Simplex Infrastructures Limited

Simple solutions for com**plex** structures

Our world is Changing...

Annual Report 2010 - 11

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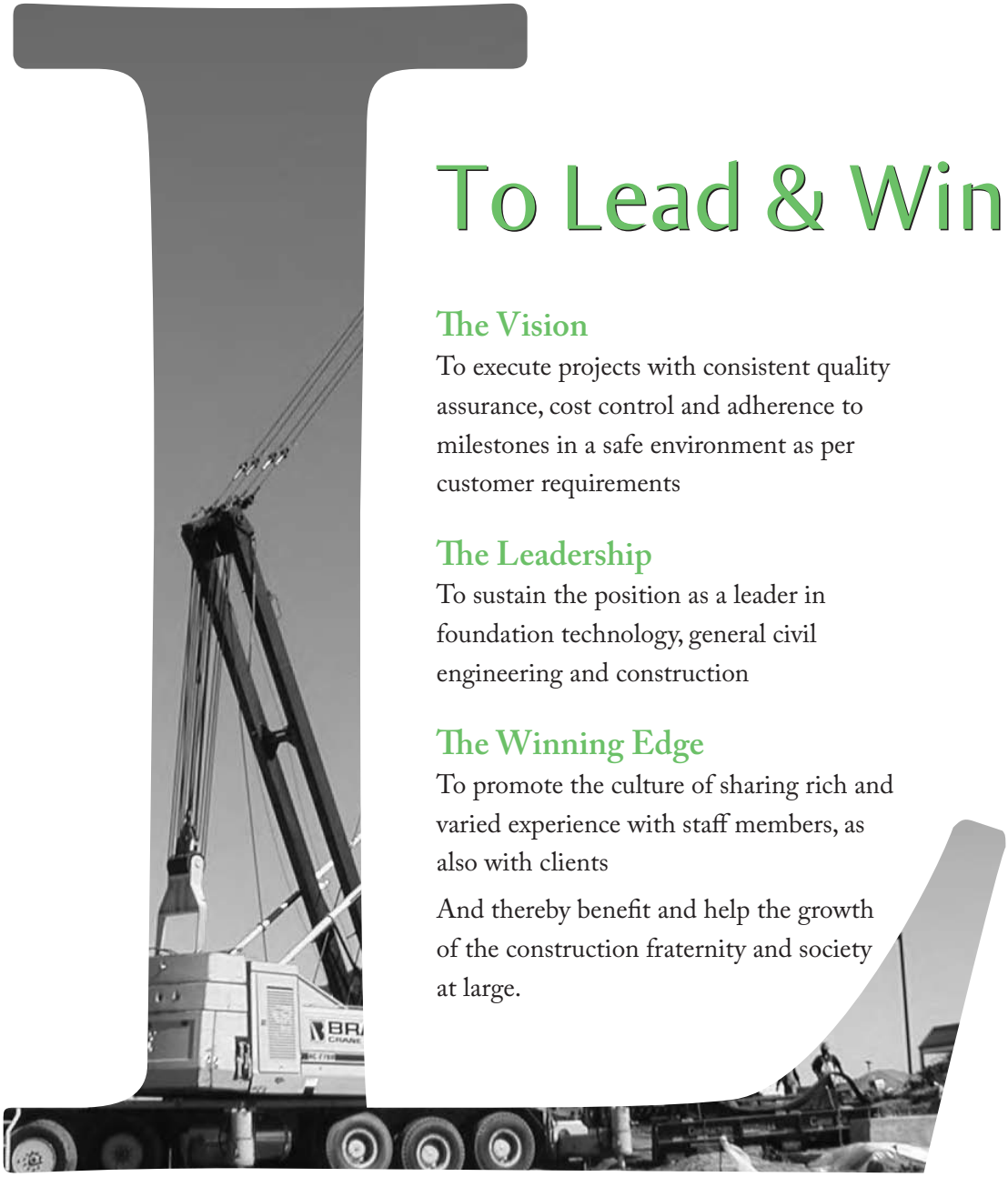
Dahej Bulk Cargo Jetty *– The project in Gujarat presented a complex offshore execution challenge due to adverse environmental condition like 11m tidal variation and current of 6 to 8 knots. The 2.4 km long approach way with RCC Piles and 550 m long jetties were supported with 381 Nos, 1420mm dia 60m long steel piles*



To Lead & Win

The Vision

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

The Leadership

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

The Winning Edge

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

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

Construction of Jaitkhamb Project at Girodpuri, Chhattisgarh – A 77M high R.C.C structure with seven level of deck and two Capsule lifts

Corporate Information

BOARD OF DIRECTORS

Shri B.D. Mundhra
(Chairman and Managing Director)

Shri A.D. Mundhra
Shri A. Mukherjee
Dr. R. Natarajan
Shri B. Sengupta
Shri S. Dutta
Shri Rajiv Mundhra
Shri N. N. Bhattacharyya
Shri Sheokishan Damani
Shri Kunal Shroff

COMPANY SECRETARY

Shri B.L. Bajoria

BANKERS

Allahabad Bank
Axis Bank Ltd
Bank of Baroda
Canara Bank
Development Credit Bank Ltd
Exim Bank
HDFC Bank Ltd
HSBC Ltd
ICICI Bank Ltd
IDBI Bank Ltd
Indian Bank
IndusInd Bank Ltd
ING Vysya Bank Ltd
Karur Vysya Bank Ltd
Oriental Bank of Commerce
Punjab National Bank
Standard Chartered bank
State Bank of India
State Bank of Travancore
The Federal Bank Ltd
The Royal Bank of Scotland
UCO Bank
United Bank of India
Yes Bank Ltd

AUDITORS

Price Waterhouse
Chartered Accountants, Plot No. Y - 14
Block - EP, Sector - V
Salt Lake Electronic Complex
Bidhan Nagar, Kolkata - 700091

REGISTERED OFFICE

'SIMPLEX HOUSE'
27 Shakespeare Sarani Kolkata - 700017

BRANCHES

Delhi
Hemkunth Chambers 4th Floor
89 Nehru Place New Delhi - 110019

Mumbai
502-A Poonam Chambers
Shiv Sagar Estate 'A' Wing
Dr. Annie Besant Road Worli
Mumbai - 400018

Chennai
New No.57 (Old No.38), Pantheon Road
Egmore, Chennai - 600008

BRANCHES (INTERNATIONAL)

Qatar
HBK Tower (Home Centre Building)
1st Floor, Room No. 1
P.O. Box 22472, Doha, Qatar

Dubai
P.O. Box 124748
Room no. 312, Pinnacle Building
Sheikh Zayed Road
Dubai, UAE

Oman
P.O.Box - 1797, Postal Code - 114
Muscat, Sultanate of Oman

Abudhabi
P.O. Box 130764, Electra Street
Mouza Mubarak Ali Ghanem
Al Qubaisi Building
Abu Dhabi, U.A.E

Ethiopia
9th Floor, Kea Med Building
Post Box No. 46445
Kazanchis, Addis Ababa, Ethiopia

Saudi Arabia
Jeddah, Madinah Road
Saudi Business Centre
Office No. 118
P.O.Box – 133277, Jeddah - 21382
Kingdom of Saudi Arabia

Bangladesh
New 20 Comrade MoniSingha Road
Old 62/1 PuranaPaltan, Level - 4
Motijheel C/A, Dhaka - 1000
Bangladesh

Srilanka
68 Davidson Road
Colombo 4, Srilanka

ADMIN OFFICE

12/1, Nellie Sengupta Sarani
Kolkata - 700087

OTHER OFFICES

Vadodara
Offtel Tower No - 2 (3rd Floor)
R.C. Dutta Road
Vadodara - 390005

Bangalore
Brigade Plaza, Unit – C, # 71/1
Near Anandrao Circle, S.C. Road
Bangalore - 560009

Ring Road Bypass, Rajghat, New Delhi

A Record of Engineering

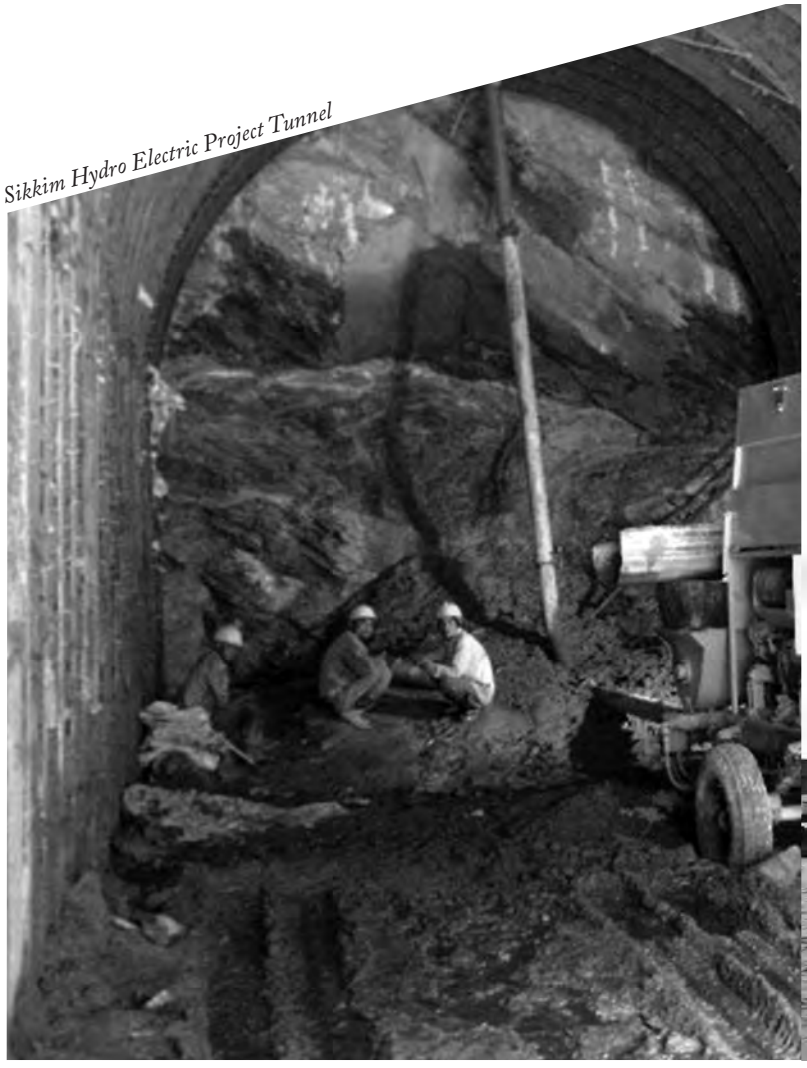
Simplex Infrastructures Ltd. has long been one of the top construction companies, closely associated with the country's infrastructure development. Today our expanding expertise spans the complete range of construction activities in several countries.

Engineering Design | Construction Planning | Project Engineering

Fitting and finishing | Electro-mechanical Fit-outs

BOT/EPC Project Management | Real Estate Development

Launching of casting yard of pre-cast pre-tensioned U-girders for Metro Railways, Mumbai



Sikkim Hydro Electric Project Tunnel

Ground Engineering

In **1924** Simplex became the first company to introduce driven cast-in-situ concrete piling in India and South East Asia. Since then it has consistently led the industry in achieving technical breakthroughs to prepare safe & sound, foundations for stronger, bigger and higher structures.

Industrial Structures

In **1935** Simplex began the construction of steel plants. Since then it has built several of India's modern and integrated plants for SAIL, IISCO, Tata, Jindal, Essar, Bhushan, Usha Ispat, RINL, etc. Cement, Metal, Refineries and Petrochemical Complexes, Fertilizer and other complex production facilities have also been built by Simplex. Current projects include several cement and metal plants, power projects, oil refineries etc.

2 x 250 MW Thermal Power Plant at Mejia West Bengal for M/S BHEL

International Container Transhipment terminal at Kochi for DP World under operation

Marine Ports

In the **1940s** Simplex completed the construction of the prestigious King George Docks (now Jawaharlal Nehru Port) in Mumbai to gain national recognition. Later, in 1968, it moved into full fledged marine construction and has since been associated with many of India's major ports such as Cochin, Haldia ,Vizag, JNPT, Adani, Karaikal, Paradeep and Mundra.

Flyover Project - Bangladesh

Buildings

In **1958** Simplex designed and built the first seventeen storied RCC framed structure in Asia - the National Tower in Kolkata. The company has subsequently built numerous high-rise landmark buildings across the country and is today entrusted to erect India's tallest structures – a 117 storied tower at Mumbai. Prestigious clients include Sheth, Lodha, Brigade, HDIL, Keppel, Unitech, Bombay Dyeing, Mantri and Salarpuria.

Diaphragm Wall being installed at Kolkata for Kolkata Hotel Project

Coal Handling Plant for Mejia Thermal Power Plant, W.B.

Urban Utilities

In the **1960s** Simplex entered construction of urban utilities, setting up sewerage treatment plant in Howrah. Today its wide ranging experience spans water and sewerage pipelines, flyovers, water tanks, metro stations and viaducts, treatment plant, hospitals, airports and more. Simplex has been involved in almost all metro rail projects in major cities in India as well at Dubai. The designing and building of Andal (Durgapur) Airport on behalf of Bengal Aerotropolis Projects Ltd. is another prestigious assignment.

Power

In **1964** Simplex completed civil and structural construction of its first thermal power plant. Since then Simplex has successfully built more than 120 power projects of various capacities all over India. Today Simplex also undertakes construction of hydro and nuclear power plants apart from large number of thermal power plants including Gujarat UMPP. In **2010** the company entered into the erection of transmission line infrastructure, bagging the contract for Engineering Procurement & Construction of 400 KV DIC Quad Transmission Line - Bongaigaon to Siliguri and several others.

Rajghat Flyover, New Delhi

Under Construction - 2.2 KM long Prestressed Concrete Bridge over river Mahanadi - for a 40 KM long Bhubaneshwar - Chandikhole BOT Road Project, for M/S NHAI

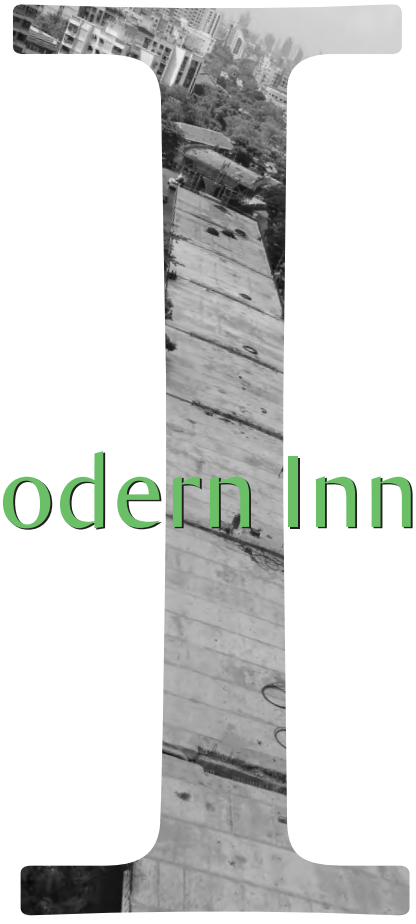
Transportation

Simplex has been involved in the construction of bridge projects since the forties and has successfully completed bridges during the last seventy years.In **1997** Simplex diversified into the transport sector for road and railway construction. The expertise ranges from flyovers, elevated corridors and bridges for road transportation to track-laying, signaling and station buildings for the railways. It is one of the few companies capable of automatic track-laying. Simplex recently completed 11.5 Km longest elevated expressway road corridor at Hyderabad. The Company also bagged prestigious contracts of construction of 12 Km long flyover from Prince of Wales museum to Anik Panjarapole, Wadala and Lalbaug area in Mumbai, the largest flyover of India - 12.5 Km long at Chennai, Jatrabari - Gulsitan flyover in Dhaka, Bangladesh and also several other in Middle East countries like Oman, Qatar and Dubai.

Road to Bhubaneshwar

Simplex is executing the 6-laning of Chandikhole-Jagatpur-Bhubaneshwar section of NH-5. The EPC contract has been awarded by Shree Jagannath Expressways Pvt. Ltd.

The Modern Innovators



Simplex has raised the standard of excellence in construction practices in India with its engineering innovations. Some noteworthy achievements are:

- First to introduce cast-in-situ driven piles in India and South East Asia in 1924.
- First to design and construct a 17- storied RCC struture in Asia -National Tower in Kolkata in 1958.
- First to develop technique for jointed pre-cast concrete piles of up to 150 metres depth.
- First to construct housing complex using Aarding 'Tunnel Form' technology.
- First to construct basement using top down construction technique.
- First to construct 2000 mm dia bored pile foundation.
- First to construct the largest two-tier overhead tank (of 6000 M^3 capacity) in India.
- First to construct rail over-bridge with 50 m span P.S.C Girder over running electrified section.

Adding Depth

Over the years Simplex has steadily increased the installation depth for cast-in-situ driven/bored & jointed pre-cast concrete piles.

1972-3	50 meters
1982-3	100 meters
1990	150 meters

Design & Construction of Assembly Building at Imphal

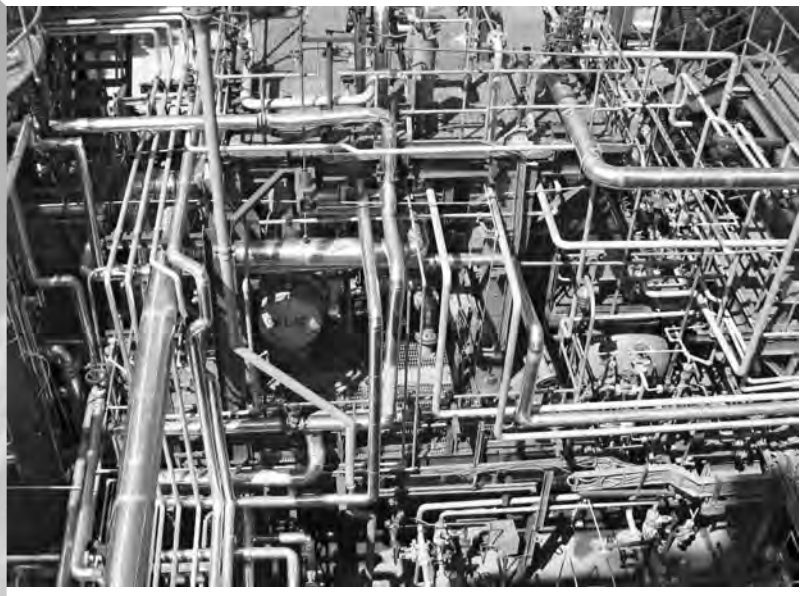
Showcase

Last 5 Years - Some Important Completed Projects (India)

- Civil Work for ICTT, JNPT.
- Civil work (Marine Work) for ICTT Kochi Phase – IA.
- Supply and services for general civil works package for 2 x 525 MW Maithon Right Bank Thermal Power Project.
- Construction of the longest (11.5 KM) Elevated Expressway Corridor of India at Hyderabad on Engineering, Procurement and Construction (EPC) basis.
- Civil, structural, and allied works for refinery and petrochemical complex in Jamnagar, Gujarat.
- Civil, Structural and Architectural work for 1000 MW {4 x 250 MW Phase-I} Power Project at Raigar, Chhattisgarh.
- Improvement of access to Golden Quadrilateral corridor along NH-04, 45 & 205 within Chennai, Tamil Nadu.
- Piling, Civil & Structural work for Kotputli Cement Project at Jaipur, Rajasthan.
- Construction of long distance raw water intake and delivery pipeline system (2x34.5 KM long) for smelter project at Jharsuguda, Orissa.
- Civil & Structural work for cement plant at Aditya Cement, Unit - II Sambhupura, Chittorgarh, Rajasthan.
- Construction for 2x135 MW power plant at Raigarh.
- Civil work for main Power House and BOP Units of Mundra 5 x 660 MW APL Power Project.
- Civil and Structural works of aluminium smelter project at Jharsuguda, Orissa.
- Civil work for Brigade Metropolis at Whitefields, Bangalore.
- Civil and Structural works for construction of Central Park - II, Gurgaon Haryana.
- Civil Construction of Basement of Commercial Building & Car parking at Prabhadevi, Mumbai.

Heater Structure for IOCL, Digboi, Assam

Pump, Exchanger, Vessel Piping for IOCL, Digboi, Assam



1.1 km long coal berths at West Port Mundra, Gujarat

17 Storied high Brigade Metropolis, Bangalore

- Construction of Ring Road Bypass from Salimgarh Fort to Velodrome (Road & Bridges, Culverts, Underpass Clover Leaf Structures etc.).
- Kolkata Municipal Corporation Sewerage and Drainage, Tollygunge, Kolkata.
- Job Piles, Pile Caps, Pedestal in Boiler and Power House Area, Sagardhigi Manigram, Murshidabad.
- Coal Handling Plant for 2x220 MW, Amarkantak TPS, M.P.
- Orient Cement Plant, Devapur (AP).

Heavy Gasolene Feed Tank for IOCL, Digboi, Assam

Important Completed Projects (Overseas)

- Electromechanical Erection, Civil & Structural works for 5000 TPD cement plant at Doha, Qatar.
- Civil and Building works for Qatalum Power Plant Project, Doha.
- Construction of Fire Station at Fahahil & Ummbab.
- Structural work for Parcel 11B & 16 A of The Pearl, Qatar.
- Construction of B+G+21+P Residential Tower at West Bay, Qatar.
- Construction of 26 storied (103 M) Hotel Hilton along with sea side restaurant at Qatar.

Important Ongoing Projects (India)

ROAD

- 6-Laning of Chandikhole-Jagatpur-Bhubaneshwar section of NH-5 including Bridges and Flyovers on BOT (Toll) basis.
- 2-Laning of DIPHU - Manja Road, Jatinga - Haflong Road, Baska Barama Road, Jagiroad - Morigaon, Kokrajhar - Karigaon Road and Udal - Guri - Rowta Road, under SARDP - NE - Phase - B in Assam.
- 4-Laning from KM 319.80 to 360.57 of Gorakhpur-Gopalganj Section of NH 28 in Uttar Pradesh.
- Widening & Strengthening to 4 Lane of existing Single/ Intermediate Lane Carriageway of National Highway No. 57 Section from KM 159.357 to 174.382 (Simrahi - Kosi Eastern Bund Section) in Bihar on East West Corridor under NHDP, Phase - II.

RAIL

- Patch Doubling of Guntakal Raichur section of South Central Railway including Earthwork in Formation, Construction of Bridges, Service and Residential Buildings, Installation of Track, Re-modelling of Station Yards, Electrical Work, Signalling and Interlock.
- Doubling of Track between Dindigul & Villipuram and execution of Major and Minor Bridges between Villipuram to Ariyalur and from Valadi to Dindigul in Tiruchirapalli.

MARINE

- Design & construction of approach Jetties and Main Berth for Mundra Bulk terminal at West Port.

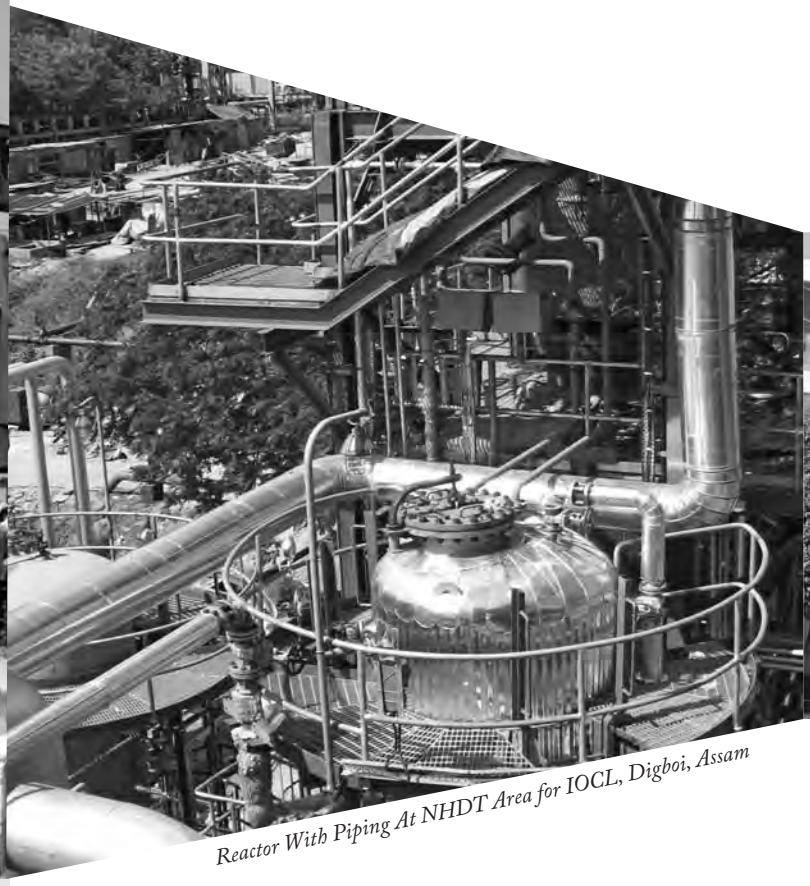
POWER & TRANSMISSION

- Civil & structural construction for 2 x 525 MW Thermal Power Plant at Maithon.
- Civil work for construction of Via Duct VA & VB (excluding Bridges) - VAG corridor.
- 2x270 MW thermal power Plant at Chandwa.
- Civil & structural work for 4 X 600 MW Thermal Power plant at Raigarh.
- Engineering, Procurement & Construction of 400 KV DIC Quad Transmission Line - Bongaigaon to Siliguri.

600T Precast Prestressed Girder being launched for Railway Bridge on Mahanadi River, Orissa for M/S RVNL

5x800 MW, Ultra Power Plant of CGPL (Tata Power) at Mundra, Gujarat

Teesta Low Dam Hydro Electric Project at W.B.



Reactor With Piping At NHDT Area for IOCL, Digboi, Assam

Elevated Station building is under construction for East West Metro Project at Kolkata

- Civil, Structural & Architectural works package for 6x135 MW Power Project, Noida
- Earthwork, Concreting, Architecture, Plant and Machinery, Road and Bailey Bridge for construction of Teesta Low Dam Hydroelectric Project Stage - III, 132 MW
- Civil work for 4000MW Ultra Mega Power Plant at Mundra
- Civil design for 1200MW DGEN Mega Power Plant at Vagra, Dahej, Gujarat
- Civil work for BTG at 2 X 600 MW Thermal Power Plant at Torri, Jharkhand
- Civil work for Mahan Project for 2 x 600 MW Power Plant project

INDUSTRIAL

- Piling, Civil, Architectural, Geo-technical, Topographical Survey & Settlement Monitoring Work for PLL LNG Regas Facilities of LNG Terminal
- Construction Work for Phase 2 of GSL modernisation plan at Goa
- Construction of raw water pipe intake system for Mahan Aluminium site at Bargawan, Singrauli, MP
- Civil, Structural and Architectural work of Main Plant Civil Package for 2x250 MW Unit # 5 & 6 at Mejia TPS, WB
- Civil work for BOF & CCP at SMS II of Rourkela Steel Plant
- Civil, Structural, Architectural & other associated works for Steel & Power plant of Corporate Ispat Alloys Ltd. at Jharkhand
- Piling work for onshore gas terminal project of GSPCL at Mallavaram

URBAN INFRASTRUCTURE

- Construction of Viaduct between Joka to Mominpur in BBD Bag corridor of Kolkata Metro Railway
- Elevated structures (viaduct) between Chainage 500 to 6350 M- Mysore Road terminal to Magadi Road
- Designing & Building contract for development of Airport at Andal, Durgapur (W.B.)
- Construction of New Assam Legislative Assembly Building at Dispur
- Sewerage System & allied Works in Indore under JNNURM

- Enabling work including Boundary Wall, Earthwork, Water Supply, Roads, Drainage, Sewerage etc., of Mega Sports Complex at Hotwar, Rachi Package – I
- Design & construction of combined flyover at Bharatmata Lalbaug Junction on Dr. B. Ambedkar Road under MUIP Package II
- Design & Construction of Capital Complex (Assembly Component) at Chingmeirong, Imphal, Manipur
- Construction of Ritz Carlton Hotel, Bangalore
- Sewerage Lines at Jabalpur
- Construction of Institute of Liver & Biliary Sciences - Phase II at New Delhi
- Construction of Flyovers along ORR (1) at Junction of ORR & 14th main of HSR Layout (2) at Bellandur Junction and (3) at Devarabesanahalli, Bangalore

BUILDINGS

- Construction of 117 Storied Residential Building "World One (King Tower)" at Lower Parel, Mumbai.
- Construction of Residential Accommodation for Army & Air Force at Siliguri
- Construction of Residential towers- HDIL Majestic Towers - Sale building at Nahur (W), Mumbai
- Civil construction of Basement, Podium & G + 14 Towers at Vasant Oasis at Andheri (Marol), Mumbai
- Civil & structural work of Elita Garden Vista, Rajarhat, Kolkata
- Construction of high rise residential - Elita Horizon at Kanakapura, Bangalore
- Construction of Residential Accommodation for Army & Air Force at Lucknow
- Construction of Brigade Gateway, Bangalore

Important Ongoing Projects (Overseas)

- Construction of Jatrabari - Gulsitan flyover in Dhaka
- Construction of Building at plot RT -4 -C38 & C39 , Central Business District , Al Reem Island , Abu Dhabi
- Construction of 3 Residential Buildings with amenities at Dubai
- Substation for Qatar power transmission expansion phase VIII at Doha,Qatar
- Design & Construction of Al Ghubarh Bridge Widening & Junction Improvements at Oman
- Design & Construction of SEEB Cornich Road Improvements Phase 2 at Oman

Precast Prestressed Girder of 43.5m span being erected for Railway Bridge on Luna River in Orissa for M/S RVNL

A Panoramic view of High Court Complex at Imphal – design & construction by Simplex

Chairman's Message

Dear shareholders,

From times immemorial, agriculture and construction have been the prime instruments to drive the development and prosperity of society where construction, in the form of housing, infrastructure, industrial, defense system has contributed stupendously. Benevolent and wises, kings and comrades have invested substantially in infrastructure development in the past, an example of which is the GT Road initiated by Hindu King Chandra Gupta Maurya /Sher Shah Suri.

Post-Liberalization, in the last decade, the Indian economy has grown at the rate of 8% p.a. on an average, which is the cause and effect of increasing construction activities. We noticed a spurt in the development of infrastructure, industrial and housing construction, which needs to grow 14%-15% annually, to sustain the 8% plus annual GDP growth.

Of-late, the rate of growth in construction activity seems to have slowed down, be it in the sector of Power, Railways, Ports, Roads, Urban Infrastructure or Housing. The targets set by the Planning Commission have been under-achieved. This scenario started with the financial break-down in the leading financial institutions of America and Europe. Although, India was comparatively less affected by this downturn, still the rate of growth slowed down.

The Government expenditure on infrastructure construction has come down. The socio-political issues, environmental issues, governance issues have considerably impeded the decision making and infra spending. The high rate of inflation and subsequently growing interest rates has contributed to less investment in construction activities. The spill-over effect of the global recessionary trends , the financial crunch, dear- money policy, elongated working capital cycle, reduced demand, regulatory delays in approvals, complex land acquisition regulations and increased competition have impacted the construction industry in general and our Company is no exception.

Fortunately, Simplex was structured to meet these type of challenges. Our business model is broad - based and diversified over the years, in 9 construction verticals and geographies pan - India and overseas, adding projects in Bangladesh, Middle East countries and Ethiopia. The strategy has borne good dividends both during the good and bad cycles. The overseas share in the total revenue had grown to almost 30% in FY 08 and FY 09, propelling the overall growth of nearly 65% each year. Thereafter, the overseas share has come down to 13% in FY 11, bringing down the overall growth rate to just below 10%, despite healthy growth in domestic sales.

The region around India, Middle East upto Europe have developed at a very fast pace. The emergence of multiple growth centers acted as a self-generating engine to increase the overall momentum

of the economy. Along with a conducive environment, the improvement in transportation, communication and technology, forced the lesser developed regions to unfold their domain and India was no exception. The large population, the favorable demographics, the abundance of natural resources, talent and with the Indian economy starting on a low base, all the factors will impel this region to grow deliberately, for a long time.

A paradigm shift is taking place with more foreign players coming in the market and with increase in competition. To meet the external challenges, we are in the process of building up our in-house capability in further strengthening and improving the internal processes as well as the business model. Though the environment for growth is conducive, still, it is the survival of the fittest. The increased use of ICT related technologies such as ERP, its different modules in accounts, materials, receivables, plant management, project execution and progress monitoring have gone a long way in helping us improve our processes, monitoring and control of vast numbers of job sites. The IT enabled software tools have revolutionized the design, planning process, MIS and is helping us integrate the functional components in an effective manner with the help of capable developments and an implementation team.

We have pitched in with a skill development mission aiming to have a pool of trained and skilled manpower.We have taken up HR practices like training, employee mapping and sourcing of young talent to strengthen our HR functions. We are working towards attitude development and improving our work environment. As a CSR initiative, we have also started imparting training to unskilled workers to make them skilled, more productive, enhance their employability and earning potential and to tide over the manpower shortages at various times in different pockets. All these initiatives help us manage over 175 ongoing projects simultaneously & across geographies.

Our Research & Development activities span across construction technology, methodology, materials, machines and manpower. We are re-energizing our R & D focus and efforts to confront complex construction challenges, enhance productivity, efficiency, wastage reduction, quality improvement, improvement of health, safety and environment. We use R & D to modify imported equipment to adapt to local conditions and develop spare parts for cost efficiency. We are continuously evolving strategies to improve the working of the Company in terms of automation and shorter delivery cycles. New technologies such as off-site production, pre - fabrication technology, pre - cast technology, pre - engineered solutions, improvements in shuttering and scaffolding systems, etc., helps us reduce our direct cost.

We have identified and pursued some more growth opportunities in the areas of power transmission and real estate development. We are also participating in bidding for roads and power transmission projects, under Public – Private Partnership (PPP) model with a view to improve our long term cash–flows and profits.We are venturing into new project delivery systems such as the BOOT project, BOT project and have also started letting out spare plants on rent. We are focusing on our financial model, cashflow and interest rates with better utilization of money.

During the year, our construction business, on a consolidated basis, has recorded the highest ever order inflow of Rs. 83823 mn increasing the order book by 28% to Rs.147070 mn, last year's figure being Rs.114910 mn. The healthy order books and repeated orders from large clients, reflects the confidence reposed in us. The turnover for the financial year stood at Rs. 47497 mn as against Rs. 44435 mn in the previous year, registering a modest growth of 7%. It is pertinent that the domestic turnover grew by 23% to account for 87% share. To reckon, the year 2010 - 2011 saw us building on our strengths in quantitative terms.

Along with the size, the nature of the projects we are executing has undergone a sea-change in recent years, being quite diversified and complex, for which we are looking for collaborations with foreign companies to execute the projects. The award of the 117- storey residential tower in Mumbai, “World One (King Tower)" stated to be the World's tallest residential building is a testimony of the faith reposed in our skills. We are also constructing the Durgapur Airport for Bengal Aerotropolis consortium on a design and EPC basis. The recently completed work on Dahej port, featuring deep steel piles is yet another example of our expertise. Simplex is involved in metro rail transport projects in almost all the major cities.We have constructed India's longest flyover of 11.5 km in Hyderabad and are in the process of constructing a 9 km long flyover in Bangladesh.

To conclude, I would like to record my gratitude to all employees for the commitment and hard work they have exhibited in obtaining, managing and executing projects, despite many challenges. I would also like to thank business associates, lenders, customers, auditors, consultants and shareholders for their abiding faith in us. Finally, I am indebted to the Members of the Board for guiding us with wisdom. Thank you all for making Simplex Infrastructures what it is today.

Thank You

B. D. Mundhra
Chairman and Managing Director

Directors' Report

To The Members,

Your Directors have pleasure in presenting the Ninety-third Annual Report together with standalone and consolidated Audited Statement of Accounts for the financial year ended 31st March, 2011.

Financial Results

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

Rupees in Million (mn)

	Stand Alone		Consolidated	
	31st March 2011	31st March 2010	31st March 2011	31st March 2010
Gross Billing	**47497.13**	**44434.81**	**48753.18**	**45524.66**
Earning before interest, tax, depreciation and amortisation (EBITDA)	4870.70	4556.13	4997.87	4700.45
Less: Interest & finance charges	1307.74	1112.09	1324.64	1122.00
Earning before tax, depreciation and amortisation (EBTDA)	**3562.96**	**3444.04**	**3673.23**	**3578.45**
Less: Depreciation and amortisation	1608.39	1533.57	1669.80	1572.84
Profit before tax	**1954.57**	**1910.47**	**2003.43**	**2005.61**
Less: Provision for taxation				
Current tax	404.00	380.00	424.95	409.72
Fringe benefit tax	-	-	-	0.04
MAT Credit Entitlement	(179.02)	-	(179.02)	-
Profit before deferred tax	**1729.59**	**1530.47**	**1757.50**	**1595.85**
Less: Deferred tax	497.23	304.50	497.69	305.05
Profit after tax and before Minority Interest	**1232.36**	**1225.97**	**1259.81**	**1290.80**
Less: Minority Interest	-	-	13.97	19.33
Profit after tax & Minority Interest	**1232.36**	**1225.97**	**1245.84**	**1271.47**
Balance brought forward from the previous year	3429.96	2469.37	3528.30	2522.21
Profit available for appropriation	**4662.32**	**3695.34**	**4774.14**	**3793.68**
Appropriations:				
General Reserve	150.00	150.00	150.00	150.00
Legal Reserve	-	-	9.83	-
Proposed Dividend	98.95	98.95	98.95	98.95
Tax thereon	16.05	16.43	16.05	16.43
Balance carried to Balance Sheet	**4397.32**	**3429.96**	**4499.31**	**3528.30**

Review of Operations

The turnover for the financial year under review increased to Rs.47497mn from Rs. 44435 mn in the previous financial year .The Profit before Tax (PBT) increased to Rs 1955 mn and Profit after Tax (PAT) increased to Rs.1232 mn for the financial year under review as against Rs. 1911 mn and Rs.1226 mn in the previous year. The Company also recorded a higher EBITDA, from Rs.4556 mn in the previous financial year to Rs.4871 mn in the year under review. EBTDA also rose from Rs. 3444 mn in the previous financial year to Rs.3563 mn in the current year. However, the financial result for the year under review were subdued which was largely attributed to a considerable rise in the Interest and Finance Charges of the Company.

On consolidated basis, the turnover for the financial year under review stood enhanced to Rs.48753 mn from Rs. 45525 mn of the previous financial year. However the Profit before Tax declined to Rs.2003 mn from Rs 2006 mn in the previous year and Profit after Tax and Minority Interest also reduced to Rs.1246 mn from Rs.1271 mn in the previous year, mainly due to higher interest burden.

Despite a generally sluggish market for construction industry, the order book on consolidated basis for the financial year under review surged by 28% to Rs.147070 mn from Rs.114910 mn last year. Your Company continued its presence in the diverse verticals of the construction sector and is confident of securing a good quantum of order in the current financial year too, on the back of large bid pipeline.

During the year under review, the Company through joint venture/ associate companies has bagged some of the landmark contracts, to mention a few, civil construction of one of the world's tallest residential building "World One (King Tower)" at Mumbai, construction of 6 Laning of Chandikhole-Jagatpur-Bhubaneshwar Section of NH-5 at Bhubaneshwar on DBFOT(Design, Built, Finance, Operate and Transfer) basis. The Company has also secured several contracts in India and overseas, viz., construction of Jatrabari-Gulsitan Flyover at Dhaka, Bangladesh and construction of viaduct between Joka to Mominpur in BBD Bag corridor of Kolkata Metro, among others. Your Company has a pan India presence and internationally, it has presence in Qatar, Oman, Ethiopia, Saudi Arabia, Sri Lanka and Bangladesh.

Dividend

Your Directors are pleased to recommend a dividend of Rs.2/- per equity share of face value of Rs.2/- each for the financial year ended 31st March, 2011, amounting to Rs.115 mn (including tax on dividend), which if approved at the forthcoming Annual General Meeting will be paid to all eligible members whose names appear in the register of Members of the Company as on 8th September, 2011 and in respect of shares held in dematerialised form, the dividend will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as at the close of business hours on Thursday, 8th September, 2011.

Management Discussion and Analysis

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

Capital Expenditure

During the year under review, the Company has made additions of Rs.2297 mn to its Fixed Assets.

Public Deposit

During the year under review, the Company has neither accepted nor renewed any public deposit, as defined under section 58A of the Companies Act, 1956 read with Companies (Acceptance of Deposit) Rules, 1975. As on 31st March 2011, the Company has an unclaimed deposit amounting to Rs.0.61 mn. On the date of this report, deposits aggregating to Rs.0.02 mn out of the aforesaid unclaimed amount has been paid.

Consolidated Financial Statement

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

The political turmoil in Middle East resulted in stoppage of business activities during the year 2010-11 of Simplex

Infrastructures Libya Joint Venture Co. Only after the improvement of the political situation in Libya, the Company will be in a position to make a detailed review of the situation and will review the long term business interest in the above subsidiary.

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

Subsidiaries

As on March 31, 2011, your Company has four Subsidiaries namely (i) Simplex Infrastructures LLC (ii) Simplex (Middle East) Limited (iii) Simplex Infrastructures Libya Joint Venture Co. (iv) Simplex Infra Development Limited.

The Ministry of Corporate Affairs by General Circular no. 2/2011 dtd. 8th February 2011 issued a direction under Section 212(8) of the Companies Act, 1956 that the provisions of Section 212 shall not apply to Companies in relation to their subsidiaries, subject to fulfilling certain conditions mentioned in the said circular with immediate effect. The Company will make available the Annual Accounts of the Subsidiary Companies and the related detailed information to any Member of the Company as well as shareholder of the Subsidiary Companies, who may be interested in obtaining the same. The Annual Accounts of the Subsidiary Companies will also be kept open for inspection at the Registered Office of the Company and also at the Registered Office of the Subsidiary Companies concerned on any working day during business hours. The shareholders will also be furnished a hard copy of accounts of subsidiaries, on requisition from them.

The Consolidated Financial Statements presented by the Company include the financial results of its Subsidiary Companies. The Figures of financial statements of Subsidiaries have been converted into equivalent Indian rupees on basis of exchange rate as on 31.03.2011.

A statement of summarized financials of all subsidiaries of your Company including capital, reserves, total assets, total liabilities, details of investment, turnover, profit before and after taxation, provision for taxation and proposed dividend pursuant to the General Circular issued by Ministry of Corporate Affairs, forms part of this Report.

Directors' Responsibility Statement

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

(i) In the preparation of the Annual Accounts, the applicable accounting standards read with requirements set out under Schedule VI to the Companies Act, 1956, have been followed and there are no material departures from the same except as explained in Note no.8 and 9 on Schedule 19 forming part of this Balance Sheet;

(ii) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

(iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting of fraud and other irregularities; and

(iv) The Directors have prepared the accounts for the financial year ended 31st March 2011 on a going concern basis.

Particulars of Employees

In terms of the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended, the names and other particulars of the employees are required to be set out in the Annexure to the Directors' Report. However, in terms of section 219(1)(b)(iv) of the Companies Act,1956, the Directors' Report and Accounts are being sent to all the shareholders of the Company excluding the statement of particulars of employees and the said particulars will be made available on request and also made available for inspection at the Registered Office of the Company. Any Member interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company.

Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

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

Corporate Governance

All Directors of the Company and Senior Management has affirmed the compliance of Code of Conduct framed by the Company. A separate section titled 'Corporate Governance' including a certificate from the Auditors of the Company confirming compliance of the clauses of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is annexed hereto and forms a part of the Report.

Auditors

The Auditors, Messrs Price Waterhouse, Chartered Accountants, will hold office until the conclusion of the ensuing Annual General Meeting. The Board of Directors recommends re-appointing them as Auditors of the Company. They have furnished a certificate to the effect that their proposed appointment, if made, will be in accordance with the limits specified under Section 224 (1B) of the Companies Act, 1956.

The Company has received a Special Notice under Section 190 of the Companies Act, 1956, from one of the Members of the Company, proposing the appointment of M/s. H.S. Bhattacharjee & Co., Chartered Accountants (Registration No. 322303E), as Joint Auditors of the Company for the financial year 2011-12.

The Company has received a consent letter from M/s. H.S. Bhattacharjee & Co., Chartered Accountants, confirming their eligibility as required under section 224(1B) of the Companies Act, 1956 and their willingness to act as Joint Auditor of the Company, if appointed, in the ensuing Annual General Meeting.

The Board of Directors accordingly recommends the Resolution set out in Item no. 7 of the accompanying Notice for approval of the Members.

Auditors' Report

With respect to paragraph no. 4(a) and (b) & 5(a), (d) and (f) of the Auditors' Report, we would like to inform that the matter pertaining to foreign currency loan has been explained in Note no. 8 of Schedule 19 and the matter pertaining to Simplex Infrastructures Libya Joint Venture Co., has been explained in Note no.9 of Schedule 19 forming part of the Balance Sheet.

The Board is of the opinion that the matter being elucidated in detail at note no. 8 and 9 respectively of Schedule 19 are self-explanatory and do not call for further explanation.

Directors

Mr. A.D.Mundhra, Mr. Rajiv Mundhra and Mr. N.N. Bhattacharyya retire by rotation and being eligible, offer themselves for re-appointment at the ensuing Annual General Meeting.

The Board of Directors in its meeting held on 14th February 2011, subject to the approval of the Members at this Annual General Meeting, approved the re-appointment of Mr. B.D.Mundhra as Chairman and Managing Director for a further period of five years with effect from 1st April 2011 on the terms and conditions as set out in the Agreement entered into between the Company and Mr. B.D.Mundhra dated 14th February 2011.

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

Acknowledgment

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

By Order of the Board
B.D. MUNDHRA
Chairman and Managing Director

Mumbai
Dated: 30th May, 2011

Annexure - A

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

A. Conservation of Energy

a) **Energy Conservation measures taken:**

To conserve energy we have started using more sophisticated Machinery which can do more work in lesser time and thereby reducing the requirement of equipments that programmes to maximize saving in two specific areas:

i) Electric Energy

ii) Fuel oil consumption

In this industry 99% equipments are powered by either electrical motor or by fuel oil powered engines. Since most of our work is carried out in remote locations and is subjected to harsh environment conditions, the rate of depreciation is very high. The scope of energy efficiency in our industry will be energy conservation through well planned actions such as quality preventive maintenance, machinery up-gradation, modernization and introduction of sophisticated control system.

Fuel oil consumption has been reduced by implementing vigorous preventive maintenance measures and introducing new fuel efficient engines coupled with newer machinery and reducing idle running of equipments.

b) **Additional investment and proposals, if any, being implemented for reduction of consumption of energy:**

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

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

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

d) **Total Energy Consumption and energy consumption as per unit of production as per prescribed Form A of the annexure in respect of industries specified in Schedule thereto:**

Not applicable as the Company is not covered under the list of specified industries.

B. Technology Absorption

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

Form B

(Particulars with respect to technology absorption)

Research and Development:

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

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

  i) Less use of cement i.e. saving of natural resources like lime stone etc.

  ii) Saving of energy due to lesser need of production of cement.

  iii) Recycling of harmful disposal of coal burnt (Fly Ash) from Thermal Power Plant in large volume, which otherwise is big problem for stack the disposal in large volume.

- Continuous efforts are made to innovate new methods of construction. Methods are developed to make optimum utilisation of both manpower and machinery.
- New techniques in foundation engineering have been developed specifically in the field of stone column by Simplex in-house developed highly production system and also imported technology of Vibro flotation, sand piles, Geopier system of piling, jointed piles, pre-cast piles and introduction of band drain and drilling piling technique.
- Use of alternative materials such as neoprene, fiberglass and bakelite has been developed to replace wood.
- Computer aided design techniques have been developed in the fields of soil analysis, structural analysis and machine design.
- Micro piling technique and band drain have been developed through in-house research.
- New shuttering methods have been developed to reduce use of wood and minimise waste of accessories.
- New forms of sleepers have been introduced to replace wooden sleepers.
- Hydraulic grab is manufactured for diaphragm wall.
- For segmental bridge construction, a whole system of casting and erection has been improved to speed up the work more effectively.
- By using latest technique and modern equipment - deepest bore pile ever installed in India with Hydraulic drilling rig.
- New system of aluminium shuttering has been introduced to reduce timber consumption and save nature.
- For precast long length Girder erection in bridges, the new Launching Girder system developed for erection, including bend section up to 400 MT self weight.
- For lifting of heavy sections, a rod has been developed which replaces high strength pre-stress wire or imported rods.
- Manufacturing of spares for imported machinery locally with further improvement.
- Pneumatic Hammer has been manufactured indigenously for Piling works.

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

- New and modern methods of construction have made the process faster and safer. Wastage of materials reduced significantly. Pollution reduced to great extent. Downtime was cut considerably.
- Use of valve system and grabs helped the Company achieve a faster pace in piling.
- Cost effective machines enabled the Company to substitute expensive, imported and heavy machinery.
- Both structural and soil analysis were upgraded to perform complicated work accurately.

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

3. Future plan of action

- Introduced prefabricated Hollow Piles in foundation in Oman and likely to be installed in India very soon.
- To improve R&D activities specifically in developing new machinery, shuttering and stagging equipment, soil improvement techniques, pile driving and drilling technology.
- To introduce new soil reinforcement and pile foundation system.
- To introduce modern construction project management techniques, a thorough manpower analysis is done prior to start up.
- To tighten quality control system and safety.
- To carry on research in soil mechanics, foundation engineering and structural engineering.
- To develop new and low-cost construction material for housing, industrial structure and foundations.
- To develop improved techniques in solid waste disposal system.
- To develop improved technology that is environment-friendly.
- To implement quality assurance programme in accordance with modern management technique.

- To introduce pre-fabricated concrete technology in mass scale.
- To introduce new products to replace wooden products.
- Be a partner for generating electricity from non-conventional and renewable source of energy like Geothermic to meet the future energy demand and pollution free power generation.
- Taking active part in deep drilling coal gasification & production of synthesis gases.

4. **Expenditure on R&D**

(Rs. in million)

a)	Capital	-
b)	Recurring	8.20
c)	Total	8.20
d)	Total R&D Expenditure as percentage of total turnover (%)	0.01%

Technology Absorption, Adaptation And Innovation:

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

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

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

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

3. Technology imported during the last five years:

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

Foreign Exchange Earnings And Outgo:

a) Activities relating to exports, initiatives taken to increase exports development and new export markets for products and service.

b) Total foreign exchange used and earned:

(Rs. in million)

	2010-2011	2009-2010
Foreign Exchange earned	6166.29	10971.18
Foreign Exchange used	4324.82	6128.61

By Order of the Board

B.D. MUNDHRA

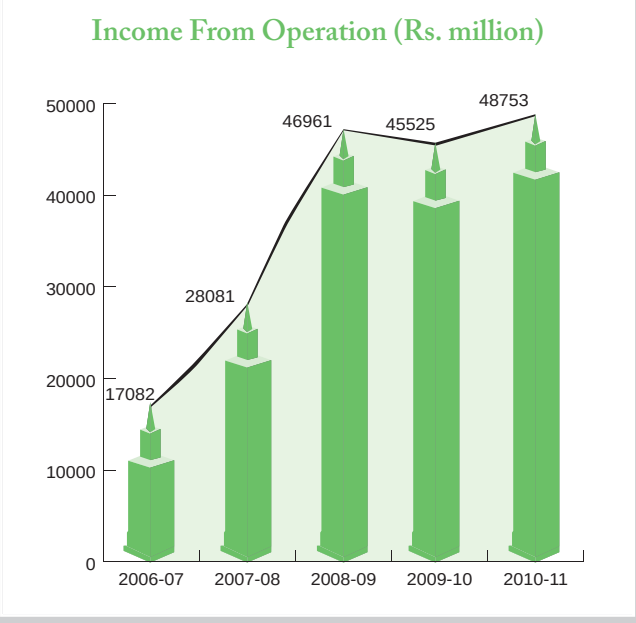
Chairman and Managing Director

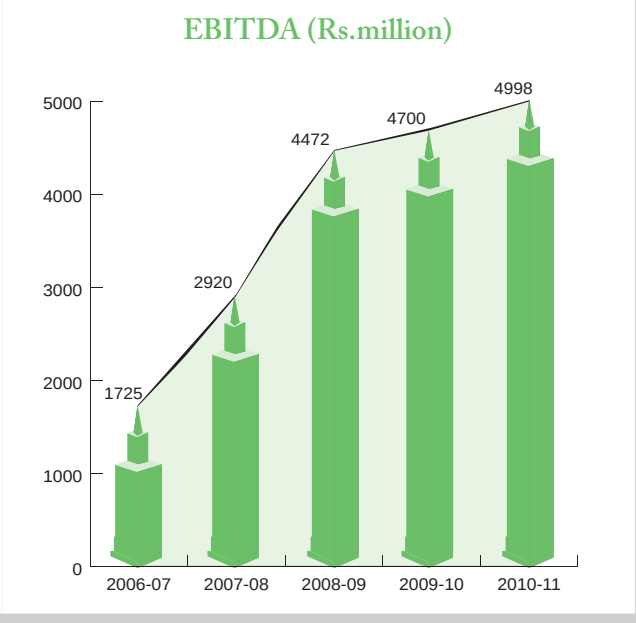
Mumbai

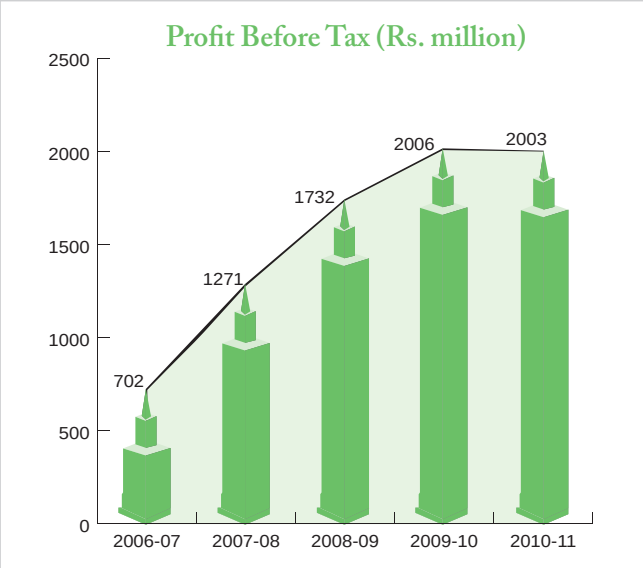
Dated: 30th May, 2011

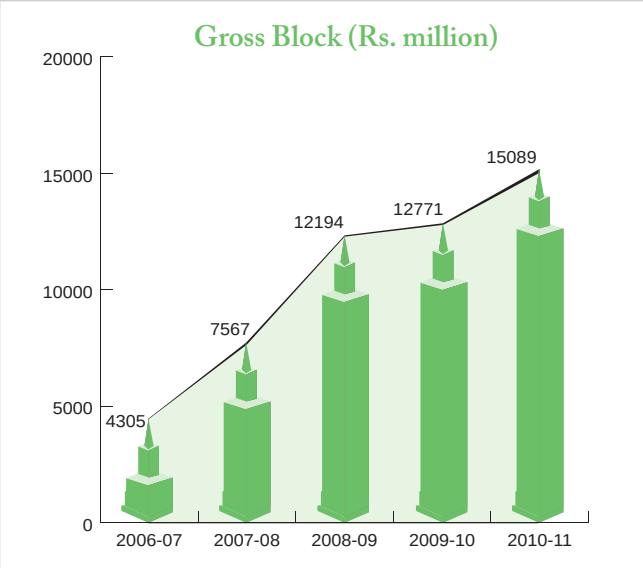
Performance at a Glance

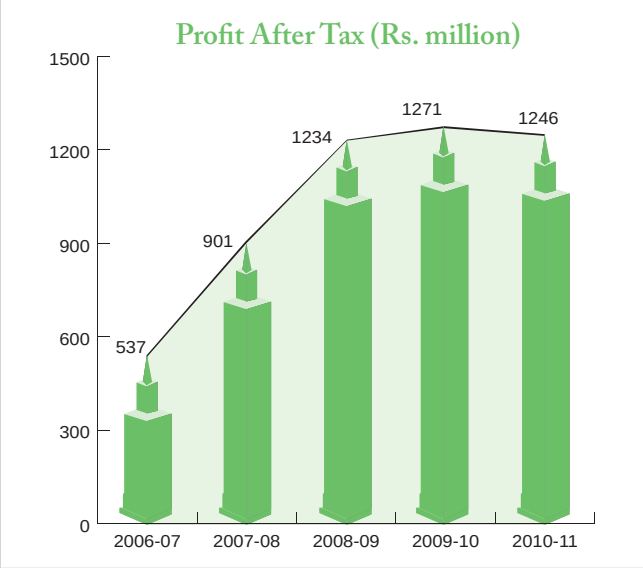
Metro Project – Mumbai

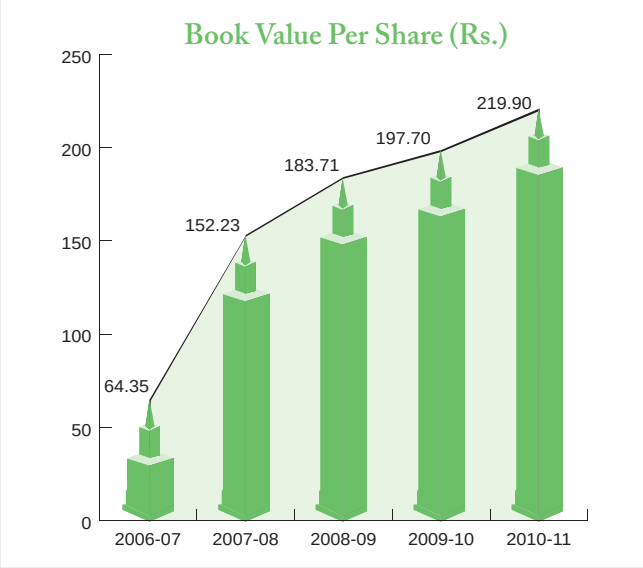


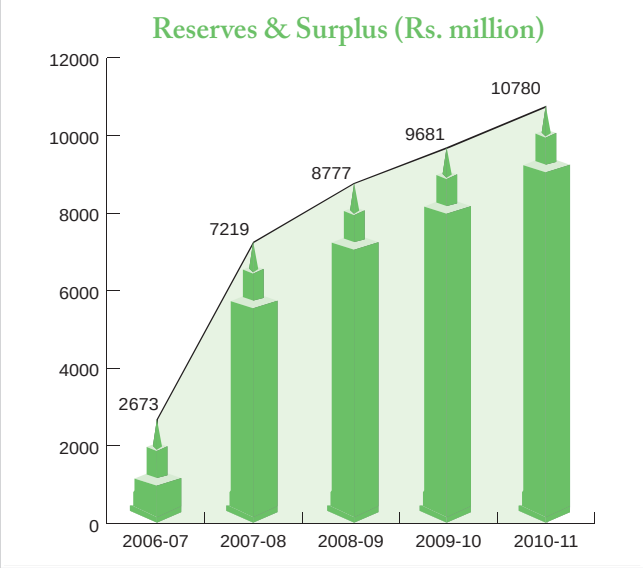


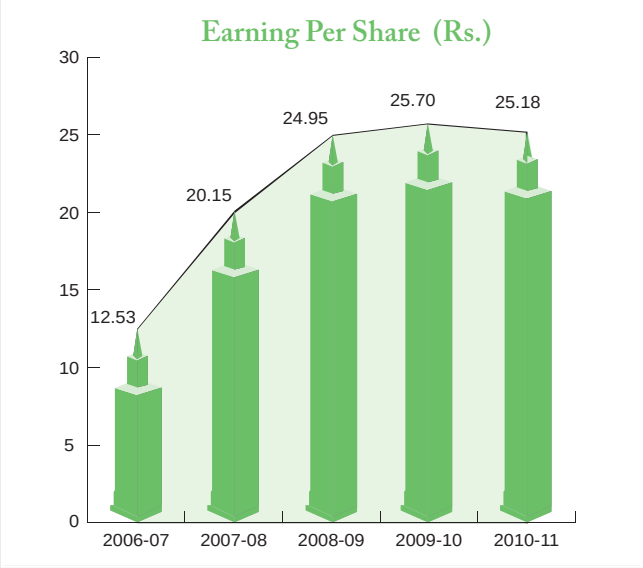

Profit Before Tax (Rs. million)
2500
2000
1500
1000
500
0
702
1271
1732
2006
2003
2006-07
2007-08
2008-09
2009-10
2010-11

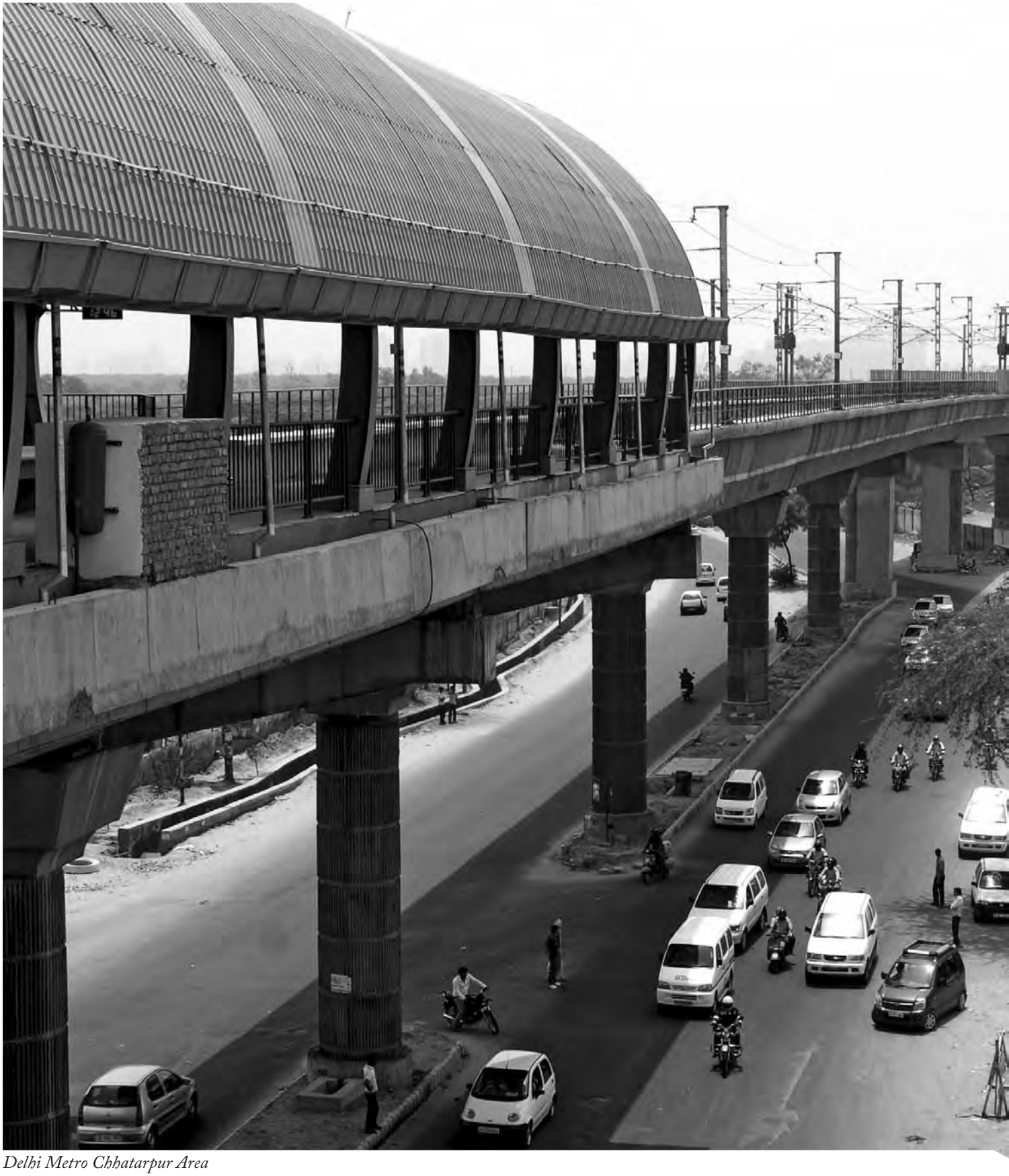

Gross Block (Rs. million)
20000
15000
10000
5000
0
4305
7567
12194
12771
15089
2006-07
2007-08
2008-09
2009-10
2010-11


Profit After Tax (Rs. million)
1500
1200
900
600
300
0
537
901
1234
1271
1246
2006-07
2007-08
2008-09
2009-10
2010-11


Book Value Per Share (Rs.)
250
200
150
100
50
0
64.35
152.23
183.71
197.70
219.90
2006-07
2007-08
2008-09
2009-10
2010-11


Reserves & Surplus (Rs. million)
12000
10000
8000
6000
4000
2000
0
2673
7219
8777
9681
10780
2006-07
2007-08
2008-09
2009-10
2010-11


Earning Per Share (Rs.)
30
25
20
15
10
5
0
12.53
20.15
24.95
25.70
25.18
2006-07
2007-08
2008-09
2009-10
2010-11



Delhi Metro Chhatarpur Area

Management Discussion And Analysis

Economic Overview

The Indian economy shook off the lingering effects of the recession to return firmly on the 8% plus growth track in 2010-11. Even though many other large global economies continued to struggle, the domestic mood remained optimistic as stability returned with the broad economy recording a steady upturn of most annual economic indicators. A recovery of farm output ensured annual GDP growth of 8.6%, the highest in three years. Traditional economic concerns such as fiscal and trade deficits also remained under control with tax collections and exports showing healthy growth.

However some signs of a slowdown became evident as the financial year drew to a close. Part of this was policy driven, as the government and RBI fought to tame inflation, which remained uncomfortably high through the year at an average of 9.4%. While part of this was due to the base effect, some elements, particularly the double-digit food inflation, gave serious cause for concern. Globally, rising oil and commodity prices added to cost pressures, particularly in the latter half of the year. Interest rates rose steadily, curbing growth.

Figures released by the Central Statistical Organization (CSO) also reveal a growing weakness in industrial production. The Index of Industrial Production (IIP) fell to below 4% with the mining, capital goods and manufacturing sectors slowing down markedly. FICCI's regular Business Confidence Surveys and Manufacturing Sector Surveys showed that rising interest rates were impacting investment projects with greater effect on units in the SME sector. While these may only be temporary, it is evident that the battle between inflation and growth will continue to be waged within the Indian economy in the foreseeable future.

While recent history has reiterated that the Indian economy is a resilient one, it is not completely insulated from global winds. The sluggish pace of recovery in USA, European stagnation and the setbacks suffered by Japan due to the recent Tsunami, all affect key sectors. Rising crude prices puts pressure on the balance of payments and domestic subsidies. Global food and metal prices have direct impact on people and industry, raising wages and slowing growth.

Industry Overview

Simplex Infrastructures is essentially in the business of infrastructure construction alongwith industrial and building construction. The infrastructure sector accounts for over a quarter of India's industrial output and generates more than half of the country's construction activity. The construction sector itself is one of the largest industrial sectors and the second-largest employer in India after agriculture, employing 18 million people directly and 14 million indirectly. The construction industry is therefore closely linked with India's economic growth and hence prosperity of the nation.

India is seeing a boom in the construction sector mainly due to the government initiative in expansion of the developmental facilities. Economic upsurge has also caused enhanced generation of demand in the housing sector (residential, commercial and institutional) as well as in industrial sector in line with the infrastructure growth. Construction Industry in India is rising at a rate of 7% to 8% p.a. in real terms.

India's policymakers recognize that the infrastructure industry is a key driver of growth. The Eleventh 5-year Plan (2007-2012) states - "Poor quality of infrastructure seriously limits India's growth potential in the medium term and the Eleventh Plan outlines a comprehensive strategy for development of both rural and urban infrastructure, defined to include electric power, roads, railways, ports, airports, telecommunications, irrigation, drinking water, sanitation, storage and warehousing. The total investment in these areas was around 5% of GDP in 2006–07 and the Plan aims at increasing this to about 9% of GDP by the terminal annum 2011–12."

However while large allocations have been made for infrastructure building, actual implementation has been short of targets. Land acquisition, complex legal framework and weak business environment are among the thorny issues that are difficult to solve in many parts of the country. In some sectors, technical, administrative and policy issues have also delayed projects substantially. Despite such bottlenecks, the infrastructure industry remains in strong focus with policy and funding support, which are likely to continue.

While the growing economy assures stable and enduring demand in the construction sector, it is vulnerable to rising interest rates. Rising steel, cement and transportation costs also adversely affect the demand for construction. Industry expects a modest growth in the coming year, while longer term prospects are brighter.

Key Industry Facts

- Construction industry contributes a large chunk to the world GDP amounting to about 10%.
- This industry has immense potential in generating employment. It has been found that the construction industry accounts for around 7% of the total employed work force around the globe.
- The Construction Industry is the largest sector in respect of consumption of energy. It consumes around 2/5th of the total consumed energy through out the world.
- Resource utilization in case of construction industry amounts to half of the total resource used all over the world.

Business Overview

A history of over 85 years and experience of nearly 2400 completed projects across diverse verticals and geographies ranks Simplex among India's top construction companies. Our proven track record and technical skills has made us one of the pioneers and a total solution provider in construction and infrastructure sector. The Company is present in all construction verticals-Ground Engineering, Industrial Structures, Buildings & Housing (Residential, Commercial, Institutional), Power (Thermal, Nuclear & Hydro), Marine, Roads, Railways, Bridges and Urban Infrastructure (Airports, Metro Railways, Stadia, Capital City Complexes, Sewerage, Water Resource Management & Utilities). Construction of roads on BOOT basis and EPC of transmission line are some recent additions in its fold.

While India accounts for 87% of business, Simplex also has presence in a number of international markets namely in Qatar, Oman, Saudi Arabia, Bangladesh, Srilanka and Ethiopia through subsidiaries and own branch offices.

Steel Pile installations from Jack Up Platform at Mundra Port, Gujarat

Tower blocks constructed at Thane, Maharashtra

However expectations were subdued on international front on the ground of external factors such as political crises in the Arab countries and unrest in Libya. However we continue to have strong faith that the Company must tap all feasible international opportunities in order to diversify and rationalize the risks for ensuring a healthy long term growth. We have therefore recently expanded to Bangladesh, Ethiopia and Saudi Arabia in order to reverse the declining trend of the overseas business in the days to come.

With an employee base of over 8800 (81% Technical, 18% Commercial and 1% Management) and around 175 independent project execution teams equipped with Rs.15362 mn of owned construction equipment, currently operating in India and abroad, Simplex has superior execution capabilities for project engineering and management. Being a well-established and reputed company, it also enjoys a stable business and outlook. For the last several years we have consistently enjoyed a steadily growing order book, which presently stands at about Rs.147070 mn. Our diversified order book features nearly 220 contracts, out of which domestic orders account for 87% while the rest is from overseas. Thermal power, Industrial structures, Urban infrastructure and High-rise buildings dominate the order book, which includes several of India's most prestigious and challenging projects. Our judicious choice of projects and its timely execution, cost control and proper project management across various sites, have been some key factors behind the company's consistently healthy performance.

Highlights of the year

- Your Company in Joint Venture with Middle East based Construction giant Arabian Construction Company (ACC) was assigned for civil construction of one of the world's tallest residential building- "World One (King Tower)" by Shreeniwas Cotton Mills Limited (a Lodha group company) at Lower Parel, Mumbai.
- Your Company in consortium with Patel Engineering and BS Transcomm has also entered power transmission business by bagging the contract for setting up a 765 KV transmission system associated with the Krishnapattanam UMPP Synchronous interconnection between Southern Region and Western Region (Part B) Raichur-Sholapur.
- Your Company has also been awarded a contract for 6 Laning of Chandikhole-Jagatpur-Bhubaneshwar Section of NH-5 by Shree Jagannath Expressways Pvt. Ltd., a consortium of SREI Infrastructure Finance Limited, Galfar Engineering S.A.O.G and the Company.
- Your Company has also bagged construction of Jatrabari-Gulsitan flyover in Dhaka, Bangladesh
- Your Company has also been chosen for construction of viaduct between Joka to Mominpur in BBD Bag Corridor of Kolkata Metro Railway.
- Your Company has also been awarded the designing and building contract of Durgapur Airport to be built by Bengal Aerotropolis Projects Limited.

Being on the fore-front of Indian construction sector, the Company's prospects and performance are closely

Mumbai Metro project

linked with that of the industry. However our technical expertise and proven track record gives us the edge in winning prestigious or challenging projects. Forays into new promising areas, such as Power Transmission, Development & Construction in Real Estate in recent years have lent even more diversity to the well-diversified product mix.

Opportunities

Opportunities in India

Simplex Infrastructures business opportunities in India arise from the growth of various infrastructure sectors which emanate from Power, Marine, Railways, Roadways, Bridges & Elevated roads, Urban Development, Building & Housing sectors and Industrial sectors.

The **Power** industry is the largest infrastructure segment and has been a major thrust area for the Government of India for the last several years. The average per capita consumption of electricity in India is estimated to be a little over 700 kWh, which compares poorly to the world average of 2300 kWh. Power cuts are rampant in many parts of the country with peak shortfall at 16%. Nearly 175000 MW capacity is sought to be added during the 11th and 12th Five-Year Plans at an estimated cost of USD 450 bn to ensure power for all.

Transmission is another key area of the power sector where large investments are planned. The current installed transmission capacity is only 13% of the total installed generation capacity which needs to be augmented sharply. An estimated investment of USD 15 bn is projected for transmission capacity addition of 37000 MW by 2012.

DBA Flyover, Delhi

As Government enterprises currently account for more than 85% of the power generation capacity, private enterprise is being strongly encouraged through a variety of incentives such as income tax holiday and waiver of capital goods' import duties on mega power projects. A number of power projects, including Ultra Mega Power Projects are underway at various parts of the country. Simplex, being one of large private construction companies, has a strong presence in the power sector and has been associated with about 150 or about 80% of thermal power plants in India constructed since 1960. The major orders have come from Maithon, Doosan, BHEL, Vedanta, NHPC, Gujarat UMPP and Jindals. Given the criticality of the power sector, the potential is enormous.

After power, **Roads** are the next largest infrastructure sector on which India's economic growth is dependant. India boasts the third-largest road system in the world with over 3.3 million kilometers. However in qualitative terms the situation is far from satisfactory. Only about half the road-length is paved and more than 90% roads are structurally inadequate to bear fully loaded trucks. Less than 15% of National Highways are four-laned, slowing inter-state transport to a crawl. This coupled with the fact that road infrastructure handles almost 80% of passenger traffic and about 65% of freight movement – with annual growth of more than 10% over the past decade - makes it imperative to raise road width and quality.

The Indian Government has set ambitious plans for upgrading of the National Highways in a phased manner in the years to come targeting to build 20 km per day. Notable initiatives for the near term include 4-laning of 10000 km (NHDP Phase- III) and Special Accelerated Road Development Programme in the North-Eastern Region (SARDP-NE) for two/four-laning of about 5184 km of National Highways and two-laning and improvement of about 4756 km of State Roads. State governments too have woken up to the fact that good roads are an essential pre-requisite to attracting industry, trade and talent. An expert committee formed by the government estimates Rs. 17.3 lakh crores will be required over the next thirty years for urban roads alone. Simplex increased focus on road sector with its share in the expanded order book, which rose from 2% to 10% (Rs.1802 mn to Rs.14902 mn) - evidence of the huge opportunities in this sector.

Given the shortcomings of the road system, the **Railways** are required to play a large role in the transport of passengers and goods. To expand the rail network, 1000 km of new lines has been planned for 2011-12 at a cost of over Rs. 9500 crores. Apart from this, Rs. 5406 crores and Rs. 2470 crores has been allocated for doubling and gauge conversion projects to complete 867 km and 1017 km respectively. Challenging projects include the Jammu-Kashmir Rail Link project and extension of rail services to Imphal, the capital of Manipur. Of longer term significance is the proposal to complete 25000 km of rail lines by 2020, including dedicated freight and high speed corridors.

Apart from new track projects the Railways is also investing substantially in allied infrastructure ranging from manufacturing units to railway stations and multi-functional complexes. Metro rail projects and other mass rapid transport systems are being planned across major cities to ease traffic congestion, allow rapid connectivity and control pollution levels. These initiatives have created multiple opportunities for construction companies. Simplex is one of the few construction companies capable of automatic track-laying of high-speed rails and is proud to be present in almost all metro projects across major cities- Mumbai, Delhi, Kolkata, Bangalore and Dubai.

The **Ports** sector is another aspect of India's growing transportation needs. Maritime transport accounts for over 90% of the country's international trade by volume and about 70% by value. However Port infrastructure across India remains far short of ideal with the major ports facing high congestion and slow turnaround. Some 60% of India's container traffic comes in through Mumbai/Navi Mumbai and it takes an average of 21 days to clear import cargo in India compared to just 3 days in Singapore. According to a Mckinsey report India's current port capacity of 600 million megatonnes is already stretched with a projected demand of 1000 million megatonnes in 2012.

New port capacity is therefore imperative. Cargo handling projected to grow at 7.7% in the coming years and the National Maritime Development Programme expects the country to deal with nearly 18 million TEU (twenty foot equivalent unit) of container traffic at all its ports by 2013-14. The Government has drawn up ambitious plans for upgrading major ports and adding new ones in the coming years at a total investment of over Rs.100000 crores,

Equipment Erection 37-VV-013, IOCL Digboi, Assam

24 port projects in FY12 worth about Rs. 17000 crores is scheduled to be awarded in 2011-12 alone. Simplex as the strongest marine construction experts in the Country has been associated with major ports in India. Its area of expertise includes under-sea piling including steel piling under adverse sea conditions apart from design and construction of on-shore and off-shore structures. Major orders have come from Mumbai JNPT Port, Cochin Port, Adani, Karaikal, Paradeep and Mundra Ports.

Urban Infrastructure is yet another area where India is making rapid strides. Growing urbanisation is leading to serious infrastructure pressure in the cities. Over the last decade the number of metropolitan cities with population of 1 million and above has increased from 35 in 2001 to 50 in 2011 and this is expected to increase further to 87 by 2031. Jawaharlal Nehru National Urban Renewal Mission (JNNURM), covering 63 cities, has earmarked investments of more than Rs.17000 crores every year towards the development of basic infrastructure services including roads, water supply, sewerage, etc. Over 500 projects have been sanctioned under the Urban Infrastructure and Governance (UIG) component of JNNURM at a cost of Rs.58000 crores since its inception in 2005. These comprise 85 roads/flyover projects, 34 urban transport projects, 147 water supply projects, 108 sewerage projects, 41 solid waste management projects and 70 drainage/storm water drainage projects. The Indian Railways too is spending large sums in setting up or expanding metro rail projects in all major cities. Airports are being revamped and modernized, with satellite airports coming up in smaller towns.

Elevated Station Building for East West Metro, Kolkata

Simplex has a considerable presence in development of urban infrastructure - metro rail projects are planned across urban locations to ease traffic congestion, allow rapid connectivity and control pollution levels. Simplex is currently constructing viaduct on Versova-Andheri-Ghatkopar Corridor, Mumbai, Viaduct between Joka to Mominpur in BBD Bag Corridor, Kolkata and elevated structures (viaduct)between Chainage 500 to 6350 M-Mysore Road terminal to Magadi Road, Bangalore. Simplex is also engaged in sewerage pipelines at Bilaspur, Indore, Jabalpur , development of Airport at Durgapur, construction of New Assam Legislative Assembly Building at New Assam , to name a few.

The High Powered Expert Committee (HPEC) for estimating the investment requirements for Urban Infrastructure Services has made projections for the period from the Twelfth Five Year Plan to the Fifteenth Five Year Plan, i.e. 2012-31. Excluding land acquisition costs it estimates that Rs 39.2 lakh crores will be required at 2009-10 prices to fund necessary infrastructure in this period. It also estimates that 600 million people will live in Indian cities. There is little doubt that building urban infrastructure will continue to be a priority for many years to come.

Industrial Structures are an allied segment of production activity. The growing economy stimulates the construction of steel plants, refineries, fertilizer and cement plants as well as a host of smaller units to feed booming markets. Six core infrastructure sectors — crude oil, petroleum refinery, cement, electricity, finished steel and coal, account for over a quarter (26.7%) in the Index of Industrial Production (IIP). Following the better show in the last month of the fiscal year, the core sector ended 2010-11 with a slightly better performance, having posted a marginally higher growth of 5.9% as compared to 5.5% achieved in the previous fiscal, mainly driven by crude oil and finished steel. Simplex is associated with many industrial majors and their repeat orders reflect the faith reposed in us by them. We are currently building 3 Cement plants, 8 Metal plants and 3 Oil refineries. Robust consumer goods demand also augurs well for overall industrial activity.

The growing urban population also creates a demand for **Building & Housing** and the consensus estimate is that over 20 million families are looking for homes. According to McKinsey, the demand for built up space, including commercial space, is 700 to 900 million sqm annually in urban India. This kind of demand has led to the concept of high-rise residential and commercial blocks, which have technical and economic advantages in areas with high population density like the cities of India. Residential towers have become a preferred form of housing accommodation in virtually all densely populated urban areas around the world. In contrast with low-rise and single-family houses, apartment blocks accommodate more inhabitants per unit of area of land they occupy and also decrease the cost of municipal infrastructure. 5% of the India's GDP is contributed to by the housing sector, which is expected to rise to 6% in the next five years.

Apart from residential and commercial housing, Simplex is engaged to a large extent in institutional housing construction as well. It is building hotels, educational and medical institutions, assembly & administrative complexes, dwelling units in army cantonments in various cities. This sub-segment accounts for nearly half of the Housing Sector for Simplex.

By and large, real estate development is in the hands of private sector players with the government providing policy support to buyers through incentives such as priority sector lending benefits (to sub Rs.20 lakh housing loans) and tax breaks. Most housing is developed by small players, often resulting in poor quality. National builders remain few in number and this provides opportunities for large professional companies like Simplex. For this purpose Simplex has taken up housing construction on a considerable large scale and is currently building for Sheth, Lodha, Brigade, HDIL, Keppel, Unitech, Mantri, Salarpuria, etc, in metro cities.

Opportunities Overseas

Infrastructure Construction is an activity in which engineering expertise counts for more than geographical location. The growing realization that infrastructure building is the fastest way to economic prosperity has made many countries open its doors to Indian construction firms which can often offer an unbeatable combination of expertise and economy.

Simplex has a well established presence in many parts of the Middle East, apart from Africa and neighbouring countries in the Indian subcontinent. Each country presents its own opportunities and projects range from highways, urban infrastructure, marine structures, power plants, cement plants, refineries, ground engineering, hotels and high-rise buildings, etc.

Threats, Risks And Concerns

As infrastructure construction is closely linked with other economic activities, its fortunes are largely dependent on the performance of the economy. For Simplex, this is primarily the Indian economy, which is a large country and known to be among the most resilient. Recent history has shown that even when the rest of the world has faced a slowdown, the Indian growth story has remained intact. This offers encouragement to all Indian construction companies.

However the construction industry in India faces several challenges. Inflation is always an enemy as it forces governments and companies to postpone capital intensive expenditure. In recent years land acquisition has become a politically sensitive issue that has mired projects for months and years.

Administrative delays, poor weather conditions and disruptions in the supply-chain are some normal business risks which every construction company must tackle. Poor pre-tender preparation by the clients may cause delays. Issues regarding approach roads to the project site and poor connectivity slow down work. In addition, the industry is vulnerable to inflation in the cost of raw materials and non-availability of skilled labour and, to top it all, India's unstructured business environment. All these can result in project cost overruns, lengthy delays and lowered profitability.

Outside India, Simplex serves countries that are considerably smaller in size and therefore more affected by the perturbations of the global economy. This is particularly true for the Middle East. Some countries are also subject to periodic political upheavals, which increases risk perceptions.

Simplex recognises that no company, particularly a construction company, can completely mitigate the risks caused by macro-economic, environment or social issues. Considering this, Simplex has judiciously diversified its operations across various projects and sectors in India and also geographically, focusing on fast-track projects with lower risks. Moreover, no single project accounts for over 4% of the Company's turnover or the order book.

Risks can also be minimized by micro-management of its elements. This in turn requires technical expertise, right-time supply of construction equipment, materials and services and timely implementation of projects to prevent cost overruns and liquidated damages. Simplex has carefully developed the management skills to protect its business from adverse situations.

The Company also seeks to protect its shareholders' interests through a robust Enterprise Risk Management (ERM) framework enabling it to match risk profiles with the expected returns before making a financial commitment. The Company's Audit Committee and the Board of Directors also reviews and revamps the ERM framework on a regular basis.

Preheater Structure at Chandrapur, Maharashtra

Internal Control System and their adequacy

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations, which provide, among other things, reasonable assurance of authorization, recording and reporting of the transactions of its operations in all material respects and of providing protection against significant misuse or loss of all the assets of the Company.

The Company also deploys an Enterprise Resource Planning (ERP) package, which helps in the integration of all functionalities of the organization, streamlining of business processes and also ensures that the integrity of the data is protected.

The internal control system is managed through continuous internal audit by outside professionals, duly supported by our in-house internal audit team, which is empowered to examine the adequacy and compliance with policies, plans and statutory requirements. The internal audit team also conducts regular audits across the Company's operations. Significant observations made in the internal audit reports on internal control deficiencies and the status on implementation of recommended remedial measures are regularly presented to and reviewed by the Independent Audit Committee and Board of Directors.

Financial Performance

The turnover for the financial year stood increased at Rs.47497 mn as against Rs. 44435 mn in the previous year. The Profit before Tax (PBT) of Rs 1955 mn and Profit after Tax (PAT) of Rs.1232 mn for the financial year under review showed slender improvement as against Rs.1911 mn and Rs.1226 mn respectively for the previous financial year, despite cost pressures and subdued volume growth. The Company recorded a higher EBITDA, which increased from Rs.4556 mn to Rs.4871 mn in the year under review. EBTDA was also higher during the year under review, rising from Rs. 3444 mn to Rs.3563 mn.

We have been steady throughout in terms of our operations despite the oscillating effects in this industry, rising interest costs and elongated working capital cycle.

Our construction business on consolidated basis has recorded the highest ever order inflow of Rs.83823 mn during the year, growing the order book by 28 % to Rs.147070 mn from Rs.114910 mn last year. While the overall turnover rose by a modest 7%, the domestic turnover accounting for 87% share grew by 23%, the Middle East turnover shrank by 44%. The declining trend in the overseas sales has now been arrested by addition of projects in Bangladesh, Saudi Arabia and Ethiopia.

The Company has endeavored to maintain its growth even in an inflationary environment through a prudent choice of its projects and also effective monitoring of operational costs across projects. However, the interest burden has been high on the Company owing to increased working capital requirements. However, the Company continues to have a positive outlook owing to emerging demand for infrastructure development in the country.

Future Outlook

It is rightly said if the economy has to grow, infrastructure has to grow. Inspite of global economic slowdown in previous fiscal, India is the second fastest growing major economy in the world. New/modernization airport projects, highways, flyovers, metro rail, new hotel/service apartments/resorts projects, IT parks, SEZs, integrated townships, etc. are buzzwords today in the booming construction and infrastructure industry. Simplex's continuous efforts have made it capable of executing such challenging projects and attain a significant presence in almost all verticals of construction industry.

In the years ahead, the construction industry in India has to overcome various challenges-be it with respect to housing, environment, transportation, power or natural hazards. All organizations associated with construction industry need to employ innovative technologies and skilled project-handling strategies to overcome these challenges. The outstanding performance under demanding situations in the past will stand in good stead and give confidence to the Indian construction industry to bring about an overall development in the infrastructure of the nation. The large investments in the mega-projects will eventually yield returns to the construction industry itself in the form of better economy.

The investment in infrastructure in India has increased from 4.9% of the Gross Domestic Product (GDP) in 2002-03 to 6% last fiscal. It is expected to touch 10% of GDP in the 12th Five Year Plan (2012-2017). With the emphasis on creating physical infrastructure, massive investment is planned in this sector and consequently the industry will be experiencing a great upsurge in the work load. It has grown at the rate of over 10% annually during the last five

years and is expected to grow substantially in future also. It is well established that the influence of construction industry spans across several sub-sectors of the economy as well as infrastructure development. On the basis of an analysis of the forward and backward linkages of construction, the multiplier effect for construction on the economy is estimated to be significant.

Human Resource Development

The story of success of Simplex has been driven by its people, who numbered over 8800 as on March 31, 2011 with more than 81% having technical background. A mix of youth and experience, the vision and leadership of a stable and experienced senior-management is matched by the motivation and energy of the youth brigade.

The Company considers its employees as the actual asset of the organisation. It has a comprehensive policy in place to protect this asset, so that people are motivated and satisfied and the business of the Company can grow to its full potential. We believe that the right people, offering their ideas and expertise will enable us to continue our success.

Not only are employees valued, nurtured and courted on a continuous basis but they are also placed in positions where they are able to function as a contributing member of the team, add to productivity and gain job satisfaction. We seek to create a supportive work atmosphere in which the employee finds his work challenging, effort worthwhile, and rewards commensurate - so that he gives his best for mutual benefit and prosperity.

Regular and scientific training is imparted to employees on both technical and behavioural aspects. They are also given opportunities to implement the training at the workplace. We understand that people working with a common denominator will accomplish tasks more easily and have higher expectations of themselves and their work. We have also taken an initiative to train unskilled construction workers to equip them to use new technologies and work with new devices and machines compatibly to overcome the shortage of skilled labour. The Indian construction industry is today smarting under a nearly 30% labour shortage. The domestic construction sector, including real estate, is estimated to require 33 million skilled and unskilled labourers per day, while the availability is hardly 23 million. Presently, we are trying out the on-site training concept, so the workers can earn while they learn. Under this model, trainers are providing on-site training to workers in different fields such as masonry, carpentry, plumbing, electrical works and fitting.

Since there is also a severe shortage of technical manpower, more particularly, quality construction engineers in India, the Company as its social responsibility, through its educational trust, Bhartiya Vidya Mandir has collaborated with Construction Industry Development Council (the apex nodal body established by Planning Commission, Govt. of India and the Construction Industry) to train young civil engineers in order to accelerate the turnout of trained and certified manpower who can find gainful employment with construction companies thus mitigating the existing shortage of trained construction personnel.

Within the company we help employees to plan their career growth path. We have a sound mechanism for evaluation of personnel and provide performance-based reward system. We truly believe HR is not only about effective Human Resources but healthy Human Relations.

Cautionary Statement

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

Flyover Construction at Guwahati, Assam

Report on Corporate Governance

1. Company's Philosophy

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

2. Board of Directors

The Board as on 31st March, 2011 comprised ten Directors, (five non-executive Independent Directors and five Executive Directors) headed by the Chairman and Managing Director.

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

The Independent Directors are eminent professionals having vast experience in civil engineering, construction, finance and management and because of their association the Board has been enriched with wide range of skill and experience. None of the aforesaid Independent Directors have any pecuniary or business relationship with the Company other than receiving sitting fees.

The Directors of the Company met five times during the year on 28th April, 2010, 30th May, 2010, 14th August, 2010, 12th November, 2010 and 14th February, 2011.

Composition of the Board, Number of Board Meetings, Attendance of Directors, Directorship, Committee positions held and shareholding in the Company as on 31st March, 2011 is given below:

Name of the Directors	Status	Number of Board Meetings attended (out of five meetings held during the year)	Attendance at the last AGM held on 30th July, 2010	Directorship held in other Public Limited Companies incorporated in India	Other Committee positions held in Indian Public Limited Companies*		Share holding in the Company
					As Chairman	As Member	
Mr. B. D. Mundhra	Promoter, Chairman & Managing Director	5	Present	10	-	-	2794950
Mr. A.D. Mundhra	Promoter & Executive Director	5	Present	8	-	1	2011570 **
Mr. A. Mukherjee	Non-Independent Executive Director	5	Absent	1	-	1	500
Mr. B. Sengupta	Non-Executive Independent Director	5	Present	-	-	-	500 #
Dr. R. Natarajan	Non-Executive Independent Director	5	Absent	-	-	-	500 #
Mr. S. Dutta	Non-Independent Executive Director	5	Present	2	-	-	500
Mr. Rajiv Mundhra	Promoter & Executive Director	5	Present	6	-	-	1868790 ***
Mr. N.N. Bhattacharyya	Non-Executive Independent Director	5	Present	-	-	-	500 #
Mr. Kunal Shroff	Non-Executive Independent Director	-	Absent	1	-	1	500 #
Mr.Sheo Kishan Damani	Non-Executive Independent Director	2	Present	-	-	-	500 #

* Only Audit & Shareholders' Committee considered for this purpose

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

*** Includes 233920 equity shares held as a Trustee, 65000 equity shares held on behalf of his minor son and 2500 shares as first joint holder with Independent Directors #

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

Code of Conduct

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

3. Committee of Directors

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

Name of Directors	Meetings attended
Mr.B.D.Mundhra	9
Mr.A.D.Mundhra	7
Mr.B.Sengupta	9
Mr.S.Dutta	9
Mr.Rajiv Mundhra	9

4. Audit Committee

The composition and terms of reference of the Audit Committee of the Company are in accordance with Clause 49 of the Listing Agreement.

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

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

Members	Position	Meetings attended
Mr. N. N. Bhattacharyya	Chairman	4
Dr. R. Natarajan	Member	4
Mr. B. Sengupta	Member	4

The Audit Committee met four times during the year under review on 30th May, 2010, 14th August, 2010, 12th November, 2010 and 14th February, 2011.

The Audit Committee reviewed the annual financial statements for the year ended 31st March, 2010 on 30th May, 2010 before recommending the same to the Board for approval. During the year the Committee also reviewed the quarterly Un-audited Financial Results before they were placed before the Board of Directors for approval.

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

5. Remuneration Committee

The Company has a Remuneration Committee comprising four Directors as on 31st March, 2011. The broad terms of reference of the Remuneration Committee are to recommend to the Board the salary (including annual increments), perquisites, commission and other benefits of the Whole-time Directors, within the overall ceiling prescribed under the Companies Act, 1956, from time to time. The Committee met thrice during the year on 30th May, 2010, 12th November, 2010 and 14th February, 2011. Mr. B. Sengupta was nominated as the Chairman of the Committee. The non-executive Directors draw sitting fees at the rate of Rs. 5,000/- for attending each meeting of the Board or Committees thereof and do not draw any other remuneration from the Company.

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

Name of Directors	Position	Meetings attended
Mr. B. Sengupta	Chairman	3
Dr. R. Natarajan	Member	3
Mr. N.N.Bhattacharyya	Member	3
Mr. B. D. Mundhra	Member	3

Remuneration paid/payable for the financial Year 2010 - 2011 **(in Rupees)**

Directors	Salaries & Allowances (1)	Contribution to Provident & Gratuity Fund (2)	Estimated Cost of Benefits (3)	Commission to the Managing Director (4)	Sitting fee (5)	Total (6)
Mr. B. D. Mundhra	76,00,000	28,64,000	4,82,205	-	-	1,09,46,205
Mr. A.D. Mundhra	50,83,150	10,18,031	39,754	-	-	61,40,935
Mr. A. Mukherjee	44,80,000	5,88,800	1,85,962	-	-	52,54,762
Mr. B. Sengupta	-	-	-	-	1,25,000	1,25,000
Dr. R. Natarajan	-	-	-	-	80,000	80,000
Mr. S. Dutta	28,00,000	1,63,203	10,29,771	-	-	39,92,974
Mr. Rajiv Mundhra	44,54,843	8,37,640	66,178	-	-	53,58,661
Mr. N.N. Bhattacharyya	-	-	-	-	80,000	80,000
Mr. Kunal Shroff	-	-	-	-	-	-
Mr.Sheo Kishan Damani	-	-	-	-	10,000	10,000
Total	**2,44,17,993**	**54,71,674**	**18,03,870**	-	**2,95,000**	**3,19,88,537**

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

The terms of employment of Mr. B. D. Mundhra, Chairman & Managing Director, Mr. A. D. Mundhra, Mr. Apurba Mukherjee, Mr. S. Dutta and Mr. Rajiv Mundhra, Whole-time Directors stipulate a severance notice of six months on either side.

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

6. Shareholders' Committee

The Shareholders' Committee comprises three members of the Board who are Independent Directors, to look into shareholders' complaints and speedy disposal thereof. The Committee met four times during the year on 30th May, 2010, 14th August, 2010, 12th November, 2010 and 14th February, 2011. The composition of the Committee and attendance at the meetings out of four meetings held during the year are stated below:

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

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

A summarised position with regard to shareholders' complaint is given below:

Particulars	No. of Complaints
As on 1st April, 2010	Nil
Received during the year	5
Attended to/resolved during the year	5
Pending as on 31st March, 2011	Nil

Number of shares pending for transfer as on 31st March, 2011 : Nil

7. General Body Meetings:

Location and time of the last three AGMs held:

YEAR	VENUE	DATE	TIME	SPECIAL RESOLUTION PASSED
2009-2010	Gyan Manch 11,Pretoria Street, Kolkata-700071	30th July, 2010	10.30 am	YES
2008 -2009	Gyan Manch 11,Pretoria Street, Kolkata-700071	26th August, 2009	10.30 am	YES
2007 -2008	Gyan Manch 11,Pretoria Street, Kolkata-700071	11th September, 2008	10.30 am	YES

No Special Resolution through Postal Ballot is proposed in the forthcoming Annual General Meeting. No Resolution has been passed through Postal Ballot during the financial year ended 31st March, 2011.

As required under Clause 49IV(G)(i) of the Listing Agreement, the particulars of the Directors who are proposed for appointment/re-appointment are given in the Notice to the shareholders of the ensuing 93rd Annual General Meeting.

8. Disclosures

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

  None of the transaction with any of the related parties were in conflict with the interest of the Company.

  As required by the Accounting Standard 18 prescribed by the Companies Act, 1956, details of the related party transactions are given in Note 22 on Schedule 19 of the Annual Accounts.

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

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

- As per the requirement of Clause 49IV(F)(ii) of the Listing Agreement, the Senior Management Personnel i.e. the Technical Directors, Executive Director, Overseas Director, Finance Director (Overseas) and Country Director has informed the Board that neither they nor their relatives are having any personal interest in material, financial and commercial transactions of the Company which may have potential conflict with the interest of the Company at large.
- The CEO / CFO certificate has been placed before the Board of Directors at their meeting held on 30th May, 2011, in compliance with Clause 49 V of the Listing Agreement duly signed by the Chairman & Managing Director and Director (in-charge of Finance).
- The Company has established internal control systems and procedures which are being reviewed and updated regularly.
- All mandatory requirements have been appropriately complied with and the non-mandatory requirements are dealt with at the end of the report.
- The Company does not have any Whistle Blower Policy as of now but no personnel is being denied any access to the Chairman of the Audit Committee.

9. Means of Communication:

In compliance with the requirements of Clause 41 of the Listing Agreement, the Company regularly intimates quarterly Un-audited financial results to the Stock Exchanges immediately after they are approved by the Board / Committee of Directors. Further

coverage is given for the benefit of the shareholders and investors by publication of the financial results in English daily, The Economic Times, Business Standard and one Bengali daily Dainik Statesman.

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

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

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

10. Shareholders Information

a) **93rd Annual General Meeting**

Date & time : 16th September, 2011, Friday at 10:30 a.m.

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

b) **Financial Year:** 1st April to 31st March

c) **Dates of book closure:** 9th September 2011 to 16th September 2011 (both days inclusive).

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

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

f) **(i) Listing details:**

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

Listing fees for the year 2011 - 2012 have been paid to the Stock Exchanges.

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

i) Bombay Stock Exchange Limited

Month	High (Rs.)	Low (Rs.)	Close (Rs.)	Sensex (closing)
April 2010	515.00	422.20	479.75	17558.71
May 2010	515.00	431.00	487.95	16944.63
June 2010	504.90	469.55	492.80	17700.90
July 2010	505.00	450.00	484.85	17868.29
August 2010	515.00	396.10	468.00	17971.12
September 2010	512.95	460.60	472.55	20069.12
October 2010	509.85	465.00	491.25	20032.34
November 2010	515.00	386.10	390.30	19521.25
December 2010	470.00	386.25	410.80	20509.09
January 2011	446.00	323.50	348.90	18327.76
February 2011	389.00	310.00	322.00	17823.40
March 2011	366.00	296.30	326.55	19445.22

ii) The National Stock Exchange of India Ltd.

Month	High (Rs.)	Low (Rs.)	Close (Rs.)	Nifty (closing)
April 2010	516.00	371.00	482.00	5278.00
May 2010	508.00	446.50	488.00	5086.30
June 2010	502.65	467.00	491.50	5312.50
July 2010	499.75	450.00	485.55	5367.60
August 2010	515.00	458.95	466.95	5402.40
September 2010	512.40	432.30	473.95	6029.95
October 2010	495.95	468.00	493.95	6017.70
November 2010	491.30	386.00	390.55	5862.70
December 2010	463.45	386.00	410.75	6134.50
January 2011	423.00	327.00	350.00	5505.90
February 2011	398.00	310.15	326.05	5333.25
March 2011	368.80	297.10	328.55	5833.75

h) **Registrar and Share Transfer Agent:**

Physical & Dematerialised

MCS Limited, 77/2A Hazra Rd, Kolkata - 700029

i) **Share transfer system:**

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

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

j) **Distribution of Shareholding as on 31st March 2011:**

Shares Held	2011				2010			
	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	6208	87.94	744444	1.50	6178	87	785077	1.59
501-1000	481	6.81	376211	0.76	518	7.29	404915	0.82
1001-10000	254	3.60	678651	1.37	281	3.96	779670	1.58
10001-50000	48	0.68	1076687	2.18	48	0.68	1128767	2.28
50001 & above	68	0.96	46596337	94.19	76	1.07	46373901	93.74
TOTAL	**7059**	**100.00**	**49472330**	**100.00**	**7101**	**100**	**49472330**	**100**

k) **Categories of Shareholding as on 31st March 2011:**

Category	2011			2010		
	No. of share holders	% of share holding	No. of shares held	No. of share holders	% of share holding	No. of shares held
Promoters & Directors	23	54.74	27081823	23	54.74	27081823
UTI & Mutual Funds	21	18.36	9084568	26	17.42	8619301
Banks & Financial Institutions	1	2.34	1159965	2	2.39	1181465
Foreign Institutional Investors	35	11.99	5932272	27	11.80	5836376
Non Resident Indians/ Overseas Corporate Bodies	152	0.81	400824	158	0.83	412486
Corporates	313	6.56	3244745	372	6.62	3274491
Individuals	6514	5.20	2568133	6493	6.20	3066388
TOTAL	**7059**	**100**	**49472330**	**7101**	**100**	**49472330**

l) **Dematerialisation of shares and liquidity:**

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

Company's ISIN No. is: **INE059B01024**

As on 31st March, 2011 89.24% of the Company's Shares are held in dematerialised form.

m) **Address for Correspondence:**

Secretarial Department
Simplex Infrastructures Limited
"Simplex House"
27 Shakespeare Sarani, Kolkata-700017
Tel No:- 23011600 (30 lines), 2289-1476-81, 44051800
Email: banwari.bajoria@simplexinfra.net
Website : www.simplexinfrastructures.com

Non – Mandatory Requirements:

a) **The Board**

All the Independent Directors appointed have the requisite qualifications and experience which is beneficial to the Company.

b) **Remuneration Committee**

The Company has a Remuneration Committee whose terms of reference, composition and other relevant particulars have been mentioned elsewhere in this report. The Chairman of the Remuneration Committee, Mr. B.Sengupta was present at the last Annual General Meeting held on 30th July, 2010.

c) **Shareholders' Rights**

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

d) **Audit qualification**

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

e) **Mechanism of evaluating non-executive Board Members**

Non-Executive Directors were always being evaluated by their own Peer in the board meetings during the year 2010-11, although there was no formal Peer Group review by the entire Board.

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

As provided under Clause 49(I)(D)(ii) of the Listing Agreement with the Stock Exchange(s), this is to confirm that a Code of Conduct has been laid down by the Board of Directors of Simplex Infrastructures Limited, which has been made applicable to all the Directors and the Senior Management Personnel of the Company.

The Code has been affirmed to by all members of the Board and the Senior Management Personnel of the Company. The said Code of Conduct has also been posted on the website of the Company, namely, www.simplexinfrastructures.com

B.D. MUNDHRA
Chairman and Managing Director

Date: 30th May, 2011
Mumbai

Auditors' Certificate regarding compliance of conditions of Corporate Governance

To the Members of
Simplex Infrastructures Limited

We have examined the compliance of conditions of Corporate Governance by Simplex Infrastructures Limited, for the year ended 31st March 2011, as stipulated in Clause 49 of the Listing Agreements of the said Company with stock exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), 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 Listing Agreement.

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

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

P. Law
Partner
Membership Number: 51790

Date: 30th May, 2011
Place: Kolkata

Auditor's Report

To the Members of
Simplex Infrastructures Limited

1. We have audited the attached Balance Sheet of Simplex Infrastructures Limited (the "Company") as at 31st March 2011, and the related Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 (together the "Order") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'the Companies Act, 1956' of India (the 'Act') 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 further report that:

3.1 (a) The Company has maintained 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 between the book records and the physical inventory have been noticed.

(c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed of by the Company during the year.

3.2 (a) The inventory other than work-in-progress [comprising site development costs etc. as indicated in Note 1(g) on Schedule 19 to Accounts], stocks with third parties and material in transit has been physically verified by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable.

(b) In our opinion, the procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) On the basis of our examination of the inventory records, in our opinion, the Company has maintained proper records of materials at sites, materials in transit and stores. As regards work-in-progress, as explained by the Management, it is not practicable to maintain cumulative quantitative records, since it comprises site development cost etc. as indicated in Note 1(g) on Schedule 19 to Accounts. The discrepancies noticed on physical verification of inventory as compared to book records were not material.

3.3 (a) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Act.

(b) The Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under Section 301 of the Act.

3.4 In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.

3.5 (a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under that section.

(b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of Rupees Five Lakhs in respect of any party during the year, have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.

3.6 In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 58A and 58AA or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public. According to the information and explanations given to us, no Order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company in respect of the aforesaid deposits.

3.7 In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.

3.8 The Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the products of the Company.

3.9 (a) According to the information and explanations

given to us and the records of the Company examined by us, in our opinion, the Company has generally been regular in depositing during the year, the undisputed statutory dues including provident fund, investor education and protection fund, income-tax, sales-tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues as applicable with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income-tax, sales-tax, wealth-tax, service-tax, customs duty, excise duty and cess, as applicable, as at 31st March 2011, which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rupees in Thousand)	Period to which the amount relates	Forum where the dispute is pending
Andhra Pradesh General Sales Tax Act, 1957	Demand against turnover tax challenged	406	1996-97	High Court, Hyderabad
Andhra Pradesh General Sales Tax Act, 1957	Demand against turnover tax challenged	287	1997-98 to 1999-2000	Andhra Pradesh Sales Tax Appellate Tribunal
Andhra Pradesh General Sales Tax Act, 1957	Demand against Interstate purchase	771	2003-04	Andhra Pradesh Sales Tax Appellate Tribunal, Visakapattanam
Goa Sales Tax Act, 1964	Disallowance of tax paid on interstate purchases	6,436	2004-05	Appellate Tribunal in Goa
Central Sales Tax Act, 1956	Penalty under Section 10A	712	2003-04	Assistant Commissioner of Commercial Taxes (Margoa, Goa)
Orissa Sales Tax Act, 1947 [For Angul]	WCT disallowance of labour component	52	2002-03	Appellate Tribunal, Cuttack
Orissa Sales Tax Act, 1947 [For Paradeep]	Disallowance on machinery hire charges	584	2001-02	Appellate Tribunal, Cuttack
Orissa Sales Tax Act, 1947 [For Sambalpur]	Levy of tax on free issue of materials	258	1985-86, 1988-89 & 1989-90	Appellate Tribunal, Cuttack
Uttar Pradesh Trade Tax Act, 1948	Sales Tax	614	2003-04	Joint Commissioner Appeal
Uttar Pradesh Trade Tax Act, 1948	Sales Tax	5,639	2006-07	Deputy Commissioner Ghaziabad
Uttar Pradesh Trade Tax Act, 1948	Sales Tax	3,332	2006-07	Additional Commissioner Gorakhpur
Uttar Pradesh Trade Tax Act, 1948	Sales Tax	4,455	2007-08	Deputy Commissioner Ghaziabad
Finance Act, 1994-Service Tax	Service Tax	952,418	1.3.2005 to 30.9.2008	High Court at Calcutta
Finance Act, 1994-Service Tax	Service Tax on construction of port	46,012	10.9.2004 to 15.6.2005	High Court at Calcutta

Name of the statute	Nature of dues	Amount (Rupees in Thousand)	Period to which the amount relates	Forum where the dispute is pending
Finance Act, 1994 - Service Tax	Service Tax	158,441	2003-04, 2005-06, 2006-07 and 2008-09	High Court at Delhi
Finance Act, 1994 - Service Tax	Service Tax	10,429	1.10.2009 to 31.3.2010	Reply to Commissionerate is pending
Finance Act, 1994 - Service Tax	Service Tax	24,931	March, 2007 to January, 2008	Customs, Excise & Service Tax Appellate Tribunal
Finance Act, 1994 - Service Tax	Service Tax	457	October, 2007 to April, 2008	Commissioner of Central Excise (Appeals)

3.10 The Company has no accumulated losses as at 31st March 2011 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.

3.11 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 dues to any financial institution or bank or debenture holders as at the balance sheet date.

3.12 The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

3.13 The provisions of any special statute applicable to chit fund / nidhi / mutual benefit fund/ societies are not applicable to the Company.

3.14 In our opinion, the Company is not a dealer or trader in shares, securities, debentures and other investments.

3.15 In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.

3.16 In our opinion, and according to the information and explanations given to us, on an overall basis, the term loans have been applied for the purposes for which they were obtained.

3.17 On the basis of an overall examination of the balance sheet of the Company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short-term basis which have been used for long-term investment.

3.18 The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year.

3.19 The Company has not issued during the year any secured debenture.

3.20 The Company has not raised any money by public issues during the year.

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

4 *We draw your attention to the following matters:*

a) *As indicated in Note 8 on Schedule 19 to the Accounts, year-end exchange fluctuation loss of Rs.73,411 thousand pertaining to a foreign currency loan has not been provided for which is required under*

Accounting Standard 11 "The Effects of Changes in Foreign Exchange Rates" for reasons given by the management in the said Note. Had this item been accounted for, both the profit for the year and the year-end net worth would have been lower by Rs.73,411 thousand.

b) *As indicated in Note 9 on Schedule 19 to the Accounts, in view of heightened political risk in the country in which one of the subsidiaries of the Company operates, substantial erosion of its net worth and lack of adequate information, we are unable to comment on the extent of diminution, other than temporary, if any, in the carrying amount of investment of Rs.38,688 thousand in the said subsidiary in keeping with Accounting Standard 13 "Accounting for Investments" and the extent of eventual recoverability of year-end Sundry Debtors of Rs.105,942 thousand and Advances of Rs.38,507 thousand due from the said subsidiary (together with its effect on the year's profit and the year-end net worth).*

5. Further to our comments in paragraph 3 above, we report that:

(a) *Except for the indeterminate effects of the matter referred to in paragraph 4 (b) above,* we have 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, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

(c) The Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;

(d) In our opinion, *except for the effects of the matter referred to in paragraph 4 (a) above and indeterminate effects of the matter referred to in paragraph 4 (b) above,* the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Act;

(e) On the basis of written representations received from the directors, as on March 31, 2011 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act;

(f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with the notes thereon and attached thereto give, in the prescribed manner, the information required by the Act, and give, *except for the effects of the matter referred to in paragraph 4 (a) above and the indeterminate effects of the matter referred to in paragraph 4 (b) above,* a true and fair view in conformity with the accounting principles generally accepted in India.

(i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011;

(ii) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and

(iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

P. Law
Partner
Membership Number 51790

Kolkata
30th May, 2011

Balance Sheet as at 31st March, 2011

(Rupees in Thousand)

	Schedule Reference	31st March, 2011		31st March, 2010	
SOURCES OF FUNDS					
Shareholders' Funds					
Share Capital	1	99,331		99,331	
Reserves and Surplus	2	10,677,540	10,776,871	9,597,270	9,696,601
Loan Funds					
Secured Loans	3	10,932,210		9,943,891	
Unsecured Loans	4	5,674,492	16,606,702	3,080,046	13,023,937
Deferred Tax Liability (Net) (Note 3 on Schedule 19)			1,380,505		883,274
TOTAL			**28,764,078**		**23,603,812**
APPLICATION OF FUNDS					
Fixed Assets	5				
Gross Block		14,764,138		12,508,637	
Less: Depreciation		3,715,042		2,832,039	
Net Block		11,049,096		9,676,598	
Capital Work in Progress		274,635	11,323,731	186,941	9,863,539
Investments	6		491,938		277,082
Current Assets, Loans and Advances					
Inventories	7	7,977,887		6,592,548	
Sundry Debtors	8	22,833,780		17,928,086	
Cash and Bank Balances	9	794,659		872,737	
Other Current Assets	10	1,408,224		1,336,695	
Loans and Advances	11	3,832,930		3,868,425	
		36,847,480		30,598,491	
Less: Current Liabilities and Provisions					
Liabilities	12	19,770,352		17,019,922	
Provisions	13	128,719		115,378	
		19,899,071		17,135,300	
Net Current Assets			16,948,409		13,463,191
TOTAL			**28,764,078**		**23,603,812**
Notes on Accounts	19				

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

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

For **Price Waterhouse**
Firm Registration Number: 301112E
Chartered Accountants

(P. Law)
Partner
Membership Number: 51790
Kolkata, 30th May, 2011

B.L.Bajoria
Secretary

B.D.Mundhra
Chairman & Managing Director

S.Dutta
Director

Mumbai, 30th May, 2011

Profit and Loss Account For the year ended 31st March, 2011

(Rupees in Thousand)

	Schedule Reference	2010-2011		2009-2010	
INCOME					
Contract Turnover		47,497,133		44,434,807	
Less: Contract Expenses (other than related depreciation / amortisation)	14	41,115,297		38,224,278	
Profit on Contract Work done		6,381,836		6,210,529	
Company's Share in profit/(loss) of Joint Ventures [Refer Note 23.2(i) on Schedule 19]		13,174		(7,346)	
Other Income	15	276,769	6,671,779	226,154	6,429,337
EXPENSES					
Interest and Finance Charges (Net)	16	1,307,744		1,112,088	
Amortisation of Tools		696,423		643,489	
Depreciation		911,963		890,075	
Other Administrative Expenses	17	1,801,078	4,717,208	1,873,210	4,518,862
PROFIT BEFORE TAX			1,954,571		1,910,475
PROVISION FOR TAXATION					
Current Tax			404,000		380,000
MAT Credit Entitlement (Refer Note 26 on Schedule 19)			(179,022)		-
PROFIT BEFORE DEFERRED TAX			1,729,593		1,530,475
Deferred Tax			497,231		304,502
PROFIT AFTER TAX			1,232,362		1,225,973
Balance Brought Forward from Previous Year			3,429,961		2,469,366
AMOUNT AVAILABLE FOR APPROPRIATIONS			4,662,323		3,695,339
APPROPRIATIONS					
Transfer to General Reserve			150,000		150,000
Proposed Dividend		98,945		98,945	
Tax thereon		16,051	114,996	16,433	115,378
			264,996		265,378
Year-end Surplus			4,397,327		3,429,961
			4,662,323		3,695,339
Basic Earning per Equity Share of Rs.2/- each (In Rs.)			24.91		24.78
Diluted Earning per Equity Share of Rs.2/- each (In Rs.) (Note 24 on Schedule 19)			24.91		24.78
Notes on Accounts	19				

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

The Schedules referred to above form an integral part of the Profit and Loss Account.

For **Price Waterhouse**
Firm Registration Number: 301112E
Chartered Accountants

(P. Law)
Partner
Membership Number: 51790
Kolkata, 30th May, 2011

B.L.Bajoria
Secretary

B.D.Mundhra
Chairman & Managing Director

S.Dutta
Director

Mumbai, 30th May, 2011

(Rupees in Thousand)

	31st March, 2011		31st March, 2010	
Schedule 1				
SHARE CAPITAL				
Authorised				
374,900,000 Equity Shares of Rs. 2/- each		749,800		749,800
20,000 15% Cumulative Preference Shares of Rs.10/- each		200		200
		750,000		**750,000**
Issued and Subscribed and Paid-up (Note below)				
49,472,330 Equity Shares of Rs. 2/- each fully paid up	98,945		98,945	
126,000 Equity shares of Rs.10/- each (equivalent of	386		386	
630,000 shares of Rs.2/- each) forfeited in earlier years		99,331		99,331
		99,331		**99,331**

Note :

Of the year-end paid-up shares

a) 69,625 shares of Rs. 2/- each allotted as fully paid up pursuant to a contract without payments being received in cash.

b) 9,221,605 shares of Rs. 2/- each allotted as fully paid Bonus Shares by capitalisation of Reserves, Undistributed Profit and Securities Premium Account.

c) 9,982,650 shares of Rs. 2/- each allotted at par on conversion of Partly Optionally Convertible Debentures on 1st January,1998 and on 1st January,1999.

(Rupees in Thousand)

	31st March, 2011		31st March, 2010	
Schedule 2				
RESERVES AND SURPLUS				
Capital Reserve				
As per last Account	215,775		3,245	
Add: Addition during the year	-	215,775	212,530	215,775
Capital Redemption Reserve		104		104
Securities Premium Account		4,942,125		4,942,125
General Reserve				
As per last Account	795,515		645,515	
Add: Transfer from Profit and Loss Account	150,000	945,515	150,000	795,515
Contingency Reserve		350,000		350,000
Foreign Currency Translation Reserve Account [Note 1(j) on Schedule 19]				
As per last Account	(136,210)		300,541	
Adjustment during the year	(37,096)	(173,306)	(436,751)	(136,210)
Profit and Loss Account Balance (Surplus)		4,397,327		3,429,961
		10,677,540		**9,597,270**

	31st March, 2011	31st March, 2010
Schedule 3		
SECURED LOANS		
Term Loans		
Financial Companies - Rupee Loan [Note 1(a) below]	884,174	881,879
Banks		
Rupee Loans [Notes 1(a) and 2 below]	1,057,585	1,015,229
Foreign Currency Loans [Note 1(b) below]	710,641	1,144,949
Working Capital Loans from Banks		
Rupee Loans [Note 3(a) below]	7,732,850	5,628,065
Foreign Currency Loans [Note 3(b) below]	494,125	1,244,064
Vehicle Loans (Note 4 below)		
Financial Company - Rupee Loan	5,830	-
Banks		
Rupee Loans	25,635	17,169
Foreign Currency Loans	-	1,267
Interest Accrued and Due on Working Capital Loans	21,370	11,269
	10,932,210	**9,943,891**

(Rupees in Thousand)

Schedule 3

SECURED LOANS (contd.)

Notes :

1. a) Term Loans from banks and financial companies are secured / to be secured by an exclusive charge on specific assets, comprising Plant and Machinery, Construction Equipments and Vehicles purchased out of the said loans.

   b) Foreign Currency Term Loans comprise of:

      i) Loans provided by banks and secured by exclusive charge on specific assets as recited in Note 1 (a) above

      ii) Loans at overseas branches are secured / to be secured by assignment of receivables and charge on Plant and Machinery etc. at respective branches.

2. Term loans of Rs.414,774 (2010 - Rs. 690,834) are also covered by personal guarantee of Chairman and Managing Director and / or Wholetime Director of the Company.

3. a) Secured by first charge by way of hypothecation of stocks, stores, book debts, second charge on Plant and Machinery (other than those which are exclusively charged in favour of the respective lenders) ranking pari passu amongst the Banks on the point of security, as also by second charge on certain immovable properties by deposit of title deeds / documents in India subject to first charge created / to be created in favour of term lenders.

   b) Foreign Currency Working Capital Loans are secured / to be secured by assignment of receivables at overseas branches.

4. Vehicle loans are secured / to be secured by way of hypothecation / charge of the vehicles financed.

	31st March, 2011	31st March, 2010
Schedule 4		
UNSECURED LOANS		
Term Loans from Banks (Short Term) [Such Loans from certain banks Rs.Nil (2010 - Rs.150,000) covered by personal guarantee of Chairman and Managing Director and / or Wholetime Director of the Company]	3,800,000	2,300,000
Commercial Papers (Short Term) [Maximum balance outstanding at any time during the year Rs.4,850,000 (2010 - Rs. 1,500,000)] [including from Banks Rs.1,700,000 (2010 - Rs.400,000)]	1,850,000	750,000
Intercorporate Deposit	500	500
Temporary Overdraft from Banks		
Rupee Account	21,466	28,500
Foreign Currency Account	2,238	758
Interest Accrued and Due on Inter Corporate Deposits	288	288
	5,674,492	**3,080,046**

(Rupees in Thousand)

Schedule 5

FIXED ASSETS

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Original Cost as at 31st March, 2010	Additions during the Year	Disposal / Adjust-ments during the year [Note (d)]	Original Cost as at 31st March, 2011	As at 31st March, 2010	For the Year	On Assets Disposed/ Adjusted during the year [Note (e)]	As at 31st March, 2011	As at 31st March, 2011	As at 31st March, 2010
A. Tangible Assets										
Freehold Land	29,619	75,648	-	105,267	-	-	-	-	105,267	29,619
Leasehold Land	4,996	-	-	4,996	736	53	-	789	4,207	4,260
Building	160,038	-	-	160,038	18,407	2,595	-	21,002	139,036	141,631
Plant and Machinery (Note 21 on Schedule 19)	11,451,049	2,106,836	28,108	13,529,777	2,491,113	805,166	22,401	3,273,878	10,255,899	8,959,936
Furniture and Fittings	198,664	15,214	656	213,222	71,352	12,437	335	83,454	129,768	127,312
Motor Vehicles	383,943	54,417	10,745	427,615	95,741	38,557	5,273	129,025	298,590	288,202
Computer	203,532	34,310	1,502	236,340	116,809	28,148	951	144,006	92,334	86,723
Electrical Equipment	5,511	-	-	5,511	583	389	-	972	4,539	4,928
	12,437,352	**2,286,425**	**41,011**	**14,682,766**	**2,794,741**	**887,345**	**28,960**	**3,653,126**	**11,029,640**	**9,642,611**
B. Intangible Assets										
Computer Software - Acquired	71,285	10,087	-	81,372	37,298	24,618	-	61,916	19,456	33,987
	71,285	**10,087**	**-**	**81,372**	**37,298**	**24,618**	**-**	**61,916**	**19,456**	**33,987**
Capital Work in Progress									274,635	186,941
Total	**12,508,637**	**2,296,512**	**41,011**	**14,764,138**	**2,832,039**	**911,963**	**28,960**	**3,715,042**	**11,323,731**	**9,863,539**
As at 31st March, 2010	12,065,970	1,057,634	614,967	12,508,637	2,051,807	890,075	109,843	2,832,039		

Notes :-

a) Certain Freehold /Leasehold land and buildings were revalued by an approved Valuer as at 31st December, 2002 and 31st December, 2003, (the aggregate Book Value Rs.7,510 and Rs.22,978 respectively) but the resultant increase in the Net Book value on such revaluation Rs.46,981 and Rs.108,213 respectively have not been considered in the accounts.

b) Buildings include Rs.854 being the original cost of a building erected on land taken on rental lease and depreciated over the period of lease and also includes another building (original cost of Rs.236) erected on land belonging to the contractee who will take over the building at depreciated value in due course.

c) The Original Cost as at 31st March, 2011 of Plant and Machinery includes Rs.634 (2010 - Rs.634) for items acquired under Hire Purchase arrangements up to 31st March, 2001 of which Rs.119 (2010 - Rs.119) was outstanding as at 31st March, 2011.

d) Inclusive of Rs.6,094 (2010 - Rs.449,761) on account of foreign exchange adjustment for Foreign Branches.

e) Inclusive of Rs.9,820 (2010 - Rs.73,309) on account of foreign exchange adjustment for Foreign Branches.

(Rupees in Thousand)

	31st March, 2011		31st March, 2010	
Schedule 6				
INVESTMENTS				
[Note 1(d) on Schedule 19]				
LONG TERM				
Unquoted				
- Other than Trade				
5-Fully paid-up Ordinary Shares of Rs.50/- each in Mercantile Apartments Co-operative Housing Society Ltd., Mumbai - Face value Rs.250/-	-		-	
5-Fully paid-up Ordinary Shares of Rs.50/- each in Pallavi Beach Angle Co-operative Housing Society Ltd., Mumbai - Face value Rs.250/-	-		-	
5-Fully paid-up Ordinary Shares of Rs.50/- each in Borlo Co-operative Housing Society Ltd.,Chembur, Mumbai - Face value Rs.250/-	-		-	
5-Fully paid-up Ordinary Shares of Rs.50/- each in Saket Co-operative Housing Society Ltd., Mumbai - Face value Rs.250/-	-		-	
7 Year National Savings Certificates (Matured) (Lodged as Security Deposits)	2		2	
6 Year National Savings Certificates (Matured) (Lodged as Security Deposits)	34		34	
2,000,000 Equity Shares of Rs.10/- each of Electrosteel Steels Limited (formerly Electrosteels Integrated Limited) - Fully paid up (Note iii below)	-	36	20,500	20,536
Subsidiary Companies				
175,000 Shares of Omani Rial (OMR) 1 each in Simplex Infrastructures LLC - Fully paid up (70,000 Shares received as bonus shares during the year)	13,511		13,511	
150 Shares of United Arab Emirates Dihram (AED) 1,000 each in Simplex (Middle East) Limited - Fully paid up	2,018		2,018	
9,750 Shares of Libyan Dinar (LYD) 100 each in Simplex Infrastructures Libya Joint Venture Co. - Fully paid up	38,688		38,688	
6,000,000 Equity Shares of Rs.10/- each in Simplex Infra Development Ltd. (acquired during the year)	59,987	114,204	-	54,217
- Trade				
Investment in Joint Ventures [Note 23.2(i) on Schedule 19]	177,237		165,197	
9,799 Shares of Thai Bhatt (THB) 100 each of Simplex Infrastructures (Thailand) Limited - Fully paid up, a joint venture company	1,390		1,390	
4,900 Shares of Bahraini Dinars (BHD) 50 each of Simplex Almoayyed W.L.L.- Fully paid up, a joint venture company	28,742		28,742	
2,600 Equity Shares of Rs.10/- each of Shree Jagannath Expressways Private Limited -Fully paid up (acquired during the year) (Note iv below)	26		-	
16,665 Equity Shares of Rs.10/- each of Raichur Sholapur Transmission Company Ltd.- Fully paid up (acquired during the year)	167	207,562	-	195,329
Carried Forward		**321,802**		**270,082**

(Rupees in Thousand)

	31st March, 2011		31st March, 2010	
Schedule 6				
INVESTMENTS (contd.)				
Brought Forward		**321,802**		**270,082**
Quoted				
- Other than Trade				
20,000 Equity Shares of Rs.10/- each (Rs.5/- paid up) of Parasrampuria Synthetics Ltd. @	100		100	
4,700 Equity Shares of Rs.10/- each at a Premium of Rs.35/- each of Pennar Patterson Securities Ltd. - Fully Paid up @	212		212	
90,000 Equity Shares of Rs.10/- each of SREI Infrastructures Ltd. - Fully Paid up (50,000 shares acquired during the year and 40,000 Equity shares received as bonus shares during the year)	4,102		-	
369,981 Equity Shares of Rs.2/- each of Emami Paper Mills Limited - Fully paid up (acquired during the year)	18,489		-	
305,000 Equity Shares of Re.1/- each of Emami Limited - Fully paid up (acquired during the year)	119,919		-	
17,500 Equity Shares of Rs.2/- each of Dalmia Bharat Sugar & Industries Limited [formerly Dalmia Cement (Bharat) Limited] - Fully paid up	7,000		7,000	
17,500 Equity Shares of Rs.2/- each of Dalmia Bharat Enterprises Limited - Fully paid up (Note v below)	-		-	
2,000,000 Equity Shares of Rs.10/- each of Electrosteel Steels Limited (formerly Electrosteels Integrated Limited) - Fully paid up (Note iii below)	20,500	170,322	-	7,312
CURRENT INVESTMENTS				
Unquoted				
- Other than Trade				
Units of Mutual Fund (Note vi below)		1,516		-
		493,640		277,394
Less: Provision for diminution in carrying amount of Investments		1,702		312
		491,938		**277,082**

Notes :

i) Year end Market Value of quoted Investments other than that marked @ for which year-end official quotation is not available.

Equity Shares	165,546	4,396

ii) Aggregate amount of

Unquoted Investments	323,318	270,082
Quoted Investments	170,322	7,312
	493,640	**277,394**

iii) 2,000,000 Equity Shares of Rs.10/- each of Electrosteel Steels Limited have been reclassified under "Quoted Investments" upon listing during the year and are locked in till 4th October, 2011.

iv) 1,792 Equity Shares of Shree Jagannath Expressways Private Limited are pledged in favour of Axis Trustee Services Ltd., Security Trustee for the benefit of Union Bank of India, Lender / Guarantor.

v) 17,500 Equity Shares of Rs.2/- each of Dalmia Bharat Enterprises Limited (DBEL) have been acquired during the year without consideration pursuant to a Scheme of Arrangement between Dalmia Cement (Bharat) Limited (DCBL) and DBEL involving demerger of certain business of DCBL.

vi) Particulars and Movement of Current Investments (Units of Mutual Fund) have been shown in Note 31 on Schedule 19.

(Rupees in Thousand)

	31st March, 2011	31st March, 2010
Schedule 7		
INVENTORIES		
At lower of cost and net realisable value		
Work-in-Progress (Net of Advance from clients Rs.560,920; 2010 - Rs.48,716) (Note 25 on Schedule 19)	597,484	365,810
Materials at Sites	5,016,083	3,866,022
Materials in Transit	5,046	783
At or below cost		
Stores (including Tools Rs.2,133,600; 2010 - Rs.2,220,383) [Note 1 (e) on Schedule 19]	2,359,274	2,359,933
	7,977,887	**6,592,548**
Schedule 8		
SUNDRY DEBTORS		
Unsecured		
Debts Outstanding for a period exceeding six months		
Considered Good	5,021,885	3,603,076
Considered Doubtful	17,187	17,424
Other Debts		
Considered Good (Note 7 on Schedule 19)	17,811,895	14,325,010
	22,850,967	17,945,510
Less: Provision for Doubtful Debts	17,187	17,424
	22,833,780	**17,928,086**
Schedule 9		
CASH AND BANK BALANCES		
Cash in hand and Remittances in transit [Remittances in transit Rs.2,691(2010 - Rs.144,876)]	6,129	148,246
Balances with Scheduled Banks-		
Current Accounts	536,312	568,953
Unpaid Dividend Account	1,515	1,387
Term Deposit on Margin Account	8,966	8,966
Fixed Deposits (Lodged as Security Deposits Rs.5; 2010 - Rs.5)	1,381	1,414
Balances with Non-Scheduled Banks (Note 29 on Schedule 19)	240,356	143,771
	794,659	**872,737**

(Rupees in Thousand)

	31st March, 2011	31st March, 2010
Schedule 10		
OTHER CURRENT ASSETS		
Unsecured		
Considered Good		
Interest Receivable	144,749	58,916
Excise Duty Recoverable	195,890	238,814
Accruals under Duty Free Credit Entitlement	155,850	308,533
Deposit for Contracts	196,114	218,669
Security Deposits	524,453	327,986
Deposit under Investment Deposit Scheme	1,513	1,513
Prepaid Expenses	189,655	169,797
Unbilled Revenue	-	12,467
Considered Doubtful		
Deposit for Contracts	538	538
Security Deposits	494	29
	1,409,256	1,337,262
Less: Provision for Doubtful Deposits	1,032	567
	1,408,224	**1,336,695**
Above includes		
Amount due by Firm in which Directors of the Company are Partners		
Security Deposit with Mundhra Estates	72	72
Schedule 11		
LOANS AND ADVANCES		
Unsecured		
Considered Good (unless stated otherwise below)		
Advances recoverable in cash or in kind or for value to be received [including Capital advance Rs.307,067; (2010 - Rs.167,709) and Considered Doubtful Rs.17,865 (2010 - Rs.14,720)]	3,187,564	2,993,209
Advances to Subsidiaries	38,668	39,728
Advance against Investments in Associate Companies	62,786	-
Inter Corporate Loans [Considered Doubtful Rs.5,902 (2010 - Rs. Nil)]	385,804	579,000
MAT Credit Entitlement	179,022	-
Advance payment of Taxes (net of provision)		
Current Tax [Advance Tax Rs.956,925 (2010 - Rs.920,730), netted off against Provision for Tax to the extent of Rs.956,925 (2010 - Rs.652,398)]	-	268,332
Fringe Benefit Tax [Advance Tax Rs.9,323 (2010 - Rs.24,171), Provision for Tax Rs.6,470 (2010 - Rs.21,295)]	2,853	2,876
	3,856,697	3,883,145
Less: Provision for Doubtful Loans and Advances	23,767	14,720
	3,832,930	**3,868,425**

(Rupees in Thousand)

	31st March, 2011		31st March, 2010	
Schedule 12				
CURRENT LIABILITIES				
Acceptances		185,222		-
Sundry Creditors				
Due to Micro Enterprises and Small Enterprises (Note 19 on Schedule 19)	10,793		10,673	
Others	11,548,735	11,559,528	10,325,838	10,336,511
Due to Subsidiaries		41		-
Other Liabilities		425,548		372,793
Advance from Clients		6,952,190		6,041,320
Billing in Excess of Revenue		549,526		140,626
Interest Accrued but not Due [including on loans Rs.23,945 (2010 - Rs.26,969)]		95,836		126,086
Investor Education and Protection Fund shall be credited by the following amounts namely (Note below)				
a) Unpaid dividend		1,515		1,387
b) Unpaid matured deposit		612		776
c) Interest accrued on (b) above		334		423
		19,770,352		**17,019,922**

Note : None of above unclaimed amounts is due to be transferred to above fund at the Balance Sheet date.

	31st March, 2011		31st March, 2010	
Schedule 13				
PROVISIONS				
Provision for Current Tax [Provision for tax Rs.970,648 (2010 - Rs.652,398) netted off against Advance Tax to the extent Rs.956,925 (2010 - Rs. 652,398)]		13,723		-
Proposed Dividend	98,945		98,945	
Tax thereon	16,051	114,996	16,433	115,378
		128,719		**115,378**

(Rupees in Thousand)

	2010-2011	2009-2010
Schedule 14		
CONTRACT EXPENSES		
Stores Consumed	18,975,328	18,125,520
Salaries and Wages (including amount paid/payable to Sub-contractors)	15,211,673	14,386,869
Value Added Tax / Works Contract Tax	833,713	739,164
Repairs and renewals [Note 20 (a) on Schedule 19]	24,820	15,522
Other Expenses [Note 20 (b) on Schedule 19]	6,069,763	4,957,203
	41,115,297	**38,224,278**

	2010-2011		2009-2010	
Schedule 15				
OTHER INCOME				
Equipment Hire Charges		106,581		102,225
Liability no longer required written back		68,014		7,497
Accruals under Duty Free Credit Entitlement		53,152		50,000
Dividend from Long Term Investments				
Trade	3,560		7,989	
Other than Trade	77	3,637	70	8,059
Dividend from Current Investments - Other than Trade		538		-
Income from Wind Mill - Electricity		124		365
Profit on Sale of Fixed Assets		4,908		-
Duty Drawback		-		2,968
Exchange Gain (Net)		13,144		33,802
Sale of Scrap		16,516		16,004
Miscellaneous Receipts		10,155		5,234
		276,769		**226,154**
Schedule 16				
INTEREST AND FINANCE CHARGES (NET)				
Interest				
Fixed Loans		615,980		568,379
Debentures		64,290		82,462
Others		527,385		345,904
		1,207,655		996,745
Less: Interest Received/Receivable [Tax Deducted at Source Rs.3,892 (2010 -Rs.6,522)]				
On Loans and Deposits	40,568		47,057	
On Others	99,431	139,999	47,844	94,901
		1,067,656		901,844
Add: Finance Charges				
Bank Charges	62,475		54,180	
Guarantee Charges	177,613	240,088	156,064	210,244
		1,307,744		**1,112,088**

(Rupees in Thousand)

	2010-2011	2009-2010
Schedule 17		
OTHER ADMINISTRATIVE EXPENSES ETC.		
Salaries and Bonus	915,242	763,481
Staff Welfare Expenses	45,464	25,861
Contribution to Provident and other Funds	95,645	77,099
Rent	103,407	137,123
Rates and Taxes (includes Wealth Tax Rs.806; 2010 – Rs.717)	7,195	13,189
Repairs to Buildings	12,499	14,312
Insurance	162,659	170,618
Loss on Sale of Fixed Assets	-	3,206
Fixed Assets Written Off	88	3,126
Expenses of Wind Mill	367	451
Provision for Diminution in carrying amount of Investments	1,390	-
Provision for Doubtful Debts / Advances	15,868	6,693
Bad Debts / Advances written off (Net of Provision Written back Rs.6,593; 2010 - Rs.1,830)	13,702	265,227
Miscellaneous Expenses [Note 20 (d) on Schedule 19]	427,552	392,824
	1,801,078	**1,873,210**
Schedule 18		
MANAGING AND OTHER DIRECTORS' REMUNERATION INCLUDED IN PROFIT AND LOSS ACCOUNT		
Managing Director / Whole-time Directors		
Salaries and Allowances	24,418	21,608
Contribution to Provident and Gratuity Fund	5,472	3,916
Estimated Cost of Benefits	1,804	1,770
	31,694	27,294
Other Directors		
Sitting Fees	295	250
	31,989	**27,544**

Computation of Net Profit under Section 198 read with Sections 309/349 of the Companies Act,1956 for the purpose of Commission payable to the Managing Director:-

Profit before Taxation as per Profit and Loss Account	1,954,571	1,910,475
Add: Directors' Remuneration	31,989	27,544
Wealth Tax	806	717
Provision for Doubtful Debts / Advances written back	(6,593)	(1,830)
Provision for Doubtful Debts / Advances	15,868	6,693
Provision for Diminution in carrying amount of Investments	1,390	-
Net Profit in accordance with Section 198 of the Companies Act,1956	1,998,031	1,943,599
Commission (@ 1% on the above profit)*	**19,980**	**19,436**

* Waived

(Rupees in Thousand)

Schedule 19

Notes on Accounts

1. Significant Accounting Policies

The Financial Statements are prepared to comply in all material aspects with all the applicable accounting principles in India, the applicable Accounting Standards prescribed under Section 211(3C) of the Companies Act,1956 and the relevant provisions of the Companies Act,1956 of India ('the Act').

a) FIXED ASSETS

Fixed Assets are stated at cost of acquisition and related expenditure.

b) DEPRECIATION

Depreciation is provided on Straight Line Method at the rates prescribed in Schedule XIV to the Companies Act,1956, except as indicated below:

i) Leasehold Land and Building on leasehold land are amortised over the period of lease.

ii) Building on contractee's land is depreciated @ 5% on Straight Line Method.

iii) Construction Equipments included in Plant and Machinery are depreciated @ 12.5% and 20%.

iv) In case of branches outside India, depreciation is provided on Plant and Machinery @ 10%.

v) Computer Software are depreciated @ 33.33%.

c) IMPAIRMENT LOSS

An Impairment loss is recognised wherever the carrying amount of the fixed assets exceeds the recoverable amount i.e. the higher of the asset's net selling price and value in use.

d) INVESTMENTS

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

e) INVENTORIES

Inventories other than stores (including tools) are valued at lower of cost and net realisable value. Stores are valued at or below cost. The cost, in general, are determined under FIRST IN FIRST OUT method. Tools comprising various construction implements and tackles which are more of a type of equipment having short life are stated on the basis of their cost and are amortised based on effective future life determined on technical evaluation.

f) REVENUE

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

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

Dividend income on investments is accounted for when the right to receive the payment is established.

Interest income is recognised on an accrual basis.

(Rupees in Thousand)

Schedule 19

Notes on Accounts

g) SITE DEVELOPMENT AND INITIAL EXPENSES

Site development including initial expenses (shown in Work-in-Progress) thereon is charged off proportionately within the stipulated period of contract from the date of revenue recognition.

h) BORROWING COST

Borrowing cost attributable to the acquisition of qualifying assets are added to the cost up to the date when such assets are ready for their intended use. Other borrowing costs are recognised as expenses in the period in which these are incurred.

i) CLAIMS AND COUNTER CLAIMS

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

j) TRANSACTIONS IN FOREIGN CURRENCIES

Transactions in respect of Foreign Currencies are recorded at exchange rates prevailing on the date of the transaction. Monetary items denominated in foreign currency are restated at the exchange rate prevailing on the Balance Sheet date. Foreign currency non-monetary items carried in terms of historical cost are reported using the exchange rate at the date of transactions. Exchange differences arising on settlement of transactions and/or restatements are dealt with in the Profit and Loss Account.

In respect of Forward Exchange Contracts with underlying transaction, the premium or discount arising at the inception of such contract is amortised as expenses or income over the life of contract.

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

k) EMPLOYEE BENEFITS

a) Short term Employee Benefits:

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

b) Post Employment Benefit Plans:

Contributions under Defined Contribution Plans payable in keeping with the related schemes are recognised as expenses for the year.

For Defined Benefit Plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in full in the Profit and Loss Account for the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation

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as adjusted for unrecognised past service cost, and as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of any economic benefit available in the form of refunds from the plan or reductions in future contributions to the plan.

c) Other Long-term Employment Benefits (unfunded):
The Cost of providing long term employee benefits is determined using Projected Unit Credit Method with actuarial valuation being carried out at each Balance Sheet date. Actuarial gains and losses and past service cost are recognised immediately in the Profit and Loss Account 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.

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

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

n) PROVISION AND CONTINGENT LIABILITIES
The Company recognises a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources or there is a present obligation, reliable estimate of the amount of which cannot be made. Where there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure for contingent liability is made.

2. (a) There are outstanding guarantees given by Banks amounting to Rs.28,688,807 (2010 - Rs.23,123,527).
(b) Bills discounted with Banks Rs.2,989 (2010 - Rs.51,443).

3. Year-end Deferred Tax balance comprises the following :

	As at 31st March, 2011	As at 31st March, 2010
Tax impact due to timing differences resulting in liabilities / (assets) on account of Depreciation as per tax law and books	643,033	597,089
Part of the revenue not taxable based on terms of contract (Net)	763,506	305,802
Provision for doubtful debts / advances etc.	(14,408)	(11,119)
Items admissible on payment basis	(11,626)	(8,498)
Net Deferred Tax Liability	**1,380,505**	**883,274**

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4. (a) The Company has entered into non-cancellable operating lease for office, warehouses and employee accommodation. The obligation for non-cancellable operating lease is Rs.91,926 (2010 - Rs.78,935) payable within one year and Rs.97,767 (2010 - Rs.114,339) payable later than one year but not later than five years and payable after five years Rs.148,869 (2010 - Rs.170,858) as on 31st March 2011. Rental expenses towards non-cancellable operating lease charged to the Profit and Loss Account for the year amounts to Rs.143,509 (2010 - Rs.212,704).

(b) The Company has entered into cancellable operating leases for office, warehouses and employee accommodation. Tenure of leases generally vary between 1 to 3 years. Terms of the lease include operating term for renewal, terms of cancellation, etc.. Related lease rentals aggregating Rs.59,723 (2010 - Rs.54,756) have been debited to the Profit and Loss Account during the year.

5. **Contingent Liabilities:**

	31st March, 2011	31st March, 2010
a) Claims not acknowledged as Debts		
Interest (others)	600	600
Professional Tax	434	434
b) Uncalled liability on partly paid shares	100	100
c) Sales Tax / Value Added Tax	260,582	261,699
d) Entry Tax	16,051	1,387
e) Income Tax [Also refer item (g) below]	3,990	3,990
f) Service Tax [Also refer item (h) below]	75,929	46,012

g) The Company claimed certain deduction under the provision of the Income-tax Act,1961 up to the Assessment year 2009-10. In respect of the Assessment Years 2005-06 to 2008-09 the deduction was disallowed by the Income Tax Authorities and for those Assessment Years, the Company's appeals are currently pending before the said appellate authorities. However, on the basis of legal opinion obtained, the Company being eligible to such benefit, has challenged the issue by a writ petition before the Hon'ble Calcutta High Court and obtained interim stay order from the said High Court restraining the Tax Authorities from enforcing any demand against the Company. In the meantime on the basis of direction of the Hon'ble Supreme Court, the case has been transferred to Hon'ble Bombay High Court for hearing with other similar cases where the matter is pending. The estimated tax impact in this regard is Rs.159,692 (2010 - Rs.256,594).

h) Show-cause cum demands aggregating for Rs.989,237 (2010 - Rs.989,237) on certain matters relating to Service Tax issued by the concerned Tax Authorities in Kolkata during previous years have been challenged by the Company by writ petitions currently pending before the Hon'ble Calcutta High Court. Further, show-cause cum demand aggregating Rs.148,091 (2010 - Rs.66,943) and for Rs.20,779 (2010 - Rs.81,148) on similar matters relating to Service Tax issued by the concerned tax authorities in Delhi during previous years and current year respectively have also been challenged/is being challenged by the Company before the Hon'ble Delhi High Court. According to a legal opinion obtained in this regard, the contention of the Tax

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Authorities and consequent demand of Service Tax are not valid in law. Based on the aforesaid legal opinion the management is of the view that the disputed tax amount, though not admitted, in this regard should not exceed Rs.106,523 (2010 - Rs.102,199).

6. Capital commitments not provided for Rs.277,122 (Net of advance) (2010 – Rs.207,137).

7. **Other Debts include retention money, not due for payment as per related terms of contract:**

	31st March, 2011	31st March, 2010
- More than Six Months	3,725,816	2,938,632
- Others	770,147	724,230

8. Year-end exchange fluctuation loss of Rs.73,411 (2010 - Rs.60,972) pertaining to a foreign currency loan, which is fully hedged by derivative contracts with a year-end mark to market gain of Rs.77,586 (2010 - Rs.80,149), has not been provided for as according to management the loan is fully hedged and the aforesaid loss / gain are notional in nature.

9. The Company has long term strategic investments in shares of Simplex Infrastructures Libya Joint Venture Co. (Simplex Libya), a subsidiary company, located in Libya with the Company's ownership interest being 65%, the year end book value of which is Rs.38,688 (Schedule 6). Further year end Sundry Debtors - considered good (Schedule 8) and Advance to Subsidiaries - considered good (Schedule 11) includes Rs.105,942 and Rs.38,507 respectively due from Simplex Libya.

   In view of current political crisis and unrest prevailing in Libya, and consequential stoppage of business activities, complete information relating to Simplex Libya are not available and audit of the financial statements for the year 2010-11 of Simplex Libya could not be carried out. However, as per the financial statements for the year 2010-11 of Simplex Libya as prepared by the Management, its year end net worth has been substantially eroded.

   After the improvement of the political situation in Libya and upon resuming business activities, the Company will be in a position to make a detailed review of the situation and assess recoverability of its total exposure as aforesaid.

   Pending such review/assessment and considering the long term strategic business interest, in the opinion of the Company, no adjustment to the carrying amounts of investments in and receivables from Simplex Libya is considered necessary at this stage.

10. **EMPLOYEE BENEFITS.**

    a) In terms of the Guidance on implementing Accounting Standard (AS) 15 on Employee Benefits issued by the Accounting Standard Board of the Institute of Chartered Accountants of India, a Provident Fund set up by the Company is treated as a defined benefit plan in view of the Company's obligation to meet interest shortfall, if any. However, there is no such interest shortfall at the year end. According to the management on the basis of consultation with an actuary, actuarial valuation cannot be applied reliably to measure provident

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fund liabilities as at the year end in the absence of any guidance from the Actuarial Society of India. Accordingly, complete information required to be considered as per AS 15 in this regard are not available and the same could not be disclosed. During the year, the Company has contributed Rs.39,928 (2010 - Rs.33,633) to the Provident Fund.

b) Defined Contribution Plans.
The Company has recognised, in the Profit and Loss Account for the year ended 31st March, 2011 an amount of Rs.39,755 (2010 - Rs.31,768) as expenses under defined contribution plans.

c) Post Employment Defined Benefit Plans

i) a) Gratuity (Funded)
The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. As per the scheme, the Gratuity Trust fund managed by the Trust, make payment to vested employees on retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's eligible salary (half month's salary) depending upon the tenure of service subject to a maximum limit of twenty months salary or amount payable under Payment of Gratuity Act whichever produces higher benefit. Vesting occurs upon completion of five years of service. Liabilities with regard to the Gratuity plan are determined by actuarial valuation as set out in Note 1(k) above, 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(k) above.

ii) End of Service Benefit / Severance Pay [ESB/SP] (Unfunded)
The Company provides for End of Service Benefit / Severance Pay (unfunded) defined benefit retirement plans for certain foreign branches covering eligible employees. As per the schemes, the Company makes payment to vested employees on retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's eligible salary for specified number of days (ranging from fifteen days to one month) depending upon the tenure of service (maximum limit varies from one month to twenty four months). Vesting occurs upon completion of one year of service. Liabilities with regard to the End of Service Benefit / Severance Pay Scheme are determined by actuarial valuation as set out in Note 1(k) above.

iii) Leave Encashment Scheme [LES] (Unfunded)
The Company provides for accumulated leave benefit for eligible employees payable at the time of retirement of service subject to maximum of ninety / one hundred twenty days and in case of foreign branches actual number of days outstanding based on last drawn salary.

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Following are the further particulars with respect to Defined Benefit Plans for the year ended 31st March, 2011:-

	Gratuity (Funded)	Gratuity (Unfunded)	ESB/SP (Unfunded)	LES (Unfunded)
I. Reconciliation of opening and closing balances of the present value of the Defined Benefit Obligation				
(a) Present Value of Obligation at the beginning of the year	**181,551**	-	**53,890**	**25,243**
	160,139	-	*54,832*	*19,642*
(b) Current Service Cost	**17,249**	-	**19,200**	**2,106**
	15,418	-	*25,558*	*1,973*
(c) Interest Cost	**14,777**	-	**2,934**	**1,538**
	12,577	-	*2,937*	*1,520*
(d) Actuarial (Gain)/Loss	**472**	**204**	**13,073**	**11,309**
	(5,912)	-	*3,524*	*3,532*
(e) Past Service Cost	-	-	-	-
	5,190	-	-	-
(f) (Benefits Paid)	**(4,878)**	-	**(37,500)**	**(12,132)**
	(5,861)	-	*(25,138)*	*(1,274)*
(g) Exchange differences of foreign plans	-	**(9)**	**(1,090)**	**(264)**
	-	-	*(7,823)*	*(150)*
(h) Present Value of Obligation at the end of the year	**209,171**	**195**	**50,507**	**27,800**
	181,551	-	*53,890*	*25,243*
II. Reconciliation of opening and closing balances of the Fair Value of Plan Assets				
(a) Fair Value of Plan Assets at the beginning of the year	**185,128**	-	-	-
	121,629	-	-	-
(b) Expected Return on Plan Assets	**15,691**	-	-	-
	11,647	-	-	-
(c) Actuarial Gain/(Loss)	**845**	-	-	-
	3,928	-	-	-
(d) Contributions by employer	**15,000**	-	-	-
	53,785	-	-	-
(e) (Benefits Paid)	**(4,878)**	-	-	-
	(5,861)	-	-	-
(f) Fair Value of Plan Assets as at the end of the year	**211,786**	-	-	-
	185,128	-	-	-

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	Gratuity (Funded)	Gratuity (Unfunded)	ESB/SP (Unfunded)	LES (Unfunded)
III. Reconciliation of the present value of Defined Benefit Obligation in 'I' above and the fair value of Plan Assets in 'II' above				
(a) Present Value of Obligation as at the end of the year	**209,171**	**195**	**50,507**	**27,800**
	181,551	-	*53,890*	*25,243*
(b) Fair Value of Plan Assets as at the end of the year	**211,786**	-	-	-
	185,128	-	-	-
(c) (Asset)/Liability recognised in the Balance Sheet	**(2,615)**	**195**	**50,507**	**27,800**
	(3,577)	-	*53,890*	*25,243*
IV. Expense charged to the Profit and Loss Account				
(a) Current Service Cost	**17,249**	-	**19,200**	**2,106**
	15,418	-	*25,558*	*1,973*
(b) Interest Cost	**14,777**	-	**2,934**	**1,538**
	12,577	-	*2,937*	*1,520*
(c) (Expected Return on Plan Assets)	**(15,691)**	-	-	-
	(11,647)	-	-	-
(d) Past Service Cost	-	-	-	-
	5,190	-	-	-
(e) Actuarial (Gain)/Loss	**(373)**	**204**	**13,073**	**11,309**
	(9,840)	-	*3,524*	*3,532*
(f) Total expense charged to the Profit and Loss Account	**15,962***	**204 ****	**35,207 ****	**14,953****
	11,698	-	*32,019*	*7,025*

* recognised under Contribution to Provident and Other Funds in Schedule 17.

** recognised under Salaries and Bonus in Schedule 17.

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	Gratuity (Funded)	Gratuity (Unfunded)	ESB/SP (Unfunded)	LES (Unfunded)
V. Category of Plan Assets				
Central Government Securities	**38,500**	**NA**	**NA**	**NA**
	30,898	*NA*	*NA*	*NA*
State Government Securities	**14,350**	**NA**	**NA**	**NA**
	10,196	*NA*	*NA*	*NA*
Public Sector Securities	**132,674**	**NA**	**NA**	**NA**
	122,040	*NA*	*NA*	*NA*
Private Sector Bonds	**14,000**	**NA**	**NA**	**NA**
	11,366	*NA*	*NA*	*NA*
Bank Balances	**5,653**	**NA**	**NA**	**NA**
	4,453	*NA*	*NA*	*NA*
Others	**6,609**	**NA**	**NA**	**NA**
	6,175	*NA*	*NA*	*NA*
	211,786	**NA**	**NA**	**NA**
	185,128	*NA*	*NA*	*NA*
VI. Actual Return on Plan Assets	**16,536**	**NA**	**NA**	**NA**
	15,575	*NA*	*NA*	*NA*
VII. Principal Actuarial Assumptions as at 31st March, 2011				
(a) Discount Rate (per annum)	**8.35%**	**8.35%**	**8.35%**	**8.35%**
	8.25%	*NA*	*8.25%*	*8.25%*
(b) Expected Rate of Return on Plan Assets (per annum)	**8.25%**	**NA**	**NA**	**NA**
	8.00%	*NA*	*NA*	*NA*
(c) Salary Escalation				
Permanent Employees	**4.50%**	**4.50%**	**4.50%**	**4.50%**
	4.50%	*NA*	*4.50%*	*4.50%*
Contractual Employees	**4.50%**	-	-	-
	4.50%	-	-	-

Figures in italics pertain to previous year

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VIII. Other Disclosures

	2010-2011				2009-2010			2008-2009			2007-2008		
	Gratuity (Funded)	Gratuity (Unfunded)	ESB/SP (Unfunded)	LES (Unfunded)	Gratuity (Funded)	ESB/SP (Unfunded)	LES (Unfunded)	Gratuity (Funded)	ESB/SP (Unfunded)	LES (Unfunded)	Gratuity (Funded)	ESB/SP (Unfunded)	LES (Unfunded)
a) Present Value of the Plan obligation as at the end of the year	209,171	195	50,507	27,800	181,551	53,890	25,243	160,139	54,832	19,642	116,135	13,579	11,696
b) Fair Value of Plan Assets as at the end of the year	211,786	-	-	-	185,128	-	-	121,629	-	-	94,288	-	-
c) (Surplus) / Deficit as at the end of the year	(2,615)	195	50,507	27,800	(3,577)	53,890	25,243	38,510	54,832	19,642	21,847	13,579	11,696
d) Experience Adjustments on Plan Obligation [(Gain) / Loss]	1,246	204	13,375	11,447	(5,021)	8,818	2,378	28,355	37,042	7,548	322	2,210	(2,143)
e) Experience Adjustments on Plan Assets [Gain / (Loss)]	845	-	-	-	3,928	-	-	1,225	-	-	(649)	-	-

The estimates of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors.
The expected rate of return on plan assets is based on the portfolio of assets held, investment strategy and market scenario.

11. Information pursuant to the Provisions of Paragraphs 3 and 4 of the Part II of Schedule VI to the Companies Act,1956.

i) Licensed Capacity
ii) Installed Capacity
iii) Actual Production
iv) Opening & Closing Stock of goods produced
v) Raw Material Consumption
vi) Turnover

} Not applicable as the Company is a Civil Engineering Concern doing mainly the Contractor's Business except in the cases of manufacturing and trading activities which are insignificant.

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	2010-2011	2009-2010
12. C.I.F. Value of Imports		
Capital Goods	888,176	169,582
Tools and Equipments	26,311	12,210
Components and Spare Parts	149,016	282,206
13. Expenditure in Foreign Currency		
Travelling	79,659	69,933
Interest and Finance Charges	86,264	160,223
Contract Expenses (Overseas Branches)	3,691,261	5,439,531
Consultation Fees	11,348	11,153
Other Administrative Expenses (Overseas Branches)	447,805	447,034
Miscellaneous	8,484	739
14. Earning in Foreign Currency		
On Contract Work (Gross billing)	6,093,289	10,773,232
Proceeds from sale of Fixed Assets, Tools etc.	15,879	133,126
Interest Received	1,159	120
Sale of Scrap	5,694	13,563
Hire Charges	45,841	42,225
Dividend	3,560	7,989
Miscellanous Receipts	867	924

15. Stores Consumed

	2010-2011		2009-2010	
	Value	% of total Consumption	Value	% of total Consumption
Imported	190,499	1.00	471,706	2.60
Indigenous	18,784,829	99.00	17,653,814	97.40
	18,975,328	**100.00**	**18,125,520**	**100.00**

16. Particulars in respect of Manufacturing Operations

	Unit	2010-2011 Quantity	2009-2010 Quantity
a) Installed Capacity (As certified by the management)			
Electricity	KW	820,000	820,000
b) Production			
Electricity	KW	51,000	134,388

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16. Particulars in respect of Manufacturing Operations (contd.)

	Unit	2010-2011		2009-2010	
		Quantity	Value	Quantity	Value
c) Sales					
Electricity	KW	51,000	124	134,388	365

17. Information in accordance with the requirements of the Accounting Standard (AS) 7 on 'Construction Contracts' prescribed under the Act.

	2010-2011	2009-2010
Contract revenue recognised for the year ended 31st March, 2011	47,497,133	44,434,807
Aggregate amount of contract costs incurred and recognised profits (less recognised losses) up to 31st March, 2011 for all the contracts in progress	89,806,471	101,395,486
The amount of customer advances outstanding for contracts in progress as at 31st March, 2011	6,402,219	5,806,921
The amount of retention due from customers for contracts in progress as at 31st March, 2011	2,197,111	3,005,440
Gross amount due from customers for contracts in progress [included in Work in Progress Rs.434,709 (2010 - Rs.363,689) and Sundry Debtors Rs.5,979,521 (2010 - Rs.5,079,969)]	6,414,230	5,456,125
Gross amount due to customers for contracts in progress [Net of Work in Progress Rs.Nil (2010 - Rs.2,121)]	549,526	138,505

18. Dividend remitted in Foreign Currency

	2010-2011	2009-2010
Number of Non Resident Shareholders	4	4
Number of Shares held	365,500	365,500
Year for which Dividend Paid	2009-2010	2008-2009
Dividend remitted	731	731

19. Information relating to Micro and Small Enterprises (MSEs):

	2010-2011	2009-2010
I) The principal amount and interest due thereon remaining unpaid to any supplier as at the end of the year		
Principal	4,998	6,448
Interest	5,795	4,225

(Rupees in Thousand)

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19. Information relating to Micro and Small Enterprises (MSEs): (contd.)

	2010-2011	2009-2010
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	27,928	35,582
Interest	Nil	Nil
III) The amount of interest accrued and remaining unpaid at the end of accounting year	1,570	2,022
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	1,141*	1,198 *

* included in (III) above being interest on amount outstanding as at the beginning of the accounting year

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 pursuant to amendment of Schedule VI to the Act vide Notification dated 16th November, 2007 issued by the Central Government.

20. a) Repairs and renewals under Schedule 14 comprises Repairs to Machinery Rs.10,508 (2010 - Rs.5,478) and Repairs Others Rs.14,312 (2010 - Rs.10,044).

b) Other Expenses under Schedule 14 includes Rent Rs.536,946 (2010 - Rs.503,417), Equipment Hire Charges Rs.1,957,684 (2010 - Rs.1,443,299), Insurance Rs.6,541 (2010 - Rs.3,092), Staff Welfare Expenses Rs.90,973 (2010 - Rs.57,099), Repairs to Machinery Rs.189,174 (2010 - Rs.161,604) and Repairs Others Rs.44,099 (2010 - Rs.20,209).

c) Expenses on Power and Fuel Rs.1,373,876 (2010 - Rs.1,097,680) included in Stores Consumed and Other Expenses under Schedule 14.

d) Miscellaneous Expenses under Schedule 17 include Derivative loss of Rs.2,939 (2010 - Rs.4,302).

21. Particulars of Oil Drilling Rig and its components (included in Plant and Machinery under Schedule 5) given to Jaybee Simplex Consortium on cancellable operating lease:

	2010-2011	2009-2010
Original Cost	417,732	417,732
Addition during the year	2,785	-
Accumulated Depreciation	131,596	88,040
Depreciation charged during the year	43,556	43,193
Income from lease rent	60,000	60,000

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

Names of Related Parties	Relationship
a) Where control exists:	
Simplex Infrastructures L.L.C.	Subsidiary
Simplex (Middle-East) Limited	- Do -
Simplex Infrastructures Libya Joint Venture Co.	- Do -
Simplex Infra Development Limited *	- Do -
b) Others with whom transactions were carried out during the year etc:	
Simplex – Gayatri Consortium	Joint Venture
HO-HUP Simplex Joint Venture	- Do -
Simplex - Subhash Joint Venture	- Do -
Somdatt Builders - Simplex Joint Venture	- Do -
Simplex Almoayyed W.L.L.	- Do -
Simplex - Somdatt Builders Joint Venture	- Do -
Laing - Simplex Joint Venture	- Do -
Simplex Meinhardt Joint Venture	- Do -
Jaybee Simplex Consortium	- Do -
Simplex Infrastructures (Thailand) Limited	- Do -
Shree Jagannath Expressways Private Limited @	Associate
Raichur Sholapur Transmission Company Limited #	- Do -
Mr. B.D.Mundhra	Key Management Personnel (KMP)
Mr. A.D.Mundhra	- Do -
Mr. Apurba Mukherjee	- Do -
Mr. Rajiv Mundhra	- Do -
Mr. S.Dutta	- Do -
Mrs. Krishna Devi Mundhra	Relatives of KMP
Mrs. Yamuna Mundhra	- Do -
Mrs. Savita Bagri	- Do -
Mrs. Sarmistha Dutta	- Do -
Mr. Subhabrata Dutta	- Do -
Mr. Sumit Dutta	- Do -
Mrs. Anuja Mundhra	- Do -
Mrs. Savita Mundhra	- Do -
Master Shreyan Mundhra	- Do -
Mr. Sreemohan Das Mundhra	- Do -
Giriraj Apartments Pvt. Ltd.	Entities over which KMP has significant influence
Mundhra Estates	- Do -
Safe Builders	- Do -
RBS Credit & Financial Development Private Limited	- Do -
Anupriya Consultants Private Limited	- Do -
Baba Basuki Distributors Private Limited	- Do -
Asnew Finance & Investment Private Limited	- Do -
Parop Finance & Investment Private Limited	- Do -
Anjali Trade Links Private Limited	- Do -
Universal Earth Engineering Consultancy Private Limited	- Do -
Varuna Multifin Pvt. Ltd.	- Do -
East End Trading & Engineering Co. Pvt. Ltd.	- Do -
Ajay Merchants Pvt. Ltd.	- Do -
Sandeepan Exports (P) Ltd.	- Do -
Simplex Technologies Pvt. Ltd.	- Do -

* with effect from 17August, 2010

@ with effect from 24 July, 2010

\# with effect from 5 January, 2011

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22. Related party disclosure pursuant to Accounting Standard 18 prescribed under the Act. (contd.)

(Rupees in Thousand)

Name and Relationship	Transactions during the year																		Balance outstanding at the year end					
	Dividend Paid	Gross Billing on Contract	Sale of Fixed Assets/ Tools	Dividend Income	Advance Taken/ (Repaid)	Advance Given/ (Refund)	Loans Given/ (Refund)	Interest Received/ Receivable	Rent Paid / Hire Charges	Hire Charges Received/ Receivable	Provision for Doubtful Advances /Debts	Mana-gerial Remun-eration	Reimbur-sement/ (Recovery) of Expe-nses (Net)	Provision for dimi-nution in carrying amount of Investment	Share of Income from Joint Venture	Advance against Invest-ments	Invest-ment made during the year	Contract overh-eads	Sundry Debtors	Other Current Assets	Loans & Advanc-es (net of Provi-sion)	Current Liabili-ties	Investm-ent (net of Provi-sion)	Guara-ntees Given
Subsidiary Company																								
Simplex Infrastructures L.L.C.	-	-	14,053	-	-	-	-	-	-	10,998	-	-	-	-	-	-	-	-	-	-	-	-	13,511	809,356
	-	-	*20,620*	-	-	-	-	-	-	*10,574*	-	-	-	-	-	-	-	-	-	-	*3,513*	-	*13,511*	*606,613*
Simplex (Middle East) Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	161	-	2,018	-
	-	-	-	-	-	*162*	-	-	-	-	-	-	-	-	-	-	*2,018*	-	-	-	*162*	-	*2,018*	-
Simplex Infrastructures Libya Joint Venture Co.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	105,942	-	38,507	-	38,688	-
	-	-	*110,619*	-	-	-	-	-	-	-	-	-	-	-	-	-	*38,688*	-	*106,548*	-	*36,053*	-	*38,688*	*639,618*
Simplex Infra Development Limited	-	-	-	-	-	-	-	45	-	-	-	-	-	-	-	-	59,987	45	-	-	-	41	59,987	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	14,053	-	-	-	-	45	-	10,998	-	-	-	-	-	-	59,987	45	105,942	-	38,668	41	114,204	809,356
	-	-	*131,239*	-	-	*162*	-	-	-	*10,574*	-	-	-	-	-	-	*40,706*	-	*106,548*	-	*39,728*	-	*54,217*	*1,246,231*
Joint Ventures																								
Simplex-Gayatri Consortium	-	-	-	-	-	-	-	-	-	-	-	-	-	-	801	-	-	-	94,800	-	100	192	15,349	-
	-	-	-	-	-	-	-	-	-	-	-	-	*20*	-	*766*	-	-	-	*95,000*	-	*100*	*192*	*14,548*	-
Ho-Hup-Simplex Joint Venture	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,132	-	-	-	163,452	-	8,675	-	-	375,336
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	*(28,600)*	-	-	-	*163,452*	-	*7,543*	-	-	*375,336*
Simplex-Subash Joint Venture	-	-	-	-	-	-	-	-	-	-	-	-	-	-	678	-	-	-	-	-	14	-	9,951	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	*4,957*	-	-	-	-	-	*491*	-	*9,273*	-
Somdatt Builders - Simplex Joint Venture	-	389,706	-	-	-	-	-	-	-	-	-	-	-	-	1,005	-	-	-	309,621	-	32,290	-	20,616	152,003
	-	*553,048*	-	-	*(6,954)*	-	-	-	-	-	-	-	-	-	*1,146*	-	-	-	*353,418*	-	*32,290*	-	*19,612*	*262,003*
Simplex-Somdatt Builders Joint Venture	-	179,727	-	-	-	-	-	-	-	-	-	-	-	-	1,537	-	-	-	89,854	-	-	10,292	94,918	426,245
	-	*1,060,106*	-	-	*(138,272)*	-	-	-	-	-	-	-	-	-	*6,080*	-	-	-	*202,332*	-	-	*10,292*	*93,381*	*505,487*
Simplex Almoayyed W.L.L.	-	-	-	3,560	-	-	-	-	-	-	-	-	281	-	-	-	-	-	-	-	281	-	28,742	-
	-	-	-	*7,989*	-	*(3,513)*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	*28,742*	-
Jaybee Simplex Consortium	-	-	-	-	-	-	-	-	-	60,000	-	-	6,519	-	6,958	-	-	-	-	-	50,936	-	14,499	72,034
	-	-	-	-	-	-	-	-	-	*60,000*	-	-	*9,356*	-	*1,952*	-	-	-	*7*	-	*90,488*	-	*7,541*	*50,364*
Simplex Meinhardt Joint Venture	-	145,932	-	-	-	-	-	-	-	-	-	-	-	-	511	-	-	-	136,461	-	13	-	1,216	89,760
	-	*65,210*	-	-	-	-	-	-	-	-	-	-	-	-	*212*	-	-	-	*65,909*	-	*1,013*	-	*706*	*89,760*
Laing - Simplex Joint Venture	-	65,406	-	-	-	-	-	-	-	-	-	-	-	-	552	-	-	-	281,181	-	-	-	20,688	156,000
	-	*687,014*	-	-	*(59,887)*	-	-	-	-	-	-	-	-	-	*6,141*	-	-	-	*305,365*	-	-	-	*20,136*	*273,200*
Simplex Infrastructures (Thailand) Limited	-	-	-	-	-	-	11,804	530	-	-	6,730	-	-	1,390	-	-	-	-	-	530	6,730	-	-	1,470
	-	-	-	-	-	-	-	-	-	-	-	-	*1,952*	-	-	-	*1,390*	-	-	-	*1,952*	-	*1,390*	-
Total	-	780,771	-	3,560	-	-	11,804	530	-	60,000	6,730	-	6,800	1,390	13,174	-	-	-	1,075,369	530	99,039	10,484	205,979	1,272,848
	-	*2,365,378*	-	*7,989*	*(205,113)*	*(3,513)*	-	-	-	*60,000*	-	-	*11,328*	-	*(7,346)*	-	*1,390*	-	*1,185,483*	-	*133,877*	*10,484*	*195,329*	*1,556,150*
Associates																								
Shree Jagannath Expressways Private Limiited	-	808,715	-	-	-	-	-	-	-	-	-	-	4,875	-	-	8	26	-	693,715	-	4,883	290,899	26	728,000
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Raichur Sholapur Transmission Company Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	62,778	167	-	-	-	62,778	-	167	46,000
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	808,715	-	-	-	-	-	-	-	-	-	-	4,875	-	-	62,786	193	-	693,715	-	67,661	290,899	193	774,000
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Key Management Personnel (KMP)																								
Mr. B.D. Mundhra	5,590	-	-	-	-	-	-	-	-	-	-	10,946	-	-	-	-	-	-	-	-	-	600	-	-
	5,590	-	-	-	-	-	-	-	-	-	-	*8,461*	-	-	-	-	-	-	-	-	-	*500*	-	-
Mr. A.D. Mundhra	4,023	-	-	-	-	-	-	-	-	-	-	6,141	-	-	-	-	-	-	-	-	-	420	-	-
	3,923	-	-	-	-	-	-	-	-	-	-	*5,503*	-	-	-	-	-	-	-	-	-	*385*	-	-
Mr. Rajiv Mundhra	3,678	-	-	-	-	-	-	-	-	-	-	5,359	-	-	-	-	-	-	-	-	-	370	-	-
	3,608	-	-	-	-	-	-	-	-	-	-	*4,751*	-	-	-	-	-	-	-	-	-	*335*	-	-
Mr. Apurba Mukherjee	1	-	-	-	-	-	-	-	-	-	-	5,255	-	-	-	-	-	-	-	-	-	270	-	-
	1	-	-	-	-	-	-	-	-	-	-	*4,852*	-	-	-	-	-	-	-	-	-	*260*	-	-
Mr. S.Dutta	1	-	-	-	-	-	-	-	-	-	-	3,993	-	-	-	-	-	-	-	-	-	230	-	-
	1	-	-	-	-	-	-	-	-	-	-	*3,727*	-	-	-	-	-	-	-	-	-	*220*	-	-
Total	13,293	-	-	-	-	-	-	-	-	-	-	31,694	-	-	-	-	-	-	-	-	-	1,890	-	-
	13,123	-	-	-	-	-	-	-	-	-	-	*27,294*	-	-	-	-	-	-	-	-	-	*1,700*	-	-

Figures in italics pertain to previous year

Schedule 19
Notes on Accounts

22. Related party disclosure pursuant to Accounting Standard 18 prescribed under the Act. (contd.)

(Rupees in Thousand)

Name and Relationship	Transactions during the year																		Balance outstanding at the year end					
	Dividend Paid	Gross Billing on Contract	Sale of Fixed Assets/ Tools	Dividend Income	Advance Taken / (Repaid)	Advance Given / (Refund)	Loans Given / (Refund)	Interest Received/ Receivable	Rent Paid / Hire Charges	Hire Charges Received / Receivable	Provision for Doubtful Advances / Debts	Mana-gerial Remun-eration	Reimbur-sement/ (Recovery) of Expe-nses (Net)	Provision for dimi-nution in carrying amount of Investment	Share of Income from Joint Venture	Advance against Invest-ments	Invest-ment made during the year	Contract overh-eads	Sundry Debtors	Other Current Assets	Loans & Advanc-es (net of Provi-sion)	Current Liabili-ties	Investm-ent (net of Provi-sion)	Guara-ntees Given
Relatives of KMP																								
Mrs. Yamuna Mundhra	4,587	-	-	-	-	-	-	-	96	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	4,587	-	-	-	-	-	-	-	*96*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mrs. Krishna Devi Mundhra	420	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	420	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mrs. Savita Bagri	4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Subhabrata Dutta	-	-	-	-	-	-	-	-	264	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	*204*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mrs. Sarmistha Dutta	-	-	-	-	-	-	-	-	264	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	*204*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Sumit Dutta	-	-	-	-	-	-	-	-	264	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	*204*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mrs. Anuja Mundhra	160	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mrs. Savita Mundhra	200	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Master Shreyan Mundhra	60	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Sreemohan Das Mundhra	567	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	5,998	-	-	-	-	-	-	-	888	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	5,011	-	-	-	-	-	-	-	*708*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Entities over which KMP has significant influence																								
Giriraj Apartments Pvt. Ltd.	181	-	-	-	-	-	-	-	207	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	181	-	-	-	-	-	-	-	*207*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mundhra Estates	-	-	-	-	-	-	-	-	304	-	-	-	-	-	-	-	-	-	-	75	-	-	-	-
	-	-	-	-	-	-	-	-	*302*	-	-	-	-	-	-	-	-	-	-	*75*	-	-	-	-
Safe Builders	-	-	-	-	-	-	-	-	180	-	-	-	-	-	-	-	-	-	-	70	-	-	-	-
	-	-	-	-	-	-	-	-	*180*	-	-	-	-	-	-	-	-	-	-	*70*	-	-	-	-
RBS Credit & Financial Development Private Limited	8,995	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	8,995	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Anupriya Consultants Private Limited	14,180	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	14,180	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Baba Basuki Distributors Private Limited	3,992	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	3,942	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Asnew Finance & Investment Private Ltd.	563	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	563	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Anjali Trade Links Private Limited	1,500	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	1,500	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Universal Earth Engineering Consultancy Private Limited	236	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	236	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Varuna Multifin Pvt. Ltd.	339	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	339	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
East End Trading & Engineering Co. Pvt. Ltd.	2,506	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	2,506	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ajay Merchants Pvt. Ltd.	83	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	83	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sandeepan Exports (P) Ltd.	2,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	2,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Parop Finance & Investment Private Limited	299	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	299	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Simplex Technologies Pvt. Ltd.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	61	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	*61*	-	-	-
Total	34,874	-	-	-	-	-	-	-	691	-	-	-	-	-	-	-	-	-	-	145	61	-	-	-
	34,824	-	-	-	-	-	-	-	*689*	-	-	-	-	-	-	-	-	-	-	*145*	*61*	-	-	-
Grand Total	54,165	1,589,486	14,053	3,560	-	-	11,804	575	1,579	70,998	6,730	31,694	11,675	1,390	13,174	62,786	60,180	45	1,875,026	675	205,429	303,314	320,376	2,856,204
	52,958	*2,365,378*	*131,239*	*7,989*	*(205,113)*	*(3,351)*	-	-	*1,397*	*70,574*	-	*27,294*	*11,328*	-	*(7,346)*	-	*42,096*	-	*1,292,031*	*145*	*173,666*	*12,184*	*249,546*	*2,802,381*

Figures in italics pertain to previous year

(Rupees in Thousand)

Schedule 19
Notes on Accounts

23.1 Disclosure in respect of Joint Ventures:

Sr. No	Name of Joint Venture	Description of Interest	Proportion of Ownership	Country of Incorporation/ Residence
1	HO-HUP - Simplex Joint Venture	Jointly Controlled Entity	*** 50%** ** 50%*	India
2	Simplex - Gayatri Consortium	Jointly Controlled Entity	**70%** *70%*	India
3	Simplex - Subhash Joint Venture	Jointly Controlled Entity	**50%** *50%*	India
4	Somdatt Builders-Simplex Joint Venture	Jointly Controlled Entity	*** 50%** ** 50%*	India
5	Simplex-Somdatt Builders Joint Venture	Jointly Controlled Entity	*** 50%** ** 50%*	India
6	Simplex Meinhardt Joint Venture	Jointly Controlled Entity	*** 50%** ** 50%*	India
7	Laing - Simplex Joint Venture	Jointly Controlled Entity	*** 49%** ** 49%*	India
8	Jaybee Simplex Consortium	Jointly Controlled Entity	**66.67%** *66.67%*	India
9	Simplex - Almoayyed W.L.L.	Jointly Controlled Entity	**49%** *49%*	Kingdom of Bahrain
10	Simplex Infrastructures (Thailand) Limited	Jointly Controlled Entity	**48.995%** *48.995%*	Thailand

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

23.2 Financial interest in Jointly Controlled Entities as at 31st March, 2011:

(i) Association of Persons

Sr. No	Name of the Joint Ventures	Assets	Liabilities	Income	Expenses	Tax
1	HO-HUP - Simplex Joint Venture	**176,021** *182,315*	**203,489** *210,915*	**-** *2,823,599*	**(2,202)** *2,852,199*	**1,070** *-*
2	Simplex - Gayatri Consortium	**92,324** *91,814*	**76,975** *77,266*	**1,159** *1,108*	**-** *-*	**358** *342*
3	Simplex - Subhash Joint Venture	**11,169** *28,477*	**1,218** *19,204*	**12,595** *99,719*	**11,614** *92,512*	**303** *2,250*
4	Somdatt Builders-Simplex Joint Venture	**371,830** *415,184*	**351,214** *395,572*	**219,084** *287,069*	**215,824** *282,847*	**2,255** *3,076*
5	Simplex-Somdatt Builders Joint Venture	**197,628** *311,248*	**102,710** *217,867*	**115,971** *611,125*	**112,912** *597,400*	**1,522** *7,645*
6	Simplex Meinhardt Joint Venture	**141,187** *68,417*	**139,971** *67,711*	**25,074** *11,204*	**24,335** *10,897*	**228** *95*

Figures in italics pertain to previous year

(Rupees in Thousand)

Schedule 19

Notes on Accounts

23.2 Financial interest in Jointly Controlled Entities as at 31st March, 2011 (contd.):

(i) Association of Persons (contd.)

Sr. No	Name of the Joint Ventures	Assets	Liabilities	Income	Expenses	Tax
7	Laing - Simplex Joint Venture	**311,375** *334,824*	**290,687** *314,688*	**66,571** *699,251*	**65,690** *689,479*	**329** *3,631*
8	Jaybee Simplex Consortium	**59,224** *78,305*	**44,725** *70,764*	**136,241** *118,337*	**126,169** *115,434*	**3,114** *951*
	Total	**1,360,758** *1,510,584*	**1,210,989** *1,373,987*	**576,695** *4,651,412*	**554,342** *4,640,768*	**9,179** *17,990*
	Share of Net Assets / Profit/(Loss) after Tax	*** 149,769** *136,597*		**13,174** *(7,346)*		

* Net of amount due to HO-HUP-Simplex Joint Venture Rs.27,468 (2010 - Rs.28,600) on account of the Company's share in accumulated loss of the said Joint Venture.

Figures in italics pertain to previous year

(ii) Limited Liability Company

Sr. No	Name of the Joint Ventures	Assets	Liabilities	Income	Expenses	Tax
1	Simplex Almoayyed W.L.L. (Unaudited)	**79,408** *122,499*	**36,203** *56,385*	**20,759** *102,688*	**40,229** *94,542*	- -
2	Simplex Infrastructures (Thailand) Limited	**209** *1,094*	**6,956** *1,486*	- -	**6,289** *(1,779)*	- -

Figures in italics pertain to previous year

(iii) Share in Contingent Liabilities of Joint Ventures for which the Company is contingently liable Rs.17,040 (2010 - Rs.17,040).

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

24. Computation of Earning Per Share (Basic and Diluted)

	2010-2011	2009-2010
(I) Basic		
a) i) Number of Equity Shares at the beginning of the year	49,472,330	49,472,330
ii) Number of Equity Shares at the end of the year	49,472,330	49,472,330
iii) Weighted average number of Equity Shares outstanding during the year	49,472,330	49,472,330
iv) Face Value of each Equity Share (In Rs.)	2/-	2/-
b) Profit after tax attributable to Equity Shareholders		
Profit after Tax	Rs.1,232,362	Rs.1,225,973
Basic Earning per Share [(b)/(a)(iii)] (In Rs.)	24.91	24.78

(Rupees in Thousand)

Schedule 19
Notes on Accounts

24. Computation of Earning Per Share (Basic and Diluted) (contd.)

	2010-2011	2009-2010
(II) Diluted		
a) i) Number of Potential Equity Shares at the beginning of the year	-	5,300,000
ii) Number of Potential Equity Shares at the end of the year	-	-
iii) Weighted Average number of Dilutive Potential Equity Shares outstanding during the year	-	-
iv) Weighted Average number of Equity Shares considered for computation of Diluted Earnings per share [I(a)(iii)+II(a)(iii)]	49,472,330	49,472,330
b) Diluted Earnings per Share [I(b)/II(a)(iv)] (In Rs.)	24.91	24.78

25. Work in Progress include Salaries and Wages (including amount paid / payable to Sub-contractors) Rs.262,827 (2010 - Rs.50,266) and rent Rs.12,458 ; (2010 - Rs.2,936).

26. MAT Credit Entitlement of Rs.179,022 (2010 - Rs. Nil), recognised in these accounts, relates to an earlier year which has since been allowed to be carried forward by the Income Tax authorities after completion of assessment.

27. Auditors' Remuneration paid / payable for the year

	2010-2011	2009-2010
As Auditors		
Miscellaneous Expenses include:		
Audit Fee	7,500*	6,000*
Certificates etc.	4,725	3,320
Service Tax	1,115	969
Reimbursement of Expenses	97	92

* including consolidated accounts

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

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

	Construction	Others	Total of Reportable Segment
External Sales	**47,503,349**	**6,958**	**47,510,307**
	44,425,509	*1,952*	*44,427,461*
Inter Segment Sales	-	-	-
	-	-	-
Other Income	**216,030**	**60,124**	**276,154**
	139,441	*60,365*	*199,806*
Segment Revenue	**47,719,379**	**67,082**	**47,786,461**
	44,564,950	*62,317*	*44,627,267*

(Rupees in Thousand)

Schedule 19

Notes on Accounts

28. Segment information for the year ended 31st March, 2011 (contd.)

	Construction	Others	Total of Reportable Segment
Segment Result (PBIT)	**3,784,864**	**18,265**	**3,803,129**
	3,229,895	*16,015*	*3,245,910*
Segment Assets	**46,696,280**	**598,540**	**47,294,820**
	39,760,476	*427,918*	*40,188,394*
Segment Liabilities	**19,450,034**	**71,677**	**19,521,711**
	16,655,212	*-*	*16,655,212*
Capital Expenditure	**2,381,421**	**2,785**	**2,384,206**
	1,105,992	*-*	*1,105,992*
Depreciation	**866,660**	**43,556**	**910,216**
	845,136	*43,193*	*888,329*
Non cash expenses other than depreciation	**724,971**	**1,110**	**726,081**
	918,535	*-*	*918,535*

Reconciliation of Reportable Segments with the Financial Statements

	Revenues	Results/Net Profit	Assets	Liabilities *
Total of Reportable Segment	**47,786,461**	**3,803,129**	**47,294,820**	**19,521,711**
	44,627,267	*3,245,910*	*40,188,394*	*16,655,212*
Corporate - Unallocated (net)	**615**	**(540,814)**	**1,368,329**	**18,364,567**
	26,348	*(223,347)*	*550,718*	*14,387,299*
Inter Segment Sales	-	-	-	-
	-	-	-	-
Interest and Finance Charges (net)	-	**(1,307,744)**	-	-
	-	*(1,112,088)*	-	-
Provision for Taxation - Current	-	**(224,978)**	-	-
(Net of MAT Credit Entitlement)	-	*(380,000)*	-	-
Provision for Taxation - Deferred	-	**(497,231)**	-	-
	-	*(304,502)*	-	-
As per Financial Statements	**47,787,076**	**1,232,362**	**48,663,149**	**37,886,278**
	44,653,615	*1,225,973*	*40,739,112*	*31,042,511*

* Excluding Shareholders' Funds.

Secondary Segment Reporting (by Geographical Segments)

	India	Other Asian Countries	Africa	Total
Revenues	**41,610,530**	**6,175,931**	-	**47,786,461**
	33,830,206	*10,797,061*	-	*44,627,267*
Total Assets	**39,936,609**	**7,112,338**	**245,873**	**47,294,820**
	32,548,655	*7,639,739*	-	*40,188,394*
Capital Expenditure	**2,188,591**	**137,571**	**58,044**	**2,384,206**
	1,074,300	*31,692*	-	*1,105,992*

Figures in italics pertain to Previous Year.

(Rupees in Thousand)

Schedule 19
Notes on Accounts

29. Balances with Non-Scheduled Banks comprise of the following :

	Bank Balance as on 31st March, 2011	Bank Balance as on 31st March, 2010	Maximum Balance outstanding during the year 2010-2011	Maximum Balance outstanding during the year 2009-2010
Current Accounts:-				
ICICI Bank - Colombo, Sri Lanka	4,427	4,297	4,606	6,661
Ahli Bank QSC - Doha, Qatar	2,193	4,694	149,902	280,025
Bank Muscat International BSC - Qatar	192	13,048	83,042	259,061
Bank Muscat - Oman	13,623	6,521	146,876	131,101
BNP Paribas - Qatar	189	1,257	19,037	62,520
Commercial Bank - Doha, Qatar	165	221	3,286	4,364
Commercial Bank - Ethiopia	7,462	4	141,429	457
Doha Bank - Doha, Qatar	160	329	86,146	262,980
Emirates Bank - Dubai	3,221	44,443	60,347	138,483
First Gulf Bank - Dubai	144	199	199	4,008
First Gulf Bank - Abudhabi	784	5,616	8,827	6,957
HSBC Bank Middle East Limited - Dubai	317	160	13,038	1,888
HSBC Bank Middle East Limited - Doha, Qatar	1,009	1,133	101,086	65,793
Bank of Ceylon - Sri Lanka	-	-	-	422
Mashreq Bank PSC - Doha, Qatar	1,307	920	80,578	51,050
Oman Arab Bank - Oman	26	9	756	2,505
Qatar National Bank SAQ - Doha, Qatar	3,515	2,586	17,219	20,083
Qatar Islamic Bank - Doha, Qatar	340	73	544	615
Standard Chartered Bank - Doha, Qatar	6,512	4,181	108,470	140,126
Standard Chartered Bank - Dubai	45,296	46,603	54,311	115,659
Standard Chartered Bank - Manama, Bahrain	893	893	893	1,009
Saudi Arabia British Bank	8,339	6,002	8,643	6,002
State Bank of India, Bangladesh	102,737	-	270,268	-
	202,851	**143,189**		
Fixed Deposit Account				
Bank Muscat - Oman	578	582	582	582
	578	**582**		
Margin Money Account				
Standard Chartered Bank - Doha, Qatar	-	-	-	1,249
State Bank of India, Bangladesh	36,927	-	36,927	-
	36,927	**-**		
Total	**240,356**	**143,771**		

(Rupees in Thousand)

Schedule 19
Notes on Accounts

30. Research and Development Expenditure (as allocated by the Management)

	2010-2011	2009-2010
Revenue	8,202	5,050
Capital	-	-

31. Particulars and movements of Current Investments

In Mutual Funds	Face value	Purchase including Dividend Reinvested during the year		Redemption/ Sale during the year		Closing Balance	
	Rs.	Unit	Value	Unit	Value	Unit	Value
1524 ICICI Prudential Flexible Income Plan	10	378,509	40,022	378,509	40,022	-	-
		-	-	-	-	-	-
LIC Nomura Mutual Fund Savings Plus Fund	10	14,651,588	146,516	14,500,000	145,000	151,588	1,516
		-	-	-	-	-	-
		15,030,097	**186,538**	**14,878,509**	**185,022**	**151,588**	**1,516**
		-	-	-	-	-	-

32. Particulars in respect of loans and advances in the nature of loans as required by the listing agreement:

Name of Company	Balance as at		Maximum balance outstanding during	
	31st March, 2011	31st March, 2010	2010-2011	2009-2010
Loans and advance in the nature of loans given to subsidiaries:				
Simplex Infra Development Limited	-	-	1,000	-

(Rupees in Thousand)

Schedule 19
Notes on Accounts

33. Loans and Advances include the amount due from an officer of the Company Rs.790 (2010 - Rs.Nil) [Maximum Balance due at any time during the year Rs.1,000 (2010 - Rs.Nil)]

34. Previous year's figures are rearranged / regrouped, where necessary, to make the same comparable with the current year's figures.

Signatures to Schedules 1 to 19

For **Price Waterhouse**
Firm Registration Number : 301112E
Chartered Accountants

(P. Law)	**B.L.Bajoria**	**B.D.Mundhra**	**S.Dutta**
Partner	*Secretary*	*Chairman & Managing Director*	*Director*

Membership Number : 51790

Kolkata, 30th May, 2011 Mumbai, 30th May, 2011

Cash Flow Statement for the year ended 31st March, 2011

(Rupees in Thousand)

	2010–2011		2009–2010	
A. CASH FLOW FROM OPERATING ACTIVITIES:				
Net Profit before Tax		1,954,571		1,910,475
Adjustments for:				
Depreciation	911,963		890,075	
Interest (Net)	1,067,656		901,844	
Company's Share in profit / (loss) of Joint Ventures	(13,174)		-	
(Profit) / Loss on sale of Fixed Assets	(4,908)		3,206	
Bad Debts / Advances written off (Net of Provision written back)	13,702		265,227	
Provision for Doubtful Debts / Advances	15,868		6,693	
Provision for Diminution in carrying amount of Investments	1,390		-	
Amortisation of Tools	696,423		643,489	
Fixed Assets Written Off	88		3,126	
Liability no longer required written back	(68,014)		(7,497)	
Wealth Tax	806		717	
Provision for Derivative Loss	7,092		4,302	
Dividend from Current Investments	(538)		-	
Dividend from Long Term Investments	(3,637)		(8,059)	
Forward Premium Amortised	16,580		16,669	
Exchange (Gain) / Loss (Net)	(2,809)		(17,706)	
Effect of Changes in Foreign Exchange Translation	(16,277)	2,622,211	(40,496)	2,661,590
Operating Profit before Working Capital Changes		4,576,782		4,572,065
Adjustments for:				
Trade and Other Receivables	(5,005,735)		(2,549,159)	
Inventories	(2,118,325)		(621,824)	
Trade Payables	2,783,349	(4,340,711)	163,694	(3,007,289)
Cash generated from operations		236,071		1,564,776
Direct Taxes (including Fringe Benefit Tax) Paid		(122,728)		(458,264)
Net Cash from Operating Activities		**113,343**		**1,106,512**
B. CASH FLOW FROM INVESTING ACTIVITIES:				
Purchase of Fixed Assets	(2,387,862)		(1,169,380)	
Sale of Fixed Assets	20,598		34,898	
Purchase of Investments	(328,510)		(20,500)	
Sale of Investments	185,022		100	
Investment in Joint Ventures	-		(15,244)	
Investment in Associate Companies	(193)		-	
Investment in Subsidiary Company	(59,987)		(40,706)	
Advance against Investments in Associate Companies	(62,786)		-	
Dividend Received	3,637		8,059	
Interest Received	54,166		85,939	
Inter Corporate Loans Recovered	193,196		2,150	
Net Cash used in Investing Activities		**(2,382,719)**		**(1,114,684)**
Carried Forward		**(2,269,376)**		**(8,172)**

Cash Flow Statement for the year ended 31st March, 2011 (contd.)

(Rupees in Thousand)

	2010–2011		2009–2010	
Brought Forward		**(2,269,376)**		**(8,172)**
C. CASH FLOW FROM FINANCING ACTIVITIES:				
Long term borrowings - Receipts / (Payments)	(361,248)		(1,495,927)	
Short term borrowings - Receipts / (Payments)	3,912,030		2,549,090	
Interest Paid	(1,238,895)		(1,028,086)	
Dividend Paid [including Dividend Tax Rs.16,433 (2010 - Rs.16,816)]	(115,251)		(115,537)	
Net Cash from / (used in) Financing Activities		**2,196,636**		**(90,460)**
Net Decrease in Cash and Cash Equivalents		**(72,740)**		**(98,632)**
D. Effects of Foreign Exchange Differences on Cash and Cash Equivalents		**(5,338)**		**(30,724)**
		(78,078)		**(129,356)**
Cash and Cash Equivalents as at 31st March, 2010 (Refer Schedule 9 to Accounts)	**872,737**		**1,002,093**	
Cash and Cash Equivalents as at 31st March, 2011 (Refer Schedule 9 to Accounts)	**794,659**	**(78,078)**	**872,737**	**(129,356)**

Notes:

1. The above Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard - 3 on Cash Flow Statements prescribed under the Companies Act,1956.
2. Schedule referred to above form an integral part of the Cash Flow Statement.
3. The above Cash Flow Statement does not include Purchase of Fixed Assets amounting to Rs.Nil (2010 - Rs. 20,846) during the year by way of conversion of Trade and Other Receivables being a non - cash item.
4. Previous year's figures are regrouped/rearranged where ever necessary to make the same comparable with the current year's figures.

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

For **Price Waterhouse**
Firm Registration Number : 301112E
Chartered Accountants

(P. Law)
Partner
Membership Number : 51790
Kolkata, 30th May, 2011

B.L.Bajoria
Secretary

B.D.Mundhra
Chairman & Managing Director

S.Dutta
Director

Mumbai, 30th May, 2011

Balance Sheet Abstract and Company's Business Profile

Information pursuant to part IV of Schedule VI to the Companies Act,1956.

1. Registration Details :

Registration No.	4 9 6 9	State Code: 2 1
	Date Month Year	
Balance Sheet Date	3 1 0 3 1 1	

2. Capital Raised during the year (Amount in Rs. Thousands)

Public Issue (out of calls in arrear)	Shares out of conversion of Debentures issued on right basis
N I L	N I L
Bonus Issue	Private Placement
N I L	N I L

3. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

	Total Liabilities (Including Shareholders' Fund)	Total Assets
	4 8 6 6 3 1 4 9	4 8 6 6 3 1 4 9
Sources of Funds	Paid-up Capital	Reserves and Surplus
	9 9 3 3 1	1 0 6 7 7 5 4 0
	Secured Loans	Unsecured Loans
	1 0 9 3 2 2 1 0	5 6 7 4 4 9 2
Application of Funds	Net Fixed Assets	Investments
	1 1 3 2 3 7 3 1	4 9 1 9 3 8
	Net Current Assets	Miscellaneous Expenditure
	1 6 9 4 8 4 0 9	N I L
	Accumulated Losses	
	N I L	

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

	Turnover (Including Other Income, and Company's share in profit in Joint Venture.)	Total Expenditure
	4 7 7 8 7 0 7 6	4 5 8 3 2 5 0 5
	+ / - Profit / Loss before Tax	+ / - Profit / Loss after Tax
	+ 1 9 5 4 5 7 1	+ 1 2 3 2 3 6 2
	Earnings per Share in Rs.	Dividend Rate %
Basic	2 4 . 9 1	1 0 0
Diluted	2 4 . 9 1	

5. Generic Names of Three Principal Products / Services of Company (as per monetary terms)

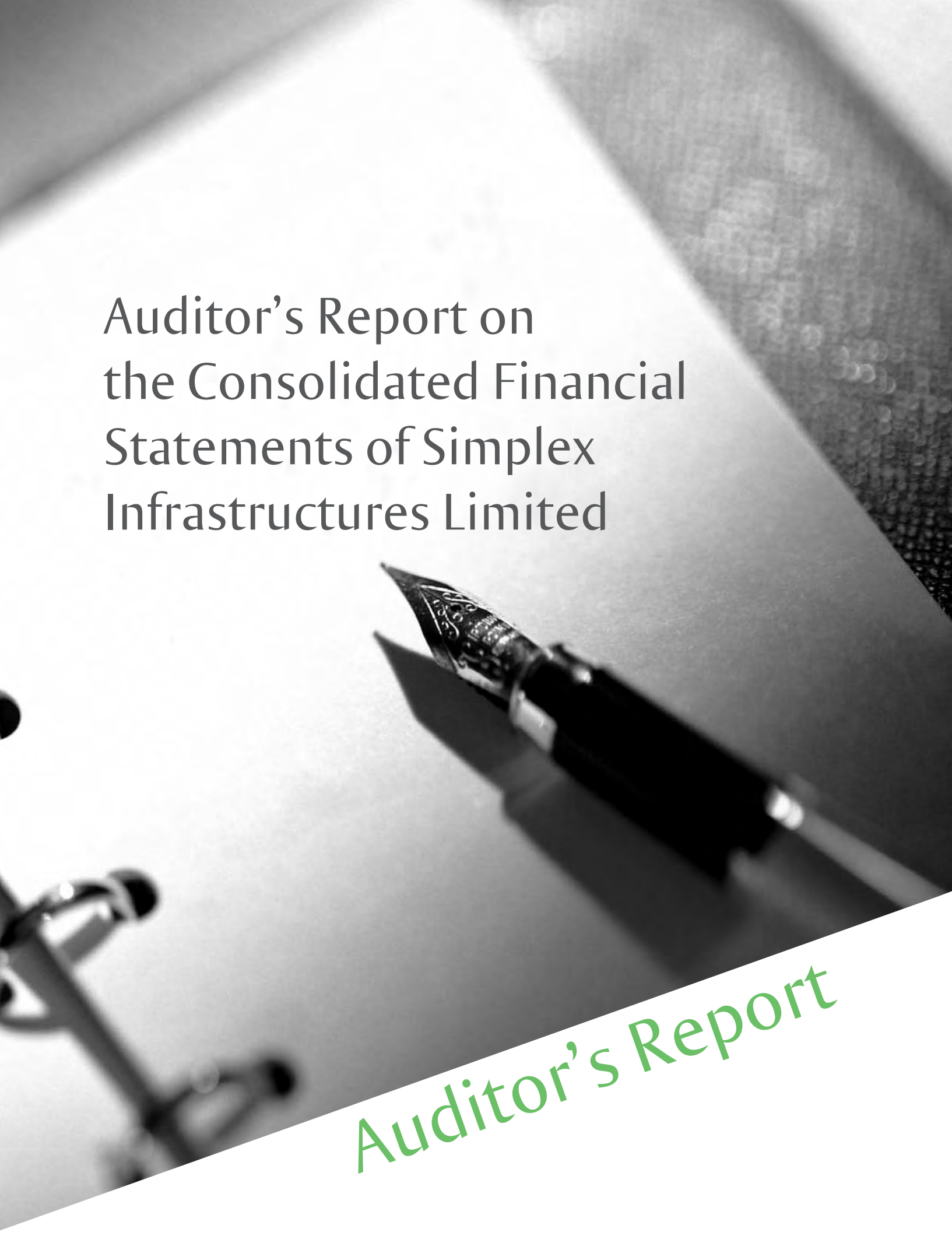
Item Code no. (ITC CODE)	Nil	Product description	Piling
Item Code no. (ITC CODE)	Nil	Product description	Concrete Works
Item Code no. (ITC CODE)	Nil	Product description	Structural Steel
Item Code no. (ITC CODE)	Nil	Product description	Road Work
Item Code no. (ITC CODE)	Nil	Product description	Miscellaneous Works

B.L.Bajoria
Secretary

B.D.Mundhra
Chairman & Managing Director

S. Dutta
Director

Auditor's Report on the Consolidated Financial Statements of Simplex Infrastructures Limited



Auditor's Report

The Board of Directors of Simplex Infrastructures Limited

1. We have audited the attached consolidated Balance Sheet of Simplex Infrastructures Limited (the "Company") and its subsidiaries, its jointly controlled entities and associates; hereinafter referred to as the "Group" [refer Note 2 on Schedule 18 to the attached consolidated financial statements] as at 31st March, 2011, the related consolidated Profit and Loss Account and the consolidated Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. These consolidated financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. We did not audit the financial statements of three subsidiaries and nine jointly controlled entities included in the consolidated financial statements, which constitute total assets of Rs 2,112,591 thousand and net assets of Rs 1,550,764 thousand as at 31st March 2011, total revenue of Rs. 1,785,861 thousand, net profit of Rs 150,094 thousand and net cash flows amounting to Rs 25,467 thousand for the year then ended. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion on the consolidated financial statements to the extent they have been derived from such financial statements is based solely on the report of such other auditors.

4. Attention is drawn to the following :-

   (a) As indicated in Note 10 on Schedule 18 to the consolidated financial statements, year-end exchange fluctuation loss of Rs. 73,411 thousand pertaining to a foreign currency loan has not been provided for which is required under Accounting Standard (AS) 11 "The Effects of Changes in Foreign Exchange Rates" for reasons

given by the management in the said Note. Had this item been accounted for, both the profit for the year and the year-end net worth would have been lower by Rs. 73,411 thousand.

(b) As indicated in Notes 2(b) and 2(e) on Schedule 18 to the consolidated financial statements regarding a subsidiary and a joint venture respectively having total assets aggregating Rs. 222,728 thousand and net assets aggregating Rs. 186,525 thousand at the year-end and total revenue aggregating Rs. 21,055 thousand, net loss aggregating Rs. 59,600 thousand and net cash flows aggregating Rs. 13,835 thousand for the year then ended have been considered for consolidation based on unaudited Management Accounts. Had financial statements of these entities been audited and considered for consolidation, adjustments, as might have been required to the profit for the year and the year-end net assets are not ascertainable.

(c) As indicated in Note 2 (f) on Schedule 18 to the consolidated financial statements, the Group's share in earnings / loss, as there may be, for the year of two Associates together with its impact on the year-end carrying amount of Investments in such Associates have not been ascertained and accounted for by the Management, in accordance with AS 23 "Accounting for Investments in Associates in consolidated financial statements."

5. We report that, except for our observation in paragraph 4(c) above, the consolidated financial statements have been prepared by the Company's Management in accordance with the requirements of AS 21 - Consolidated Financial Statements, AS 23 – Accounting for Investments in Associates in Consolidated Financial Statements and AS 27 - Financial Reporting of Interests in Joint Ventures notified under sub-section (3C) of Section 211 of the Companies Act, 1956.

6. Based on our audit and on consideration of reports of other auditors on separate financial statements and on the other financial information of the components of the Group as referred to above, and to the best of our information and according to the explanations given to us, in our opinion, the attached consolidated financial statements except for our observations in paragraphs 4(a), 4(b) and 4(c) above, give, a true and fair view in conformity with the accounting principles generally accepted in India:

(a) in the case of the consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2011;

(b) in the case of the consolidated Profit and Loss Account, of the profit of the Group for the year ended on that date; and

(c) in the case of the consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants
P. Law
Partner
Membership Number: 51790

Kolkata
30th May 2011

Consolidated Balance Sheet of Simplex Infrastructures Limited and its Subsidiaries

as at 31st March, 2011

(Rupees in Thousand)

	Schedule Reference	31st March, 2011		31st March, 2010	
SOURCES OF FUNDS					
Shareholders' Funds					
Share Capital	1	99,331		99,331	
Reserves and Surplus	2	10,779,589	10,878,920	9,681,186	9,780,517
Minority Interest			63,197		49,686
Loan Funds					
Secured Loans	3	10,932,210		9,943,891	
Unsecured Loans	4	5,674,492	16,606,702	3,080,046	13,023,937
Deferred Tax Liability (Net) [Note 5 (a) on Schedule 18]			1,381,554		883,820
TOTAL			**28,930,373**		**23,737,960**
APPLICATION OF FUNDS					
Fixed Assets	5				
Gross Block		15,088,776		12,771,361	
Less: Depreciation		3,843,454		2,890,240	
Net Block		11,245,322		9,881,121	
Capital Work in Progress		274,635	11,519,957	186,941	10,068,062
Investments	6		230,550		27,536
Deferred Tax Asset (Net) [Note 5 (b) on Schedule 18]			45		-
Current Assets, Loans and Advances					
Inventories	7	8,118,790		6,712,241	
Sundry Debtors	8	22,977,438		18,060,601	
Cash and Bank Balances	9	1,064,187		1,099,388	
Other Current Assets	10	1,445,768		1,397,438	
Loans and Advances	11	4,053,271		3,975,656	
		37,659,454		31,245,324	
Less: Current Liabilities and Provisions					
Liabilities	12	20,339,338		17,472,996	
Provisions	13	140,295		129,966	
		20,479,633		17,602,962	
Net Current Assets			17,179,821		13,642,362
TOTAL			**28,930,373**		**23,737,960**
Notes on Accounts	18				

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

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

For **Price Waterhouse**
Firm Registration Number: 301112E
Chartered Accountants

(P. Law)
Partner
Membership Number: 51790
Kolkata, 30th May, 2011

B.L.Bajoria
Secretary

B.D.Mundhra
Chairman & Managing Director

S.Dutta
Director

Mumbai, 30th May, 2011

Consolidated Profit and Loss Account of Simplex Infrastructures Limited and its Subsidiaries for the year ended 31st March, 2011

(Rupees in Thousand)

	Schedule Reference	2010-2011		2009-2010	
INCOME					
Contract Turnover		48,753,183		45,524,664	
Less: Contract Expenses (other than related depreciation / amortisation)	14	42,188,974		39,081,447	
Profit on Contract Work done		6,564,209		6,443,217	
Other Operating Income (Note 12 on Schedule 18)		136,396		118,337	
Other Income	15	223,928	6,924,533	159,494	6,721,048
EXPENSES					
Interest and Finance Charges (Net)	16	1,324,633		1,122,004	
Amortisation of Tools		706,265		651,363	
Depreciation		963,537		921,475	
Other Administrative and Operating Expenses	17	1,926,663	4,921,098	2,020,595	4,715,437
PROFIT BEFORE TAX AND MINORITY INTEREST			2,003,435		2,005,611
PROVISION FOR TAXATION					
Current Tax			424,954		409,717
MAT Credit Entitlement (Note 21 on Schedule 18)			(179,022)		-
Fringe Benefit Tax			-		38
PROFIT BEFORE DEFERRED TAX AND MINORITY INTEREST			1,757,503		1,595,856
Deferred Tax			497,692		305,053
PROFIT AFTER TAX AND BEFORE MINORITY INTEREST			1,259,811		1,290,803
Minority Interest			13,974		19,333
PROFIT AFTER TAX AND MINORITY INTEREST			1,245,837		1,271,470
Balance Brought Forward from Previous Year			3,528,300		2,522,208
AMOUNT AVAILABLE FOR APPROPRIATIONS			**4,774,137**		**3,793,678**
APPROPRIATIONS					
Transfer to General Reserve			150,000		150,000
Transfer to Legal Reserve			9,833		-
Proposed Dividend		98,945		98,945	
Tax thereon		16,051	114,996	16,433	115,378
			274,829		265,378
Year-end Surplus			4,499,308		3,528,300
			4,774,137		**3,793,678**
Basic Earning per Equity Share of Rs.2/- each (In Rs.)			25.18		25.70
Diluted Earning per Equity Share of Rs.2/- each (In Rs.) (Note 16 on Schedule 18)			25.18		25.70
Notes on Accounts	18				

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

The Schedules referred to above form an integral part of the Consolidated Profit and Loss Account.

For **Price Waterhouse**
Firm Registration Number: 301112E
Chartered Accountants

(P. Law)
Partner
Membership Number: 51790
Kolkata, 30th May, 2011

B.L.Bajoria
Secretary

B.D.Mundhra
Chairman & Managing Director

S.Dutta
Director

Mumbai, 30th May, 2011

Consolidated Financial Statements of Simplex Infrastructures Limited and its Subsidiaries

(Rupees in Thousand)

	31st March, 2011		31st March, 2010	
Schedule 1				
SHARE CAPITAL				
Authorised				
374,900,000 Equity Shares of Rs. 2/- each		749,800		749,800
20,000 15% Cumulative Preference Shares of Rs.10/- each		200		200
		750,000		**750,000**
Issued and Subscribed and Paid-up				
49,472,330 Equity Shares of Rs.2/- each fully paid up	98,945		98,945	
Add: Equity shares forfeited in earlier years	386	99,331	386	99,331
		99,331		**99,331**
Schedule 2				
RESERVES AND SURPLUS				
Capital Reserve				
Arising on Consolidation [Note 2 (c) on Schedule 18]		10		-
Others				
As per last Account	215,775		3,245	
Add: Addition during the year	-	215,775	212,530	215,775
Capital Redemption Reserve		104		104
Securities Premium Account		4,942,125		4,942,125
General Reserve				
As per last Account	795,515		645,515	
Add: Transfer from Profit and Loss Account	150,000	945,515	150,000	795,515
Contingency Reserve		350,000		350,000
Legal Reserve (Note 11 on Schedule 18)				
As per last Account	-		-	
Add: Transfer from Profit and Loss Account	9,833	9,833	-	-
Foreign Currency Translation Reserve Account				
As per last Account	(150,633)		313,308	
Adjustment during the year	(32,448)	(183,081)	(463,941)	(150,633)
Profit and Loss Account Balance (Surplus)		4,499,308		3,528,300
		10,779,589		**9,681,186**

Consolidated Financial Statements of Simplex Infrastructures Limited and its Subsidiaries

(Rupees in Thousand)

	31st March, 2011	31st March, 2010
Schedule 3		
SECURED LOANS		
Term Loans		
Financial Companies - Rupee Loan	884,174	881,879
Banks		
Rupee Loans	1,057,585	1,015,229
Foreign Currency Loans	710,641	1,144,949
Working Capital Loans from Banks		
Rupee Loans	7,732,850	5,628,065
Foreign Currency Loans	494,125	1,244,064
Vehicle Loans		
Financial Company - Rupee Loan	5,830	-
Banks		
Rupee Loans	25,635	17,169
Foreign Currency Loans	-	1,267
Interest Accrued and Due on Working Capital Loans	21,370	11,269
	10,932,210	**9,943,891**
Schedule 4		
UNSECURED LOANS		
Term Loans from Banks (Short term)	3,800,000	2,300,000
Commercial Papers (Short term)	1,850,000	750,000
Intercorporate Deposit	500	500
Temporary Overdraft from Banks		
Rupee Account	21,466	28,500
Foreign Currency Account	2,238	758
Interest Accrued and Due on Inter Corporate Deposits	288	288
	5,674,492	**3,080,046**

(Rupees in Thousand)

Schedule 5

FIXED ASSETS

Particulars	GROSS BLOCK					DEPRECIATION					NET BLOCK	
	Original Cost as at 31st March, 2010	Added on Consolidation [Note2(d) on Schedule 18]	Additions During the Year	Disposal /Adjustments during the year [Note (d)]	Original Cost as at 31st March, 2011	As at 31st March, 2010	Added on Consolidation [Note2(d) on Schedule 18]	For the Year	On Assets Disposed/ Adjusted during the year [Note (e)]	As at 31st March, 2011	As at 31st March, 2011	As at 31st March, 2010
A. Tangible Assets												
Freehold Land	29,619	-	75,648	-	105,267	-	-	-	-	-	105,267	29,619
Leasehold Land	4,996	-	-	-	4,996	736	-	53	-	789	4,207	4,260
Building	160,038	-	-	-	160,038	18,407	-	2,595	-	21,002	139,036	141,631
Plant and Machinery (Note 18 on Schedule 18)	11,684,496	47,067	2,108,903	18,481	13,821,985	2,542,436	17,060	847,854	20,859	3,386,491	10,435,494	9,142,060
Furniture and Fittings	203,414	-	17,071	1,015	219,470	72,704	-	13,500	415	85,789	133,681	130,710
Motor Vehicles	407,237	-	54,844	9,778	452,303	101,028	-	46,113	5,157	141,984	310,319	306,209
Computer	204,765	-	34,551	1,493	237,823	117,048	-	28,414	952	144,510	93,313	87,717
Electrical Equipment	5,511	-	-	-	5,511	583	-	389	-	972	4,539	4,928
	12,700,076	47,067	2,291,017	30,767	15,007,393	2,852,942	17,060	938,918	27,383	3,781,537	11,225,856	9,847,134
B. Intangible Assets												
Computer Software - Acquired	71,285	-	10,098	-	81,383	37,298	-	24,619	-	61,917	19,466	33,987
	71,285	**-**	**10,098**	**-**	**81,383**	**37,298**	**-**	**24,619**	**-**	**61,917**	**19,466**	**33,987**
Capital Work in Progress											274,635	186,941
Total	12,771,361	47,067	2,301,115	30,767	15,088,776	2,890,240	17,060	963,537	27,383	3,843,454	11,519,957	10,068,062
As at 31st March, 2010	12,194,119	-	1,085,058	507,816	12,771,361	2,083,492	-	921,475	114,727	2,890,240		

Notes :-

a) Certain Freehold / Leasehold land and buildings were revalued by an approved Valuer as at 31st December, 2002 and 31st December, 2003, (the aggregate Book Value Rs.7,510 and Rs.22,978 respectively) but the resultant increase in the Net Book value on such revaluation Rs.46,981 and Rs.108,213 respectively have not been considered in the accounts.

b) Buildings include Rs.854 being the original cost of a building erected on land taken on rental lease and depreciated over the period of lease and also includes another building (original cost of Rs.236) erected on land belonging to the contractee who will take over the building at depreciated value in due course.

c) The Original Cost as at 31st March, 2011 of Plant and Machinery includes Rs.634 (2010 - Rs.634) for items acquired under Hire Purchase arrangements up to 31st March, 2001 of which Rs.119 (2010 - Rs.119) was outstanding as at 31st March, 2011.

d) Inclusive of Rs.2,469 (2010 - Rs.457,439) on account of foreign exchange adjustment.

e) Inclusive of Rs.10,174 (2010 - Rs.78,192) on account of foreign exchange adjustment.

Consolidated Financial Statements of Simplex Infrastructures Limited and its Subsidiaries

(Rupees in Thousand)

	31st March, 2011		31st March, 2010	
Schedule 6				
INVESTMENTS [Note 1(d) on Schedule 18]				
LONG TERM				
Unquoted				
- Other than Trade				
5-Fully paid-up Ordinary Shares of Rs.50/- each in Mercantile Apartments Co-operative Housing Society Ltd., Mumbai - Face value Rs.250/-	-		-	
5-Fully paid-up Ordinary Shares of Rs.50/- each in Pallavi Beach Angle Co-operative Housing Society Ltd.,Mumbai - Face value Rs.250/-	-		-	
5-Fully paid-up Ordinary Shares of Rs.50/- each in Borlo Co-operative Housing Society Ltd.,Chembur, Mumbai - Face value Rs.250/-	-		-	
5-Fully paid-up Ordinary Shares of Rs.50/- each in Saket Co-operative Housing Society Ltd., Mumbai - Face value Rs.250/-	-		-	
7 Year National Savings Certificates (Matured) (Lodged as Security Deposits)	2		2	
6 Year National Savings Certificates (Matured) (Lodged as Security Deposits)	34		34	
2,000,000 Equity Shares of Rs.10/- each of Electrosteel Steels Limited (formerly Electrosteels Integrated Limited) - Fully paid up (Note iii below)	-	36	20,500	20,536
- Associate Companies [Note 2(f) on Schedule 18]				
5,200,000 Equity Shares of Rs.10/- each of Shree Jagannath Expressways Private Limited -Fully paid up (acquired during the year) (Note iv below)	52,000		-	
16,665 Equity Shares of Rs.10/- each of Raichur Sholapur Transmission Company Ltd. - Fully paid up (acquired during the year)	167	52,167	-	-
Quoted				
- Other than Trade				
20,000 Equity Shares of Rs.10/- each (Rs.5/- paid up) of Parasrampuria Synthetics Ltd. @	100		100	
4,700 Equity Shares of Rs.10/- each at a Premium of Rs.35/- each of Pennar Patterson Securities Ltd. - Fully Paid up @	212		212	
90,000 Equity Shares of Rs.10/- each of SREI Infrastructures Ltd. - Fully Paid up (50,000 shares acquired during the year and 40,000 Equity shares received as bonus shares during the year)	4,102		-	
369,981 Equity Shares of Rs.2/- each of Emami Paper Mills Limited - Fully paid up (acquired during the year)	18,489		-	
305,000 Equity Shares of Re.1/- each of Emami Limited - Fully paid up (acquired during the year)	119,919		-	
17,500 Equity Shares of Rs.2/- each of Dalmia Bharat Sugar and Industries Limited [formerly Dalmia Cement (Bharat) Limited] - Fully paid up	7,000		7,000	
17,500 Equity Shares of Rs.2/- each of Dalmia Bharat Enterprises Limited - Fully paid up (Note v below)	-		-	
2,000,000 Equity Shares of Rs.10/- each of Electrosteel Steels Limited (formerly Electrosteels Integrated Limited) - Fully paid up (Note iii below)	20,500	170,322	-	7,312
Carried Forward		**222,525**		**27,848**

(Rupees in Thousand)

	31st March, 2011		31st March, 2010	
Schedule 6				
INVESTMENTS (contd.)				
Brought Forward		**222,525**		**27,848**
CURRENT INVESTMENTS				
- Other than trade				
Units of Mutual Fund		8,337		-
		230,862		**27,848**
Less: Provision for diminution in carrying amount of Investments		312		312
		230,550		**27,536**

Notes :

i) Year end Market Value of quoted Investments other than that marked @ for which year-end official quotation is not available.

Equity Shares	165,546	4,396

ii) Aggregate amount of

Unquoted Investments	60,540	20,536
Quoted Investments	170,322	7,312
	230,862	**27,848**

iii) 2,000,000 Equity Shares of Rs.10/- each of Electrosteel Steels Limited have been reclassified under "Quoted Investments" upon listing during the year and are locked in till 4th October, 2011.

iv) 1,792 Equity Shares of Shree Jagannath Expressways Private Limited are pledged in favour of Axis Trustee Services Ltd., Security Trustee for the benefit of Union Bank of India, Lender / Guarantor.

v) 17,500 Equity Shares of Rs.2/- each of Dalmia Bharat Enterprises Limited (DBEL) have been acquired during the year without consideration pursuant to a Scheme of Arrangement between Dalmia Cement (Bharat) Limited (DCBL) and DBEL involving demerger of certain business of DCBL.

	31st March, 2011	31st March, 2010
Schedule 7		
INVENTORIES		
At lower of cost and net realisable value		
Work-in-Progress (Net of Advance from clients Rs.560,920 ; 2010 - Rs.48,716)	649,073	417,362
Materials at Sites	5,052,223	3,881,100
Materials in Transit	5,046	783
At or below cost		
Stores (including Tools Rs.2,177,102; 2010 - Rs.2,258,903) [Note 1 (e) on Schedule 18]	2,412,448	2,412,996
	8,118,790	**6,712,241**

Consolidated Financial Statements of Simplex Infrastructures Limited and its Subsidiaries

(Rupees in Thousand)

	31st March, 2011	31st March, 2010
Schedule 8		
SUNDRY DEBTORS		
Unsecured		
Debts Outstanding for a period exceeding six months		
Considered Good	4,967,534	3,601,500
Considered Doubtful	19,003	19,497
Other Debts		
Considered Good (Note 9 on Schedule 18)	18,009,904	14,459,101
	22,996,441	18,080,098
Less: Provision for Doubtful Debts	19,003	19,497
	22,977,438	**18,060,601**
Schedule 9		
CASH AND BANK BALANCES		
Cash in hand and Remittance in transit [Remittance in transit Rs.2,691 (2010 - Rs.144,876)]	6,460	150,143
Balances with Scheduled Banks-		
Current Accounts	549,501	603,316
Unpaid Dividend Account	1,515	1,387
Term Deposit on Margin Account	8,966	8,966
Fixed Deposits (Lodged as Security Deposits Rs.5; 2010 - Rs.5)	69,875	5,548
Balances with Non-Scheduled Banks (Note below)	427,870	330,028
	1,064,187	**1,099,388**
Note : Includes Rs.36,927 (2010 - Rs. Nil) on margin money account.		
Schedule 10		
OTHER CURRENT ASSETS		
Unsecured		
Considered Good		
Interest Receivable	153,278	60,021
Excise Duty Recoverable	195,890	238,814
Accruals under Duty Free Credit Entitlement	155,850	308,533
Deposit for Contracts	196,114	218,669
Security Deposits	535,856	339,457
Deposit under Investment Deposit Scheme	1,513	1,513
Prepaid Expenses	207,267	217,964
Unbilled Revenue	-	12,467
Considered Doubtful		
Deposit for Contracts	538	538
Security Deposits	494	29
	1,446,800	1,398,005
Less: Provision for Doubtful Deposits	1,032	567
	1,445,768	**1,397,438**

(Rupees in Thousand)

	31st March, 2011	31st March, 2010
Schedule 11		
LOANS AND ADVANCES		
Unsecured		
Considered Good (unless stated otherwise below)		
Advances recoverable in cash or in kind or for value to be received [including Considered Doubtful Rs.30,357 (2010 - Rs.27,700)]	3,369,385	3,061,943
Advance against Investments in Associate Companies	62,786	-
Inter Corporate Loans [Considered Doubtful Rs.3,011 (2010 - Rs. Nil)]	380,021	579,000
MAT Credit Entitlement	179,022	-
Advance payment of Taxes (net of provision)		
Current Tax	92,572	359,537
Fringe Benefit Tax	2,853	2,876
	4,086,639	4,003,356
Less: Provision for Doubtful Loans and Advances	33,368	27,700
	4,053,271	**3,975,656**
Schedule 12		
CURRENT LIABILITIES		
Acceptances	185,222	-
Sundry Creditors	11,908,180	10,495,669
Other Liabilities	445,215	385,785
Advance from Clients	7,146,862	6,308,650
Billing in Excess of Revenue	555,562	154,220
Interest Accrued but not Due	95,836	126,086
Investor Education and Protection Fund shall be credited by the following amounts namely (Note below)		
a) Unpaid dividend	1,515	1,387
b) Unpaid matured deposit	612	776
c) Interest accrued on (b) above	334	423
	20,339,338	**17,472,996**

Note: None of above unclaimed amounts is due to be transferred to above fund at the Balance Sheet date.

	31st March, 2011		31st March, 2010	
Schedule 13				
PROVISIONS				
Provision for Current Taxes (Net of advance payment)		25,299		14,588
Proposed Dividend	98,945		98,945	
Tax thereon	16,051	114,996	16,433	115,378
		140,295		**129,966**

Consolidated Financial Statements of Simplex Infrastructures Limited and its Subsidiaries

(Rupees in Thousand)

	2010-2011	2009-2010
Schedule 14		
CONTRACT EXPENSES		
Stores Consumed	19,447,560	18,560,743
Salaries and Wages (including amount paid/payable to Sub-contractors)	15,708,721	14,722,973
Value Added Tax / Works Contract Tax	833,713	739,164
Repairs and Renewals	24,820	15,522
Other Expenses	6,174,160	5,043,045
	42,188,974	**39,081,447**

	2010-2011	2009-2010
Schedule 15		
OTHER INCOME		
Equipment Hire Charges	55,583	51,651
Liability no longer required written back	69,164	7,508
Accruals under Duty Free Credit Entitlement	53,152	50,000
Dividend from Long Term Investments - Other than Trade	77	70
Income from Wind Mill - Electricity	124	365
Dividend from Current Investments - Other than Trade	558	-
Profit on Sale of Fixed Assets	4,241	-
Duty Drawback	-	2,968
Exchange Gain (Net)	12,987	25,596
Sale of Scrap	16,923	16,035
Miscellaneous Receipts	11,119	5,301
	223,928	**159,494**

	2010-2011		2009-2010	
Schedule 16				
INTEREST AND FINANCE CHARGES (NET)				
Interest				
Fixed Loans		615,980		568,378
Debentures		64,290		82,462
Others		527,897		346,467
		1,208,167		997,307
Less: Interest Received/Receivable				
On Loans and Deposits	49,109		51,258	
On Others	104,012	153,121	50,368	101,626
		1,055,046		895,681
Add: Finance Charges				
Bank Charges	62,604		67,737	
Guarantee Charges	206,983	269,587	158,586	226,323
		1,324,633		**1,122,004**

(Rupees in Thousand)

	2010-2011		2009-2010	
Schedule 17				
OTHER ADMINISTRATIVE AND OPERATING EXPENSES ETC.				
Operating Expenses				
Stores Consumed	36,278		30,956	
Employees Cost	9,113		9,230	
Hire Charges of Plant / Equipment	4,456		3,028	
Other Expenses	35,988	85,835	23,667	66,881
Other Administrative Expenses				
Salaries and Bonus	936,190		774,665	
Staff Welfare Expenses	46,387		26,067	
Contribution to Provident and other Funds	96,335		77,717	
Rent	108,943		140,950	
Rates and Taxes (includes Wealth Tax Rs.806; 2010 - Rs.717)	7,199		13,189	
Repairs to Buildings	12,499		14,312	
Insurance	162,779		171,048	
Loss on sale of Fixed assets	-		3,206	
Fixed Assets Written Off	101		3,126	
Expenses of Wind Mill	367		451	
Provision for Doubtful Debts / Advances	12,570		22,409	
Bad Debts / Advances written off (Net of Provision Written back Rs.6,593; 2010 - Rs.1,830)	13,702		265,227	
Company's Share in loss of Joint Venture	-		28,600	
Miscellaneous Expenses	443,756	1,840,828	412,747	1,953,714
		1,926,663		**2,020,595**

Consolidated Financial Statements of Simplex Infrastructures Limited and its Subsidiaries

(Rupees in Thousand)

Schedule 18

Notes on Accounts

1. Significant Accounting Policies

a) FIXED ASSETS

Fixed Assets are stated at cost of acquisition and related expenditure.

b) DEPRECIATION

Depreciation is provided on Straight Line Method at the rates prescribed in Schedule XIV to the Companies Act,1956, except as indicated below:

i) Leasehold Land and Building on leasehold land are amortised over the period of lease.

ii) Building on contractee's land is depreciated @ 5% on Straight Line Method.

iii) Construction equipments included in Plant and Machinery are depreciated @ 12.5% and 20%.

iv) In case of branches outside India, depreciation is provided on Plant and Machinery @ 10%.

v) Computer Software are depreciated @ 33.33%.

vi) In case of foreign Subsidiaries and foreign Joint Venture Companies depreciation is provided under "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 Machinery	10% - 20%
Furniture and Fittings	10% - 25%
Computer	10% - 20%
Motor Vehicles	25% - 33.33%

c) IMPAIRMENT LOSS

An Impairment loss is recognised wherever the carrying amount of the fixed assets exceeds the recoverable amount i.e. the higher of the asset's net selling price and value in use.

d) INVESTMENTS

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

e) INVENTORIES

Inventories other than stores (including tools) are valued at lower of cost and net realisable value. Stores are valued at or below cost. The cost, in general, are determined under FIRST IN FIRST OUT method. In case of a Joint Venture in the Group, cost is determined under Weighted Average Method. Tools comprising various construction implements and tackles which are more of a type of equipment having short life are stated on the basis of their cost and are amortised based on effective future life determined on technical evaluation.

(Rupees in Thousand)

Schedule 18

Notes on Accounts

f) REVENUE

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

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

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

Dividend income on investments is accounted for when the right to receive the payment is established.

Interest income is recognised on an accrual basis.

g) SITE DEVELOPMENT AND INITIAL EXPENSES

Site development including initial expenses (shown in Work-in-Progress) thereon is charged off proportionately within the stipulated period of contract from the date of revenue recognition.

h) BORROWING COST

Borrowing cost attributable to the acquisition of qualifying assets are added to the cost up to the date when such assets are ready for their intended use. Other borrowing costs are recognised as expenses in the period in which these are incurred.

i) CLAIMS AND COUNTER CLAIMS

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

j) TRANSACTIONS IN FOREIGN CURRENCIES

Transactions in respect of Foreign Currencies are recorded at exchange rates prevailing on the date of the transaction. Monetary items denominated in foreign currency are restated at the exchange rate prevailing on the Balance Sheet date. Foreign currency non-monetary items carried in terms of historical cost are reported using the exchange rate at the date of transactions. Exchange differences arising on settlement of transactions and/ or restatements are dealt with in the Profit and Loss Account.

In respect of Forward Exchange Contracts with underlying transaction, the premium or discount arising at the inception of such contract is amortised as expenses or income over the life of contract.

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

Consolidated Financial Statements of Simplex Infrastructures Limited and its Subsidiaries

(Rupees in Thousand)

Schedule 18

Notes on Accounts

k) EMPLOYEE BENEFITS

a) Short term Employee Benefits:

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

b) Post Employment Benefit Plans:

Contributions under Defined Contribution Plans payable in keeping with the related schemes are recognised as expenses for the year.

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

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

The Cost of providing long term employee benefits is determined using Projected Unit Credit Method with actuarial valuation being carried out at each Balance Sheet date. Actuarial gains and losses and past service cost are recognised immediately in the Profit and Loss Account 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.

l) TAXATION

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

m) RESEARCH AND DEVELOPMENT EXPENDITURE

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

n) PROVISION AND CONTINGENT LIABILITIES

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

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

o) CONSOLIDATION

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

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

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

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

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

- The amount of equity attributable to minorities at the date on which investment in a subsidiary is made.
- The minorities' share of movement in equity since the date parent - subsidiary relationship came into existence.
- Adjustment of the losses attributable to the minorities against the minority interest in the equity of the subsidiaries and thereafter adjustment of the excess of loss, if any, over the minority interest in the equity against the majority interest.

(b) The translation of the functional currencies into Indian Rupees (reporting currency) is performed for assets and liabilities of foreign subsidiaries and joint ventures using the closing exchange rates at the balance sheet date, for revenues, costs and expenses using average exchange rates prevailing during the year. The resultant exchange difference arising out of such transactions is recognised as part of equity (Foreign Currency Translation Reserve Account) by the Parent Company until the disposal of investment.

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ii) Investments in Joint Ventures which are in the nature of jointly controlled entities, have been consolidated by using the proportionate consolidation method, as per the Accounting Standard (AS) 27 "Financial Reporting of Interests in Joint Ventures" prescribed under the Act, wherein intra-group balances and intra-group transactions are eliminated to the extent of 'SIMPLEX's share in the Joint Ventures.

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

Name of the Entity	Country of Incorporation / Residence	Proportion of the Group's Ownership Interest	
		As at 31st March, 2011	As at 31st March, 2010
i) Subsidiaries			
Simplex Infrastructures L.L.C.	Sultanate of Oman	70%	70%
Simplex (Middle East) Limited	United Arab Emirates	100%	100%
Simplex Infrastructures Libya Joint Venture Co. [Note 2(b) below]	Libya	65%	65%
Simplex Infra Development Limited [Note 2(c) below]	India	100%	-
ii) Joint Ventures			
Domestic:			
Simplex - Subhash Joint Venture (SSJV)	India	50%	50%
Somdatt Builders - Simplex Joint Venture (SBSJV)	India	50% *	50% *
Simplex - Somdatt Builders Joint Venture (SSBJV)	India	50% *	50% *
Simplex Meinhardt Joint Venture (SMJV)	India	50% *	50% *
Laing - Simplex Joint Venture (LSJV)	India	49% *	49% *
Jaybee Simplex Consortium (JBC)	India	66.67%	66.67%
Simplex Gayatri Consortium (SGC)	India	70%	70%
HO-HUP-Simplex Joint Venture (HHSJV) [Note 2(d) below]	India	50% *	#
Overseas:			
Simplex - Almoayyed W.L.L. (SAWLL) [Note 2(e) below]	Kingdom of Bahrain	49%	49%
Simplex Infrastructures (Thailand) Limited (SITL)	Thailand	48.995%	48.995%

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

\# not considered for consolidation in the previous year

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(b) Due to political crisis in Libya and consequential stoppage of business activities, audit of financial statements of Simplex Infrastructures Libya Joint Venture Co. (Simplex Libya), a Subsidiary could not be carried out. Simplex Libya has been considered for consolidation based on unaudited Management Accounts. The total amount in respect of Simplex Libya, considered for the purpose of these Consolidated Financial Statements being total assets Rs.143,320 (2010 - Rs.179,531) and net assets of Rs.143,320 (2010 - Rs.174,945) at the year end and total revenue of Rs.296 (2010 - Rs.Nil), net loss of Rs.40,130 (2010 - Rs.13,514) and net cash inflows / (outflows) of Rs.(771) (2010 - Rs.857) for the year.

(c) In August 2010, the Group has acquired Simplex Infra Development Limited, a Subsidiary and the same has been considered for consolidation. Capital Reserve arising on consolidation in this regard has been recognised as per the accounting policy mentioned in Note 1(o)(i) above.

(d) Unlike in earlier year, the financial statements of HO-HUP-Simplex Joint Venture, a Joint Venture for the year have been considered for consolidation using the proportionate consolidation method in keeping with the accounting policy set out in Note 1(o)(ii) above.

(e) SAWLL, a Joint Venture has been considered for consolidation based on unaudited Management Accounts. The proportionate share in respect of SAWLL considered for the purpose of these Consolidated Financial Statements being total assets Rs.79,408 (2010 - Rs.122,499) and net assets of Rs.43,205 (2010 - Rs.66,114) at the year end, total revenues of the year Rs.20,759 (2010 - Rs.102,688) net profit / (loss) of Rs.(19,470) (2010 - Rs.8,146) and net cash inflows / (outflows) of Rs. (13,064) (2010 - Rs.3,369) for the year.

(f) During the year, the Group has acquired/formed two Associates as set out below:

Associate	Country of Incorporation / Residence	Proportion of the Group's ownership interest as at 31st March,2011
Shree Jagannath Expressways Private Limited	India	26.00%
Raichur Sholapur Transmission Company Limited	India	33.33%

The aggregate cost of investments in the aforesaid Associates at the year end is Rs.52,167 (2010 - Rs.Nil) as reflected in Schedule 6. In the absence of financial statements of the said Associates for the year ended 31st March 2011, the Group's share in their earnings/loss as there may be, for the year, together with its impact on the year-end carrying amount of investments, in such Associates, could not be ascertained and accounted for under equity method of accounting in accordance with AS 23 -"Accounting for Investments in Associates in Consolidated Financial Statements" prescribed under the Act.

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

	SSJV	SBSJV	SSBJV	SMJV	LSJV	JBC	SAWLL	SITL	SGC	HHSJV
Assets as at 31st March, 2011										
Fixed Assets (Net block)	-	26,330	-	-	-	712	19,748	64	-	27,771
	-	27,859	-	-	-	759	38,580	27	-	-
Deferred Tax Asset (Net)	-	-	-	-	-	45	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
Current Assets, Loans and Advances										
Inventories	-	-	-	-	-	9,750	756	-	-	-
	-	-	-	-	-	8,812	1,953	-	-	-
Sundry Debtors	-	313,318	141,844	119,030	284,140	36,731	24,961	-	58,179	57,898
	-	358,631	254,397	44,718	306,037	52,664	38,285	-	88,799	-
Cash and Bank Balances	4,892	871	507	2,268	382	3,395	3,877	70	30,216	39,097
	22,890	1,869	2,126	837	3,692	5,549	16,941	981	1,538	-
Other Current Assets	84	943	809	47	-	28	106	32	104	1,374
	29	-	-	-	-	31	46	41	-	-
Loans and Advances	6,193	30,368	54,468	19,842	26,853	8,563	29,960	43	3,825	49,881
	5,558	26,824	54,725	22,862	25,095	10,431	26,694	45	1,477	-
Total	11,169	371,830	197,628	141,187	311,375	59,224	79,408	209	92,324	176,021
	28,477	415,183	311,248	68,417	334,824	78,246	122,499	1,094	91,814	-
Liabilities as at 31st March, 2011										
Unsecured loans	-	-	-	-	-	-	-	5,813	-	-
	-	-	-	-	-	-	-	-	-	-
Deferred Tax Liability (Net)	-	1,049	-	-	-	-	-	-	-	-
	-	606	-	-	-	(59)	-	-	-	-
Current Liabilities and Provisions										
Liabilities	1,218	350,165	102,710	139,971	290,687	44,725	36,203	1,143	76,975	203,489
	19,204	394,966	217,867	67,711	314,688	70,764	56,385	1,486	77,266	-
Total	1,218	351,214	102,710	139,971	290,687	44,725	36,203	6,956	76,975	203,489
	19,204	395,572	217,867	67,711	314,688	70,705	56,385	1,486	77,266	-
Income for the year 2010-2011										
Contract Turnover	12,595	219,084	115,971	25,074	66,571	-	19,604	-	-	-
	99,708	287,069	611,125	11,204	699,251	-	102,622	-	-	-

Figures in normal type relate to previous year

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

	SSJV	SBSJV	SSBJV	SMJV	LSJV	JBC	SAWLL	SITL	SGC	HHSJV
Income for the year 2010-2011 (contd.)										
Other Operating Income	-	-	-	-	-	**136,396**	-	-	-	-
	-	-	-	-	-	118,337	-	-	-	-
Other Income	-	-	-	-	-	**(155)**	**1,155**	**(14)**	-	-
	11	-	-	-	-	-	66	-	-	-
Total	**12,595**	**219,084**	**115,971**	**25,074**	**66,571**	**136,241**	**20,759**	**(14)**	-	-
	99,719	287,069	611,125	11,204	699,251	118,337	102,688	-	-	-
Expenses for the year 2010-2011										
Contract Expenses	**11,931**	**214,702**	**113,350**	**24,322**	**65,590**	-	**18,392**	-	-	-
	93,608	281,328	597,314	10,868	688,993	-	68,640	-	-	-
Interest and Finance Charges (Net)	**(347)**	**(511)**	**(502)**	**(5)**	**1**	**261**	**(1,459)**	**283**	**(1,159)**	**(4,504)**
	(1,151)	(86)	1	2	102	301	450	2	(1,108)	-
Amortisation of Tools	-	-	-	-	-	**27**	**1,093**	-	-	-
	-	-	-	-	-	27	2,326	-	-	-
Depreciation	-	**1,529**	-	-	-	**46**	**18,976**	**21**	-	**2,236**
	-	1,529	-	-	-	46	18,510	1	-	-
Other Administrative and Operating	**30**	**104**	**64**	**18**	**99**	**125,835**	**3,227**	**5,971**	-	**66**
Expenses etc.	55	76	85	27	384	115,060	4,616	1,776	-	-
Total	**11,614**	**215,824**	**112,912**	**24,335**	**65,690**	**126,169**	**40,229**	**6,275**	**(1,159)**	**(2,202)**
	92,512	282,847	597,400	10,897	689,479	115,434	94,542	1,779	(1,108)	-
Results										
Profit / (Loss) before Taxation	**981**	**3,260**	**3,059**	**739**	**881**	**10,072**	**(19,470)**	**(6,289)**	**1,159**	**2,202**
	7,207	4,222	13,725	307	9,772	2,903	8,146	(1,779)	1,108	-
Current Tax	**303**	**1,811**	**1,522**	**228**	**329**	**3,100**	-	-	**358**	**1,070**
	2,250	2,470	7,645	95	3,631	967	-	-	342	-
Fringe Benefit Tax	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	38	-	-	-	-
Deferred Tax	-	**444**	-	-	-	**14**	-		-	-
	-	606	-	-	-	(54)	-	-	-	-
Profit / (Loss) After Taxation	**678**	**1,005**	**1,537**	**511**	**552**	**6,958**	**(19,470)**	**(6,289)**	**801**	**1,132**
	4,957	1,146	6,080	212	6,141	1,952	8,146	(1,779)	766	-

Figures in normal type relate to previous year

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4. (a) There are outstanding guarantees given by Banks amounting to Rs.28,688,807 (2010 - Rs.23,127,527).
(b) Bills discounted with Banks Rs.2,989 (2010 - Rs.51,443).

5. Year-end Deferred Tax balances comprise the following :
(a) In respect of the Parent Company and a Joint Venture

	As at 31st March, 2011	As at 31st March, 2010
Tax impact due to timing differences resulting in liabilities / (assets) on account of Depreciation as per tax law and books	644,082	597,746
Part of the revenue not taxable based on terms of contract (Net)	763,506	305,802
Provision for doubtful debts / advances etc.	(14,408)	(11,119)
Items admissible on payment basis	(11,626)	(8,609)
Net Deferred Tax Liability	**1,381,554**	**883,820**
(b) In respect of a Joint Venture		
Tax impact due to timing differences resulting in liabilities / (assets) on account of Depreciation as per tax law and books	(63)	-
Items admissible on payment basis	108	-
Net Deferred Tax Asset	**45 @**	-

@ Excluding Rs.3 (2010- Rs.Nil) in respect of a subsidiary acquired during the year and has been charged to the Profit and Loss Account for the year.

6. (a) The Group has entered into non-cancellable operating lease for office, warehouses and employee accommodation. The obligation for non-cancellable operating lease is Rs.103,583 (2010 - Rs.90,567) payable within one year and Rs.97,767 (2010 - Rs.121,609) payable later than one year but not later than five years and payable after five years Rs.148,869 (2010 - Rs.170,858) as on 31st March,2011. Rental expenses towards non-cancellable operating lease charged to the Profit and Loss Account for the year amounts to Rs.168,736 (2010 - Rs.225,581).

(b) The Group has entered into cancellable operating lease for office, warehouses and employee accommodation. Tenure of leases generally vary between 1 to 3 years. Terms of the lease include operating term for renewal, terms of cancellation, etc.. Related lease rentals aggregating Rs.59,723 (2010 - Rs.74,756) have been debited to Profit and Loss Account during the year.

7. Contingent Liabilities:

	31st March, 2011	31st March, 2010
a) Claims not acknowledged as Debts		
Interest (others)	600	600
Professional Tax	434	434
b) Uncalled liability on partly paid shares	100	100

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7. Contingent Liabilities (contd.):

	31st March, 2011	31st March, 2010
c) Sales Tax / Value Added Tax	260,582	261,699
d) Entry Tax	16,051	1,387
e) Income Tax [Also refer item (g) below]	3,990	3,990
f) Service Tax [Also refer item (h) and (i) below]	75,929	46,012

g) SIMPLEX claimed certain deduction under the provision of the Income-tax Act,1961 up to the Assessment year 2009-10. In respect of the Assessment Years 2005-06 to 2008-09 the deduction was disallowed by the Income Tax Authorities and for those Assessment Years, SIMPLEX's appeals are currently pending before the said appellate authorities. However, on the basis of legal opinion obtained, SIMPLEX, being eligible to such benefit, has challenged the issue by a writ petition before the Hon'ble Calcutta High Court and obtained interim stay order from the said High Court restraining the Tax Authorities from enforcing any demand against SIMPLEX. In the meantime on the basis of direction of the Hon'ble Supreme Court, the case has been transferred to Hon'ble Bombay High Court for hearing with other similar cases where the matter is pending. The estimated tax impact in this regard is Rs.159,692 (2010 - Rs.256,594).

h) Show-cause cum demand notices for Rs.989,237 (2010 - Rs.989,237) on certain matter relating to Service Tax issued by the concerned Tax Authorities in Kolkata during previous years have been challenged by SIMPLEX by writ petitions currently pending before the Hon'ble Calcutta High Court. Further, show-cause cum demand aggregating Rs.148,091 (2010 - Rs.66,943) and Rs.20,779 (2010 - Rs.81,148) on similar matter relating to Service Tax issued by the concerned tax authorities in Delhi during previous year and current year respectively have also been challenged/is being challenged by SIMPLEX before the Hon'ble Delhi High Court. According to a legal opinion obtained in this regard, the contention of the Tax Authorities and consequent demand of Service Tax is not valid in law. Based on the aforesaid legal opinion the management is of the view that disputed tax amount, though not admitted in this regard should not exceed Rs.106,523 (2010 - Rs.102,199).

i) A Joint Venture in the Group received a show-cause cum demand notice for Rs.17,040 (2010 - Rs.17,040) issued by the Commissioner of Service Tax which has been challenged by the enterprise by writ petition currently pending before the Jharkhand High Court. According to a legal opinion obtained in this regard, the contention of the service tax authorities and consequent demand of service tax is not valid in law.

8. Capital commitments not provided for Rs.277,122 (Net of advance) (2010 - Rs.207,137).

9. Other Debts include retention money, not due for payment as per related terms of contract:

	31st March, 2011	31st March, 2010
- More than Six Months	3,718,099	2,946,933
- Others	768,912	722,509

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10. Year-end exchange fluctuation loss of Rs.73,411 (2010 - Rs.60,972) pertaining to a foreign currency loan, which is fully hedged by derivative contracts with a period end mark to market gain of Rs.77,586 (2010 - Rs.80,149), has not been provided for as according to management the loan is fully hedged and the aforesaid loss / gain are notional in nature.

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

12. Other Operating Income represents income from operation of oil drilling rig.

13. EMPLOYEE BENEFITS.

a) In Terms of the Guidance on implementing Accounting Standard (AS) 15 on Employee Benefits issued by the Accounting Standard Board of the Institute of Chartered Accountants of India, a Provident Fund set up by SIMPLEX is treated as a defined benefit plan in view of SIMPLEX's obligation to meet interest shortfall, if any. However, there is no such interest shortfall at the year end. According to the management on the basis of consultation with an actuary, actuarial valuation cannot be applied reliably to measure Provident Fund liabilities as at the year end in the absence of any guidance from the Actuarial Society of India. Accordingly, complete information required to be considered as per AS 15 in this regard are not available and the same could not be disclosed. During the year, SIMPLEX has contributed Rs.39,928 (2010 - Rs.33,633) to the Provident Fund.

b) Defined Contribution Plans.

During the year an amount of Rs.40,538 (2010 - Rs.32,461) has been recognised as expenditure towards Defined Contribution Plans.

c) 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, make payment to vested employees on retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's eligible salary (half month's salary) depending upon the tenure of service subject to a maximum limit of twenty months salary or amount payable under Payment of Gratuity Act whichever produces higher benefit. Vesting occurs upon completion of five years of

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service. Liabilities with regard to the Gratuity plan are determined by actuarial valuation as set out in Note 1(k) above, based upon which, the Group makes contribution to the Gratuity fund.

b) Gratuity (Unfunded)

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

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

Liabilities with regard to the aforesaid unfunded gratuity plans are determined by actuarial valuation as set out in Note 1(k) above.

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

The Group provides for End of Service Benefit / Severance Pay / Indemnities Benefit Scheme (unfunded) defined benefit retirement plans covering eligible employees. As per the schemes, the Group makes payment to vested employees on retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's eligible salary for specified number of days (ranging from fifteen days to one month) depending upon the tenure of service (maximum limit varies from one month to twenty four months). Vesting occurs upon completion of one year of service. Liabilities with regard to the End of Service Benefit / Severance Pay / Indemnities Benefit Scheme (unfunded) are determined by actuarial valuation as set out in Note 1(k) above.

iii) 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 days outstanding based on last drawn salary.

An overseas joint venture company provides for accumulated leave benefit for eligible employees payable at the time of retirement of service based on last drawn salary.

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Following are the further particulars with respect to Defined Benefit Plans for the year ended 31st March, 2011:-

	Gratuity (Funded)	Gratuity (Unfunded)	ESB/SP/IBS (Unfunded)	LES (Unfunded)
I. Reconciliation of opening and closing balances of the present value of the Defined Benefit Obligation				
(a) Present Value of Obligation at the beginning of the year	**181,551**	**228**	**54,002**	**25,293**
	160,139	*-*	*54,832*	*19,642*
(b) Current Service Cost	**17,249**	**95**	**19,290**	**2,141**
	15,418	*60*	*25,596*	*2,017*
(c) Interest Cost	**14,777**	**19**	**2,902**	**1,453**
	12,577	*-*	*2,937*	*1,520*
(d) Actuarial (Gain)/Loss	**472**	**52**	**14,539**	**13,595**
	(5,912)	*168*	*3,604*	*3,541*
(e) Past Service Cost	-	-	-	-
	5,190	*-*	*-*	*-*
(f) (Benefits Paid)	**(4,878)**	-	**(38,485)**	**(14,253)**
	(5,861)	*-*	*(25,138)*	*(1,274)*
(g) Exchange differences of foreign plans	-	**(9)**	**(1,121)**	**(305)**
	-	*-*	*(7,829)*	*(153)*
(h) Present Value of Obligation at the end of the year	**209,171**	**385**	**51,127**	**27,924**
	181,551	*228*	*54,002*	*25,293*
II. Reconciliation of opening and closing balances of the fair value of Plan Assets				
(a) Fair Value of Plan Assets at the beginning of the year	**185,128**	-	-	-
	121,629	*-*	*-*	*-*
(b) Expected Return on Plan Assets	**15,691**	-	-	-
	11,647	*-*	*-*	*-*
(c) Actuarial Gain/(Loss)	**845**	-	-	-
	3,928	*-*	*-*	*-*
(d) Contributions by employer	**15,000**	-	-	-
	53,785	*-*	*-*	*-*
(e) (Benefits Paid)	**(4,878)**	-	-	-
	(5,861)	*-*	*-*	*-*
(f) Fair Value of Plan Assets as at the end of the year	**211,786**	-	-	-
	185,128	*-*	*-*	*-*

Figures in italics pertain to previous year

(Rupees in Thousand)

Schedule 18

Notes on Accounts

	Gratuity (Funded)	Gratuity (Unfunded)	ESB/SP/IBS (Unfunded)	LES (Unfunded)
III. Reconciliation of the present value of Defined Benefit Obligation in 'I' above and the fair value of Plan Assets in 'II' above				
(a) Present Value of Obligation as at the end of the year	**209,171**	**385**	**51,127**	**27,924**
	181,551	*228*	*54,002*	*25,293*
(b) Fair Value of Plan Assets as at the end of the year	**211,786**	-	-	-
	185,128	-	-	-
(c) (Asset)/Liability recognised in the Balance Sheet	**(2,615)**	**385**	**51,127**	**27,924**
	(3,577)	*228*	*54,002*	*25,293*
IV. Expense charged to the Profit and Loss Account				
(a) Current Service Cost	**17,249**	**95**	**19,290**	**2,141**
	15,418	*60*	*25,596*	*2,017*
(b) Interest Cost	**14,777**	**19**	**2,902**	**1,453**
	12,577	-	*2,937*	*1,520*
(c) (Expected Return on Plan Assets)	**(15,691)**	-	-	-
	(11,647)	-	-	-
(d) Past Service Cost	-	-	-	-
	5,190	-	-	-
(e) Actuarial (Gain)/Loss	**(373)**	**52**	**14,539**	**13,595**
	(9,840)	*168*	*3,604*	*3,541*
(f) Total expense charged to the Profit and Loss Account	**15,962 ***	**166 #**	**36,731 ****	**17,189 ****
	11,698	*228*	*32,137*	*7,078*

* recognised under Contribution to Provident and Other Funds in Schedule 17.

** recognised under Salaries and Bonus in Schedule 17.

recognised under Employees Cost in Schedule 17.

Figures in italics pertain to previous year

Consolidated Financial Statements of Simplex Infrastructures Limited and its Subsidiaries

(Rupees in Thousand)

Schedule 18

Notes on Accounts

	Gratuity (Funded)	Gratuity (Unfunded)	ESB/SP/IBS (Unfunded)	LES (Unfunded)
V. Category of Plan Assets				
Central Government Securities	**38,500**	**NA**	**NA**	**NA**
	30,898	*NA*	*NA*	*NA*
State Government Securities	**14,350**	**NA**	**NA**	**NA**
	10,196	*NA*	*NA*	*NA*
Public Securities	**132,674**	**NA**	**NA**	**NA**
	122,040	*NA*	*NA*	*NA*
Private Sector Bond	**14,000**	**NA**	**NA**	**NA**
	11,366	*NA*	*NA*	*NA*
Bank Balances	**5,653**	**NA**	**NA**	**NA**
	4,453	*NA*	*NA*	*NA*
Others	**6,609**	**NA**	**NA**	**NA**
	6,175	*NA*	*NA*	*NA*
	211,786	**NA**	**NA**	**NA**
	185,128	*NA*	*NA*	*NA*
VI. Actual Return on Plan Assets	**16,536**	**NA**	**NA**	**NA**
	15,575	*NA*	*NA*	*NA*
VII. Principal Actuarial Assumptions as at 31st March, 2011				
(a) Discount Rate (per annum)	**8.35%**	**8.35%**	**8.35%**	**8.35%**
	8.25%	*8.25%*	*8.25%*	*8.25%*
(b) Expected Rate of Return on Plan Assets (per annum)	**8.25%**	**NA**	**NA**	**NA**
	8.00%	*NA*	*NA*	*NA*
(c) Salary Escalation				
Permanent Employees	**4.50%**	**4.50%**	**4.50%**	**4.50%**
	4.50%	*4.50%*	*4.50%*	*4.50%*
Contractual Employees	**4.50%**	**4.50%**	**-**	**-**
	4.50%	*4.50%*	*-*	*-*

Figures in italics pertain to previous year

Schedule 18

Notes on Accounts

(Rupees in Thousand)

VIII. Other Disclosures

	2010-2011				2009-2010				2008-2009			
	Gratuity (Funded)	Gratuity (Unfunded)	ESB/SP/IBS (Unfunded)	LES (Unfunded)	Gratuity (Funded)	Gratuity (Unfunded)	ESB/SP/IBS (Unfunded)	LES (Unfunded)	Gratuity (Funded)	Gratuity (Unfunded)	ESB/SP/IBS (Unfunded)	LES (Funded)
a) Present Value of the Plan obligation as at the end of the year	209,171	385	51,127	27,924	181,551	228	54,002	25,293	160,139	-	54,832	19,642
b) Fair Value of Plan Assets as at the end of the year	211,786	-	-	-	185,128	-	-	-	121,629	-	-	-
c) (Surplus) / Deficit as at the end of the year	(2,615)	385	51,127	27,924	(3,577)	228	54,002	25,293	38,510	-	54,832	19,642
d) Experience Adjustments on Plan Obligation [(Gain) / Loss]	1,246	53	14,845	13,734	(5,021)	-	8,818	2,378	28,355	-	37,042	7,548
e) Experience Adjustments on Plan Assets [Gain / (Loss)]	845	-	-	-	3,928	-	-	-	1,225	-	-	-

The estimates of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors.
The expected rate of return on plan assets is based on the portfolio of assets held, investment strategy and market scenario.

14. Information in accordance with the requirements of the Accounting Standard (AS) 7 on 'Construction Contracts' prescribed under the Act.

	2010-2011	2009-2010
Contract revenue recognised for the year ended 31st March, 2011	48,753,183	45,524,664
Aggregate amount of contract costs incurred and recognised profits (less recognised losses) up to 31st March, 2011 for all the contracts in progress	92,933,637	102,780,415
The amount of customer advances outstanding for contracts in progress as at 31st March, 2011	6,596,892	6,074,250
The amount of retention due from customers for contracts in progress as at 31st March, 2011	2,195,668	3,007,889
Gross amount due from customers for contracts in progress [included in Work in Progress Rs.486,281 (2010 - Rs.415,231) and Sundry Debtors Rs.5,979,455 (2010 - Rs.5,082,075)]	6,465,737	5,509,773
Gross amount due to customers for contracts in progress [Net of Work in Progress Rs.17 (2010 - Rs.2,131)]	555,545	152,089

Consolidated Financial Statements of Simplex Infrastructures Limited and its Subsidiaries

(Rupees in Thousand)

Schedule 18

Notes on Accounts

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

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

Names of Related Parties	Relationship
Simplex – Gayatri Consortium	Joint Venture
HO-HUP-Simplex Joint Venture	- Do -
Simplex - Subhash Joint Venture	- Do -
Somdatt Builders - Simplex Joint Venture	- Do -
Simplex Almoayyed W.L.L.	- Do -
Simplex - Somdatt Builders Joint Venture	- Do -
Laing - Simplex Joint Venture	- Do -
Simplex Meinhardt Joint Venture	- Do -
Jaybee Simplex Consortium	- Do -
Simplex Infrastructures (Thailand) Limited	- Do -
Shree Jagannath Expressways Private Limited @	Associate
Raichur Sholapur Transmission Company Limited #	- Do -
Mr. B.D.Mundhra	Key Management Personnel (KMP)
Mr. A.D.Mundhra	- Do -
Mr. Apurba Mukherjee	- Do -
Mr. Rajiv Mundhra	- Do -
Mr. S.Dutta	- Do -
Mrs. Krishna Devi Mundhra	Relatives of KMP
Mrs. Yamuna Mundhra	- Do -
Mrs. Savita Bagri	- Do -
Mrs. Sarmistha Dutta	- Do -
Mr. Subhabrata Dutta	- Do -
Mr. Sumit Dutta	- Do -
Mrs. Anuja Mundhra	- Do -
Mrs. Savita Mundhra	- Do -
Master Shreyan Mundhra	- Do -
Mr.Sreemohan Das Mundhra	- Do -
Giriraj Apartments Pvt. Ltd.	Entities over which KMP has significant influence
Mundhra Estates	- Do -
Safe Builders	- Do -
RBS Credit & Financial Development Private Limited	- Do -
Anupriya Consultants Private Limited	- Do -
Baba Basuki Distributors Private Limited	- Do -
Asnew Finance & Investment Private Limited	- Do -
Parop Finance & Investment Private Limited	- Do -
Anjali Trade Links Private Limited	- Do -
Universal Earth Engineering Consultancy Private Limited	- Do -
Varuna Multifin Pvt. Ltd.	- Do -
East End Trading & Engineering Co. Pvt. Ltd.	- Do -
Ajay Merchants Pvt. Ltd.	- Do -
Sandeepan Exports (P) Ltd.	- Do -
Simplex Technologies Pvt. Ltd.	- Do -

@ with effect from 24 July, 2010

with effect from 5 January, 2011

Schedule 18

Notes on Accounts

15. Related party disclosure pursuant to Accounting Standard 18 prescribed under the Act. (contd.)

(Rupees in Thousand)

Name and Relationship	Transactions during the year												Balance outstanding at the year end					
	Dividend Paid	Gross Billing on Contract	Other Expenses	Rent Paid / Hire Charges	Hire Charges Received / Receivable	Loans Given / (Received) (Net)	Provision for Doubtful Advances	Managerial Remune-ration	Interest Received/ Receivable	Invest-ment made during the year	Reimbu-rsement/ (Recovery) of expense (Net)	Advance against Invest-ments	Sundry Debtors	Other Current Assets	Loans and Advances (net of provision)	Current Liabilities	Investment (net of provision)	Guarantees Given
Joint Ventures *																		
Simplex-Gayatri Consortium	-	-	-	-	-	-	-	-	-	-	-	-	28,440	-	30	58	-	-
	-	-	-	-	-	-	-	-	-	-	6	-	*28,450*	-	*30*	*58*	-	-
Ho-Hup-Simplex Joint Venture	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	*28,600*	-	-	-	-	-	-	-	-	-	*163,453*	-	*7,542*	-	-	*375,336*
Simplex-Subash Joint Venture	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	*246*	-	-	-
Somdatt Builders - Simplex Joint Venture	-	178,291	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	*276,026*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Simplex-Somdatt Builders Joint Venture	-	68,116	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	*471,959*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Simplex Almoayyed W.L.L.	-	-	-	-	-	-	-	-	-	-	143	-	-	-	143	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Jaybee Simplex Consortium	-	-	-	-	20,000	-	-	-	-	-	2,173	-	-	-	16,979	-	-	24,011
	-	-	-	-	*20,000*	-	-	-	-	-	*3,119*	-	*3*	-	*30,163*	-	-	*16,788*
Simplex Meinhardt Joint Venture	-	121,610	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	*54,342*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Simplex Infrastructures (Thailand) Limited	-	-	-	-	-	6,020	3,433	-	270	-	-	-	-	270	3,433	-	-	750
	-	-	-	-	-	-	-	-	-	-	*995*	-	-	-	*995*	-	-	-
Total	-	368,017	-	-	20,000	6,020	3,433	-	270	-	2,316	-	28,440	270	20,592	58	-	24,761
	-	*802,327*	*28,600*	-	*20,000*	-	-	-	-	-	*4,120*	-	*191,906*	-	*38,976*	*58*	-	*392,124*
Associate																		
Shree Jagannath Expressways Private Limited	-	808,715	-	-	-	-	-	-	-	52,000	4,875	8	693,715	-	4,883	290,899	52,000	728,000
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Raichur Sholapur Transmission Company Limited	-	-	-	-	-	-	-	-	-	167	-	62,778	-	-	62,778	-	167	46,000
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	808,715	-	-	-	-	-	-	-	52,167	4,875	62,786	693,715	-	67,661	290,899	52,167	774,000
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Key Management Personnel (KMP)																		
Mr. B.D. Mundhra	5,590	-	-	-	-	-	-	10,946	-	-	-	-	-	-	-	600	-	-
	5,590	-	-	-	-	-	-	*8,461*	-	-	-	-	-	-	-	*500*	-	-
Mr. A.D. Mundhra	4,023	-	-	-	-	-	-	6,141	-	-	-	-	-	-	-	420	-	-
	3,923	-	-	-	-	-	-	*5,503*	-	-	-	-	-	-	-	*385*	-	-
Mr. Rajiv Mundhra	3,678	-	-	-	-	-	-	5,359	-	-	-	-	-	-	-	370	-	-
	3,608	-	-	-	-	-	-	*4,751*	-	-	-	-	-	-	-	*335*	-	-
Mr. Apurba Mukherjee	1	-	-	-	-	-	-	5,255	-	-	-	-	-	-	-	270	-	-
	1	-	-	-	-	-	-	*4,852*	-	-	-	-	-	-	-	*260*	-	-
Mr. S.Dutta	1	-	-	-	-	-	-	3,993	-	-	-	-	-	-	-	230	-	-
	1	-	-	-	-	-	-	*3,727*	-	-	-	-	-	-	-	*220*	-	-
Total	13,293	-	-	-	-	-	-	31,694	-	-	-	-	-	-	-	1,890	-	-
	13,123	-	-	-	-	-	-	*27,294*	-	-	-	-	-	-	-	*1,700*	-	-
Relatives of KMP																		
Mrs. Yamuna Mundhra	4,587	-	-	96	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	4,587	-	-	*96*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mrs. Krishna Devi Mundhra	420	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	420	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mrs. Savita Bagri	4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Subhabrata Dutta	-	-	-	264	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	*204*	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Figures in italics pertain to previous year

Consolidated Financial Statements of Simplex Infrastructures Limited and its Subsidiaries

Schedule 18

Notes on Accounts

15. Related party disclosure pursuant to Accounting Standard 18 prescribed under the Act. (contd.)

(Rupees in Thousand)

Name and Relationship	Transactions during the year												Balance outstanding at the year end					
	Dividend Paid	Gross Billing on Contract	Other Expenses	Rent Paid / Hire Charges	Hire Charges Received / Receivable	Loans Given / (Received) (Net)	Provision for Doubtful Advances	Managerial Remune-ration	Interest Received/ Receivable	Invest-ment made during the year	Reimbu-rsement/ (Recovery) of expense (Net)	Advance against Invest-ments	Sundry Debtors	Other Current Assets	Loans and Advances (net of provision)	Current Liabilities	Investment (net of provision)	Guarantees Given
Relatives of KMP (Contd.)																		
Mrs. Sarmistha Dutta	-	-	-	264	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	*204*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Sumit Dutta	-	-	-	264	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	*204*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mrs. Anuja Mundhra	160	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mrs. Savita Mundhra	200	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Master Shreyan Mundhra	60	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Sreemohan Das Mundhra	567	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	5,998	-	-	888	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	5,011	-	-	*708*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Entities over which KMP has significant influence																		
Giriraj Apartments Pvt. Ltd.	181	-	-	207	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	181	-	-	*207*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mundhra Estates	-	-	-	304	-	-	-	-	-	-	-	-	-	75	-	-	-	-
	-	-	-	*302*	-	-	-	-	-	-	-	-	-	*75*	-	-	-	-
Safe Builders	-	-	-	180	-	-	-	-	-	-	-	-	-	70	-	-	-	-
	-	-	-	*180*	-	-	-	-	-	-	-	-	-	*70*	-	-	-	-
RBS Credit & Financial Development Private Limited	8,995	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	8,995	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Anupriya Consultants Private Limited	14,180	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	14,180	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Baba Basuki Distributors Private Ltd.	3,992	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	3,942	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Asnew Finance & Investment Private Ltd.	563	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	563	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Anjali Trade Links Private Limited	1,500	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	1,500	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Universal Earth Engineering Consultancy Private Limited	236	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	236	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Varuna Multifin Pvt. Ltd.	339	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	339	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
East End Trading & Engineering Co. Pvt. Ltd.	2,506	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	2,506	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ajay Merchants Pvt. Ltd.	83	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	83	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sandeepan Exports (P) Ltd.	2,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	2,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Parop Finance & Investment Pvt. Ltd.	299	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	299	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Simplex Technologies Pvt. Ltd.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	61	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	*61*	-	-	-
Total	34,874	-	-	691	-	-	-	-	-	-	-	-	-	145	61	-	-	-
	34,824	-	-	*689*	-	-	-	-	-	-	-	-	-	*145*	*61*	-	-	-
Grand Total	54,165	1,176,732	-	1,579	20,000	6,020	3,433	31,694	270	52,167	7,191	62,786	722,155	415	88,314	292,847	52,167	798,761
	52,958	*802,327*	*28,600*	*1,397*	*20,000*	-	-	*27,294*	-	-	*4,120*	-	*191,906*	*145*	*39,037*	*1,758*	-	*392,124*

* Transactions and balances relating to Joint Ventures are net of amounts considered in these accounts under proportionate consolidation method.
Figures in italics pertain to previous year

(Rupees in Thousand)

Schedule 18

Notes on Accounts

16. Computation of Earning Per Share (Basic and Diluted)

	2010-2011	2009-2010
(I) Basic		
(a) (i) Number of Equity Shares at the beginning of the year	49,472,330	49,472,330
(ii) Number of Equity Shares at the end of the year	49,472,330	49,472,330
(iii) Weighted average number of Equity Shares outstanding during the year	49,472,330	49,472,330
(iv) Face Value of each Equity Share (In Rs.)	2/-	2/-
(b) Profit after tax attributable to Equity Shareholders of the Parent Company		
Profit after Tax and Minority Interest	Rs.1,245,837	Rs.1,271,470
Basic Earning per Share [(b)/(a)(iii)] (In Rs.)	25.18	25.70
(II) Diluted		
(a) (i) Number of Potential Equity Shares at the beginning of the year	-	5,300,000
(ii) Number of Potential Equity Shares at the end of the year	-	-
(iii) Weighted Average number of Dilutive Potential Equity Shares outstanding during the year	-	-
(iv) Weighted Average number of Equity Shares considered for computation of Diluted Earnings per share [I(a)(iii)+II(a)(iii)]	49,472,330	49,472,330
(b) Diluted Earnings per Share [I(b)/II(a)(iv)] (In Rs.)	25.18	25.70

17. (a) Depreciation for the year and year-end Accumulated Depreciation includes approximately Rs.47,764 (2010 - Rs.29,825) and Rs.101,129 (2010 - Rs.53,783) respectively computed by foreign subsidiaries and foreign Joint Venture companies applying different depreciation rates as set out in Note 1(b)(vi) above. The impact thereof on depreciation charge for the year and year-end accumulated depreciation are not ascertainable at this stage.

(b) In respect of a Joint Venture Company, year-end Inventory or Materials at Site amounting to Rs.135 (2010 - Rs.271) (which represent an insignificant part of the Group), has been valued by applying Weighted Average Method which is different from the method followed by the parent company and other entities of the Company as set out in Note 1(e) above.

18. Particulars of Oil Drilling Rig and its components (included in Plant and Machinery under Schedule 5) given to Jaybee Simplex Consortium on cancellable operating lease:

	2010-2011	2009-2010
Original Cost	417,732	417,732
Addition during the year	2,785	-
Accumulated Depreciation	131,596	88,040
Depreciation charged during the year	43,556	43,193
Income from lease rent	20,000	20,000

Consolidated Financial Statements of Simplex Infrastructures Limited and its Subsidiaries

(Rupees in Thousand)

Schedule 18

Notes on Accounts

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

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

	Construction	Others	Total of Reportable Segment
External Sales (including Other Operating Income)	**48,753,183** 45,524,664	**136,396** 118,337	**48,889,579** 45,643,001
Inter Segment Sales	- -	- -	- -
Other Income	**203,168** 120,959	**20,124** 12,186	**223,292** 133,145
Segment Revenue	**48,956,351** 45,645,623	**156,520** 130,523	**49,112,871** 45,776,146
Segment Result	**3,847,222** 3,333,997	**21,640** 16,965	**3,868,862** 3,350,962
Segment Assets	**47,337,267** 40,265,027	**605,234** 433,973	**47,942,501** 40,699,000
Segment Liabilities	**20,008,253** 17,089,618	**82,444** 10,439	**20,090,697** 17,100,057
Capital Expenditure	**2,386,024** 1,133,416	**2,785** -	**2,388,809** 1,133,416
Depreciation	**918,189** 876,489	**43,603** 43,240	**961,792** 919,729
Non cash expenses other than depreciation	**731,502** 942,098	**1,136** 27	**732,638** 942,125

Reconciliation of Reportable Segments with the Financial Statements

	Revenues	Results/Net Profit	Assets	Liabilities *
Total of Reportable Segments	**49,112,871** 45,776,146	**3,868,862** 3,350,962	**47,942,501** 40,699,000	**20,090,697** 17,100,057
Corporate - Unallocated (Net)	**636** 26,349	**(540,794)** (223,347)	**1,467,505** 641,922	**18,377,192** 14,410,662
Inter Segment Sales	- -	- -	- -	- -
Interest and Finance Charges (Net)	- -	**(1,324,633)** (1,122,004)	- -	- -

Figures in normal type relate to previous year.

Schedule 18

(Rupees in Thousand)

Notes on Accounts

Reconciliation of Reportable Segments with the Financial Statements (contd.)

	Revenues	Results/Net Profit	Assets	Liabilities *
Provision for Taxation - Current	-	**(245,932)**	-	-
(Net of MAT Credit Entitlement)	-	(409,717)	-	-
Provision for Taxation - Fringe Benefit	-	-	-	-
	-	(38)	-	-
Provision for Taxation - Deferred	-	**(497,692)**	-	-
	-	(305,053)	-	-
As per Financial Statements	**49,113,507**	**1,259,811**	**49,410,006**	**38,467,889**
	45,802,495	1,290,803	41,340,922	31,510,719
		@		

* Excluding Shareholders' Fund and Minority Interest.

@ Profit After Tax and Before Minority Interest.

Secondary Segment Reporting (by Geographical Segments)

	India	Other Asian Countries	Africa	Total
Revenues	**41,720,136**	**7,392,599**	**136**	**49,112,871**
	34,053,028	11,723,118	-	45,776,146
Total Assets	**39,658,232**	**7,895,076**	**389,193**	**47,942,501**
	32,291,054	8,407,946	-	40,699,000
Capital Expenditure	**2,188,590**	**138,645**	**61,574**	**2,388,809**
	1,074,300	59,116	-	1,133,416

Figures in normal type relate to previous year.

20. Research and Development Expenditure (Revenue) (as allocated by the management) is amounting to Rs.8,202 (2010 - Rs.5,050) for the year.

21. MAT Credit Entitlement of Rs.179,022 (2010 - Rs.Nil) pertaining to the Parent Company, recognised in these accounts, relates to an earlier year which has since been allowed to be carried forward by the Income Tax authorities after completion of assessment.

22. Figures for the previous year are regrouped / rearranged wherever necessary to make the same comparable with the current year's figures. However, in view of addition of a Joint Venture and a Subsidiary referred to in Note 2(a) above respectively, current year figures are not comparable with the previous year.

Signatures to Schedules 1 to 18

For **Price Waterhouse**
Firm Registration Number : 301112E
Chartered Accountants

(P. Law)
Partner
Membership Number : 51790
Kolkata, 30th May, 2011

B.L.Bajoria
Secretary

B.D.Mundhra
Chairman & Managing Director

S.Dutta
Director

Mumbai, 30th May, 2011

Consolidated Cash Flow Statement of Simplex Infrastructures Limited and its Subsidiaries

for the year ended 31st March, 2011

(Rupees in Thousand)

	2010–2011		2009–2010	
A. CASH FLOW FROM OPERATING ACTIVITIES:				
Net Profit before Tax and Minority Interest		2,003,435		2,005,611
Adjustments for:				
Depreciation	963,537		921,475	
Interest (Net)	1,055,046		895,681	
(Profit) / Loss on sale of Fixed Assets	(4,241)		3,206	
Bad Debts / Advances written off (Net of Provision written back)	13,702		265,227	
Provision for Doubtful Debts / Advances	12,570		22,409	
Amortisation of Tools	706,265		651,363	
Fixed Assets Written off	101		3,126	
Liability no longer required written back	(69,164)		(7,508)	
Wealth Tax	806		717	
Provision for Derivative Loss	7,092		4,302	
Dividend from Current Investments	(558)		-	
Dividend from Long Term Investments	(77)		(70)	
Forward Premium Amortised	16,581		16,669	
Exchange (Gain)/ Loss (Net)	(2,384)		(15,457)	
Effect of Changes in Foreign Exchange Translation	(10,316)	2,688,960	(40,890)	2,720,250
Operating Profit before Working Capital Changes		4,692,395		4,725,861
Adjustments for:				
Trade and Other Receivables	(5,159,002)		(2,770,674)	
Inventories	(2,147,862)		(726,562)	
Trade Payables	2,897,311	(4,409,553)	358,669	(3,138,567)
Cash generated from operations		282,842		1,587,294
Direct Taxes (including Fringe Benefit Tax) Paid		(155,487)		(461,340)
Net Cash from Operating Activities		**127,355**		**1,125,954**
B. CASH FLOW FROM INVESTING ACTIVITIES:				
Purchase of Fixed Assets	(2,392,466)		(1,210,100)	
Sale of Fixed Assets	15,229		26,618	
Purchase of Investment	(335,311)		(20,500)	
Sale of Investment	185,022		100	
Investment in Associate Companies	(52,167)		-	
Acquisition of a Subsidiary Company	(488)		-	
Advance against Investments in Associate Companies	(62,786)		-	
Interest Received	59,864		91,559	
Investment (Others)	-		13,782	
Dividend Received	77		70	
Inter Corporate Loans Recovered	198,979		2,150	
Net Cash used in Investing Activities		**(2,384,047)**		**(1,096,321)**
Carried Forward		**(2,256,692)**		**29,633**

Consolidated Cash Flow Statement of Simplex Infrastructures Limited and its Subsidiaries

for the year ended 31st March, 2011 (contd.)

(Rupees in Thousand)

	2010–2011		2009–2010	
Brought Forward		**(2,256,692)**		**29,633**
C. CASH FLOW FROM FINANCING ACTIVITIES:				
Minority Interest in Share Capital of Subsidiaries	-		18,590	
Long term borrowings - Receipts / (Payments)	(361,248)		(1,495,927)	
Short term borrowings - Receipts / (Payments)	3,912,194		2,549,090	
Interest Paid	(1,239,407)		(1,030,852)	
Dividend Paid [including Dividend Tax Rs.16,433 (2010 - Rs.16,816)]	(115,251)		(115,537)	
Net Cash from / (used in) Financing Activities		**2,196,288**		**(74,636)**
Net (Decrease) in Cash and Cash Equivalents		**(60,404)**		**(45,003)**
D. Effects of Foreign Exchange Differences on Cash and Cash Equivalents		**(6,529)**		**(46,170)**
		(66,933)		**(91,173)**
Cash and Cash Equivalents as at 31st March, 2010 (Refer Schedule 9 to Accounts)	1,099,388		1,190,561	
Added on Consolidation [Note 2(d) on Schedule 18 to Accounts]	31,244		-	
Acquisition from a Subsidiary [Note 2(c) on Schedule 18 to Accounts]	488		-	
	1,131,120		**1,190,561**	
Cash and Cash Equivalents as at 31st March, 2011 (Refer Schedule 9 to Accounts)	**1,064,187**	**(66,933)**	**1,099,388**	**(91,173)**

Notes:

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

2 Schedules referred to above forms an integral part of the Consolidated Cash Flow Statement.

3 The above Consolidated Cash Flow Statement does not include Purchase of Fixed Assets amounting to Rs.Nil (2010 - Rs.20,846) during the year by way of conversion of Trade and Other Receivables being a non-cash item.

4 Refer Note 22 on Schedule 18 to Accounts.

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

For **Price Waterhouse**
Firm Registration Number : 301112E
Chartered Accountants

(P. Law)
Partner
Membership Number : 51790
Kolkata, 30th May, 2011

B.L.Bajoria
Secretary

B.D.Mundhra
Chairman & Managing Director

S.Dutta
Director

Mumbai, 30th May, 2011

Summary of Financial Information of Subsidiary Companies

Statement giving financial information of subsidiary companies for the year ended 31st March, 2011 in terms of General Circular no. 2/2011 dated 8 February, 2011 issued by Government of India, Ministry of Corporate Affairs under Section 212 (8) of the Companies Act, 1956.

(Rupees in Thousand)

Sl.No.	Particulars	Simplex Infrastructures L.L.C	Simplex (Middle East) Limited	Simplex Infrastructures Libya Joint Venture Co.	Simplex Infra Development Limited
1	Share Capital	28,907.50	1,818.00	55,350.00	60,000.00
2	Reserves and Surplus	180,172.34	(316.20)	(53,999.01)	(1,091.00)
3	Total Assets	701,441.28	1,679.66	143,320.12	116.00
4	Total Liabilities	492,361.00	177.86	141,969.13	2.00
5	Investments				
	- Units of Mutual Fund	-	-	-	6,821.00
	- Shares (except in Subsidiary Company)	-	-	-	51,974.00
6	Turnover	1,185,605.15	-	-	45.00
7	Profit / (Loss) before Taxation	103,506.07	(85.35)	40,917.54	(1,099.00)
8	Provision for Taxation	11,982.85	-	-	5.00
9	Profit / (Loss) after Taxation	91,523.22	(85.35)	40,917.54	(1,104.00)
10	Proposed Dividend	-	-	-	-
	Country	Sultanate of Oman	United Arab Emirates	Libya	India
	Currency of the Subsidiaries	OMR	AED	LYD	INR
	Closing exchange rate against Indian Rupee as on 31st March, 2011 (In Rs.)	115.63	12.12	36.90	

Notes:

1) The above figures are before elimination of inter-company balances and transactions.

2) The annual accounts of the above subsidiary companies will be made available to the shareholders upon requisition and also kept for inspection at the Registered Office of the Company.

NOTE

Simplex Infrastructures Limited

Regd Office: "SIMPLEX HOUSE", 27 Shakespeare Sarani, Kolkata - 700 017

D.P.ID	
Client ID	

Folio No.	
No. of Shares Held	

PROXY FORM

I/We .....

..... of ..... being a member(s) of Simplex Infrastructures Limited

..... do hereby appoint

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

..... of ..... as my/our proxy to attend and vote for me/us and on my/our behalf at the Ninety-third Annual General Meeting of the Company to be held at Gyan Manch, 11, Pretoria Street, Kolkata - 700 071 on Friday, 16th September, 2011 at 10.30 a.m. and at any adjournment/s thereof.

Signed this ..... day of 2011

Affix Revenue Stamp

(Signature of the shareholder)

Note: The proxy in order to be valid must be deposited with the Company at its Registered Office duly completed in all respects not less than forty-eight hours before the time fixed for holding the above meeting.

Simplex Infrastructures Limited

Regd Office: "SIMPLEX HOUSE", 27 Shakespeare Sarani, Kolkata - 700 017

D.P.ID	
Client ID	

Folio No.	
No. of Shares Held	

ATTENDANCE SLIP

Ninety-third Annual General Meeting - 16th September, 2011

I certify that I am a registered shareholder / proxy for the registered shareholder of the Company.

I hereby record my presence at the Ninety-third ANNUAL GENERAL MEETING of the Company at Gyan Manch 11, Pretoria Street, Kolkata - 700071 on Friday, 16th September, 2011 at 10.30 a.m. and at any adjournment/s thereof.

....

Member's /Proxy's name in (BLOCK LETTERS) Member's /Proxy's Signature

Note:
1. Please fill this attendance slip and hand it over at the Entrance of the Auditorium.
2. Shareholders are requested to bring their copy of the Annual Report as copies of the report will not be distributed at the Meeting.

Goa Shipyard Modernisation Project recently Completed and Commissioned

Simplex Infrastructures Limited

Registered Office

SIMPLEX HOUSE
27 Shakespeare Sarani Kolkata 700 017

www.simplexinfrastructures.com

concept, design & print anderson 9831778971