-	-	-	-	-	15	15	-	-	-	-	15	15
	-	-	-	-	9	19	36	26	92	91	-	-	137	136
Contract Revenue Billed														
Salarpuria Simplex Dwellings LLP	-	-	-	-	-	-	-	-	-	548	-	-	-	548
Shree Jagannath Expressways Private Limited	2,174	4,430	-	-	-	-	-	-	-	-	-	-	2,174	4,430
Arabian Construction Co- Simplex Infra Private Limited	-	-	-	86	-	-	-	-	-	-	-	-	-	86
	2,174	4,430	-	86	-	-	-	-	-	548	-	-	2,174	5,064

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 30: Related party transactions (Contd..)

(c) Transactions with related parties (Contd..)

	Associates		Joint Ventures		Key Management Personnel		Relative of Key Management Personnel		Entities controlled by Director or relatives of Director		Post employment benefit plan entity		Total	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Share of Profit/(Loss)														
Simplex Infrastructures L.L.C	-	(14)	-	-	-	-	-	-	-	-	-	-	-	(14)
Shree Jagannath Expressways Private Limited	(382)	(138)	-	-	-	-	-	-	-	-	-	-	(382)	(138)
Raichur Sholapur Transmission Company Private Limited	(1)	(97)	-	-	-	-	-	-	-	-	-	-	(1)	(97)
Simplex Almoayyed WLL	-	-	104	166	-	-	-	-	-	-	-	-	104	166
	(383)	(249)	104	166	-	-	-	-	-	-	-	-	(279)	(83)
Share of OCI														
Simplex Almoayyed WLL	-	-	1	(7)	-	-	-	-	-	-	-	-	1	(7)
	-	-	1	(7)	-	-	-	-	-	-	-	-	1	(7)
Net Loans and Advances taken / (repaid)														
Simplex Infrastructures L.L.C	-	(1,678)	-	-	-	-	-	-	-	-	-	-	-	(1,678)
JMS Mining Services Pvt Ltd	-	-	-	-	-	-	-	-	(1,200)	2,700	-	-	(1,200)	2,700
	-	(1,678)	-	-	-	-	-	-	(1,200)	2,700	-	-	(1,200)	1,022
Loans given / (Repaid) (net)														
Shree Jagannath Expressways Private Limited	574	2,053	-	-	-	-	-	-	-	-	-	-	574	2,053
Raichur Sholapur Transmission Company Private Limited	(36)	36	-	-	-	-	-	-	-	-	-	-	(36)	36
Simplex Infrastructures L.L.C	8,940	3,417	-	-	-	-	-	-	-	-	-	-	8,940	3,417
	9,478	5,506	-	-	-	-	-	-	-	-	-	-	9,478	5,506
Miscellaneous Receipts														
Simplex Infrastructures L.L.C	394	521	-	-	-	-	-	-	-	-	-	-	394	521
JMS Mining Services Pvt Ltd	-	-	-	-	-	-	-	-	17	-	-	-	17	-
	394	521	-	-	-	-	-	-	17	-	-	-	411	521
Contribution during the year														
Simplex Employees Provident Fund	-	-	-	-	-	-	-	-	-	-	410	399	410	399
Simplex Infrastructures Gratuity Fund	-	-	-	-	-	-	-	-	-	-	132	-	132	-
	-	-	-	-	-	-	-	-	-	-	542	399	542	399
Rent														
Giriraj Apartments Pvt Ltd	-	-	-	-	-	-	-	-	3	2	-	-	3	2
Mundhra Estate	-	-	-	-	-	-	-	-	9	4	-	-	9	4
Safe Builders	-	-	-	-	-	-	-	-	3	3	-	-	3	3
Mrs. Yamuna Mundhra	-	-	-	-	-	-	2	1	-	-	-	-	2	1
Mr. Subhabrata Dutta	-	-	-	-	-	-	3	3	-	-	-	-	3	3
Mrs. Sarmistha Dutta	-	-	-	-	-	-	3	3	-	-	-	-	3	3
Mr. Sumit Dutta	-	-	-	-	-	-	3	3	-	-	-	-	3	3
	-	-	-	-	-	-	11	10	15	9	-	-	26	19

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

Note 30: Related party transactions (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

(c) Transactions with related parties (Contd..)

	Associates		Joint Ventures		Key Management Personnel		Relative of Key Management Personnel		Entities controlled by Director or relatives of Director		Post employment benefit plan entity		Total	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Interest income from financial assets at amortised cost														
Shree Jagannath Expressways Private Limited	644	436	-	-	-	-	-	-	-	-	-	-	644	436
Raichur Sholapur Transmission Company Private Limited	3	1	-	-	-	-	-	-	-	-	-	-	3	1
Simplex Infrastructures L.L.C	623	72	-	-	-	-	-	-	-	-	-	-	623	72
	1,270	509	-	-	-	-	-	-	-	-	-	-	1,270	509
Equipment Hire Charges														
Simplex Infrastructures L.L.C	632	876	-	-	-	-	-	-	-	-	-	-	632	876
	632	876	-	-	-	-	-	-	-	-	-	-	632	876
Managerial Remuneration #														
Mr. Rajiv Mundhra	-	-	-	-	97	62	-	-	-	-	-	-	97	62
Mr. S. Dutta	-	-	-	-	45	41	-	-	-	-	-	-	45	41
Mr. A. K. Chatterjee	-	-	-	-	-	33	-	-	-	-	-	-	-	33
Mr. A. N. Basu	-	-	-	-	90	44	-	-	-	-	-	-	90	44
Mr. D. N. Basu	-	-	-	-	40	13	-	-	-	-	-	-	40	13
Mr. B. L. Bajoria					23	22	-	-	-	-	-	-	23	22
	-	-	-	-	295	215	-	-	-	-	-	-	295	215
Sitting Fees														
Mr. Asutosh Sen	-	-	-	-	2	2	-	-	-	-	-	-	2	2
Mr. N. N. Bhattacharjee	-	-	-	-	3	3	-	-	-	-	-	-	3	3
Ms. Leena Ghosh	-	-	-	-	1	1	-	-	-	-	-	-	1	1
Mr. Sheo Kishan Damani	-	-	-	-	1	2	-	-	-	-	-	-	1	2
Mr. Amitabh Das Mundhra	-	-	-	-	-	1	-	-	-	-	-	-	-	1
	-	-	-	-	7	9	-	-	-	-	-	-	7	9
Reimbursement / (Recovery) of expense (Net)														
Giriraj Apartments Pvt Ltd	-	-	-	-	-	-	-	-	3	5	-	-	3	5
Salarpuria Simplex Dwellings LLP	-	-	-	-	-	-	-	-	(48)	(48)	-	-	(48)	(48)
JMS Mining Services Pvt Ltd	-	-	-	-	-	-	-	-	6	34	-	-	6	34
Shree Jagannath Expressways Private Limited	68	5	-	-	-	-	-	-	-	-	-	-	68	5
Raichur Sholapur Transmission Company Private Limited	7	(5)	-	-	-	-	-	-	-	-	-	-	7	(5)
Arabian Construction Co- Simplex Infra Private Limited	-	-	1	(148)	-	-	-	-	-	-	-	-	1	(148)
Simplex Infrastructures L.L.C	35	-	-	-	-	-	-	-	-	-	-	-	35	-
	110	-	1	(148)	-	-	-	-	(39)	(9)	-	-	72	(157)

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 30: Related party transactions (Contd..)

(c) Transactions with related parties (Contd..)

	Associates		Joint Ventures		Key Management Personnel		Relative of Key Management Personnel		Entities controlled by Director or relatives of Director		Post employment benefit plan entity		Total	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Advance given/(refund)														
Simplex Infrastructures L.L.C	-	5,019	-	-	-	-	-	-	-	-	-	-	-	5,019
Arabian Construction Co- Simplex Infra Private Limited	-	-	1	-	-	-	-	-	-	-	-	-	1	-
	-	5,019	1	-	-	-	-	-	-	-	-	-	1	5,019
Guarantees Given/(released)(net)														
Shree Jagannath Expressways Private Limited	(2,490)	-	-	-	-	-	-	-	-	-	-	-	(2,490)	-
Raichur Sholapur Transmission Company Private Limited	(2,783)	(554)	-	-	-	-	-	-	-	-	-	-	(2,783)	(554)
Simplex Infrastructures L.L.C	(20,354)	(7,614)	-	-	-	-	-	-	-	-	-	-	(20,354)	(7,614)
Arabian Construction Co- Simplex Infra Private Limited	-	-	(265)	(2,149)	-	-	-	-	-	-	-	-	(265)	(2,149)
	(25,627)	(8,168)	(265)	(2,149)	-	-	-	-	-	-	-	-	(25,892)	(10,317)
Grand Total	**(11,952)**	**6,766**	**(158)**	**(2,052)**	**311**	**243**	**47**	**36**	**(1,115)**	**3,339**	**542**	**399**	**(12,325)**	**8,731**

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

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 30: Related party transactions (Contd..)

(d) Balance outstanding at the year end

	Associates		Joint Ventures		Key Management Personnel		Relative of Key Management Personnel		Entities controlled by Director or relatives of Director		Post employment benefit plan entity		Total	
	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
Financial asset- Trade receivable														
Salarpuria Simplex Dwellings LLP	-	-	-	-	-	-	-	-	21	13	-	-	21	13
JMS Mining Services Pvt Ltd	-	-	-	-	-	-	-	-	19	*	-	-	19	*
Shree Jagannath Expressways Private Limited	840	157	-	-	-	-	-	-	-	-	-	-	840	157
Raichur Sholapur Transmission Company Private Limited	278	278	-	-	-	-	-	-	-	-	-	-	278	278
Simplex Infrastructures L.L.C	468	74	-	-	-	-	-	-	-	-	-	-	468	74
Arabian Construction Co- Simplex Infra Private Limited	-	-	948	925	-	-	-	-	-	-	-	-	948	925
	1,586	509	948	925	-	-	-	-	40	13	-	-	2,574	1,447
Financial asset- Loans														
Shree Jagannath Expressways Private Limited	4,250	3,676	-	-	-	-	-	-	-	-	-	-	4,250	3,676
Raichur Sholapur Transmission Company Private Limited	-	36	-	-	-	-	-	-	-	-	-	-	-	36
Simplex Infrastructures L.L.C	12,347	3,350	-	-	-	-	-	-	-	-	-	-	12,347	3,350
	16,597	7,062	-	-	-	-	-	-	-	-	-	-	16,597	7,062
Other financial assets (comprising advances and other items)														
Safe Builders	-	-	-	-	-	-	-	-	*	*	-	-	*	*
Arabian Construction Co- Simplex Infra Private Limited	-	-	195	193	-	-	-	-	-	-	-	-	195	193
Giriraj Apartments Pvt. Ltd.	-	-	-	-	-	-	-	-	9	6	-	-	9	6
JMS Mining Services Pvt Ltd	-	-	-	-	-	-	-	-	80	-	-	-	80	-
Shree Jagannath Expressways Private Limited	487	413	-	-	-	-	-	-	-	-	-	-	487	413
Raichur Sholapur Transmission Company Private Limited	15	5	-	-	-	-	-	-	-	-	-	-	15	5
Simplex Infrastructures L.L.C	7,027	5,621	-	-	-	-	-	-	-	-	-	-	7,027	5,621
	7,529	6,039	195	193	-	-	-	-	89	6	-	-	7,813	6,238

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

Note 30: Related party transactions (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

(d) Balance outstanding at the year end (Contd..)

	Associates		Joint Ventures		Key Management Personnel		Relative of Key Management Personnel		Entities controlled by Director or relatives of Director		Post employment benefit plan entity		Total	
	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
Other current assets (comprising advances and other items)														
Salarpuria Simplex Dwellings LLP	-	-	-	-	-	-	-	-	-	1,446	-	-	-	1,446
Safe Builders	-	-	-	-	-	-	-	-	*	*	-	-	*	*
Giriraj Apartments Pvt Ltd	-	-	-	-	-	-	-	-	-	6	-	-	-	6
Mundhra Estates	-	-	-	-	-	-	-	-	2	2	-	-	2	2
Simplex Technologies Pvt Ltd	-	-	-	-	-	-	-	-	-	1	-	-	-	1
Raichur Sholapur Transmission Company Private Limited	36	36	-	-	-	-	-	-	-	-	-	-	36	36
Arabian Construction Co- Simplex Infra Private Limited	-	-	1,091	1,091	-	-	-	-	-	-	-	-	1,091	1,091
Simplex Infrastructures Gratuity Fund	-	-	-	-	-	-	-	-	-	-	927	1,059	927	1,059
	36	36	1,091	1,091	-	-	-	-	2	1,455	927	1,059	2,056	3,641
Other Financial Liabilities														
Mr. Rajiv Mundhra	-	-	-	-	4	7	-	-	-	-	-	-	4	7
Mr. S. Dutta	-	-	-	-	2	3	-	-	-	-	-	-	2	3
Mr. A. N. Basu	-	-	-	-	2	7	-	-	-	-	-	-	2	7
Mr. D. N. Basu	-	-	-	-	2	3	-	-	-	-	-	-	2	3
	-	-	-	-	10	20	-	-	-	-	-	-	10	20
Other Current Liabilities														
JMS Mining Services Pvt Ltd	-	-	-	-	-	-	-	-	1,500	2,625	-	-	1,500	2,625
Raichur Sholapur Transmission Company Private Limited	9	8	-	-	-	-	-	-	-	-	-	-	9	8
Simplex Infrastructures L.L.C	672	668	-	-	-	-	-	-	-	-	-	-	672	668
Arabian Construction Co- Simplex Infra Private Limited	-	-	341	325	-	-	-	-	-	-	-	-	341	325
Simplex Employees Provident Fund	-	-	-	-	-	-	-	-	-	-	119	116	119	116
	681	676	341	325	-	-	-	-	1,500	2,625	119	116	2,641	3,742
Guarantees Given														
Shree Jagannath Expressways Private Limited [Refer (a) below]	5,550	8,040	-	-	-	-	-	-	-	-	-	-	5,550	8,040
Raichur Sholapur Transmission Company Private Limited [Refer (a) below]	23,359	26,142	-	-	-	-	-	-	-	-	-	-	23,359	26,142
Simplex Infrastructures L.L.C	76,315	96,669	-	-	-	-	-	-	-	-	-	-	76,315	96,669
Arabian Construction Co- Simplex Infra Private Limited	-	-	-	265	-	-	-	-	-	-	-	-	-	265
	1,05,224	1,30,851	-	265	-	-	-	-	-	-	-	-	1,05,224	1,31,116
Grand Total	**1,31,653**	**1,45,173**	**2,575**	**2,799**	**10**	**20**	**-**	**-**	**1,542**	**4,093**	**1,046**	**1,175**	**1,36,915**	**1,53,266**

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

\# Remuneration for current year is exclusive of perquisites not covered under the Income Tax Act, 1961.

(a) Refer Note 42(c) for certain undertakings given by the Group.

Terms and Conditions:

Balances of Trade receivables are non-interest bearing. All outstanding balances are unsecured and repayable in cash.

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 30: Related party transactions (Contd..)

(e) Key management personnel compensation - Summary :

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Short-term employee benefits	295	215
Total compensation	**295**	**215**

Note: Post employment benefit costs are recognised as per actuarial valuation from which expenses relating to individual employees are not readily available.

Note 31: Computation of Earnings per Equity Share (Basic and Diluted)

			F.Y. 2017-2018	F.Y. 2016-2017
(a)	(i)	Weighted average number of Equity Shares outstanding	4,94,72,330	4,94,72,330
	(ii)	Face Value of each Equity Share (In ₹)	2/-	2/-
(b)		Profit for the year attributable to Owners of the Parent Company	11,286	13,678
(c)		Basic earnings per share attributable to the equity holders of the Parent Company [(b)/(a)(i)]	22.81	27.65
(d)		Diluted earnings per share attributable to the equity holders of the Parent Company [same as (c) above]	22.81	27.65

Note 32: Contingent Liabilities - Attributable to Claims against the Group not acknowledged as debts:

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

		As at 31st March, 2018	As at 31st March, 2017
a)	Interest (others)	6	6
b)	Professional Tax	4	4
c)	Sales Tax / Value Added Tax	19,476	17,457
d)	Entry Tax	375	294
e)	Excise Duty	380	344
f)	Income Tax	2,726	2,054
g)	Service Tax	2,941	3,182
h)	The Group does not expect any reimbursement in respect of the above matters.		

Note 33: Contingent Liabilities - Attributable to Guarantees:

In respect of Guarantees set out below, the cash outflows, if any, could generally occur during the validity period of the respective guarantees:

		As at 31st March, 2018	As at 31st March, 2017
i)	Corporate Guarantees given to Banks against credit facilities extended to third parties.		
	a) In respect of Associates #	76,449	94,347
ii)	Bank Guarantees		
	a) In respect of Joint Ventures	-	265
	b) In respect of Associates	5,932	8,500

Relates to the following:

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 33: Contingent Liabilities - Attributable to Guarantees: (Contd..)

(A) Amount of credit facilities utilised aggregating ₹ 53,472 (31st March, 2017: ₹ 68,665) against corporate guarantee given to banks of ₹ 76,315 (31st March, 2017: ₹ 96,669) in respect of an associate; and

(B) In respect of an another Associate Company, corporate guarantee given to the lender equivalent to the outstanding amount as at 31st March, 2018 for repayment of facility given amounting to USD 353 lakhs (equivalent ₹ 22,977), has been provided by the Parent Company along with its others consortium members. In terms of the Deed of Guarantee, guarantors' obligation are joint and several.

Note 34: Arbitration / Legal proceedings are on in respect of Parent Company's claims on certain completed / suspended contracts, against which certain customers have also raised counter claims on the Parent Company. Pending disposal of the proceedings, no effect has been given in these financial statements for such matters.

Note 35: The Income Tax Act (the Act) has been amended to include the provisions of Income Computation and Disclosure Standards (ICDS) in the sections 43AA and 43CB, with retrospective effect from 1st April 2016, which inter alia makes foreign currency translation reserves (FCTR) and retention monies on construction contracts taxable for the Group. The Parent Company already has a Writ Petition challenging the validity of ICDS pending adjudication by the Hon'ble High Court of Calcutta, while the Hon'ble High Court of Delhi has already rendered the ICDS null and void and 'non-est' in law in the Chamber of Tax Consultants Case (2017).

Further, based on legal opinion of a Senior Advocate, the Parent Company is of the view that the changes in the Act are not applicable consequent to the ruling of the Delhi High Court as above, and also referring to various relevant judgements of the Hon'ble Supreme Court.

In view of the above, the Group has not considered the aforesaid balances for computation of tax expenses in these financial statements, and will continue to dispute their taxability with the relevant authorities.

Note 36: As on 31st March, 2018 in respect of trade receivables of ₹ 43,890 lakhs [included under Note 7(b)] and claims recoverable of ₹ 1,596 lakhs from customers of Parent Company against various project sites [included under Note 7(f)], where the amount is outstanding for a long period and based on its discussions and correspondence with those customers, the management is of the opinion that at this stage these are good and recoverable.

Inventories of ₹ 2,914 lakhs (included under Note 6) as on 31st March, 2018 at certain completed project sites of Parent Company are good and will be transferred for onward use in other projects.

In respect of the retention money due from customer, it is receivable only after the contract is completed, certification of final bill by customer and after expiry of defect liability period. In the opinion of the Parent Company the retention amounts of ₹ 21,540 lakhs due from customer of certain completed contracts (included under Note 9) as on 31st March, 2018 are good and recoverable. Management regularly reviews the old outstanding trade receivables, Claims recoverable and Retention monies due from customers as on 31st March, 2018 and in the opinion of the management, these are good and recoverable.

Retention money due from customer and unbilled revenue (included under Note 9) as at 31st March, 2018 have been considered as 'other current assets' as per Ind AS-32. Further, in the opinion of the management, there is lack of clarity in respect of application of the provisions of Ind AS with regard to fair value of these items and there has not been any authoritative clarification / interpretation in this regard. This is the consistent practice being followed by the Group and the industry peers.

On this issue, one of the Joint Auditors is in agreement with the views of the management. The above reasons explain the qualification by the other Joint Auditor on this issue in their audit report on the company's financial results for the year ended 31st March, 2018.

Note 37: Arbitration proceedings are on in respect of certain Trade Receivables [included under Note 7(b)], Unbilled Revenue and Retention Money due from a customer of the Parent Company (included under Note 9) which is under legal proceedings including liquidation proceedings amounting to ₹ 5,083 lakhs (net), ₹ 4,657 lakhs and ₹ 615 lakhs respectively as at 31st March, 2018. There has not been any development in this regard during the current year and accordingly till the disposal of legal proceedings, the Parent Company considers the above amount as good and recoverable. The said reasons explain the qualification by both the Joint auditors' on the same issue in their Audit reports on the Company's financial results

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

for the year ended 31st March, 2018. Further, there is inventory amounting to ₹ 2,915 lakhs (included under Note 6) also lying at such project site as on date and are good as per Management's opinion.

In view of above, we are unable to agree with the auditors' comments on changes in the figures of Trade Receivables, Unbilled Revenue, Retention Money, Inventories etc. and the consequential impact on profit for the year/quarter and balance of other equity at the year-end.

There are advances to suppliers related to certain completed project sites of Parent Company, amounting to ₹ 1,063 lakhs (included under Note 9) on which the Parent Company is in active pursuit and confident of recovery / settlement of these advances within a reasonable period of time. On this issue, one of the joint auditors is in agreement with the views of the management. The above reasons explain the qualification by the other Joint Auditor on his issue in their audit report on the company's financial results for the year ended 31st March, 2018.

Note 38: The Group has provided for mark to market losses amounting to ₹ 33 (31st March, 2017: ₹ 617) relating to derivative contracts.

Note 39: (a) Recognition of unbilled revenue is based on Cost to Complete (CTC) estimates as per Percentage of Completion Method (POCM) under Ind AS-11 'Construction Contracts'. This CTC is regularly reviewed and necessary changes are effected by the Management. Certification of unbilled revenue including final bills takes a long time from project to project by the customer. At this stage based on its discussion with the concerned customers, the Parent Company feels that old unbilled revenue of ₹ 86,035 lakhs (included under Note 9) in respect of the Parent Company as on 31st March, 2018 will be billed and realised in due course, the records and documents for which are maintained at respective project sites spread across the country and also outside India.

Further on this issue, one of the joint auditors is in agreement with the views of the management. The above reasons explain the qualification by the other Joint Auditor on this issue in their audit report on the company's financial results for the year ended 31st March, 2018.

(b) The Parent Company is in the process of reconciling VAT liability (Refer Note 15 and Note 9 - "Statutory dues" and "Statutory advances") till 30th June, 2017. The impact of difference, if any, in such VAT liability, which the management does not expect to be significant, will be considered thereafter. On this issue, one of the joint auditors is in agreement with the views of the management. The above reasons explain the qualification by the other Joint Auditor on this issue in their audit report on the company's financial results for the year ended 31st March, 2018.

(c) The Group, as per consistent practice followed, does not consider depreciation on properties, plants and equipment and borrowing cost as part of the project cost in the Cost to Complete (CTC) for determining contract turnover referred in Note 18 as per percentage of completion under Ind AS–11 "Contract Cost" for its various projects. The depreciation on Property Plant and Equipment etc. as also borrowing cost directly related to specific contracts is not material. However, in the Profit and Loss Statement, both depreciation and borrowing cost being the period cost are charged to revenue. The Management is of the opinion that not considering the depreciation as stated above and borrowing cost in the Cost to Complete (CTC) statement does not affect the calculation of Percentage of Completion Method (POCM) materially. On this issue, one of the joint auditors is in agreement with the views of the management. The above reasons explain the qualification by the other Joint Auditor on this issue in their audit report on the company's financial results for the year ended 31st March, 2018.

(d) In respect of classification of certain current assets into non-current assets, the Parent Company provides expected credit loss (ECL) on these current assets. The Group considers an average normal operating cycle for its operations though the operating cycle for all the projects are not uniform, the Parent Company has classified certain trade receivables [included under Note 7(b)], statutory advances pending assessment by relevant authorities (included under Note 9), security deposits [included under Note 7(f)] and other balances including those subject to arbitrations (included under Note 8 and Note 9), amounting to ₹ 8,370 lakhs, ₹ 25,137 lakhs, ₹ 1,885 lakhs and ₹ 17,257 lakhs respectively as current assets. On this issue, one of the joint auditors is in agreement with the views of the management. The above reasons explain the qualification by the other Joint Auditor on this issue in their audit report on the company's financial results for the year ended 31st March, 2018.

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 40: Assets pledged as security

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

	As at 31st March, 2018	As at 31st March, 2017
Current assets		
Financial assets	2,08,469	1,71,984
Non-financial assets		
Inventories	75,274	70,076
Total (A)	**2,83,743**	**2,42,060**
Non-current assets		
Property, plant and equipment	1,07,845	1,10,375
Intangible Assets	155	192
Total (B)	**1,08,000**	**1,10,567**
Total (A + B)	**3,91,743**	**3,52,627**

Note 41: Information in accordance with the requirements of the Indian Accounting Standard (Ind AS 11) on 'Construction Contracts' specified under the Act.

	2017-2018	2016-2017
Contract revenue recognised for the year (Refer Note 18)	5,63,318	5,49,864
Aggregate amount of contract costs incurred and recognised profits (less recognised losses) up to year ended for all the contracts in progress	18,84,436	18,35,421
The amount of customer advances outstanding for contracts in progress as at the year end	99,522	91,337
The amount of retention due from customers for contracts in progress as at the year end	28,909	31,774
Gross amount due from customers for contracts in progress [Refer Note (a) and (b) below]	4,00,257	3,23,980
Gross amount due to customers for contracts in progress (Billing in Excess of Revenue) [Refer Note 15 and Note (a) and (b) below]	1,913	125

(a) Construction Contracts

On the balance sheet date, the Group reports the net contract position for each contract as either an asset or a liability. A contract represents an asset where costs incurred plus recognised profits (less recognised losses) exceed progress billings. A contract represents a liability where the progress billings exceeds costs incurred plus recognised profits (less recognised losses).

(b) Amounts due from (to) customers under construction contracts

	As at 31st March, 2018	As at 31st March, 2017
Gross amount due from customers for contracts in progress	4,00,257	3,23,980
Gross amount due to customers for contracts in progress (Billing in Excess of Revenue)	(1,913)	(125)
	3,98,344	**3,23,855**

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 42: Commitments

		As at 31st March, 2018	As at 31st March, 2017
a)	Capital Commitments contracted for at end of reporting period but not recognised as liabilities:		
	Property, plant and equipment	2,885	1,283
	Intangible Assets	5	3
b)	Uncalled liability on partly paid shares	1	1

c) Other Commitments

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

(a) To National Highways Authority of India, to hold together with its associates, other sponsors/ shareholders, not less than 26% of the issued and paid up equity share capital in Shree Jagannath Expressways Private Limited (SJEPL), an associate company, during construction period of the project being executed by SJEPL and two years thereafter. As at 31st March, 2018, the Group holds 2,600 (31st March, 2017: 2,600) equity shares of ₹ 10/- each fully paid up of SJEPL [Note 28(c)] representing 0.002% (2017: 0.002%) of the total paid up equity share capital of SJEPL.

(b) To Long Term Transmission Customers, to hold together with its other sponsors/ shareholders, not less than 26% in the issued and paid up equity share capital of Raichur Sholapur Transmission Company Private Limited (RSTCPL), an associate company, up to 3rd July, 2019, i.e. a period of five years after Commercial Operation Date (achieved on 4th July, 2014) of the project being executed by RSTCPL. As at 31st March, 2018, the Group holds 2,66,64,000 (31st March, 2017: 2,66,64,000) equity shares of ₹ 10/- each fully paid up of RSTCPL [Note 28(c)] representing 33.33% (31st March, 2017: 33.33%) of the total paid up equity share capital of RSTCPL.

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

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

Note 43: Leases

(a) The Group has not entered into non-cancellable operating lease for office, warehouses and employee accommodation.

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

(c) Lease payments in respect of (b) above are recognised in the statement of profit and loss under the heads 'Rent' and 'Equipment Hire Charges' in Note 24.

Note 44: Loans to Associates

Name of the Company	Balance as at		Maximum outstanding during	
	31st March, 2018	31st March, 2017	F.Y. 2017-18	F.Y. 2016-17
Shree Jagannath Expressways Private Limited	4,250	3,676	4,250	3,676
Raichur Sholapur Transmission Company Private Limited	-	36	176	36
Simplex Infrastructures LLC	12,347	3,350	12,347	3,350

Note 45: The Parent Company is in discussion with its customers on the impact of Goods and Service Tax on the contract terms and conditions for certain contracts and necessary adjustments, which in the opinion of the management will not be significant, would be made upon completion of such discussions.

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 46: Offsetting financial assets and financial liabilities

Effect of offsetting on the balance sheet:

The following table presents the recognised financial instruments that are offset as at 31st March, 2018 and 31st March, 2017. The column 'net amount' shows the net amount presented in the balance sheet after offsetting.

	Note No.	Effect of offsetting on the balance sheet		
		Gross Amounts	Gross amounts set off in the balance sheet	Net amounts presented in the balance sheet
As at 31st March, 2018				
Financial assets				
Cash and cash equivalents [Refer (a) below]	7(c)	17,924	(7,458)	10,466
Trade receivables	7(b)	1,47,856	(2,811)	1,45,045
Total		**1,65,780**	**(10,269)**	**1,55,511**
Financial liabilities				
Trade payables	14(b)	2,01,527	(2,811)	1,98,716
Current Borrowings [Refer (a) below]	14(a)	3,01,849	(7,458)	2,94,391
Advance from customers payable		11,614	(11,614)	-
Total		**5,14,990**	**(21,883)**	**4,93,107**

	Note No.	Effect of offsetting on the balance sheet		
		Gross Amounts	Gross amounts set off in the balance sheet	Net amounts presented in the balance sheet
As at 31st March, 2017				
Financial assets				
Cash and cash equivalents [Refer (a) below]	7(c)	31,641	(27,816)	3,825
Bank balance other than above [Refer (a) below]	7(d)	1,474	(205)	1,269
Trade receivables	7(b)	1,64,762	(11,849)	1,52,913
Total		**1,97,877**	**(39,870)**	**1,58,007**
Financial liabilities				
Trade payables	14(b)	1,72,782	(1,639)	1,71,143
Current Borrowings [Refer Note (a) below]	14(a)	2,98,134	(28,021)	2,70,113
Advance from customers payable		10,210	(10,210)	-
Total		**4,81,126**	**(39,870)**	**4,41,256**

(a) Gross amounts set off in the balance sheet represents outstanding borrowings for respective banks where there is balance in current accounts also.

Note 47: Amount subject to master netting arrangements but not offset:

The Group does not have any financial assets and financial liabilities subject to master netting arrangements but not offset in the respective financial years.

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 48: Capital Management

(a) Risk management

The Group's objectives when managing capital are to

- safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Management regularly monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents) divided by Total 'equity' (as shown in the balance sheet).

The Group's strategy is to maintain a gearing ratio within 2.50. The gearing ratios were as follows:

	As at 31st March, 2018	As at 31st March, 2017
Net debt	3,50,713	3,28,714
Total equity	1,62,694	1,52,943
Net debt to equity ratio	**2.16**	**2.15**

The debt capital is subject to usual debt covenants, such as timely servicing of debts, maintaining adequate security coverage and appropriate gearing ratios etc. as may be specified by the lenders from time to time. The Group has complied with these covenants during the year.

(b) Dividends

		As at 31st March, 2018	As at 31st March, 2017
(i)	Equity shares		
	Final dividend for the year ended 31st March, 2017 of ₹ 0.50 (31st March, 2016: ₹ 0.50) per fully paid share	247	247
(ii)	Dividends not recognised at the end of the reporting period	283	247
	The directors have recommended the payment of a final dividend of ₹ 0.50 per fully paid equity share (31st March, 2017: ₹ 0.50). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.		

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 49: Additional information required by Schedule III

Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary / Associates / Joint Ventures for the year ended 31st March, 2018.

Name of the Enterprise	As at 31st March, 2018 Net Assets i.e. total assets minus total liabilities		For the year ended 31st March, 2018 Share in profit and loss		For the year ended 31st March, 2018 Share in other comprehensive income		For the year ended 31st March, 2018 Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit and loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Simplex Infrastructures Limited	100.47	1,63,457	103.65	11,695	77.31	(971)	106.95	10,724
Subsidiaries (group's share)								
Indian								
Simplex Infra Development Private Limited (Formerly Simplex Infra Development Limited) @	4.26	6,923	0.04	5	-	-	0.05	5
PC Patel Mahalaxmi Simplex Consortium Pvt. Ltd.	0.01	10	-	-	-	-	-	-
Foreign								
Simplex (Middle East) Limited @	0.50	821	(0.52)	(59)	17.44	(219)	(2.77)	(278)
Simplex Infrastructures Libya Joint Venture Co.	(1.16)	(1,892)	-	(1)	14.09	(177)	(1.78)	(178)
Non-Controlling Interest in all subsidiaries	(0.22)	(354)	(0.03)	(3)	5.73	(72)	(0.75)	(75)
Associates (Investments accounted for as per equity method)								
Indian								
Shree Jagannath Expressways Private Limited	0.00	*	(3.39)	(382)	-	-	(3.81)	(382)
Raichur Sholapur Transmission Company Private Limited (Formerly as Raichur Sholapur Transmission Company Limited)	(0.16)	(267)	(0.01)	(1)	-	-	(0.01)	(1)
Foreign								
Simplex Infrastructures L.L.C.	(0.05)	(87)	-	-	-	-	-	-
Joint Ventures (Investment accounted for as per equity method)								
Indian								
Arabian Construction Company - Simplex Infra Private Limited (ACC-SIPL)	(0.02)	(25)	-	-	-	-	-	-
Foreign								
Simplex - Almoayyed W.L.L. (SAWLL) #	0.13	219	0.92	104	(0.32)	4	1.08	108
Adjustments arising out of consolidation	(3.76)	(6,111)	(0.66)	(75)	(14.25)	179	1.04	104
Total	**100.00**	**1,62,694**	**100.00**	**11,283**	**100.00**	**(1,256)**	**100.00**	**10,027**

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 49: Additional information required by Schedule III (Contd..)

Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary / Associates / Joint Ventures for the year ended 31st March, 2017.

Name of the Enterprise	As at 31st March, 2017 Net Assets i.e. total assets minus total liabilities		For the year ended 31st March, 2017 Share in profit and loss		For the year ended 31st March, 2017 Share in other comprehensive income		For the year ended 31st March, 2017 Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit and loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Simplex Infrastructures Limited	100.05	1,53,030	89.59	12,027	108.98	(1,333)	87.63	10,694
Subsidiaries (group's share)								
Indian								
Simplex Infra Development Private Limited (Formerly Simplex Infra Development Limited) @	4.77	7,300	(0.11)	(15)	-	-	(0.12)	(15)
Foreign								
Simplex (Middle East) Limited @	0.72	1,095	6.35	853	2.58	(31)	6.73	822
Simplex Infrastructures Libya Joint Venture Co.	(1.15)	(1,764)	(6.35)	(853)	(7.95)	97	(6.19)	(756)
Non-Controlling Interest in all subsidiaries	(0.20)	(300)	(1.89)	(254)	(2.63)	32	(1.81)	(222)
Associates (Investments accounted for as per equity method)								
Indian								
Shree Jagannath Expressways Private Limited	0.0002	*	(1.03)	(138)	-	-	(1.13)	(138)
Raichur Sholapur Transmission Company Private Limited (Formerly as Raichur Sholapur Transmission Company Limited)	(0.17)	(267)	(0.73)	(97)	-	-	(0.80)	(97)
Foreign								
Simplex Infrastructures L.L.C.	(0.06)	(87)	(0.10)	(14)	-	-	(0.11)	(14)
Joint Ventures (Investment accounted for as per equity method)								
Indian								
Arabian Construction Company - Simplex Infra Private Limited (ACC-SIPL)	(0.02)	(25)	-	-	-	-	-	-
Foreign								
Simplex - Almoayyed W.L.L. (SAWLL) #	0.13	193	1.24	166	0.55	(7)	1.31	159
Adjustments arising out of consolidation	(4.07)	(6,232)	13.03	1,749	(1.53)	20	14.49	1,769
Total	**100.00**	**1,52,943**	**100.00**	**13,424**	**100.00**	**(1,222)**	**100.00**	**12,202**

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

@ Financial impact is inclusive of its Subsidiaries / Joint Ventures / Associates, as applicable.

All Components of the Group follow same reporting date as that of the Parent Company i.e. 31st March with the exception of SAWLL, a Joint Venture, whose reporting date is 31st December. The audited financial statements of SAWLL has been consolidated as of the reporting date i.e. 31st December after giving impact of significant transactions for next three months.

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2018 (Contd..)

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 50: Previous year's figures are regrouped/ rearranged, where necessary, to conform to the current year's presentation.

Signatures to Notes 1 to 50

For S.R.Batliboi & Co. LLP
Firm Registration Number: 301003E/E300005
Chartered Accountants

per Kamal Agarwal
Partner
Membership Number: 058652

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

H.S.Bhattacharjee
Partner
Membership Number: 50370

For and on behalf of Board of Directors

S. Dutta
Whole-time Director &
Chief Financial Officer
DIN 00062827

A. N. Basu
Whole-time Director
DIN 05296613

B. L. Bajoria
Sr. V.P. & Company Secretary

Kolkata, 31st May, 2018

Form AOC-1

Statement containing salient features of the financial statement of Subsidiaries/ Associate Companies/ Joint Ventures

[Pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014]

Part "A" : Subsidiaries

(All amounts in ₹ Lakhs, unless otherwise stated)

Sl. No.	Particulars	Simplex (Middle East) Limited (Refer Note 2 below)	Simplex Infrastructures Libya Joint Venture Co.	Simplex Infra Development Private Limited	Maa Durga Expressways Private Limited	Jaintia Highway Private Limited	PC Patel Mahalaxmi Simplex Consortium Pvt. Ltd.
1	Reporting Currency	AED	LYD	INR	INR	INR	INR
2	Closing exchange rate against Indian Rupee as on 31st March, 2018 (In ₹)	17.72	48.84	-	-	-	-
3	Equity Share Capital	92.14	732.60	8,459.00	1,000.00	351.00	10.00
4	Other Equity	780.72	(2,625.05)	(1,039.39)	(959.32)	(17.32)	-
5	Total Assets	967.49	35.36	7,437.45	72.71	344.09	85.24
6	Total equity and liabilities	967.49	35.36	7,437.45	72.71	344.09	85.24
7	Investments	-	-	6,877.32	7.73	15.93	-
8	Turnover	65.77	-	-	-	-	-
9	Profit / (Loss) before Taxation	(58.84)	(0.56)	3.61	0.16	0.57	-
10	Provision for Taxation	-	-	0.69	(0.97)	-	-
11	Profit / (Loss) after Taxation	(58.84)	(0.56)	2.92	1.13	0.57	-
12	Proposed Dividend	-	-	-	-	-	-
13	% of Shareholding (Refer Note 3)	100%	65%	100%	100%	100%	51%
	Country	United Arab Emirates	Libya	India	India	India	India

Notes:

1) The above figures are before elimination of inter-company balances and transactions.
2) Financials is inclusive of its Subsidiary.
3) Percentage of shareholding is either by the Company or through its subsidiary.

Form AOC-1 (Contd..)

Statement containing salient features of the financial statement of Subsidiaries/ Associate Companies/ Joint Ventures

[Pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014]

Part "B" : Associates and Joint Ventures

(All amounts in ₹ Lakhs, unless otherwise stated)

Sl. No.	Particulars	Shree Jagannath Expressways Private Limited	Raichur Sholapur Transmission Company Private Limited	Simplex Infrastructures L.L.C	Arabian Construction Company - Simplex Infra Private Limited	Simplex - Almoayyed W.L.L.
1	Latest audited Balance Sheet Date	31.03.2018	31.03.2018	31.03.2018	31.03.2018	31.12.2017
2	Shares of Associate/Joint Ventures held by the company on the year end :					
"	- In No.	5,02,75,800	2,66,64,000	1,12,500	2,50,000	4,900
	- Amount of Investment in Associates / Joint Ventures	6,527.58	2,666.40	87.00	25.00	287.42
	- Extend of holding % (Refer Note A)	34%	33.33%	45%	50%	49%
3	Description of how there is significant influence	Shareholding	Shareholding	Shareholding	Shareholding	Shareholding
4	Reason why the associate/joint venture is not consolidated	N.A	N.A	N.A	N.A	N.A
5	Networth attributable to Shareholding as per latest audited Balance Sheet	4,507.53	2,399.29	497.56	(69.94)	529.60
6	Profit / (Loss) for the year					
	- Considered in Consolidation	(382.11)	(0.56)	- #	- #	104.00
	- Not Considered in Consolidation	N.A	N.A	N.A	N.A	N.A
	Reporting Currency	INR	INR	OMR	INR	BHD
	Country	India	India	Sultanate of Oman	India	Kingdom of Bahrain

Notes:

A. Extent of holding percentage is either by the Company or through its subsidiary.

restricted to the carrying value of investment made by the group in the entity as on the reporting date / prior period as applicable.

Construction of Brigade Golden Triangle Apartment Complex at Bengaluru

Simplex Infrastructures Limited

<u>Registered Office</u>

SIMPLEX HOUSE

27 Shakespeare Sarani Kolkata 700 017

www.simplexinfra.com