



Powering a growth story



Simplex Infrastructures Limited
Simple solutions for complex structures



It is a saga of overcoming challenges to reach new heights.
Of building higher, reaching deeper, of stretching the limits.
It is a tale of imagination and initiative to open new frontiers.
Of winning over competition and adversities to forge ahead.



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Launching Girder being erected for 10 KM Stretch Metro Railway Corridor between Joka and Mominpur in Kolkata



The Vision

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

The Leadership

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

The Winning Edge

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

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

Corporate Information

Board of Directors

Shri 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 Sheekishan Damani
Shri Kunal Shroff

Company Secretary

Shri B.L. Bajoria

Bankers

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



Construction of 24 Storied Residential Building including Podium – Land Tower at Doha, Qatar

Auditors

Price Waterhouse

Chartered Accountants

Plot No Y – 14

Block – EP, Sector – V,

Salt Lake Electronic Complex

Bidhan Nagar, Kolkata – 700 091

H.S. Bhattacharjee & Co.

Chartered Accountants

Kamalalaya Centre

3rd Floor, Room No – 316

156A, Lenin Sarani

Kolkata – 700 013

Registered Office

'SIMPLEX HOUSE'

27, Shakespeare Sarani

Kolkata - 700017

Administrative Office

12/1, Nellie Sengupta Sarani,

Kolkata - 700087

Branches (India)

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

Simplex House

48, (Old 21) Casa Major Road

Egmore, Chennai-600008

Branches (Overseas)

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, U.A.E

Oman

2nd Floor, Bldg No. 1915

Way No. 2137,

Nizwa House, M.Q.

P.O. Box-1797, P.C.-114

Muscat, Sultanate of Oman

Abu Dhabi

Mouza Mubarak Ali Ghanem

Al Qubaisi Building

2nd Floor, Room No. 207

Office No. 2 & 3,

P.O. Box 130764, Electra Street,

Abu Dhabi, U.A.E

Ethiopia

9th Floor, Kea Med Building

Post Box No. 46445,

Kazanchis, Addis Ababa, Ethiopia

Bangladesh

New 20 Comrade

Moni Singha Road

Old 62/1 Purana Paltan, Level - 4

Motijheel C/A, Dhaka - 1000

Bangladesh

Sri Lanka

68 Davidson Road

Colombo 4

Sri Lanka

Saudi Arabia

Jeddah, Madinah Road,

Saudi Business Centre,

Office No. 118

P.O. Box – 133277, Jeddah-21382

Kingdom of Saudi Arabia

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



*Construction of 4 X 270 MW Power Plant
at Chitorpur, Chandwa, Jharkhand*

Building landmarks across the nation

1920s

Simplex Concrete Piles (India) Ltd was founded in 1924 by Mr. H. P. Lancaster at Kolkata as the first company to introduce the simplex system of piling in India and South East Asia – a quantum jump in building stronger structures.

1930s

Started construction of major steel plants in 1935. Subsequently, Simplex has built several iron and steel plants for SAIL, IISCO, Tata, Jindal, Essar, Bhushan, Usha Ispat and others, laying the groundwork for the country's industrialization.

1940s

The prestigious King George Docks (Jawaharlal Nehru Port) constructed in Mumbai. The high-visibility project firmly established Simplex's credentials as one of the top construction engineers of India. After independence of India in 1947, ownership of Simplex passes into the hands of the Mundhra family.

1950s

Following Independence, Simplex begins building 'temples of modern India' with civil and structural construction of industrial projects. Also starts construction of residential buildings. In 1958, the first RCC framed structure in Asia - the 17- storey National Tower in Kolkata – comes up fetching widespread acclaim.

1960s

Simplex commences civil and structural construction of thermal power plants and also enters the urban utilities segment, setting up sewerage treatment plant in Howrah for HIT. In 1968, successfully embarks into marine construction, leading to an enduring association with all major ports in India.

1970s

Simplex installed India's deepest cast-in-situ driven piles (50m) at Cochin. Also wins largest single contract for soil densification at Bongaigaon based on indigenously developed technique. Turnover crosses 100 million rupees.

1980s

First overseas office established in Sri Lanka for the execution of projects. Within India, Simplex enters new areas of engineering excellence in the transport sector, such as roads, bridges and railway construction.

1990s

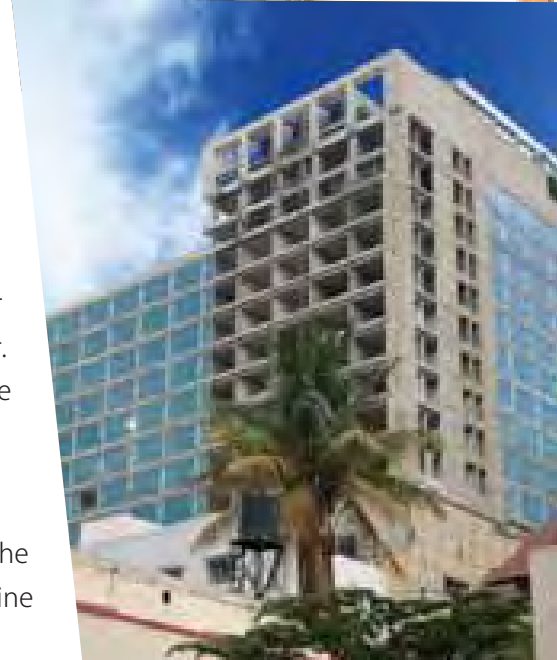
Simplex expands rapidly in the wake of liberalization and becomes a public listed company in 1993. Enters mass housing on a turnkey basis. Develops breakthrough technique for jointed pre-cast concrete piles of up to 150 metres depth. Turnover crosses Rs.3000 million.

2000s

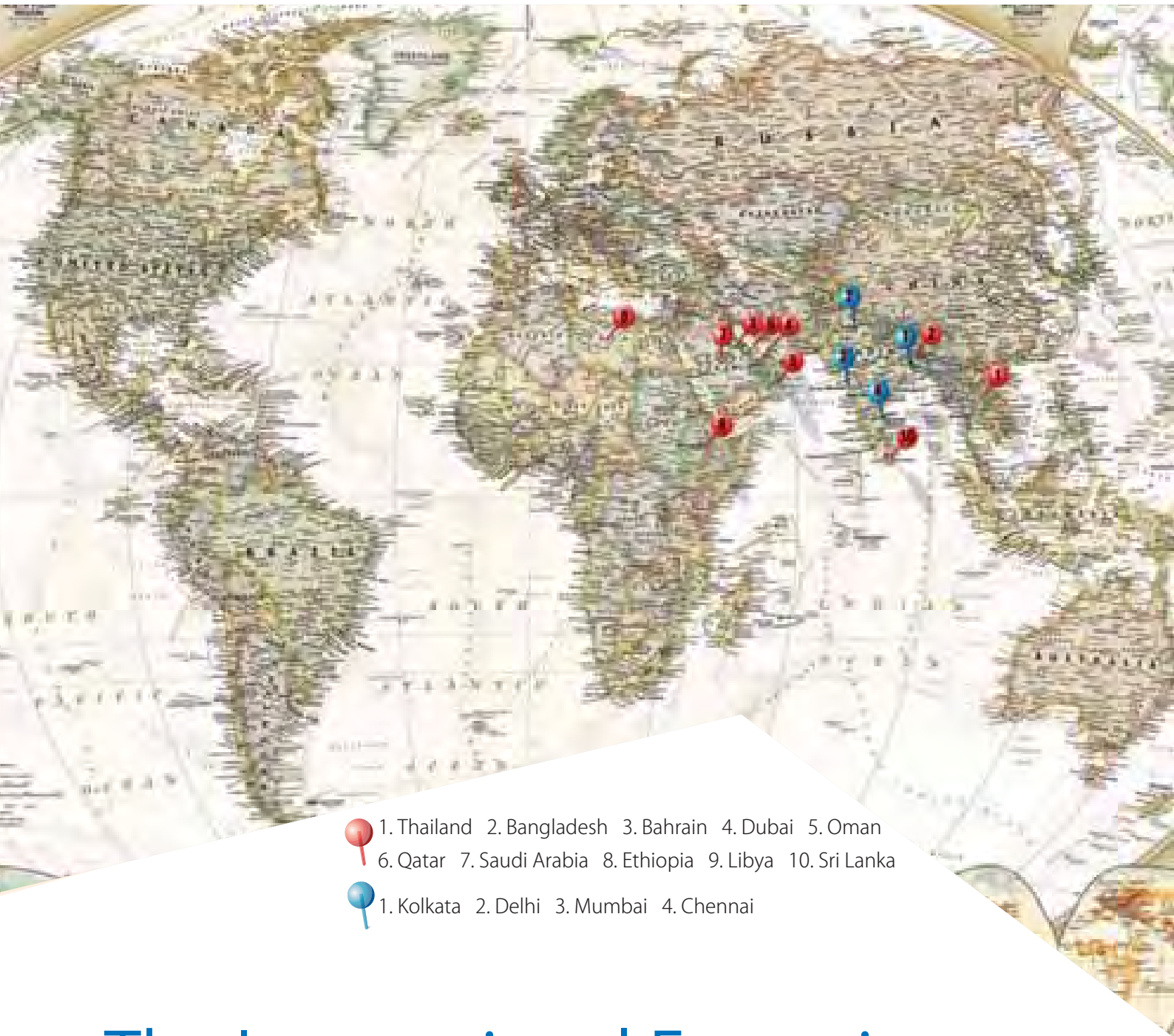
Simplex forays into the civil and structural construction of hydro and nuclear power plants to establish comprehensive capabilities in the power sector. Also establishes a strong presence in the Middle East. Turnover crosses the landmark figure of Rs.10 billion.

2010s

Simplex expands its scope of business by taking up road BOT projects. The following year the Company also entered into erection of transmission line infrastructure. Turnover crosses Rs. 60 billion.



Construction of Ritz Carlton Hotel, Bangalore



- 1. Thailand 2. Bangladesh 3. Bahrain 4. Dubai 5. Oman
- 6. Qatar 7. Saudi Arabia 8. Ethiopia 9. Libya 10. Sri Lanka
- 1. Kolkata 2. Delhi 3. Mumbai 4. Chennai

The International Footprint

Today Simplex enjoys international presence with projects in Asia and Africa.

Headquartered in Kolkata, Simplex is a pan-India company with offices in Delhi, Mumbai and Chennai. While Indian operations account for 90% of its business, it has since the 1980s established a growing presence beyond the borders in South Asia, the Middle East and Africa.



Raising the bar

Simplex was the first in Asia to build RCC framed structure in Asia - the 17- storey National Tower in Kolkata. It has been associated with some of India's most prestigious buildings, including the Supreme Court of India, West Bengal Assembly building, Kolkata - GPO, Campuses of IIT (Guwhati) and IIM (Indore). Today it continues to be entrusted to erect multi-storey buildings for developers such as Sheth, Lodha, Brigade, HDIL, Keppel, Unitech, Central Park, Mantri and Salarpuria as well as government and defence institutions.

Historic Landmarks

-  Supreme Court of India
-  West Bengal Assembly building
-  Kolkata GPO
-  National Tower, Kolkata
-  Campus of IIT (Guwhati)
-  Campus of IIM (Indore)
-  ISRO, Sriharikota, Bangalore
-  Capital Complex, Imphal
-  RBI Building, Lucknow
-  Mega Sports Complex in Ranchi
-  Salt Lake Stadium, Kolkata
-  Assembly and High Court Building, Imphal
-  Ritz Carlton, Bangalore

A large red lattice crane is mounted on a barge, lifting a long, dark steel pile from the water. The barge has a white cabin and several tall, dark vertical structures. The background shows a wide river under a blue sky with light clouds.

Craftsmanship on Water

Simplex has been a leading expert on complex marine infrastructure since 1940s, when it accomplished the construction of the prestigious King George Docks (now Jawaharlal Nehru Port) in Mumbai to gain national recognition. Apart from our traditional expertise in underwater piling, including steel piling under adverse sea conditions, the Company has gained extensive experience in construction of ports, jetties, wharves, terminals, lighthouses, breakwaters, quays and shipyards.

Since 1968, it undertakes full-fledged marine construction and has been associated with many of India's major ports.

Large dia Steel Piles (48M Long) being Installed from Jack UP Barge for 240 M High Transmission Tower in River Hooghly near Haldia

The Experience

Ports

Goa, Haldia, Vizag, Kochi,
Mundra, Mumbai, Paradip,
Adani and Dahej



Goa Shipyard Modernization - commissioned recently



Speeding Transport



Since the 1980s, Simplex has been undertaking a variety of highway and urban road construction work including flyovers, elevated corridors and bridges. In the 21st century it has been associated with the prestigious Golden Quadrilateral and NSEW Corridor Projects and has also constructed flyovers in several cities of India, including Delhi, Mumbai, Jaipur, Kolkata, Bangalore, Chennai and Hyderabad. More over, it has been successfully bidding in consortium for projects on a Design-Build-Finance-Operate-Transfer (DBFOT) Toll basis to increase long term profitability.






Construction of 9 KM dual carriage way from Jatrabari to Gulistan, Dhaka, Bangladesh

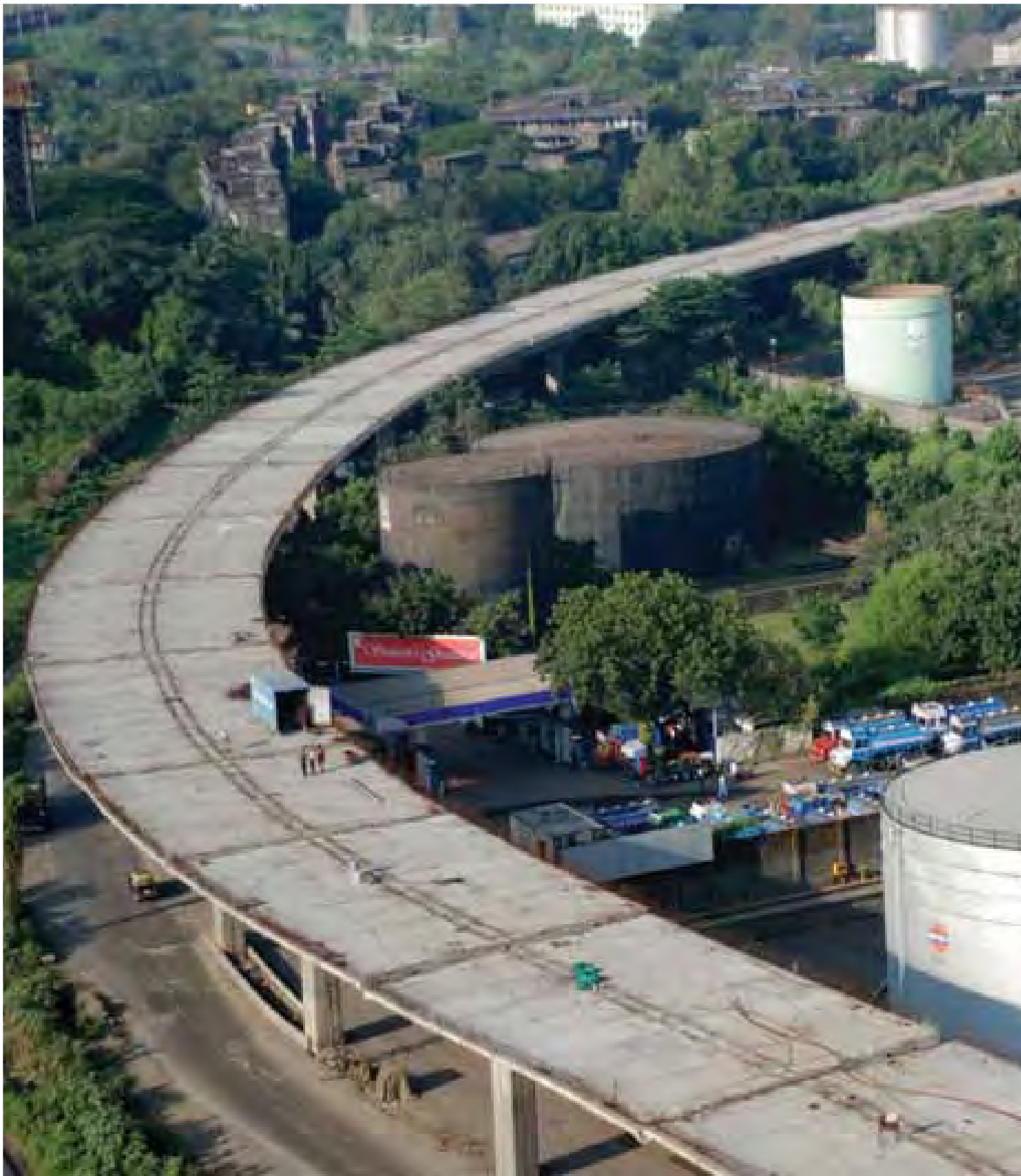
Milestones 2011-12

Awarded

-  4 - laning of Mahulia -Bahragora Section on NH-33 and Bahragora - Kharagpur section on NH-6 in the states of Jharkhand and West Bengal
-  2-laning of Jowai - Meghalaya/Assam Border section on NH-44 in the State of Meghalaya

Completed

-  Construction of free flow facilities along NH-4, 45 and 205 in Chennai City
-  4-laning for Gorakhpur-Gopalganj Section of NH 28 in Uttar Pradesh
-  Ring Road Bypass from Salimgarh Fort to Velodrome, New Delhi





Laying Tracks

Station buildings, rail tracks, bridges, culverts... Simplex partners the Indian Railways in expanding and improving the rail infrastructure across the country. Among its many achievements, the Company has pioneered automatic track-laying for high speed tracks. Association with almost all metro and light railway projects in major cities i.e. Mumbai, Delhi, Kolkata and Bangalore, is another aspect of this multifaceted relationship with rail transport. The Company is also undertaking overseas rail projects, notably in Dubai.

Imported flash – butt Welding Machine working for a track doubling project in A.P. for RVNL



Design and Construction of Via-Duct-VA & VB – VAG Corridor for MRTS Project - Andheri and Versova (inset above), Mumbai



5.5 KM long tunnel construction for Bhasmey Hydroelectric Project, Sikkim

Improving Life

Infrastructure demands of modern cities have been changing rapidly. Hospitals, schools and stadiums must be built; utilities ranging from waterworks to sewerage; transport systems such as road, rail and airport have to keep pace with growing populations and mounting traffic. Simplex today undertakes the full range of urban infrastructure construction in busy urban agglomerates. An airport city near Durgapur is the latest feather in the cap.

The Experience

Roads & Flyovers

🏗️ Flyovers in Delhi, Mumbai, Bangalore, Nagpur, Jaipur, Kolkata, Chennai and Guwahati

🏗️ 11.5 Km elevated expressway in Hyderabad

Sewerage & Water systems

🏗️ Kolkata, Hyderabad, Bilaspur, Jabalpur, Chennai and Indore

🏗️ Irrigation canal in Hyderabad

Metro Railway

🏗️ Kolkata, Delhi, Mumbai, Bangalore & Dubai

Airports

🏗️ Andal (Durgapur) Airport and support infrastructure

🏗️ Jaipur and Udaipur Airport (renovation and modernization)



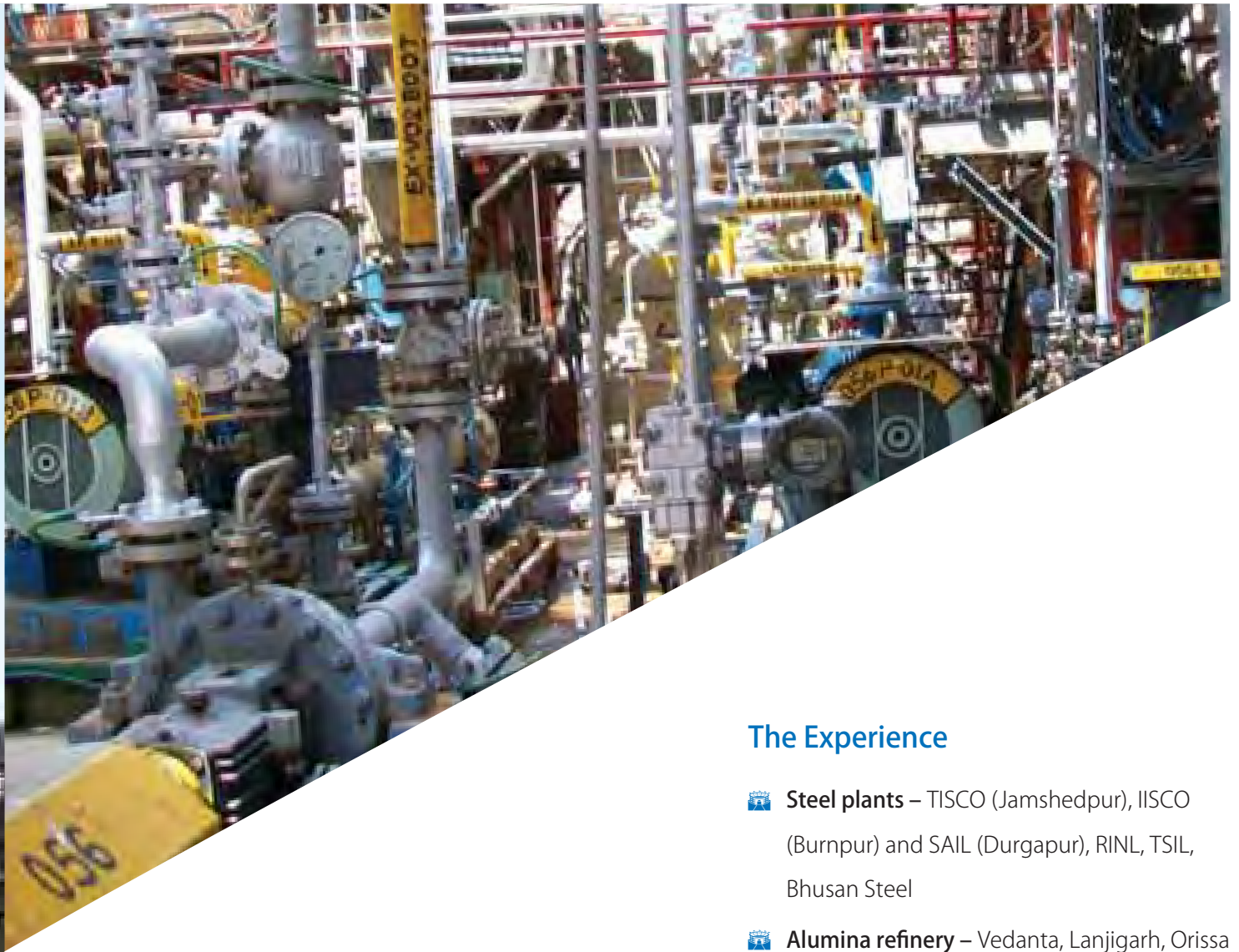
Metro Rail Project at Delhi



Construction of 64 Storied Residential Sale Tower at Mumbai







A view of Coal Mill Building for ACC Cement at Chandrapur, Chhattisgarh



Facilitating Industry

Industrial structures such as steel or power plants have their own unique challenges. Simplex first began construction of steel plants in 1935 and has since built India's modern steel framework for SAIL, Tata, Jindal, Essar, Bhushan, Usha Ispat, RVNL, IISCO, etc. Greenfield and modernization projects for cement, aluminium, copper, engineering, automobiles, petrochemicals, fertilizers, paper, textiles, pharmaceuticals, chemicals and other industrial plants are also part of the portfolio.

The Experience

-  **Steel plants** – TISCO (Jamshedpur), IISCO (Burnpur) and SAIL (Durgapur), RINL, TSIL, Bhushan Steel
-  **Alumina refinery** – Vedanta, Lanjigarh, Orissa
-  **Petroleum refinery** – Reliance (Jamnagar), IOCL (Haldia, Guwahati, Digboi, Baroda, Paradip)
-  **Fertiliser plants** - Gorakhpur, Paradip, Phulpur, Kakinada and several others
-  **Paper mill** - Nowgong, Churg, Velur, Amlai, Cachar and Ranigunj
-  **Cement plants** - Chandrapur, Devapur, Madhukunda, Mejia, Sonadih, Kotputli and Shambupura



5 X 800 MW Ultra Mega Power Plant of Tata Power at Mundra, Gujarat

Empowering Megawatts




Simplex constructed its first thermal power plant in 1960 and today has impressive credentials in erecting all types of power infrastructure, including hydel and nuclear plants, as well as Ultra Mega Power Projects (UMPP). Since 2010 the Company also entered into erection of transmission lines to command comprehensive capabilities in the power sector.






Construction of 400KV D/C QUAD Transmission Line from Siliguri to Bongaigaon



The Experience

-  **Thermal power plants** – Simhadri, Maithon, Bakreshwar, Korba, Chanderpur, Raigarh, Jindal, Mundra, Mejia, Santaldih and Sagardighi
-  **Nuclear power plants** – Kudankulam, for Nuclear Power Corporation of India
-  **Transmission Projects** – Transmission line from AP 22 to AP 40 - Raichur–Sholapur, Power Transmission & Distribution at Jazan - Najran, KSA, Construction of Transmission line from Bhopal - Jabalpur & Bhopal – Indore

On the anvil

-  Civil and architectural works package of Triple-flue Chimney for main power block for 3x660 MW (Unit 1, 2 & 3) Lalitpur Super Thermal Power Plant, UP.
-  Civil and structural work of Main Power House & BOP area of package B & D for 2 x 600 MW ITPCL Power Project.
-  Foundation for River Crossing and Anchor Towers for the 400 KV DC line between Haldia TPP & Subhasgram Substation



Reaching out beyond Indian borders

The Simplex expertise has been recognized internationally with construction contracts in several countries in Africa, West Asia and other neighbouring countries of Indian subcontinent. Structures built by us are today landmarks in the respective cities. These range from hotels, residential and commercial buildings to flyovers, power plants, marine works, sports complex and dewatering plants.



Construction of commercial / Residential Building
(SAUD BHAVAN PLAZA) Muscat, Oman

The Experience

- 🏗️ International hotel in Tashkent, Uzbekistan
- 🏗️ Doha Hilton Hotels, Qatar
- 🏗️ Qatalum Power Plant Project, Doha
- 🏗️ Six flyovers on Seeb Corniche Road, Oman
- 🏗️ Marine works for Nakilat Ship Repair Yard, Doha
- 🏗️ Dubai Metro, Dubai
- 🏗️ Gulf Cement Plant, Qatar

Current Projects

The following are the major international projects underway

- 🏗️ Construction of Jatrabari - Gulistan Flyover Project, Dhaka, Bangladesh
- 🏗️ Civil works for foundation of equipment and plant buildings for Tendaho sugar factory project at Ethiopia
- 🏗️ Qatar Power Transmission System Expansion - Phase 9 Substation

Cement Plant - UMM - BAB at Doha, Qatar





Chairman's Message

Dear shareholders,

The Indian economy like the global economy is in the midst of a slowdown. Besides the economic growth rate dropping to a nine year low of 6.5 per cent in 2011-12, dynamics like persistent inflation, weakening currency and deceleration in investment activity have further aggravated the situation. Other contributory factors included an increase in interest rates and shaken investor confidence. The infrastructure industry has been among the worst hit, for in addition to the above, it had to contend with indecisions or delays in land acquisition, fuel for power plants, administrative actions and shortage of skilled workers. The result has been reflected in the financial performance of the industry at large.

However, despite these adversities, I am glad to report that your Company has been able to perform by remaining agile and adaptable to change. The Company's topline grew satisfactorily, with turnover rising 26% from Rs. 4672 crores to Rs. 5871 crores. However the Company's bottom-line got impacted from Rs. 123 crores to Rs. 89 crores owing to high interest cost arising from the rate rise as well as higher working capital requirements. The Company has also been able to secure new contracts worth Rs. 6446 crores growing the order book to over Rs. 15000 crores.

The year has been marked by several noteworthy successes. The Company has bagged a few road projects from NHAI on Design-Build-Finance-Operate-Transfer (DBFOT) Toll basis in partnership with others. This includes Vijayawada-Gundugolanu section on NH-5 in Andhra Pradesh, Mahulia-Bahragora Section on NH-33 & Bahragora-Kharagpur section on NH-6 in Jharkhand and West Bengal and Jowai-Meghalaya/Assam Border section on NH-44 in Meghalaya. Moreover, the Company has secured several projects in power sector during the year - civil, structural, architectural works for 1320MW (2X660MW) Thermal Power Plant at Siria, Dist. Banka, Bihar is worth a mention. So is the project for construction of the tallest residential tower of 117 stories in Mumbai namely "World One".

In order to develop the skill set of its staff and workers, your Company has taken up several initiatives such as training, employee job mapping, attitude development, behavioral training at all levels. Simplex seeks to maintain a healthy work environment, improve team spirit and ensure motivation to achieve higher levels of productivity. Your Company regularly trains unskilled workers in order to enhance their productivity and employability. Your Company continuously refines and improves safety

management techniques and training to minimize the hazards of working at construction sites in all terrains and weather conditions.

Your Company endeavors to minimize wastage by its R & D initiatives which revolve around construction technology, methodology, techniques, men, machines and materials, apart from the I.T. initiatives in project planning and monitoring. With this, your Company has been able to control, despite the inflationary conditions, the direct costs by implementing technologies such as off-site production, pre-fabrication, pre-cast, pre-engineered solutions, improvements in shuttering and scaffolding systems.

In the light of a perceivably weak macro-economic environment, a well-planned economic revival policy on the Government's part is required to get back the Indian Economy on the path to stable and prosperous growth. We are embarking upon FY13 with a lot of expectations regarding the robustness of the recovery in the domestic economy.

I heartily thank each one of our employees whose commitment, hard work and dedication have made us sail through the difficult times. I am grateful to the Board of Directors for their unwavering encouragement and guidance. I would also like to express my gratitude to all our customers, business associates, banks and shareholders, who have reposed trust in us. Given your continued support, I believe Simplex is well prepared to overcome challenges, meet emerging needs and pursue growth for maximizing shareholder value over the coming years.

Thank you,

B.D. Mundhra

Chairman and Managing Director



Directors' Report

To The Members,

Your Directors have pleasure in presenting the Ninety-Fourth Annual Report together with Audited Accounts for the financial year ended 31st March, 2012.

Financial Results

The financial performance of the Company, for the year ended March 31, 2012 is summarized below:

Rupees in Million (mn)

| Particulars | Standalone | | Consolidated | |
|---|------------------|------------------|------------------|------------------|
| | 31st March, 2012 | 31st March, 2011 | 31st March, 2012 | 31st March, 2011 |
| Revenue from Operations | 58976 | 46912 | 60098 | 48238 |
| Earning before finance costs, tax, depreciation and amortisation (EBITDA) | 4779 | 4311 | 4775 | 4442 |
| Less: Finance Costs | 2303 | 1445 | 2313 | 1475 |
| Earning before tax, depreciation and amortisation (EBTDA) | 2476 | 2866 | 2462 | 2967 |
| Less: Depreciation and Amortisation | 1143 | 912 | 1188 | 963 |
| Profit before tax | 1333 | 1954 | 1274 | 2004 |
| Less: tax expenses | | | | |
| Current tax | 277 | 404 | 283 | 425 |
| MAT Credit Entitlement | - | (179) | - | (179) |
| Deferred tax | 564 | 497 | 564 | 498 |
| Current tax provision for earlier years written back | (400) | - | (400) | - |
| Profit after tax and before share of results of associates & Minority Interest | 892 | 1232 | 827 | 1260 |
| Less: Minority Interest | - | - | (12) | 14 |
| Share of Profit/ loss in Associate | - | - | 2 | - |
| Profit for the period | 892 | 1232 | 837 | 1246 |
| Balance brought forward from the previous year | 4397 | 3430 | 4499 | 3528 |
| Profit available for appropriation | 5289 | 4662 | 5336 | 4774 |
| Appropriations: | | | | |
| General Reserve | 150 | 150 | 150 | 150 |
| Legal Reserve | - | - | - | 10 |
| Proposed Dividend | 99 | 99 | 99 | 99 |
| Tax thereon | 16 | 16 | 16 | 16 |
| Balance carried to Balance Sheet | 5024 | 4397 | 5071 | 4499 |

Review of Operations

On standalone basis, the Company's revenue from operations stood at Rs. 58976 mns for the financial year under review as compared to Rs. 46912 mns in the previous year, registering a growth of 26%, despite a challenging market for construction industry. The EBITDA also increased by 11% to Rs.4779 mns as against Rs. 4311mns. However the profit before tax was subdued at Rs.1333 mns from Rs.1954 mns and profit after tax also declined to Rs. 892 mns from Rs. 1232 mns. This was mainly attributable to high interest cost arising from the rate rise as well as higher working capital requirements.

On a consolidated basis, the revenue from operations grew by 25% to Rs. 60098 mns during the financial year under review as compared to Rs. 48238 mns in the previous year. The EBITDA also increased to Rs. 4775 mns from Rs. 4442 mns. However profit before tax declined to Rs.1274 mns from Rs. 2004 mns and profit after tax also declined to Rs. 837 mns from Rs.1246 mns.

The order book, on consolidated basis, at year end rose by 4% to Rs.152240 mns from Rs.147070 mns last year with order intake of Rs.64460 mns during the year.

During the year under review, the Company obtained a number of large road projects which includes contracts from NHAI for four laning of Mahulia -Bahragora Section on NH-33 and Bahragora - Kharagpur section on NH-6 in the states of Jharkhand and West Bengal and also two laning of Jowai-Meghalaya/Assam Border section on NH-44 in the State of Meghalaya, both on Design-Build-Finance-Operate-Transfer (DBFOT) Toll basis. In the power sector, the Company has secured Civil, Structural and Architectural Works for 1320 MW (2x660) Thermal Power Projects at Banka , Bihar, for 3x660 MW (Unit 1, 2 & 3), Lalitpur Super Thermal Power Plant at UP, for 2x600 MW ITPCL Power Project. The Company was also awarded several prestigious contracts in different segments it operates like housing and building, urban infrastructure, etc.

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, 2012, amounting to Rs.115mn (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 24th August , 2012 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 Friday, 24th August, 2012.

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. 2050 mns to its Fixed Assets consisting tangible assets of Rs. 2037 mns and intangible assets of Rs.13 mns.

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 2012, the Company has an unclaimed deposit amounting to Rs.0.35mn. 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, Joint Ventures and Associates.

The political turmoil in Libya and consequential stoppage of business activities continued for the year 2011-12, therefore the position remains same as that of last year. 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 Simplex Infrastructures Libya Joint Venture Co.

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, 2012, your Company has five Subsidiaries namely (i) Simplex Infrastructures LLC (ii) Simplex (Middle East) Limited (iii) Simplex Infrastructures Libya Joint Venture Co. (iv) Simplex Infra Development Limited and (v) Maa Durga Expressways Private Limited.

Recently, the Company had incorporated a Subsidiary in the name of Jaintia Highway Private Limited for executing a road contract awarded to the Company by NHAI. Further your Company acquired 100% stake of Joy Mining Services India Private Limited, a company engaged in underground mining business. With this your Company has forayed into underground mining services.

In accordance with the General Circular no. 2/2011 dtd. 8th February 2011 issued by the Ministry of Corporate Affairs, Govt. of India, the Balance Sheet, Profit and Loss Account and other documents of the Subsidiary Companies are not being attached with the Balance Sheet of the Company. However the financial information of the Subsidiary Companies is disclosed in the Annual Report in compliance with the said circular. The Company will make available the Annual Accounts of the Subsidiary Companies and the related detailed information to any Member of the Company as well as shareholder of the Subsidiary Companies,

who may be interested in obtaining the same. The Annual Accounts of the Subsidiary Companies will also be kept open for inspection at the Registered Office of the Company and also at the Registered Office of the Subsidiary Companies concerned on any working day during business hours.

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 31.03.2012.

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 with proper explanation relating to material departures, if any;
- (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 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 2012 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 Annual Report excluding the statement of particulars of employees is being sent to all the Members of the Company and others entitled thereto. 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 M/s. H.S. Bhattacharjee & Co., Chartered Accountants, Joint 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

M/s. Price Waterhouse, Chartered Accountants and M/s. H.S. Bhattacharjee & Co., Chartered Accountants, Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. The Company has received letters from both of them to the effect that their proposed appointment, if made, would be within the limits specified under section 224 (1B) of the Companies Act, 1956.

Auditors' Report

With respect to paragraph no.4 & 5 (a), (d) and (f) of the Auditors' Report, we would like to inform that the matter pertaining to Simplex Infrastructures Libya Joint Venture Co., has been explained in Note no. 32 forming part of the Balance Sheet.

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

Directors

Mr. A. Mukherjee, Mr. B. Sengupta and Mr. Sheo Kishan Damani, Directors of the Company, retire by rotation and being eligible, offer themselves for re-appointment at the ensuing Annual General Meeting.

The Board of Directors in their meeting held on 30th May 2012, subject to the approval of the Members at this Annual General Meeting, approved the re-appointment of Mr. S. Dutta as whole-time Director for a further period of three years with effect from 1st September, 2012 on the terms and conditions as set out in the Agreement, to be entered between the Company and Mr. S. Dutta.

Further in the same board meeting, re-appointment of Mr. Rajiv Mundhra as whole-time Director for a further period of five years with effect from 1st April 2013 was also approved, subject to the approval of the Members at this Annual General Meeting, on the terms and conditions as set out in the Agreement, to be entered between the Company and Mr. Rajiv Mundhra.

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 express their sincere

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

By Order of the Board

B.D. MUNDHRA

Chairman and Managing Director

Kolkata

Dated: 8th June, 2012

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 equipment that programmes to maximize saving in two specific areas:

- i) Electric Energy
- ii) Fuel oil consumption

In this industry 99% equipments are powered by either electrical motor or by fuel oil powered engines. Since most of our work is carried out in remote locations and is subjected to harsh environment conditions, the rate of

depreciation is very high. The scope of energy efficiency in our industry will be energy conservation through well planned actions such as quality preventive maintenance, machinery up-gradation, modernization and introduction of sophisticated control system.

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

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

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

A View of Return Air Bag House for ACC Cement at Chandrapur, Chhattisgarh

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.
- iv) Less use of cement i.e. less emission of carbon dioxide in nature during cement production.


 Developing steel structures with guide frame suitable for installing steel piles of 1219 mm dia of 48M length in 1 :5 rack using Diesel hammer.


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


Benefits derived from above-


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


 Continuous efforts are made to innovate new methods of construction. Methods are developed to make optimum 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 floatation, 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.
- 🏗️ Use of Pneumatic Hammer helped the Company to achieve a faster pace in piling and early completion of projects.

3. Future plan of action

- 🏗️ Be a partner for extracting Coal by underground mining with latest continuous miner technology
- 🏗️ To introduce new technology in underground mining
- 🏗️ Introduced prefabricated Hollow Piles in foundation in Oman and likely to be installed in India very soon.
- 🏗️ To improve R&D activities specifically in developing new machinery, shuttering and staging equipment, soil improvement techniques, pile driving and drilling technology.
- 🏗️ To introduce new soil reinforcement and pile foundation system.
- 🏗️ To introduce modern construction project management techniques, a thorough manpower analysis is done prior to start up.
- 🏗️ To tighten quality control system and safety.
- 🏗️ To carry on research in soil mechanics, foundation engineering and structural engineering.
- 🏗️ To develop new and low-cost construction material for housing, industrial structure and foundations.
- 🏗️ To develop improved techniques in solid waste disposal system.
- 🏗️ To develop improved technology that is 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 gasses


4. Expenditure on R&D

(Rs. in million)


| | | |
|----|---|----------|
| a) | Capital | - |
| b) | Recurring | 7 |
| c) | Total | 7 |
| 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 services.

b) Total foreign exchange used and earned:

(Rs. in million)

| | 2011-2012 | 2010-2011 |
|-------------------------|-----------|-----------|
| Foreign Exchange earned | 5764 | 6166 |
| Foreign Exchange used | 3538 | 4325 |

By Order of the Board

B.D. MUNDHRA

Chairman and Managing Director

Kolkata

Dated: 8th June, 2012



Road Work at Bouser in Muscat – Oman

Management Discussion and Analysis

Economic Overview

The Indian economy in the year 2011-12 found itself edged by managing growth on one side and price inflation on the other. This incompatible demand put the final growth figure of Indian economy to 6.9 percent, after having grown at the rate of 8.4 percent in each of the two preceding years. The world economy too was not so favourable-uprisings in the Middle East and North Africa, recession in Europe, the sovereign debt crisis in the Eurozone and rising prices of crude oil tested the global economy. India was also adversely affected, witnessed by IIP dropping to below 4% which hauled GDP growth below 7%. Overall global growth in 2012 is therefore likely to be muted for a second successive year, at around 0.5-1% compared with 1.5% in 2011. It is however expected that if inflation declines to an acceptable level and interest rates are reduced by the Reserve Bank of India, growth can rebound to over 8% in 2013-14.

Industry Overview

The construction industry is the biggest beneficiary of ongoing infrastructure need. Nearly 11% of country's Gross Domestic Product (GDP) is invested in construction sector. The Planning Commission of India has projected that investment in infrastructure is expected to double at \$1025 billion in the 12th Plan (2012-17), compared to \$514 billion in the 11th Plan (2007-12). This enormous investment towards developing power, roads, bridges, ports, airports and other basic infrastructure would provide a huge boost to the construction industry as a whole. The construction sector has been registering double digit growth during the last few years and its share as a percentage of GDP has increased considerably as compared to the last decade. Despite the slowing economy and low growth in the last fiscal, order inflows in the construction industry registered a healthy growth this

year, although this was not reflected in the revenues and profitability due to execution delays and rising cost of construction inputs. Nevertheless, considering the strong order backlog, the next fiscal could be promising for the industry, provided execution remains on track.

Business Overview

Simplex enjoys a rich record of industry presence of over 85 years and experience of 2500 completed projects in almost all verticals of construction industry i.e. Ground Engineering, Industrial Structures, Buildings & Housing, Power (Thermal, Nuclear & Hydro), Marine, Roads, Railways, Bridges and Urban Infrastructure such as Airports, Metro Railways, Stadia, Capital City Complexes, Sewerage, Water Resource Management and Utilities Infrastructure.











Simplex has a pan-India presence and Indian operations account for 90% of its business. It is also present in international markets in Qatar, Oman, Saudi Arabia, Bangladesh, Sri Lanka and Ethiopia through subsidiaries and own branch offices. Although revenue from international market has not been substantial lately, the Company believes that there is a growth potential given the relatively low base of infrastructure development and the geography being rich in natural resources.

The Company's order book is well-diversified across 244 contracts and 214 project sites. Of the total order book of Rs. 152240 mns, the Company has an exposure of close to 61% to construction activities related to infrastructure, followed by 28% in housing and buildings and 11% in industrial sectors.

Backed by a well-diversified order book and assets in the form of owned state-of-the-art construction equipment worth Rs.18126 mns, over 8900 dedicated employees and 200 independent project execution teams, Simplex

has emerged as a leading service provider in the industry and is poised for an exciting future.

Snapshot of a few salient projects during the year:

-  Awarded contract for designing, engineering, financing, procurement, construction, operation and maintenance of 4-laning of Mahulia-Bahragora Section on NH-33 and Bahragora-Kharagpur section on NH-6 in the states of Jharkhand and West Bengal on DBFOT Toll basis
-  Awarded a contract for 2-laning of Jowai-Meghalaya/Assam Border section on NH-44 in the State of Meghalaya on DBFOT Toll basis
-  Awarded a contract for civil, structural, architectural and external works for 1320 MW (2x 660) Thermal Power Projects at Banka, Bihar
-  Awarded civil and architectural works package of Triple-flue Chimney for main power block for 3x660 MW (Unit 1, 2 & 3) Lalitpur Super Thermal Power Plant, UP.
-  Awarded civil and structural work of Main Power House & BOP area of package B & D for 2 x 600 MW ITPCL Power Project at Cuddalore, Tamil Nadu.
-  Awarded foundation work for River Crossing and Anchor Towers for the 400 KV DC line between Haldia TPP & Subhasgram Substation, West Bengal
-  Completed improvement of access to Golden Quadrilateral (GQ) corridor by construction of free flow facilities along NH-4, 45 and 205 within Chennai City in the state of Tamilnadu
-  Completed project awarded by NHAI of 4-laning for Gorakhpur-Gopalganj Section of NH 28 in Uttar Pradesh
-  Completed supply and services including transportation, site work, construction, erection, testing & commissioning for general civil works package for 2 x 525 MW Maithon Right Bank Thermal Power Project, Jharkhand
-  Completed construction of Ring Road Bypass from Salimgarh Fort to Velodrome, New Delhi

Opportunities

Opportunities in India

The construction sector is a major employment driver, being the second largest employer in the country after agriculture. It also has extensive backward and forward linkages with other sectors of the economy. About 250 ancillary industries such as cement, steel, brick, timber and building materials are dependent on the construction industry. Infrastructure growth is necessary for the growth of the overall economy. Both are inter-dependent. Government policies and budgets have therefore been progressively geared to promote infrastructure development. The prospects in infrastructure development seems to be good with numerous opportunities opening up for the construction companies such as Simplex in construction of power, marine, roads, railways, airports, building & housing and industrial sectors. The Company's specialized strengths in complex structures and its versatility ensure a healthy order book.

Power

India's power market is the fifth largest in the world, possessing a vast opportunity for growth in the field of power generation, transmission and distribution. This has called for some strategic initiatives by the government like Ultra Mega Power Projects (UMPPs) initiative, development of hydro power, national grid for power transmission, rural electrification. Simplex has presence in power sector since 1960 and is today associated with power projects in all roles – from civil and structural work for coal, gas, oil-based thermal plants as well as hydel and nuclear power plants. It contributed 16600 MW in capacity addition during the 11th Five Year Plan, which is nearly a third of the total capacity addition of 54000 MW in the period. Its innovative construction and erection methodologies, adoption of latest technology, strict adherence to

quality and safety standards has also made it associated with about 80% of thermal power plants in India. For Simplex, the power sector contributed the largest share in terms of revenue (36%) during FY 12.

Roads

With an extensive road network of 3.3 million kilometers, India is the second largest in the world. National Highways Authority of India (NHAI) plans to build 3600 km road for financial year 2012-2013. It is granting BOT concessions to private entities to make it more conducive for private players to play a major role in the development of highways. Simplex has also bagged such contracts from NHAI viz, 4-laning of Mahulia-Bahragora Section on NH-33 and Bahragora - Kharagpur section on NH-6 in Jharkhand and West Bengal under NHDP Phase III through PPP and two laning of Jowai-Meghalaya/Assam Border section of NH-44 both on Design-Build-Finance-Operate-Transfer (DBFOT) Toll basis. Simplex is proud to be associated with prestigious Golden Quadrilateral and North South East West Corridor Projects and has also constructed flyovers in several cities of India, including Delhi, Jaipur, Kolkata, Bangalore, Chennai, Hyderabad, etc. The roads & bridges sector contributed 16% in terms of revenue during FY 12.



Piping and Equipment installation for MSQ Project IOCL Refinery, Digboi, Assam

Railways

The world's fourth largest rail network and the second largest in Asia, Indian Railways' 63000 route kilometers is the backbone of the socio-economic growth of India. Simplex being pioneer in automatic track-laying and having successfully completed trial runs for hi-speed 200 km Gooty-Pullampet for RVNL , has today carved a niche for itself in this mode of transport too.

Ports

With 12 major ports and 187 minor ports, the 7517 km long Indian coastline plays a pivotal role in the maritime transport helping in the international trade, which offers tremendous scope for both passenger and cargo handling. The ten-year plan known as Maritime Agenda 2010-2020, intends to develop the Indian Ports Capacity to 3200 MMT by 2020. Simplex enjoys its presence in marine sector since 1940 and is associated with many major ports in India. Its area of operations includes under-sea piling including steel piling under adverse sea conditions apart from design and construction of on-shore and off-shore structures like ports, wharfs, harbours, jetties, berths. Simplex is associated with assignments in almost all major Indian ports with significant orders from Mumbai JNPT Port, Cochin Port, Adani, Karaikal, Paradeep and Mundra Ports.

Urban Infrastructure

Migration, growing traffic and increasing demand for civic amenities has made it imperative to modernize India's

urban infrastructure. A large demand for high rise residential buildings and mixed-use development is evident from the rising demand for space as average buyers get younger. As land grows scarce in cities, buildings are growing taller and more complex in design. This creates demand for more engineering skills in building construction. Simplex has been present in development of urban utilities right from 1965. The Company undertakes turnkey civil works in water, waste, water and sewerage treatment plants, water supply projects, metro rails, airports, stadia, hospitals and campuses, where it provides concept-to-commissioning services. It is also engaged in design and construction of multi-storied towers, housing projects and commercial complexes.

Simplex is currently constructing viaducts on the Versova-Andheri-Ghatkopar Corridor in Mumbai and between Joka to Mominpur on the BBD Bag Corridor in Kolkata as well as elevated structures (viaduct) between Chainage 500 to 6350 M - Mysore Road terminal to Magadi Road, Bangalore. Moreover, the Company is also associated with almost all metro projects across major cities - Mumbai, Delhi, Kolkata, Bangalore and Dubai. The Company is also engaged in constructing sewerage pipelines at Bilaspur, Indore and Jabalpur. The development of an Airport in Durgapur and construction of New Assam Legislative Assembly Building at New Assam are other prestigious urban



*MSQ Project for IOCL Refinery,
Guwahati, Assam*

infrastructure projects. Siemens WLL, Brigade Enterprises, Tata Housing, West Bengal Housing Infra Dev. Corporation Ltd. are some of prestigious clients of Simplex. So is the project for construction of the tallest residential tower of 117 stories in Mumbai namely "World One" and also residential tower of 64 stories - "Avighna" at Mumbai is worth a mention. This sector contributed 13% in terms of revenue during FY 12.

Industrial Structures

Industrial growth is largely captured in the performance of 8 core industries: crude oil, petroleum refinery products, natural gas, fertilisers, coal, electricity, cement and finished steel. Simplex being a core construction player is also closely associated with industrial sector since the mid-1935, constructing industrial structures for large corporates and governments. It possesses the latest technical expertise in the construction of modern factories, high-rise RCC silos and tapered/ cylindrical chimneys, cooling towers, water and effluent treatment plants (cement, paper, fertilizer and power industries). Therefore Simplex offers the entire gamut of heavy industrial construction in civil and structural engineering for refineries and petrochemicals, metal plants, cement plants, chemical plants, automobile and paper plants. The Company earned 11% from this sector in terms of revenue for FY 12.

Opportunities Overseas

Considering good prospects internationally, Simplex

expanded its business to the Middle East, Qatar, UAE, Oman, Bahrain and Ethiopia. Despite the slowdown in the Middle East, Simplex continued to seek international opportunities and has made maiden steps in Africa and other neighbouring countries of Indian sub-continent to mitigate risks and ensure that the contribution in turnover of the Company from overseas business is maintained in coming years and eventually reaps profitable growth in the long term.

Threats, Risks and Concerns

The construction industry everywhere faces problems and challenges. However, in developing countries like India, these difficulties and challenges are present along side a general situation of socio-economic stress, chronic resource shortages and institutional weaknesses. Compared with many other industries, the construction industry is subject to more risks due to the unique features of construction activities such as long gestation period, delays due to external factors, complicated approval and supervision processes, uncertain environment, extended working capital, design variations, lack of coordination between project participants, shortage of unskilled/semi-skilled & skilled labour, land acquisition problem, occurrence of disputes, local political agitation and price inflation of construction inputs.

Simplex embarks on a systematic approach to identify the risks and analyze the likelihood of occurrence and

5000 TPD cement plant at UMM BAB, Qatar, where complete construction with Erection of all Plant & Equipment were done by Simplex



impact of these risks. These risks pertain to contractors, clients, even government bodies, subcontractors, suppliers and external issues. We endeavor to work from the feasibility phase onwards to address potential risks in time and also deploy people with construction and management knowledge from the inception to make sound preparation for carrying out safe, efficient and quality construction activities.

To minimize risk, Simplex chooses its projects prudently, diversifies in various sectors, expands in geographies and strategically deploys men, machinery and capital. Simplex is also undertaking fast-track short duration projects to avoid the risk associated with long-gestation projects. Over the years, Simplex has proven its risk management skills. It has also put in place risk management policies, which is periodically reviewed and revamped by the Audit Committees as well as Board of Directors. With its perseverance, Simplex has been able to shoulder the challenges and emerge as a successful player in this industry.

Internal Control System and their Adequacy

The Company is maintaining an effective system of internal control for facilitating accurate, reliable and speedy compilation of financial information, safeguarding the assets and interests of the Company and ensuring compliance with all laws and regulations. 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 in all key business areas as per the pre-drawn audit plan. All significant audit observations and follow up actions are reported to the Audit Committee along with Internal Audit reports and management's responses/replies thereon. The minutes of Audit Committee are reviewed by the Board for its suggestions/recommendations to further improve the internal control systems. The Audit Committee periodically reviews audit plans, observations and recommendations of the Internal Auditors as well as external auditors with reference to significant risk areas and adequacy of internal controls.

Financial Performance

During the financial year, the revenue from operations grew by 26% to Rs. 58976 mns as against Rs. 46912 mns in the previous year. The Company recorded a higher EBITDA, which increased by 11% to Rs. 4779 mns from Rs. 4311 mns. However the Profit before Tax was subdued at Rs. 1333 mns from Rs.1954 mns and Profit after Tax also declined to Rs. 892 mns from Rs.1232 mns owing to high interest cost arising from the rate rise as also higher working capital requirements. The consolidated order book at year end rose by a modest 4 % to Rs. 152240 mns from Rs.147070 mns last year with an order intake of Rs. 64460 mns, which comprises of 90% domestic and 10% overseas projects.

Future Outlook

India's economy is big and getting bigger. The link between infrastructure and economic development is a continuous process; and progress in infrastructure has to follow the progress in development. In some areas, roads, rail lines, ports and airports are already operating

at capacity, so expansion is a necessary pre-requisite for further economic growth. Engineering and Construction industry is undoubtedly one of the biggest beneficiaries of the infrastructure need in India. Simplex has a holistic approach which incorporates sustainability issues into the design of the project, both in the planning and the delivery stages and therefore has immense opportunity to make a major difference in a growing economy while enhancing its bottom line. India is considered to be a vast land of construction opportunities. Deliberate strategy on the part of the Indian government to promote infrastructure spells opportunity for Engineering and Construction companies. Looking ahead, we believe that it is imperative that infrastructure development occurs in a sustainable manner, in India and around the globe.

Human Resource Development

Over the years the Company has built a strong force of its people, who numbered over 8900 as on 31st March 2012 with 80% having technical background, 19% commercial and 1% management. Simplex also enjoys the advantage of long associations with senior professional managers to shepherd its continuous investment in youth and build a pipeline of young talent with training and career development efforts.

We see a situation where there is a high demand yet unavailability of skilled and semi-skilled labour. This shortage in manpower is being met by Simplex by raising the skilled manpower through in-house/on-job training, making them equipped to use latest technology and work with new machines and devices compatibly. Recently, Simplex has joined hands with Construction Industry Development Council (CIDC), where CIDC imparts training to the workers and Simplex provides on-job training to such candidates and also subsequently employs them.

Simplex also provides regular as well as scientific training to its employees on technical as well as

behavioral aspects. Our HRD team ensures a match between individual and organizational needs on a mutual reciprocal basis. Regular training, close monitoring of employees career growth plan, sound mechanism for evaluation of personnel, performance based incentives, placing them in positions where they can effectively contribute to the team, all these factors have contributed significantly in deriving the best from its human assets.

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.

Erection of 90 MT Reactor for Polypropylene Unit of Phase III of OIL Refinery project for MRPL Mangalore, Karnataka



Report on Corporate Governance

1. Company's Philosophy

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

2. Board of Directors

The Board as on 31st March, 2012 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, 2011, 30th May, 2011, 12th August, 2011, 14th November, 2011 and 14th February, 2012.





Composition of the Board, Number of Board Meetings, Attendance of Directors, Directorship, Committee positions held and shareholding in the Company as on 31st March, 2012 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 16th September 2011 | 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 | 4 | Present | 8 | 1 | - | 2011570** |
| Mr. A. Mukherjee | Non-Independent Executive Director | 2 | Present | 1 | - | 1 | 500 |
| Mr. B. Sengupta | Non-Executive Independent Director | 5 | Present | - | - | - | 500# |
| Dr. R. Natarajan | Non-Executive Independent Director | 3 | Present | - | - | - | 500# |
| Mr. S. Dutta | Non-Independent Executive Director | 5 | Present | 2 | - | - | 500 |
| Mr. Rajiv Mundhra | Promoter & Executive Director | 4 | Absent | 6 | - | - | 1868790*** |
| Mr. N.N. Bhattacharyya | Non-Executive Independent Director | 5 | Present | - | - | - | 500# |
| Mr. Kunal Shroff | Non-Executive Independent Director | 3 | Absent | 2 | - | 1 | 500# |
| Mr. Sheo Kishan Damani | Non-Executive Independent Director | 1 | Present | - | - | - | 500# |

* Only Audit & Shareholder's 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 | 9 |
| 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 Vice President in-charge of internal audit are permanent invitees to the meetings of the Committee. The Joint 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:

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

The Audit Committee met four times during the year under review on 29th May, 2011, 12th August, 2011, 14th November, 2011 and 14th February, 2012.

The Audit Committee reviewed the annual financial statements for the year ended 31st March, 2011 on 29th May, 2011 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, 2012. 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 twice during the year on 29th May, 2011 and 12th August, 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 two meetings held during the year are stated below:

| Name of Directors | Position | Meetings attended |
|-------------------------|----------|-------------------|
| Mr. B. Sengupta | Chairman | 2 |
| Dr. R. Natarajan | Member | - |
| Mr. N. N. Bhattacharyya | Member | 2 |
| Mr. B. D. Mundhra | Member | 2 |

Remuneration paid/payable for the financial Year 2011-2012

(in Rupees)

| Directors | Salaries & Allowances (1) | Contribution to Provident & Gratuity Fund (2) | Estimated Cost of Benefit (3) | Commission to the Managing Director (4) | Sitting fee (5) | Total (6) |
|-------------------------|------------------------------|--|----------------------------------|--|--------------------|--------------------|
| Mr. B. D. Mundhra | 72,00,000 | 8,64,000 | 5,06,437 | - | - | 85,70,437 |
| Mr. A. D. Mundhra | 50,55,892 | 6,66,280 | 1,46,649 | - | - | 58,68,821 |
| Mr. A. Mukherjee | 51,99,000 | 10,32,000 | 1,69,338 | - | - | 64,00,338 |
| Mr. B. Sengupta | - | - | - | - | 1,20,000 | 1,20,000 |
| Dr. R. Natarajan | - | - | - | - | 35,000 | 35,000 |
| Mr. S. Dutta | 31,69,800 | 2,90,103 | 11,84,644 | - | - | 46,44,547 |
| Mr. Rajiv Mundhra | 44,43,431 | 6,20,473 | 89,774 | - | - | 51,53,678 |
| Mr. N. N. Bhattacharyya | - | - | - | - | 75,000 | 75,000 |
| Mr. Kunal Shroff | - | - | - | - | 15,000 | 15,000 |
| Mr. Sheo Kishan Damani | - | - | - | - | 5,000 | 5,000 |
| TOTAL | 2,50,68,123 | 34,72,856 | 20,96,842 | - | 2,50,000 | 3,08,87,821 |

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 29th May, 2011, 12th August, 2011, 14th November, 2011 and 14th

February, 2012. The composition of the Committee and attendance at the meetings out of four meetings held during the year are stated below:

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

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

A summarized position with regard to shareholders' compliant is given below:

| Particulars | No. of Complaints |
|--|-------------------|
| As on 1st April, 2011 | Nil |
| Received during the year | 8 |
| Attended to / resolved during the year | 8 |
| Pending as on 31st March, 2012 | Nil |
| Number of shares pending for transfer as on 31st March, 2012 | Nil |

7. General Body Meetings:

Location and time of the last three AGMs held:

| Year | Venue | Date | Time | Special Resolution Passed |
|------------|---|----------------------|----------|---------------------------|
| 2010-2011 | GyanManch 11,Pretoria Street, Kolkata-700071 | 16th September, 2011 | 10.30 am | YES |
| 2009-2010 | GyanManch 11,Pretoria Street, Kolkata-700071 | 30th July, 2010 | 10.30 am | YES |
| 2008 -2009 | GyanManch 11,Pretoria Street, Kolkata-700071 | 26th August, 2009 | 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, 2012.

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 94th 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 42 of the Annual Accounts.

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

There was no non-compliance during the last three years on any matter related to the capital market. Consequently there were no

penalties imposed nor strictures passed on the Company by stock exchanges, SEBI or any other statutory authority.

- 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 and Finance Director (Overseas) 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 8th June, 2012, in compliance with Clause 49 V of the Listing Agreement duly signed by the Chairman and 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, Business Standard and Bengali daily, Dainik Statesman.

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

The official news releases and presentations made to institutional investors/analysts are also posted on the 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) 94th Annual General Meeting

Date & time: 31st August, 2012, 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: 25th August 2012 to 31st August 2012 (both days inclusive).

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

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

f) Listing details :

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

Listing fees for the year 2012-2013 have been paid to the Stock Exchanges.

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

(i) BSE Limited

| Month | High (Rs.) | Low (Rs.) | Close (Rs.) | Sensex (closing) |
|----------------|------------|-----------|-------------|------------------|
| April 2011 | 358.75 | 322.00 | 330.70 | 19135.96 |
| May 2011 | 339.90 | 296.50 | 301.85 | 18503.28 |
| June 2011 | 335.00 | 266.20 | 269.95 | 18845.87 |
| July 2011 | 316.80 | 261.15 | 300.00 | 18197.20 |
| August 2011 | 309.95 | 217.60 | 232.20 | 16676.75 |
| September 2011 | 289.95 | 217.50 | 226.35 | 16453.76 |
| October 2011 | 239.50 | 201.00 | 207.00 | 17705.01 |
| November 2011 | 224.00 | 176.00 | 201.85 | 16123.46 |
| December 2011 | 228.95 | 156.65 | 176.45 | 15454.92 |
| January 2012 | 213.95 | 165.15 | 192.95 | 17193.55 |
| February 2012 | 258.65 | 193.75 | 226.85 | 17752.68 |
| March 2012 | 239.85 | 212.65 | 225.75 | 17404.20 |

(ii) National Stock Exchange of India Ltd.

| Month | High (Rs.) | Low (Rs.) | Close (Rs.) | Nifty (closing) |
|----------------|------------|-----------|-------------|-----------------|
| April 2011 | 357.00 | 315.60 | 328.00 | 5749.50 |
| May 2011 | 354.00 | 295.00 | 302.45 | 5560.15 |
| June 2011 | 343.00 | 265.00 | 268.15 | 5647.40 |
| July 2011 | 313.70 | 261.00 | 300.00 | 5482.00 |
| August 2011 | 304.95 | 217.00 | 229.80 | 5001.00 |
| September 2011 | 254.00 | 217.60 | 227.50 | 4943.25 |
| October 2011 | 239.90 | 192.15 | 206.70 | 5326.60 |
| November 2011 | 219.85 | 180.00 | 203.40 | 4832.05 |
| December 2011 | 227.80 | 160.00 | 179.05 | 4624.30 |
| January 2012 | 212.60 | 166.25 | 190.25 | 5199.25 |
| February 2012 | 257.00 | 191.00 | 224.85 | 5385.20 |
| March 2012 | 242.00 | 215.00 | 226.10 | 5295.55 |

h) Registrar and share transfer agent:

Physical & Dematerialised

MCS Limited, 77/2A Hazra Road, 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 2012:

| Shares Held | 2012 | | | | 2011 | | | |
|---------------|----------------------|--------------------------|--------------------|--------------------|----------------------|--------------------------|--------------------|--------------------|
| | 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 | 6459 | 88.31 | 774352 | 1.57 | 6208 | 87.94 | 744444 | 1.50 |
| 501-1000 | 481 | 6.58 | 376633 | 0.76 | 481 | 6.81 | 376211 | 0.76 |
| 1001-10000 | 268 | 3.66 | 693185 | 1.40 | 254 | 3.60 | 678651 | 1.37 |
| 10001-50000 | 44 | 0.60 | 1069329 | 2.16 | 48 | 0.68 | 1076687 | 2.18 |
| 50001 & above | 62 | 0.85 | 46558831 | 94.11 | 68 | 0.96 | 46596337 | 94.19 |
| TOTAL | 7314 | 100.00 | 49472330 | 100.00 | 7059 | 100.00 | 49472330 | 100.00 |

k) Categories of Shareholding as on 31st March 2012:

| Category | 2012 | | | 2011 | | |
|--|---------------------|--------------------|--------------------|---------------------|--------------------|--------------------|
| | No. of Shareholders | % of share Holding | No. of shares held | No. of Shareholders | % of share Holding | No. of shares held |
| Promoters & Directors | 24 | 54.95 | 27187323 | 23 | 54.74 | 27081823 |
| UTI & Mutual Funds | 21 | 16.66 | 8244104 | 21 | 18.36 | 9084568 |
| Banks & Financial Institutions | 1 | 2.11 | 1044220 | 1 | 2.34 | 1159965 |
| Foreign Institutional Investors | 22 | 13.56 | 6706401 | 35 | 11.99 | 5932272 |
| Non Resident Indians/Overseas Corporate Bodies | 185 | 0.83 | 408997 | 152 | 0.81 | 400824 |
| Corporates | 303 | 6.63 | 3278257 | 313 | 6.56 | 3244745 |
| Individuals | 6758 | 5.26 | 2603028 | 6514 | 5.20 | 2568133 |
| TOTAL | 7314 | 100 | 49472330 | 7059 | 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, 2012, 93.91 % 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

Email: banwari.bajoria@simplexinfra.net/
secretarial.legal@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 16th September, 2011

(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 2011-12, although there was no formal Peer Group review by the entire Board.

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

To the best of my knowledge and belief, I hereby declare that all the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company for the year ended March 31, 2012, as adopted by the Board of Directors.

Date: 8th June, 2012

B.D. MUNDHRA

Chairman and Managing Director

Auditors' Certificate regarding compliance of conditions of Corporate Governance

To The Members of
Simplex Infrastructures Limited

We have examined the compliance of conditions of Corporate Governance by **Simplex Infrastructures Limited**, for the year ended on 31st March 2012, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges in India.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the abovementioned 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 **H S BHATTACHARJEE & CO**
Firm Registration Number: 322303E
Chartered Accountants

H. S. BHATTACHARJEE
Partner
Membership Number: 050370

Date: 8th June, 2012
Place: Kolkata

The background of the page features a blue-tinted image of a hand pointing upwards towards a bar chart. The bar chart has two bars, with the right one being taller than the left one. A white arrow points from the top of the shorter bar towards the top of the taller bar. The overall design is clean and professional, with a white curved shape on the right side containing the text.

Auditors' Report

To the Members of
Simplex Infrastructures Limited

1. We have audited the attached Balance Sheet of Simplex Infrastructures Limited (the "Company") as at March 31, 2012, and the related Profit and Loss Statement 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 1.10 to the financial statements) and stocks with third parties 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 inventory other than work-in-progress. As regards work-in-progress, as explained by the Management, it is not practicable to maintain cumulative quantitative records, since it comprises site development costs, etc. as indicated in Note 1.10 to the financial statements. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- 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 and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.
- 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 the nature of its business.

3.8 We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the rules made by the Central Government of India, the maintenance of cost records has been prescribed under clause (d) of sub-section (1) of Section 209 of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

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 undisputed statutory dues in respect of employees' state insurance, service tax, provident fund, tax deducted at source and investor education and protection fund, though there has been delays in a few cases and has been regular in depositing during the year undisputed statutory dues, including, income tax, sales tax, wealth tax, customs duty, excise duty and other material statutory dues, as applicable, with the appropriate authorities. However, there were no arrears of statutory dues outstanding as at March 31, 2012, for a period of more than six months from the date they became payable.

(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 and excise duty, as applicable, as at March 31, 2012 which have not been deposited on account of a dispute, are as follows:

| Name of the statute | Nature of dues | Amount (Rupees in Lakhs) | Period to which the amount relates | Forum where the dispute is pending |
|--|--|--------------------------|------------------------------------|---|
| Andhra Pradesh General Sales Tax Act, 1957 | Demand against turnover tax | 4 | 1996-97 | High Court, Hyderabad |
| Andhra Pradesh General Sales Tax Act, 1957 | Demand against turnover tax | 3 | 1997-98 to 1999-2000 | Andhra Pradesh Sales Tax Appellate Tribunal |
| Andhra Pradesh General Sales Tax Act, 1957 | Demand against Inter-state purchase | 8 | 2003-04 | Andhra Pradesh Sales Tax Appellate Tribunal |
| Goa Sales Tax Act, 1964 | Disallowance of tax paid on interstate purchases | 64 | 2004-05 | Appellate Tribunal |

| Name of the statute | Nature of dues | Amount (Rupees in Lakhs) | Period to which the amount relates | Forum where the dispute is pending |
|--|--|--------------------------|------------------------------------|--|
| Central Sales Tax Act, 1956 | Penalty under Section 10A | 7 | 2003-04 | Assistant Commissioner of Commercial Taxes |
| Central Sales Tax Act, 1956 | Interest | 2 | 2008-09 | Appellate Tribunal |
| Orissa Sales Tax Act, 1947 [For Angul] | WCT disallowance of labour component | 1 | 2002-03 | Appellate Tribunal |
| Orissa Sales Tax Act, 1947 [For Paradeep] | Disallowance on machinery hire charges | 6 | 2001-02 | Appellate Tribunal |
| Orissa Sales Tax Act, 1947 [For Sambalpur] | Levy of tax on free issue of materials | 3 | 1985-86, 1988-89 and 1989-90 | Appellate Tribunal |
| Uttar Pradesh Trade Tax Act, 1948 | Additional Tax | 101 | 2006-07 and 2007-08 | Deputy Commissioner |
| Central Excise Act, 1944 | Excise Duty on Fabricated structures | 84 | May, 2007 to November, 2007 | Customs, Excise & Service Tax Appellate Tribunal |
| Finance Act, 1994-Service Tax | Service Tax | 9,524 | 1.3.2005 to 30.9.2008 | High Court at Calcutta |
| Finance Act, 1994-Service Tax | Service Tax on construction of port | 215 | 10.9.2004 to 15.6.2005 | High Court at Calcutta |
| Finance Act, 1994-Service Tax | Service Tax | 1,584 | 9.9.2004 to 30.9.2009 | High Court at Delhi |
| Finance Act, 1994-Service Tax | Service Tax | 249 | March, 2007 to January, 2008 | Customs, Excise & Service Tax Appellate Tribunal |
| Finance Act, 1994-Service Tax | Service Tax | 5 | October, 2007 to April, 2008 | Commissioner of Central Excise (Appeals) |

- 3.10 The Company has no accumulated losses as at March 31, 2012 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 explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date.
- 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, the term loans have been applied, on an overall basis, 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 any debentures during the year; and does not have any debentures outstanding as at the year end.
- 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 any such case by the Management.
- 4 *We draw your attention to the following matter:*
As indicated in Note 32 to the financial statements, in view of political risk in the country in which one of the subsidiaries of the Company operates, 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. 387 lakhs in the said subsidiary in keeping with Accounting Standard 13 "Accounting for Investments" and the extent of eventual recoverability of year-end Other Current Assets of Rs. 1,210 lakhs and Advances of Rs. 395 lakhs 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 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 Statement 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 indeterminate effects of the matter referred to in paragraph 4 above*, the Balance Sheet, the Profit and Loss Statement 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, 2012 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2012 from

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

(P.Law)
Partner
Membership Number: 51790
Kolkata
June 8, 2012

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 indeterminate effects of the matter referred to in paragraph 4 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 March 31, 2012;
 - (ii) in the case of the Profit and Loss Statement, 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 H.S.Bhattacharjee & Co.
Firm Registration Number: 322303E
Chartered Accountants

(H.S.Bhattacharjee)
Partner
Membership Number: 50370
Kolkata
June 8, 2012

Balance Sheet as at 31st March, 2012

(All amounts in Rs. Lakhs, unless otherwise stated)

| Particulars | Note No. | As at 31st March, 2012 | As at 31st March, 2011 |
|--------------------------------|----------|------------------------|------------------------|
| EQUITY AND LIABILITIES | | | |
| Shareholders' Funds | | | |
| Share Capital | 2 | 993 | 993 |
| Reserves and Surplus | 3 | 119,161 | 106,775 |
| | | 120,154 | 107,768 |
| Non-current Liabilities | | | |
| Long-term Borrowings | 4 | 8,793 | 4,186 |
| Deferred Tax Liabilities (Net) | 5 | 19,441 | 13,805 |
| Other Long-term Liabilities | 6 | 991 | - |
| Long-term Provisions | 7 | 761 | 685 |
| | | 29,986 | 18,676 |
| Current Liabilities | | | |
| Short-term Borrowings | 8 | 200,596 | 159,009 |
| Trade Payables | 9 | 157,951 | 109,848 |
| Other Current Liabilities | 10 | 112,942 | 95,398 |
| Short-term Provisions | 11 | 1,558 | 1,542 |
| | | 473,047 | 365,797 |
| TOTAL | | 623,187 | 492,241 |
| ASSETS | | | |
| Non-current Assets | | | |
| Fixed Assets | | | |
| Tangible Assets | 12 | 125,982 | 110,296 |
| Intangible Assets | 13 | 169 | 195 |
| Capital Work-in-progress | | 4,435 | 2,746 |
| Non-current Investments | 14 | 6,016 | 3,131 |
| Long-term Loans and Advances | 15 | 2,335 | 4,027 |
| Other Non-current Assets | 16 | 13,899 | 13,438 |
| | | 152,836 | 133,833 |
| Current Assets | | | |
| Current Investments | 17 | 1,810 | 1,788 |
| Inventories | 18 | 86,816 | 72,051 |
| Trade Receivables | 19 | 167,879 | 229,171 |
| Cash and Bank Balances | 20 | 4,276 | 7,846 |
| Short-term Loans and Advances | 21 | 58,689 | 43,310 |
| Other Current Assets | 22 | 150,881 | 4,242 |
| | | 470,351 | 358,408 |
| TOTAL | | 623,187 | 492,241 |

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

The Notes are an integral part of these financial statements.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

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

(P. Law)
Partner
Membership Number: 51790
Kolkata, 8th June, 2012

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

B. L. Bajoria
Secretary

B. D. Mundhra
Chairman & Managing Director

S. Dutta
Director

Profit and Loss Statement For the year ended 31st March, 2012

(All amounts in Rs. Lakhs, unless otherwise stated)

| Particulars | Note No. | Year ended 31st March, 2012 | Year ended 31st March, 2011 |
|---|----------|-----------------------------|-----------------------------|
| Revenue from Operations | 23 | 589,759 | 469,123 |
| Other Income | 24 | 1,921 | 2,265 |
| Total Revenue | | 591,680 | 471,388 |
| EXPENSES | | | |
| Construction Materials Consumed | | 231,876 | 173,542 |
| Changes in Inventories of Work-in-progress | 25 | (2,518) | (7,439) |
| Employee Benefits Expense | 26 | 45,293 | 38,221 |
| Finance Costs | 27 | 23,030 | 14,453 |
| Depreciation and Amortisation Expense | 28 | 11,431 | 9,119 |
| Other Expenses | 29 | 269,238 | 223,946 |
| Total Expenses | | 578,350 | 451,842 |
| Profit before Exceptional and Extraordinary Items and Tax | | 13,330 | 19,546 |
| Exceptional Items | | - | - |
| Profit before Extraordinary Items and Tax | | 13,330 | 19,546 |
| Extraordinary Items | | - | - |
| Profit before Tax | | 13,330 | 19,546 |
| Tax Expense | | | |
| Current Tax | | 2,775 | 4,040 |
| Less: MAT Credit Entitlement | | - | 1,790 |
| Net Current Tax | | 2,775 | 2,250 |
| Deferred Tax | | 5,636 | 4,972 |
| Current Tax provision for earlier years written back | | (4,000) | - |
| Total Tax Expense | | 4,411 | 7,222 |
| Profit for the period | | 8,919 | 12,324 |
| Earnings per Equity Share [Nominal value per share Rs.2/-(2011: Rs.2/-)] | | | |
| Basic (Rs.) | 44 | 18.03 | 24.91 |
| Diluted (Rs.) | 44 | 18.03 | 24.91 |

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

The Notes are an integral part of these financial statements.

For Price Waterhouse
Firm Registration Number: 301112E
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Membership Number: 51790
Kolkata, 8th June, 2012

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

B. L. Bajoria
Secretary

B. D. Mundhra
Chairman & Managing Director

S. Dutta
Director

Cash Flow Statement For the year ended 31st March, 2012

(All amounts in Rs. Lakhs, unless otherwise stated)

| | Year ended 31st March, 2012 | | Year ended 31st March, 2011 | |
|--|--------------------------------|-----------------|--------------------------------|-----------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES: | | | | |
| Profit before Tax | | 13,330 | | 19,546 |
| Adjustments for: | | | | |
| Depreciation and Amortisation Expense | 11,431 | | 9,119 | |
| Interest Expense | 20,011 | | 12,077 | |
| Interest Income | (882) | | (1,400) | |
| Company's Share in profit / (loss) of Joint Ventures | (20) | | (132) | |
| (Profit) / Loss on disposal of Fixed Assets | 63 | | (48) | |
| Bad Debts/Advances written off (Net of Provision written back) | 2,301 | | 137 | |
| Provision for Doubtful Debts / Advances | 182 | | 159 | |
| Provision for Diminution in carrying amount of Investments | - | | 14 | |
| Tools written off | 6,901 | | 6,964 | |
| Liabilities no longer required written back | (917) | | (680) | |
| Wealth Tax | 9 | | 8 | |
| Provision for mark-to-market losses on derivatives | 140 | | 71 | |
| Dividend Income from Current Investments | (1) | | (5) | |
| Dividend Income from Long - term Investments | (69) | | (37) | |
| Forward Premium Amortised | 349 | | 166 | |
| Net Gain on sale of Long - term Investments | (107) | | - | |
| Exchange (Gain) / Loss (Net) | 652 | | (28) | |
| Effect of Changes in Foreign Exchange Translation | 725 | 40,768 | (163) | 26,222 |
| Operating Profit before Working Capital Changes | | 54,098 | | 45,768 |
| Adjustments for: | | | | |
| Trade and Other Payables | 62,646 | | 27,833 | |
| Trade and Other Receivables | (87,442) | | (50,057) | |
| Long-term Loans and Advances / Other Non-current Assets | (1,540) | | (4,403) | |
| Inventories | (22,382) | (48,718) | (16,780) | (43,407) |
| Cash generated from operations | | 5,380 | | 2,361 |
| Direct Taxes Paid (net of refunds) | | (4,923) | | (1,227) |
| Net Cash from Operating Activities | | 457 | | 1,134 |
| B. CASH FLOW FROM INVESTING ACTIVITIES: | | | | |
| Purchase of Fixed Assets | (22,897) | | (23,879) | |
| Sale of Fixed Assets | 241 | | 205 | |
| Purchase of Investments | * | | (3,285) | |
| Sale of Investments | 873 | | 1,850 | |
| Investment in Joint Ventures | (25) | | - | |
| Investment in Associate Companies | (68) | | (2) | |
| Investment in Subsidiary Companies | (2,929) | | (600) | |
| Advance against Investments in Associate Companies | - | | (628) | |
| Dividend Received | 69 | | 37 | |
| Interest Received | 1,413 | | 542 | |
| Term Deposits - Matured / (Invested) | 300 | | (478) | |
| Inter Corporate Loans Recovered / (Given) | (3,433) | | 1,932 | |
| Net Cash used in Investing Activities | | (26,456) | | (24,306) |
| Carried Forward | | (25,999) | | (23,172) |

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

Cash Flow Statement For the year ended 31st March, 2012 (contd.)

(All amounts in Rs. Lakhs, unless otherwise stated)

| | Year ended 31st March, 2012 | | Year ended 31st March, 2011 | |
|--|--------------------------------|----------|--------------------------------|----------|
| Brought Forward | | (25,999) | | (23,172) |
| C. CASH FLOW FROM FINANCING ACTIVITIES: | | | | |
| Proceeds from long term borrowings | 5,856 | | 2,197 | |
| Repayment of long term borrowings | (1,779) | | (2,479) | |
| Short term borrowings - Receipts / (Payments) | 39,652 | | 35,791 | |
| Interest Paid | (20,059) | | (12,390) | |
| Dividend Paid [including Dividend Tax Rs.161 (2011: Rs.164)] | (1,147) | | (1,153) | |
| Net Cash from Financing Activities | | 22,523 | | 21,966 |
| Net Decrease in Cash and Cash Equivalents | | (3,476) | | (1,206) |
| D. Effects of Foreign Exchange Differences on Cash and Cash Equivalents | | 138 | | (53) |
| | | (3,338) | | (1,259) |
| Cash and Cash Equivalents as at 31st March, 2011 | 7,468 | | 8,727 | |
| Cash and Cash Equivalents as at 31st March, 2012 | 4,130 | (3,338) | 7,468 | (1,259) |

| | As at 31st March, 2012 | As at 31st March, 2011 |
|---|---------------------------|---------------------------|
| (a) Cash and cash equivalents comprise : | | |
| Cash on hand | 21 | 34 |
| Remittances in Transit | 159 | 27 |
| Balances with Banks on current accounts | 3,933 | 7,392 |
| Unpaid Dividend Accounts @ | 17 | 15 |
| | 4,130 | 7,468 |
| @ Earmarked for payment of unclaimed dividend | | |

- (b) The above Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard - 3 on Cash Flow Statements prescribed under the Companies Act, 1956.
- (c) Cash Flow from Investing Activities does not include investment of Rs.628 (2011: Rs.Nil) in Associate Companies by way of adjustment against advance made in previous year being a non-cash item.
- (d) Previous year's figures have been regrouped / reclassified where ever necessary to make the same comparable with the current year's figures. Also refer Note 51 to the Financial Statements.

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

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

For H. S. Bhattacharjee & Co.
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Membership Number: 51790
Kolkata, 8th June, 2012

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

B. L. Bajoria
Secretary

B. D. Mundhra
Chairman & Managing Director

S. Dutta
Director

Notes to the Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION

These Financial Statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and the other relevant provisions of the Companies Act, 1956.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle which is more than 12 months considering the average project period in respect of its Construction Business and 12 months in respect of its Other businesses and other criteria set out in the Schedule VI to the Companies Act, 1956.

1.2 CHANGES IN ACCOUNTING POLICY

Pursuant to the Notification No. GSR 914(E) dated 29th December 2011 issued by the Ministry of Corporate Affairs amending Accounting Standard (AS) 11, "The Effects of Changes in Foreign Exchange Rates" the Company has exercised the option and accordingly the exchange differences for the year ended 31st March, 2012 pertaining to long term foreign currency monetary items to the extent of Rs.1,328 has been added to the cost of depreciable capital assets (Tangible Assets) and Rs.8 to Capital Work-in-progress related to Construction segment to be depreciated over the balance useful life of such assets and to the extent of Rs.714 has been accumulated in "Foreign Currency Monetary Item Translation Difference Account (FCMITDA)" to be amortised over the life of such monetary items. A portion of such exchange differences being Rs. 838 would have been recognised as expense in the Profit and Loss Statement, had the earlier accounting policy been followed.

As a result of change in accounting as aforesaid the year-end aggregate carrying amount of Tangible Assets and Capital Work-in-progress is higher by Rs.1,214 and Rs.8 respectively and unamortised FCMITDA balance (debit) as at the year end is Rs.119 and profit for the year ended 31st March, 2012 is higher by Rs.129.

1.3 FIXED ASSETS

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

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

1.4 DEPRECIATION AND AMORTISATION

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

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

1.5 IMPAIRMENT LOSS

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

1.6 INVESTMENTS

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

(All amounts in Rs. Lakhs, unless otherwise stated)

1. SIGNIFICANT ACCOUNTING POLICIES (contd.)

1.7 INVENTORIES

Inventories are valued at lower of cost and net realisable value. The cost, in general, is determined under FIRST IN FIRST OUT method.

1.8 REVENUE RECOGNITION

Contract revenue is recognised under percentage of completion method. The stage of completion is determined on the basis of completion of physical proportion of the contract work. Extra work and variation in contract (as mutually agreed), to the extent that it is probable that they will result in revenue and can be reliably measured is also covered. Income from Plant and Equipment on hire contract are recognised on accrual basis over the contract period. Other items are recognised on accrual basis.

1.9 OTHER INCOME

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

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

All other items are recognised on accrual basis.

1.10 SITE DEVELOPMENT AND INITIAL EXPENSES

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

1.11 BORROWING COST

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

1.12 CLAIMS AND COUNTER CLAIMS

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

1.13 TRANSACTIONS IN FOREIGN CURRENCIES

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

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

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

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

A monetary asset or liability is termed as a long-term foreign currency monetary item, if the asset or liability is expressed in a foreign currency and has a term of 12 months or more at the date of origination of the asset or liability. Refer Note 1.2 above for the effect of change in accounting policy.

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

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.

(All amounts in Rs. Lakhs, unless otherwise stated)

1. SIGNIFICANT ACCOUNTING POLICIES (contd.)

1.14 DERIVATIVE INSTRUMENTS

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

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

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

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

1.15 EMPLOYEE BENEFITS

a) Short term Employee Benefits:

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

b) Post Employment Benefit Plans :

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

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 Statement for the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, and as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of any economic benefit available in the form of refunds from the plan or reductions in future contributions to the plan.

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

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

1.16 TAXATION

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

(All amounts in Rs. Lakhs, unless otherwise stated)

1. SIGNIFICANT ACCOUNTING POLICIES (contd.)

1.16 TAXATION (contd.)

enacted by the Balance Sheet date. Deferred tax assets are reviewed at each Balance Sheet date to re-assess realisation. Current tax assets and current tax liabilities are offset when there is legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is legally enforceable right to set off assets and liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

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

1.17 RESEARCH AND DEVELOPMENT EXPENDITURE

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

1.18 PROVISION AND CONTINGENT LIABILITIES

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

1.19 LEASES

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

1.20 SEGMENT REPORTING

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

1.21 CASH AND CASH EQUIVALENTS

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

1.22 EARNINGS PER SHARE

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

Notes to the Financial Statements (contd.)

(All amounts in Rs. Lakhs, unless otherwise stated)

| | As at 31st March, 2012 | As at 31st March, 2011 |
|--|---------------------------|---------------------------|
| 2. SHARE CAPITAL | | |
| Authorised: | | |
| 374,900,000 (2011: 374,900,000) Equity Shares of Rs.2/- each | 7,498 | 7,498 |
| 20,000 (2011: 20,000) 15% Cumulative Preference Shares of Rs.10/- each | 2 | 2 |
| | 7,500 | 7,500 |
| Issued, Subscribed and Paid-up: | | |
| 49,472,330 (2011: 49,472,330) Equity Shares of Rs.2/- each | 989 | 989 |
| Add: 1,26,000 Equity Shares of Rs.10/- each (equivalent of 6,30,000 Equity Shares of Rs.2/- each) forfeited in earlier years | 4 | 4 |
| Total | 993 | 993 |

(a) Rights, preferences and restrictions attached to shares

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

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

| Details of shareholder | As at 31st March, 2012 | As at 31st March, 2011 |
|---|---------------------------|---------------------------|
| (1) ANUPRIYA CONSULTANTS PVT LTD | 7,089,912 | 7,089,912 |
| | 14.33% | 14.33% |
| (2) RBS CREDIT AND FINANCIAL DEVELOPMENTS PRIVATE LTD | 4,497,396 | 4,497,396 |
| | 9.09% | 9.09% |
| (3) BITHAL DAS MUNDHRA | 2,794,950 | 2,794,950 |
| | 5.65% | 5.65% |

Notes to the Financial Statements (contd.)

(All amounts in Rs. Lakhs, unless otherwise stated)

| | As at 31st March, 2012 | As at 31st March, 2011 |
|--|---------------------------|---------------------------|
| 3. RESERVES AND SURPLUS | | |
| Capital Reserve | 2,158 | 2,158 |
| Capital Redemption Reserve | 1 | 1 |
| Securities Premium Account | 49,421 | 49,421 |
| Contingency Reserve [Refer (a) below] | 3,500 | 3,500 |
| Foreign Currency Translation Reserve Account (Refer Note 1.13) | | |
| Balance at the beginning of the year | (1,733) | (1,362) |
| Add: Transferred during the year | 4,617 | (371) |
| Balance at the end of the year | 2,884 | (1,733) |
| General Reserve [Refer (b) below] | | |
| Balance at the beginning of the year | 9,455 | 7,955 |
| Add: Transferred from Surplus in Profit and Loss Statement | 1,500 | 1,500 |
| Balance at the end of the year | 10,955 | 9,455 |
| Surplus in Profit and Loss Statement | | |
| Balance at the beginning of the year | 43,973 | 34,299 |
| Add: Profit for the year | 8,919 | 12,324 |
| | 52,892 | 46,623 |
| Less: Appropriations | | |
| Transfer to General Reserve | 1,500 | 1,500 |
| Proposed Dividend on Equity Shares (Refer Note 34) | 989 | 989 |
| Dividend Tax on above | 161 | 161 |
| Balance at the end of the year | 50,242 | 43,973 |
| Total | 119,161 | 106,775 |

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

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

| | As at 31st March, 2012 | As at 31st March, 2011 |
|--|---------------------------|---------------------------|
| 4. LONG-TERM BORROWINGS | | |
| Secured Borrowings | | |
| Term Loans from Banks | | |
| Rupee Loans [Refer (a) below] | 3,207 | 2,354 |
| Foreign Currency Loans [Refer (b) below] | 5,213 | 1,246 |
| Term Loans from Financial Companies [Refer (c) below] | 317 | 511 |
| Sub - Total | 8,737 | 4,111 |
| Unsecured Borrowings | | |
| Term Loans from Banks | | |
| Rupee Loans [Refer (d) below] | 56 | 72 |
| Rupee Term Loan from a Financial Company [Refer (e) below] | - | 3 |
| Sub - Total | 56 | 75 |
| Total | 8,793 | 4,186 |

Notes to the Financial Statements (contd.)

(All amounts in Rs. Lakhs, unless otherwise stated)

4. LONG-TERM BORROWINGS (contd.)

a) Rupee Term Loans from Banks

- i) Term Loans from a Bank Rs.10 (2011: Rs.Nil) are secured by way of hypothecation/charge of the assets financed. Repayable along with Interest of 10.53% p.a (as on 31.03.2012) in 53 Monthly Instalments.
- ii) Term Loans from a Bank Rs.184 (2011: Rs.11) are secured by way of hypothecation/charge of the assets financed. Repayable along with Interest ranging from 8.50% to 11.00% p.a (as on 31.03.2012) in Monthly Instalments ranging from 40 to 60 numbers.
- iii) Term Loan from a Bank Rs.62 (2011: Rs. Nil) are secured by way of hypothecation/charge of the assets financed. Repayable along with Interest ranging from 10.69% to 10.89% p.a (as on 31.03.2012) in Monthly Instalments ranging from 58 to 60 numbers.
- iv) Term Loan from a Bank Rs.Nil (2011: Rs.844) are secured by an exclusive charge on assets to be acquired out of the loan i.e. Construction Equipment/Assets Purchased out of said loans. Repayable along with Interest of Base Rate + 2.25% (as on 31.03.2012) in 3 Quarterly Instalments. Covered by personal guarantee of Chairman and Managing Director of the Company.
- v) Term Loan from a Bank Rs.1,112 (2011: Rs. Nil) are secured by an exclusive charge on assets purchased with the loan fund. Repayable along with Interest of Base Rate (as on 31.03.2012) in 16 Quarterly Instalments.
- vi) Term Loan from a Bank Rs.1,839 (2011: Rs. 1,499) are secured by an exclusive charge on assets purchased out of said loans. Repayable along with Interest of Base Rate + 1.25% (as on 31.03.2012) in 16 Quarterly Instalments .

b) Foreign Currency Term Loans from Banks

- i) Foreign Currency Term Loan from a Bank Rs.4,834 (2011: Rs. Nil) are secured by an exclusive charge over Moveable Fixed Assets purchased out of said loans. Repayable along with Interest of 6 month USD LIBOR+1.9% p.a. (as on 31.03.2012) in 12 Half Yearly Instalments.
- ii) Foreign Currency Term Loan from a Bank Rs.379 (2011: Rs. 1,246) are secured by an exclusive charge on specific assets . Repayable along with Interest of 6 month JPY LIBOR+1.35% p.a. (as on 31.03.2012) in 5 Quarterly Instalments.

c) Term Loans from Financial Companies

- i) Rupee Term Loan from a Financial Company Rs.Nil (2011: Rs.3) are secured by an exclusive charge on specific assets purchased out of said loans. Repayable along with Interest of 11 % p.a. (as on 31.03.2012) in 4 Quarterly Instalments.
- ii) Rupee Term Loan from a Financial Company Rs.Nil (2011: Rs.99) are secured by an exclusive charge on specific assets purchased out of said loans. Repayable along with Interest of 11.50 % p.a. (as on 31.03.2012) in 3 Quarterly Instalments.
- iii) Rupee Term Loan from a Financial Company Rs.317 (2011: Rs.409) are secured by an exclusive charge on specific assets purchased out of said loans. Repayable along with Interest of 10 % p.a. (as on 31.03.2012) in 46 Monthly Instalments.

d) Rupee Term Loans from Banks

Term Loans from a Bank Rs.56 (2011: Rs. 72) repayable along with Interest ranging from 8.75% to 12% p.a.(as on 31.3.2012) in Monthly Instalments ranging from 4 to 56 numbers.

e) Term Loan from Financial Company

Rupee Term Loan from a Financial Company Rs.Nil (2011: Rs.3) repayable along with Interest of 11% p.a. (as on 31.3.2012) in 4 Quarterly Instalments.

f) Outstanding balances of loans as indicated in (a) to (e) above are exclusive of current maturities of such loans as disclosed in Note 10.

Notes to the Financial Statements (contd.)

(All amounts in Rs. Lakhs, unless otherwise stated)

| | As at 31st March, 2012 | As at 31st March, 2011 |
|--|---------------------------|---------------------------|
| 5. DEFERRED TAX LIABILITIES (NET) | | |
| Tax impact due to timing differences resulting in liabilities/(assets) on account of: | | |
| Depreciation as per tax law and books | 7,461 | 6,430 |
| Part of the revenue not taxable based on terms of contract (Net) | 12,304 | 7,635 |
| Provision for doubtful debts / advances etc. | (178) | (144) |
| Items admissible on payment basis | (146) | (116) |
| Total | 19,441 | 13,805 |
| 6. OTHER LONG-TERM LIABILITIES | | |
| Derivative Liabilities | 991 | - |
| Total | 991 | - |
| 7. LONG-TERM PROVISIONS | | |
| Provision for Employee Benefits | | |
| Employees End of Service Benefit / Severance Pay | 477 | 498 |
| Gratuity (Unfunded) | 4 | 2 |
| Leave Encashment Liability | 225 | 142 |
| Other Long-term Employee Benefits | 55 | 43 |
| Total | 761 | 685 |
| 8. SHORT-TERM BORROWINGS | | |
| A. Secured Borrowings | | |
| Term Loans from Banks | | |
| Rupee Loans [Refer (a) below] | 4,427 | 7,125 |
| Foreign Currency Loans [Refer (b) below] | 6,464 | 4,863 |
| Term Loans from Financial Companies | | |
| Rupee Loans [Refer (c) below] | 3,514 | 6,401 |
| Working Capital Loans repayable on demand from Banks | | |
| Rupee Loans [Refer (d)(i) below] | 67,272 | 77,329 |
| Foreign Currency Loans [Refer (d)(i) and (d)(ii) below] | 21,962 | 4,941 |
| Sub-Total | 103,639 | 100,659 |
| B. Unsecured Borrowings | | |
| Term Loans from Banks | | |
| Rupee Loans | 60,067 | 38,105 |
| Foreign Currency Loans | 4,070 | - |
| Term Loan from a Financial Company | 909 | 1,740 |
| Commercial Papers [including from Banks Rs.27,500 (2011: Rs.17,000)] [Maximum balance outstanding at any time during the year Rs. 61,500 (2011: Rs.48,500)] | 27,500 | 18,500 |
| Working Capital Loans repayable on demand from a Bank | 4,406 | - |
| Intercompany Deposit (repayable on demand) | 5 | 5 |
| Sub-Total | 96,957 | 58,350 |
| Total | 200,596 | 159,009 |

Notes to the Financial Statements (contd.)

(All amounts in Rs. Lakhs, unless otherwise stated)

8. SHORT-TERM BORROWINGS (contd.)

a) Rupee Term Loans from Banks

Term Loans from Banks Rs. 4,427 (2011 : Rs. 7,125) are secured by an exclusive charge on assets acquired out of the said loans. Out of the above, Term Loan from a Bank Rs. 803 (2011 : Rs.2,179) are also covered by personal guarantee of Chairman and Managing Director of the Company.

b) Foreign Currency Term Loans from Banks

- i) Foreign Currency Term Loan from a Bank Rs.3,831 (2011: Rs.1,671) are secured by an exclusive charge on Specific assets.
- ii) Foreign Currency Term Loan from a Bank Rs.2,633 (2011: Rs.2,308) are secured by way of security as recited in (d)(i) below.
- iii) Foreign Currency Term Loan from Banks Rs.Nil (2011: Rs.884) are secured by assignment of receivables at overseas branches.

c) Rupee Term Loans from Financial Companies

Rupee Term Loans from Financial Companies Rs.3,514 (2011: Rs.6,401) are secured/ to be secured by an exclusive hypothecation/charge on assets acquired out of the said loans.

d) Working Capital Loans repayable on demand from Banks

- i) Working Capital Rupee Loans from Banks Rs. 67,272 (2011: Rs.77,329) and Working Capital Foreign Currency Loans from Banks Rs. 12,713 (2011: Rs.Nil) are secured by first charge by way of hypothecation of stocks, stores, trade receivables, second charge on Plant and Equipment (other than those which are exclusively charged in favour of the respective lenders) ranking pari passu amongst the Banks on the point of security, as also by second charge on certain immovable properties by deposit of title deeds / documents in India subject to first charge created / to be created in favour of term lenders.
- ii) Working Capital Foreign Currency Loans from Banks Rs.9,249 (2011: Rs.4,941) are secured by assignment of receivables at overseas branches.

| | As at 31st March, 2012 | As at 31st March, 2011 |
|--------------------------------|---------------------------|---------------------------|
| 9. TRADE PAYABLES | | |
| Acceptances | 5,577 | 1,852 |
| Trade Payables (Refer Note 41) | 152,374 | 107,996 |
| Total | 157,951 | 109,848 |

Notes to the Financial Statements (contd.)

(All amounts in Rs. Lakhs, unless otherwise stated)

| | As at 31st March, 2012 | As at 31st March, 2011 |
|--|---------------------------|---------------------------|
| 10. OTHER CURRENT LIABILITIES | | |
| Current maturities of long-term debt (Refer Note 4) | 3,785 | 2,419 |
| Advances from Clients | 96,888 | 75,148 |
| Interest accrued but not due on borrowings | 404 | 239 |
| Interest accrued and due on borrowings | 350 | 217 |
| Interest accrued on Others | 504 | 719 |
| Unpaid dividends [Refer (a) below] | 17 | 15 |
| Unpaid matured deposits and interest accrued thereon [Refer (a) below] | 5 | 9 |
| Temporary Book Overdraft | 170 | 237 |
| Employee related liabilities | 5,281 | 4,189 |
| Statutory Dues (Service Tax, Sales Tax, TDS, etc.) | 3,475 | 4,428 |
| Derivatives Liabilities | 316 | 65 |
| Billing in Excess of Revenue | 1,655 | 5,495 |
| Capital Liabilities (Refer Note 41) | 82 | 2,208 |
| Security Deposits | 8 | 8 |
| Other Payables | 2 | 2 |
| Total | 112,942 | 95,398 |

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

| | As at 31st March, 2012 | As at 31st March, 2011 |
|---|---------------------------|---------------------------|
| 11. SHORT-TERM PROVISIONS | | |
| Provision for Employee Benefits | | |
| Employees End of Service Benefit / Severance Pay | 11 | 7 |
| Leave Encashment Liability | 150 | 136 |
| Gratuity Fund | 64 | - |
| Gratuity (Unfunded) | * | - |
| Other Long-term Employee Benefits | 43 | 41 |
| Provision for Current Tax [Provision for Tax Rs.8,490 (2011: Rs.9,706) netted off against Advance Tax to the extent Rs.8,490 (2011: Rs.9,569)] | - | 137 |
| Proposed Dividend | 989 | 989 |
| Tax on Proposed Dividend | 161 | 161 |
| Provision for mark -to-market losses on derivatives | 140 | 71 |
| Total | 1,558 | 1,542 |

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

Notes to the Financial Statements (contd.)

12. TANGIBLE ASSETS

(All amounts in Rs. Lakhs, unless otherwise stated)

| Particulars | GROSS BLOCK | | | | DEPRECIATION | | | | NET BLOCK | |
|--|------------------------|---------------------------|---------------------------|---|------------------------|---------------|---------------------------|-----------------------------------|------------------------|------------------------|
| | As at 31st March, 2011 | Additions during the Year | Disposals during the year | Other Adjustments during the year [Refer (d) below] | As at 31st March, 2012 | For the Year | Disposals during the year | Other Adjustments during the year | As at 31st March, 2012 | As at 31st March, 2011 |
| Freehold Land | 1,053 | - | - | - | 1,053 | - | - | - | - | 1,053 |
| Leasehold Land | 50 | - | - | - | 50 | 1 | - | - | 9 | 41 |
| Building | 1,600 | 2,316 | 44 | - | 3,872 | 43 | 7 | - | 246 | 3,626 |
| Plant and Equipment - Given on operating Lease [Refer (e) below] | 4,205 | - | - | (4,205) | - | 400 | - | (2,151) | - | 2,454 |
| Plant and Equipment - Others | 131,094 | 16,738 | 436 | 13,183 | 160,579 | 9,953 | 309 | 4,505 | 45,137 | 115,442 |
| Furniture and Fittings | 1,000 | 84 | - | 31 | 1,115 | 56 | - | 18 | 577 | 538 |
| Office Equipment | 1,132 | 147 | 1 | 58 | 1,336 | 72 | - | 17 | 421 | 915 |
| Motor Vehicles | 4,276 | 780 | 250 | 324 | 5,130 | 439 | 109 | 111 | 1,731 | 3,399 |
| Computer | 2,363 | 301 | 6 | 26 | 2,684 | 306 | 6 | 17 | 1,757 | 927 |
| Electrical Equipment | 55 | - | - | - | 55 | 4 | - | - | 14 | 41 |
| Total | 146,828 | 20,366 | 737 | 9,417 | 175,874 | 11,274 | 431 | 2,517 | 49,892 | 125,982 |
| As at 31st March, 2011 | 124,374 | 22,864 | 349 | (61) | 146,828 | 8,873 | 191 | (97) | 36,532 | 110,296 |

- (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.75 and Rs.230 respectively) but the resultant increase in the Net Book value on such revaluation Rs.470 and Rs.1,082 respectively have not been considered in the accounts.
- (b) Buildings include Rs.9 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.2) 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, 2012 of Plant and Equipment includes Rs.Nil (2011: Rs.6) for items acquired under Hire Purchase arrangements up to 31st March, 2001 of which Rs.Nil (2011: Rs.1) was outstanding as at 31st March, 2012.
- (d) Other adjustments include Rs.1,328 (2011:Rs.Nil) being capitalisation of exchange differences on long term foreign currency monetary items relating to Fixed Assets (Refer Note 1.2 to the Financial Statements) and Rs.3,656 (2011: Rs.61) being adjustments on account of exchange fluctuations relating to fixed assets in case of non integral operations.
- (e) Represents Oil Drilling Rig and its components given to Jaybee Simplex Consortium on cancellable operating lease. The same has been transferred to 'Plant and Equipment - Others' during the year on expiry of the lease term.

13. INTANGIBLE ASSETS

(All amounts in Rs. Lakhs, unless otherwise stated)

| Particulars | GROSS BLOCK | | | | AMORTISATION | | | | NET BLOCK | | |
|------------------------------|------------------------|---------------------------|---------------------------|-----------------------------------|------------------------|------------------------|--------------|---------------------------|-----------------------------------|------------------------|------------------------|
| | As at 31st March, 2011 | Additions during the Year | Disposals during the year | Other Adjustments during the year | As at 31st March, 2012 | As at 31st March, 2011 | For the Year | Disposals during the year | Other Adjustments during the year | As at 31st March, 2012 | As at 31st March, 2011 |
| Computer Software - Acquired | 814 | 131 | - | - | 945 | 619 | 157 | - | - | 776 | 195 |
| Total | 814 | 131 | - | - | 945 | 619 | 157 | - | - | 776 | 195 |
| As at 31st March, 2011 | 713 | 101 | - | - | 814 | 373 | 246 | - | - | 619 | 195 |

Notes to the Financial Statements (contd.)

(All amounts in Rs. Lakhs, unless otherwise stated)

| | As at 31st March, 2012 | As at 31st March, 2011 |
|---|---------------------------|---------------------------|
| 14. NON-CURRENT INVESTMENTS | | |
| Trade Investments (Valued at cost unless stated otherwise) | | |
| Unquoted | | |
| Investments in Equity Instruments | | |
| Investments in Joint Ventures (Refer Note 43.1) | | |
| 9,799 (2011: 9,799) Shares of Thai Bhatt (THB) 100 each of Simplex Infrastructures (Thailand) Limited - Fully paid up, a joint venture company | 14 | 14 |
| Less: Provision for diminution in carrying amount of Investments | (14) | (14) |
| 4,900 (2011: 4,900) Shares of Bahraini Dinars (BHD) 50 each of Simplex Almoayyed W.L.L.- Fully paid up, a joint venture company | 287 | 287 |
| 2,50,000 (2011: Nil) Equity Shares of Rs.10/- each in Arabian Construction Company - Simplex Infra Private Limited - Fully paid up, a joint venture company | 25 | - |
| Investments in Subsidiary Companies | | |
| 9,999 (2011: Nil) Equity Shares of Rs.10/- each in Maa Durga Expressways Private Limited - Fully paid up | 1 | - |
| 175,000 (2011: 175,000) Shares of Omani Rial (OMR) 1 each in Simplex Infrastructures LLC - Fully paid up | 135 | 135 |
| 520 (2011: 150) Shares of United Arab Emirates Dirham (AED) 1,000 each in Simplex (Middle East) Limited - Fully paid up | 68 | 20 |
| 9,750 (2011: 9,750) Shares of Libyan Dinar (LYD) 100 each in Simplex Infrastructures Libya Joint Venture Co. - Fully paid up | 387 | 387 |
| 3,48,00,000 (2011: 6,000,000) Equity Shares of Rs.10/- each in Simplex Infra Development Limited - Fully paid up | 3,480 | 600 |
| Investments in Associates | | |
| 2,600 (2011: 2,600) Equity Shares of Rs.10/- each of Shree Jagannath Expressways Private Limited -Fully paid up [Refer (a) below] | * | * |
| 69,77,692 (2011: 16,665) Equity Shares of Rs.10/- each of Raichur Sholapur Transmission Company Limited -Fully paid up | 698 | 2 |
| Sub - total | 5,081 | 1,431 |
| Other than Trade Investments (Valued at cost unless stated otherwise) | | |
| Unquoted | | |
| Others: | | |
| Investments in Equity Instruments | | |
| 5 (2011: 5) -Fully paid-up Ordinary Shares of Rs.50/- each in Mercantile Apartments Co-operative Housing Society Ltd., Mumbai - Face value Rs.250/- | * | * |
| 5 (2011: 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 (2011: 5) -Fully paid-up Ordinary Shares of Rs.50/- each in Borlo Co-operative Housing Society Ltd.,Chembur, Mumbai - Face value Rs.250/- | * | * |
| 5 (2011: 5) -Fully paid-up Ordinary Shares of Rs.50/- each in Saket Co-operative Housing Society Ltd., Mumbai-Face value Rs.250/- | * | * |

Notes to the Financial Statements (contd.)

(All amounts in Rs. Lakhs, unless otherwise stated)

| | As at 31st March, 2012 | As at 31st March, 2011 |
|--|---------------------------|---------------------------|
| 14. NON-CURRENT INVESTMENTS (contd.) | | |
| Quoted | | |
| Others: | | |
| Investments in Equity Instruments | | |
| 20,000 (2011: 20,000) Equity Shares of Rs.10/- each (Rs.5/- paid up) of Parasrampur Synthetic Ltd. @ | 1 | 1 |
| Less: Provision for diminution in carrying amount of Investments | (1) | (1) |
| 4,700 (2011: 4,700) Equity Shares of Rs.10/- each at a Premium of Rs.35/- each of Pennar Patterson Securities Ltd.- Fully Paid up @ | 2 | 2 |
| Less: Provision for diminution in carrying amount of Investments | (2) | (2) |
| 90,000 (2011: 90,000) Equity Shares of Rs.10/- each of SREI Infrastructures Ltd. - Fully Paid up | 41 | 41 |
| 370,500 (2011: 369,981) Equity Shares of Rs.2/- each of Emami Paper Mills Limited - Fully paid up | 185 | 185 |
| 110,300 (2011: 305,000) Equity Shares of Re.1/- each of Emami Limited - Fully paid up | 434 | 1,199 |
| 17,500 (2011: 17,500) Equity Shares of Rs.2/- each of Dalmia Bharat Sugar and Industries Limited [formerly Dalmia Cement (Bharat) Limited] - Fully paid up | 70 | 70 |
| 17,500 (2011: 17,500) Equity Shares of Rs.2/- each of Dalmia Bharat Enterprises Limited - Fully paid up [Refer (b) below] | - | - |
| 2,000,000 (2011: 2,000,000) Equity Shares of Rs.10/- each of Electrosteel Steels Limited (formerly Electrosteels Integrated Limited) - Fully paid up | 205 | 205 |
| Sub - total | 935 | 1,700 |
| Total | 6,016 | 3,131 |
| Aggregate amount of Quoted Investments | 935 | 1,700 |
| Market Value of Quoted Investments other than that marked @ for which year-end official quotation is not available. | 1,510 | 1,655 |
| Aggregate amount of Unquoted Investments | 5,081 | 1,431 |
| Aggregate provision for diminution in carrying amount of investments | 17 | 17 |

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

- (a) 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.
- (b) 17,500 Equity Shares of Rs.2/- each of Dalmia Bharat Enterprises Limited (DBEL) have been acquired during the previous year without consideration pursuant to a Scheme of Arrangement between Dalmia Cement (Bharat) Limited (DCBL) and DBEL involving demerger of certain business of DCBL.
- (c) For classification of investments in accordance with AS-13 : Accounting for Investments, refer Note 50.
- (d) Refer Note 31(c)(ii) for certain undertakings given by the Company in respect of Non-current Investments.

Notes to the Financial Statements (contd.)

(All amounts in Rs. Lakhs, unless otherwise stated)

| | As at 31st March, 2012 | As at 31st March, 2011 |
|---|---------------------------|---------------------------|
| 15. LONG-TERM LOANS AND ADVANCES | | |
| Unsecured, Considered Good | | |
| Capital Advances | 1,664 | 3,071 |
| Security Deposits | 347 | 296 |
| Deposit for Contract | 17 | 17 |
| Advance to related parties against Investments (Associate Companies) | * | 628 |
| Deposit under Investment Deposit Scheme | 15 | 15 |
| Receivable relating to forward contracts | 292 | - |
| Total | 2,335 | 4,027 |
| * Amount is below the rounding off norm adopted by the Company. | | |
| 16. OTHER NON-CURRENT ASSETS | | |
| Unamortised Premium on Forward Contracts | 711 | - |
| Tools (Refer Note 45) | 13,156 | 13,337 |
| Long Term Deposits with Banks with Maturity period more than 12 months [Refer (a) below] | 32 | 101 |
| Total | 13,899 | 13,438 |
| (a) Includes Rs.22 (2011: Rs.82) held as Margin money against bank guarantee. | | |
| 17. CURRENT INVESTMENTS | | |
| Unquoted [Refer Note 1.6] | | |
| Trade Investments | | |
| Investments in Joint Ventures (Unincorporated being Association of Persons) (Refer Note 43.1) | | |
| Simplex - Subhash Joint Venture | 102 | 100 |
| Jaybee Simplex Consortium | 101 | 145 |
| Simplex - Meinhardt JV | 18 | 12 |
| Simplex Gayatri Consortium | 170 | 154 |
| Laing-Simplex JV | 227 | 207 |
| Simplex - Somdatt JV | 957 | 949 |
| Somdatt - Builders - Simplex JV | 205 | 206 |
| Simplex - Somdatt JV (Assam) | 14 | - |
| Sub - total | 1,794 | 1,773 |
| Other than Trade Investments | | |
| Investments in Government or Trust Securities | | |
| 6 Year National Savings Certificates (Matured) (Lodged as Security Deposits) | * | * |
| 7 Year National Savings Certificates (Matured) (Lodged as Security Deposits) | * | * |
| Investments in Mutual Funds | | |
| 1,60,848.93 (2011: 1,51,588) Units of LIC Nomura Mutual Fund - Daily Dividend Plan | 16 | 15 |
| Sub - total | 16 | 15 |
| Total | 1,810 | 1,788 |
| Aggregate amount of Unquoted Investments | 1,810 | 1,788 |

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

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

Notes to the Financial Statements (contd.)

(All amounts in Rs. Lakhs, unless otherwise stated)

| | As at 31st March, 2012 | As at 31st March, 2011 |
|--|---------------------------|---------------------------|
| 18. INVENTORIES | | |
| At lower of cost and net realisable value | | |
| Work-in-progress | 14,102 | 11,584 |
| Construction Materials [includes in transit Rs.217 (2011: Rs.42)] | 55,333 | 44,647 |
| Stores and Spares [includes in transit Rs.50 (2011: Rs.9)] | 10,217 | 7,821 |
| Loose tools | 7,164 | 7,999 |
| Total | 86,816 | 72,051 |
| 19. TRADE RECEIVABLES | | |
| Unsecured considered good, unless otherwise stated | | |
| Outstanding for a period exceeding six months from the date they are due for payment | | |
| Considered Good | 63,104 | 51,208 |
| Considered Doubtful | 158 | 172 |
| Less: Provision for doubtful debts | (158) | (172) |
| Others [Refer (a) below] | 104,775 | 177,963 |
| Total | 167,879 | 229,171 |

(a) Includes retention money Rs. 50,083 (2011: Rs.44,960) not due for payment as per related terms of contract.

| | As at 31st March, 2012 | As at 31st March, 2011 |
|--|---------------------------|---------------------------|
| 20. CASH AND BANK BALANCES | | |
| Cash and Cash Equivalents | | |
| Cash on hand | 21 | 34 |
| Remittances in transit | 159 | 27 |
| Balances with Banks on current accounts | 3,933 | 7,392 |
| Unpaid Dividend Accounts @ | 17 | 15 |
| | 4,130 | 7,468 |
| Other Bank Balances | | |
| Deposit Accounts lodged as Security Deposits (Matured) | * | * |
| Term Deposits with maturity more than 3 months and up to 12 months [Refer (a) below] | 57 | 363 |
| Term Deposits with maturity more than 12 months (Current Portion) [Refer (b) below] | 89 | 15 |
| Total | 4,276 | 7,846 |

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

@ Earmarked for payment of unclaimed dividend.

(a) Includes Rs.56 (2011: Rs.362) held as Margin money against bank guarantee.

(b) Held as margin money against bank guarantee.

Notes to the Financial Statements (contd.)

(All amounts in Rs. Lakhs, unless otherwise stated)

| | As at 31st March, 2012 | As at 31st March, 2011 |
|---|---------------------------|---------------------------|
| 21. SHORT-TERM LOANS AND ADVANCES | | |
| Unsecured considered good, unless otherwise stated | | |
| Security deposits | | |
| Considered Good [Refer (a) below] | 5,292 | 4,948 |
| Considered Doubtful | 6 | 5 |
| Less: Provision for Doubtful Security deposit | (6) | (5) |
| Loans and advances to related parties: | | |
| Subsidiaries | 405 | 387 |
| Associate Companies | 17 | 49 |
| Joint Ventures | | |
| Considered Good | 1,235 | 985 |
| Considered Doubtful | 143 | 67 |
| Less: Provision for Doubtful loans and advances | (143) | (67) |
| Inter Corporate Loans | 7,165 | 3,740 |
| Prepaid Expenses | 2,243 | 1,897 |
| Loans and Advances to Employees | | |
| Considered Good [Refer (b) below] | 633 | 444 |
| Considered Doubtful | 54 | 48 |
| Less: Provision for Doubtful loans and advances to Employees | (54) | (48) |
| Deposit for Contracts | | |
| Considered Good | 1,776 | 1,945 |
| Considered Doubtful | 5 | 5 |
| Less: Provision for Doubtful Deposit for Contracts | (5) | (5) |
| Excise Duty Recoverable | 1,224 | 1,959 |
| MAT Credit Entitlement | 1,790 | 1,790 |
| Claims Recoverable | | |
| Considered Good | 2,263 | 2,421 |
| Considered Doubtful | 45 | - |
| Less: Provision for Doubtful Claims | (45) | - |
| Advance to Suppliers for Goods and Services | | |
| Considered Good | 8,970 | 7,372 |
| Considered Doubtful | 123 | 123 |
| Less: Provision for Doubtful Advances | (123) | (123) |
| Advances to / Balances with Government Authorities (Service Tax, Sales Tax, VAT etc.) | 19,244 | 15,237 |
| Advance Current Tax [Advance Tax Rs.14,492 (2011: Rs. 9,569), netted off against Provision for Tax to the extent of Rs.8,490 (2011: Rs. 9,569)] | 6,002 | - |
| Receivable relating to forward contracts | 373 | * |
| Advance Fringe Benefit Tax [Advance Tax Rs.93 (2011: Rs.93), Provision for Tax Rs.64 (2011: Rs.64)] | 29 | 29 |
| Other recoverables and prepayments | 28 | 107 |
| Total | 58,689 | 43,310 |

Notes to the Financial Statements (contd.)

(All amounts in Rs. Lakhs, unless otherwise stated)

| | As at 31st March, 2012 | As at 31st March, 2011 |
|---|---------------------------|---------------------------|
| 21. SHORT-TERM LOANS AND ADVANCES (contd.) | | |
| Summarised position of Short-term Loans and Advances | | |
| Unsecured | | |
| Considered Good | 58,689 | 43,310 |
| Considered Doubtful | 376 | 248 |
| Less: Provision for Doubtful Loans and Advances | (376) | (248) |
| Total | 58,689 | 43,310 |
| (a) Includes amount due by Firm in which Directors of the Company are Partners - Security Deposit with Mundhra Estates, a related party | 1 | 1 |
| (b) Includes amount due from an Officer of the Company | 5 | 8 |
| * Amount is below the rounding off norm adopted by the Company. | | |
| 22. OTHER CURRENT ASSETS | | |
| Unsecured considered good, unless otherwise stated | | |
| Accrued Interest on Deposits with Banks and Others | 911 | 1,447 |
| Accrued Interest on Loans to Joint Venture | | |
| Considered Good | - | 5 |
| Considered Doubtful | 5 | - |
| Less: Provision for Doubtful Accrued Interest | (5) | - |
| Unbilled Revenue | 146,487 | - |
| Accruals under Duty Free Credit Entitlement | 1,817 | 1,559 |
| Receivable on account of sale of fixed assets | 1,228 | 1,228 |
| Unamortised Expenses | | |
| Unamortised Premium on Forward Contracts | 319 | 3 |
| Foreign Currency Monetary Item Translation Difference Account | 119 | - |
| Total | 150,881 | 4,242 |
| Summarised position of Other Current Assets | | |
| Unsecured | | |
| Considered Good | 150,881 | 4,242 |
| Considered Doubtful | 5 | - |
| Less: Provision for Doubtful Other Current Assets | (5) | - |
| Total | 150,881 | 4,242 |

Notes to the Financial Statements (contd.)

(All amounts in Rs. Lakhs, unless otherwise stated)

| | Year ended 31st March, 2012 | Year ended 31st March, 2011 |
|---|--------------------------------|--------------------------------|
| 23. REVENUE FROM OPERATIONS | | |
| Sale of Services | | |
| Contract Turnover | 586,502 | 466,634 |
| Equipment Hire Charges - Oil Drilling Rig | 558 | 600 |
| Other Operating Revenues | | |
| Accruals under Duty Free Credit Entitlement | 1,721 | 532 |
| Income from Wind Mill - Electricity | - | 1 |
| Company's Share in profit/(loss) of Joint Ventures | 20 | 132 |
| Dividend from Long Term Investment in a Joint Venture Company | 55 | 36 |
| Miscellaneous Receipts | 361 | 568 |
| Sale of Scrap | 542 | 620 |
| Total | 589,759 | 469,123 |
| 24. OTHER INCOME | | |
| Dividend Income | | |
| From Long-term Investments | 14 | 1 |
| From Current Investments | 1 | 5 |
| Interest Income | 882 | 1,400 |
| Net Gain on sale of Long-term Investments | 107 | - |
| Net Profit on disposal of Fixed Assets | - | 48 |
| Liabilities no longer required written back | 917 | 680 |
| Net gain on foreign currency transaction and translation | - | 131 |
| Other non-operating income | * | * |
| Total | 1,921 | 2,265 |
| * Amount is below the rounding off norm adopted by the Company. | | |
| 25. CHANGES IN INVENTORIES OF WORK - IN - PROGRESS | | |
| Opening Work-in-progress | 11,584 | 4,145 |
| Less: Closing Work-in-progress | 14,102 | 11,584 |
| Changes in Inventories - (Increase) / Decrease | (2,518) | (7,439) |

Notes to the Financial Statements (contd.)

(All amounts in Rs. Lakhs, unless otherwise stated)

| | Year ended 31st March, 2012 | Year ended 31st March, 2011 |
|---|--------------------------------|--------------------------------|
| 26. EMPLOYEE BENEFITS EXPENSE | | |
| Salaries and Wages | 42,734 | 36,103 |
| Contribution to Provident and Other Funds | 1,259 | 956 |
| Staff Welfare Expenses | 1,300 | 1,162 |
| Total | 45,293 | 38,221 |

a) Defined Contribution Plans.

The Company has recognised, in the Profit and Loss Statement for the year ended 31st March, 2012 an amount of Rs.493 (2011: Rs.398) as expenses under defined contribution plans.

b) Post Employment Defined Benefit Plans

i) a) Gratuity (Funded)

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

b) Gratuity (Unfunded)

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

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

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

iii) Leave Encashment Scheme [LES] (Unfunded)

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

Notes to the Financial Statements (contd.)

(All amounts in Rs. Lakhs, unless otherwise stated)

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

| | Gratuity (Funded) | Gratuity (Unfunded) | ESB/SP (Unfunded) | LES (Unfunded) |
|---|----------------------|------------------------|----------------------|-------------------|
| I. Reconciliation of opening and closing balances of the present value of the Defined Benefit Obligation | | | | |
| (a) Present Value of Obligation at the beginning of the year | 2,092 1,816 | 2 - | 505 539 | 278 253 |
| (b) Current Service Cost | 325 172 | 5 - | 160 192 | 20 21 |
| (c) Interest Cost | 172 148 | - - | 31 29 | 17 15 |
| (d) Actuarial (Gain)/Loss | (50) 5 | (3) 2 | 78 131 | 206 113 |
| (e) (Benefits Paid) | (61) (49) | - - | (372) (375) | (161) (121) |
| (f) Exchange differences of foreign plans | - - | - * | 86 (11) | 15 (3) |
| (g) Present Value of Obligation at the end of the year | 2,478 2,092 | 4 2 | 488 505 | 375 278 |
| II. Reconciliation of opening and closing balances of the Fair Value of Plan Assets | | | | |
| (a) Fair Value of Plan Assets at the beginning of the year | 2,118 1,851 | - - | - - | - - |
| (b) Expected Return on Plan Assets | 181 157 | - - | - - | - - |
| (c) Actuarial Gain/(Loss) | 23 9 | - - | - - | - - |
| (d) Contributions by employer | 153 150 | - - | - - | - - |
| (e) (Benefits Paid) | (61) (49) | - - | - - | - - |
| (f) Fair Value of Plan Assets as at the end of the year | 2,414 2,118 | - - | - - | - - |

Notes to the Financial Statements (contd.)

(All amounts in Rs. Lakhs, unless otherwise stated)

| | Gratuity (Funded) | Gratuity (Unfunded) | ESB/SP (Unfunded) | LES (Unfunded) |
|--|-----------------------|------------------------|----------------------|----------------------|
| III. Reconciliation of the present value of Defined Benefit Obligation in 'I' above and the fair value of Plan Assets in 'II' above | | | | |
| (a) Present Value of Obligation as at the end of the year | 2,478 2,092 | 4 2 | 488 505 | 375 278 |
| (b) Fair Value of Plan Assets as at the end of the year | 2,414 2,118 | - - | - - | - - |
| (c) (Asset)/Liability recognised in the Balance Sheet | 64 @ (26) | 4 2 | 488 505 | 375 278 |
| Recognised under: | | | | |
| Long - term Provisions (Refer Note 7) | - - | 4 2 | 477 498 | 225 142 |
| Short - term Provisions (Refer Note 11) | 64 - | * - | 11 7 | 150 136 |
| @ Included in Other recoveries and prepayments (Note 21) | | | | |
| IV. Expense charged to the Profit and Loss Statement | | | | |
| (a) Current Service Cost | 325 172 | 5 - | 160 192 | 20 21 |
| (b) Interest Cost | 172 148 | - - | 31 29 | 17 15 |
| (c) (Expected Return on Plan Assets) | (181) (157) | - - | - - | - - |
| (d) Actuarial (Gain)/Loss | (73) (4) | (3) 2 | 78 131 | 206 113 |
| (e) Total expense charged to the Profit and Loss Statement | 243 # 159 | 2 ## 2 | 269 ## 352 | 243 ## 149 |

recognised under Contribution to Provident and Other Funds in Note 26

recognised under Salaries and Wages in Note 26

Notes to the Financial Statements (contd.)

(All amounts in Rs. Lakhs, unless otherwise stated)

| | Gratuity (Funded) | Gratuity (Unfunded) | ESB/SP (Unfunded) | LES (Unfunded) |
|--|------------------------------|------------------------------|------------------------------|------------------------------|
| V. Category of Plan Assets | | | | |
| Central Government Securities | 496 <i>385</i> | NA <i>NA</i> | NA <i>NA</i> | NA <i>NA</i> |
| State Government Securities | 419 <i>144</i> | NA <i>NA</i> | NA <i>NA</i> | NA <i>NA</i> |
| Public Sector Securities | 1,153 <i>1,327</i> | NA <i>NA</i> | NA <i>NA</i> | NA <i>NA</i> |
| Private Sector Bonds | 183 <i>140</i> | NA <i>NA</i> | NA <i>NA</i> | NA <i>NA</i> |
| Bank Balances | 85 <i>56</i> | NA <i>NA</i> | NA <i>NA</i> | NA <i>NA</i> |
| Others | 78 <i>66</i> | NA <i>NA</i> | NA <i>NA</i> | NA <i>NA</i> |
| | 2,414 <i>2,118</i> | NA <i>NA</i> | NA <i>NA</i> | NA <i>NA</i> |
| VI. Actual Return on Plan Assets | 204 <i>166</i> | NA <i>NA</i> | NA <i>NA</i> | NA <i>NA</i> |
| VII. Principal Actuarial Assumptions as at 31st March, 2012 | | | | |
| (a) Discount Rate (per annum) | 8.75% <i>8.35%</i> | 8.75% <i>8.35%</i> | 8.75% <i>8.35%</i> | 8.75% <i>8.35%</i> |
| (b) Expected Rate of Return on Plan Assets (per annum) | 8.35% <i>8.25%</i> | NA <i>NA</i> | NA <i>NA</i> | NA <i>NA</i> |
| (c) Salary Escalation | | | | |
| Permanent Employees | 4.50% <i>4.50%</i> | 4.50% <i>4.50%</i> | 4.50% <i>4.50%</i> | 4.50% <i>4.50%</i> |
| Contractual Employees | 4.50% <i>4.50%</i> | - - | - - | - - |

Figures in italics pertain to previous year

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

VIII. Other Disclosures

(All amounts in Rs. Lakhs, unless otherwise stated)

| | 2011-2012 | | | 2010-2011 | | | 2009-2010 | | | 2008-2009 | | | 2007-2008 | | | |
|---|-------------------|---------------------|----------------|-------------------|---------------------|----------------|-------------------|---------------------|----------------|-------------------|---------------------|----------------|-------------------|---------------------|----------------|------|
| | Gratuity (Funded) | Gratuity (Unfunded) | LES (Unfunded) | Gratuity (Funded) | Gratuity (Unfunded) | LES (Unfunded) | Gratuity (Funded) | Gratuity (Unfunded) | LES (Unfunded) | Gratuity (Funded) | Gratuity (Unfunded) | LES (Unfunded) | Gratuity (Funded) | Gratuity (Unfunded) | LES (Unfunded) | |
| a) Present Value of the Plan obligation as at the end of the year | 2,478 | 4 | 488 | 2,092 | 2 | 505 | 278 | 1,816 | 539 | 252 | 1,601 | 548 | 196 | 1,161 | 136 | 117 |
| b) Fair Value of Plan Assets as at the end of the year | 2,414 | - | - | 2,118 | - | - | - | 1,851 | - | - | 1,216 | - | - | 943 | - | - |
| c) (Surplus) / Deficit as at the end of the year | 64 | 4 | 488 | (26) | 2 | 505 | 278 | (35) | 539 | 252 | 385 | 548 | 196 | 218 | 136 | 117 |
| d) Experience Adjustments on Plan Obligation [(Gain) / Loss] | (14) | (3) | 88 | 12 | 2 | 134 | 114 | (50) | 88 | 24 | 284 | 370 | 75 | 3 | 22 | (21) |
| e) Experience Adjustments on Plan Assets [Gain / (Loss)] | 23 | - | - | 8 | - | - | - | 39 | - | - | 12 | - | - | (6) | - | - |

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

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

The Company expects to contribute Rs.326 (2011: Rs.209) to gratuity fund in the next year.

iv) Provident Fund

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

Notes to the Financial Statements (contd.)

(All amounts in Rs. Lakhs, unless otherwise stated)

iv) Provident Fund (contd.)

Unlike in earlier years, the Actuary has carried out actuarial valuation of interest rate guarantee obligations as at the balance sheet date using Deterministic Approach as outlined in the Guidance Note 29 issued by the Institute of Actuaries of India. Based on such valuation, there is no future anticipated shortfall with regard to interest rate guarantee obligation of the Company as at the balance sheet date. Further during the year, the Company's contribution of Rs.523 (2011: Rs.399) to the Provident Fund Trust, has been expensed under "Contribution to Provident and Other Funds". Disclosures given hereunder are restricted to the information available as per the Actuary's report.

| Principle Actuarial Assumptions | Year ended 31st March, 2012 | Year ended 31st March, 2011 |
|---------------------------------|--------------------------------|--------------------------------|
| Discount Rate | 8.82% | # |
| Expected Investment Return | 8.60% | # |
| Guaranteed Interest Rate | 8.60% | # |

This being the first year of valuation, previous year figures are not available.

| | Year ended 31st March, 2012 | Year ended 31st March, 2011 |
|---|--------------------------------|--------------------------------|
| 27. FINANCE COSTS | | |
| Interest Expense @ | 20,011 | 12,077 |
| Other Borrowing Costs | 3,019 | 2,376 |
| Total | 23,030 | 14,453 |
| @ Includes interest on shortfall of Advance Tax amounting to Rs.42 (2011: Rs.Nil) | | |
| 28. DEPRECIATION AND AMORTISATION EXPENSE | | |
| Depreciation on Tangible Assets | 11,274 | 8,873 |
| Amortisation on Intangible Assets | 157 | 246 |
| Total | 11,431 | 9,119 |

Notes to the Financial Statements (contd.)

(All amounts in Rs. Lakhs, unless otherwise stated)

| | Year ended 31st March, 2012 | Year ended 31st March, 2011 |
|---|--------------------------------|--------------------------------|
| 29. OTHER EXPENSES | | |
| Consumption of Stores and Spare Parts | 15,562 | 10,561 |
| Power and Fuel | 13,022 | 13,739 |
| Rent | 7,604 | 6,528 |
| Repairs to Buildings | 96 | 125 |
| Repairs to Machinery | 9,222 | 1,997 |
| Repairs to Others | 1,196 | 584 |
| Insurance | 2,314 | 1,692 |
| Rates and Taxes [includes Wealth Tax Rs.9 (2011: Rs.8)] | 328 | 72 |
| Sub-Contractors' Charges | 144,125 | 127,553 |
| Equipment Hire Charges | 21,563 | 19,577 |
| Freight and Transport | 6,409 | 4,543 |
| Bad Debts / Advances written off [Net of Provision written back Rs.63 (2011: Rs. 66)] | 2,301 | 137 |
| Provision for doubtful debts and advances | 182 | 159 |
| Provision for Diminution in carrying amount of Investment | - | 14 |
| Expenses of Windmill | 1 | 4 |
| Derivative Loss | 156 | 142 |
| Net Loss on disposal of Fixed Assets | 63 | - |
| Net loss on foreign currency transaction and translation | 606 | - |
| Tools written off | 6,901 | 6,964 |
| Bank Charges | 76 | 25 |
| Miscellaneous Expenses [Refer (a) below] | 37,511 | 29,530 |
| Total | 269,238 | 223,946 |
| (a) Includes Auditors' Remuneration paid / payable for the year | | |
| As Auditors | | |
| Audit Fee | 80 # | 75 # |
| Tax Audit Fee | 5 | - |
| Certificates etc. | 101 | 47 |
| Service Tax | 18 | 11 |
| Reimbursement of Expenses | 1 | 1 |

including consolidated accounts

| | 31st March, 2012 | 31st March, 2011 |
|--|------------------|------------------|
| 30. CONTINGENT LIABILITIES: | | |
| 30.1 Claims against the company not acknowledged as debts | | |
| a) Interest (others) | 6 | 6 |
| b) Professional Tax | 4 | 4 |
| c) Sales Tax / Value Added Tax | 5,046 | 2,606 |
| d) Entry Tax | 446 | 161 |
| e) Excise Duty | 150 | - |
| f) Income Tax [Also refer item (h) below] | 40 | 40 |
| g) Service Tax [Also refer item (i) below] | 514 | 759 |

Notes to the Financial Statements (contd.)

(All amounts in Rs. Lakhs, unless otherwise stated)

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

- h) The Company claimed certain deduction under the provision of the Income-tax Act, 1961 upto 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 mean time 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.1,597 (2011: Rs.1,597).
- i) Show-cause cum demand notices for Rs.9,892 (2011: Rs.9,892) on certain matter 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 notices aggregating Rs.1,585 (2011: Rs.1,689) on similar matter relating to Service Tax issued by the concerned Tax Authorities in Delhi during previous years have also been challenged by the Company 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 the disputed tax amount, though not admitted, in this regard should not exceed Rs.1,057 (2011: Rs.1,065).

| | 31st March, 2012 | 31st March, 2011 |
|---|------------------|------------------|
| 30.2 Guarantees | | |
| i) Corporate Guarantees given to Banks against credit facilities extended to third parties. | | |
| a) In respect of Subsidiary | 10,576 | - |
| ii) Bank Guarantees | | |
| a) In respect of Joint Ventures | 24,014 | 12,728 |
| b) In respect of Associates | 12,720 | 7,740 |
| c) In respect of Subsidiaries | - | 8,094 |
| 30.3 Other money for which the Company is contingently liable | | |
| Bill Discounted with Bank | - | 30 |

- 30.4 In respect of the contingent liabilities mentioned in Note 30.1 above, pending resolution of the respective proceedings, it is not practicable for the Company to estimate the timings of cash outflows, if any. In respect of matters mentioned in Note 30.2 above, the cash outflows, if any, could generally occur during the validity period of the respective guarantees. The Company does not expect any reimbursements in respect of the above contingent liabilities.

| | 31st March, 2012 | 31st March, 2011 |
|---|------------------|------------------|
| 31. COMMITMENTS | | |
| a) Estimated amount of contracts remaining to be executed on capital account and not provided for | 1,005 | 2,771 |
| b) Uncalled liability on partly paid shares | 1 | 1 |

Notes to the Financial Statements (contd.)

(All amounts in Rs. Lakhs, unless otherwise stated)

31. COMMITMENTS (contd.)

c) Other Commitments

- i) Pursuant to an Assignment Agreement dated 15th November, 2011, the Company along with Simplex Infra Development Limited (SIDL), a subsidiary has undertaken to acquire the right to subscribe to 8% of the equity share capital of Shree Jagannath Expressways Private Limited (SJEPL), an associate company from another shareholder of SJEPL at an agreed consideration and the related commitment outstanding at the year end is Rs.1,500 (2011: Rs. Nil).
- ii) The Company has given, inter alia, the following undertakings in respect of Non-current Investments :
 - (a) To National Highways Authority of India, to hold together with its associates, not less than 26% of the issued and paid up equity share capital in Shree Jagannath Expressways Private Limited (SJEPL), an associate company, during construction period of the project being executed by SJEPL and two years thereafter. As at 31st March, 2012, the Company singly holds 2,600 (2011: 2,600) equity shares of Rs.10/- each fully paid up of SJEPL (Note 14) representing 0.003% (2011: 0.013%) of the total paid up equity share capital of SJEPL.
 - (b) To National Highways Authority of India, to invest and maintain at all times either by itself and/or through its associates/subsidiaries/affiliates not less than 51% of the issued and paid up equity share capital of Maa Durga Expressways Private Limited (MDEPL), a subsidiary company, during construction period of the project being executed by MDEPL and two years thereafter. As at 31st March, 2012, the Company holds 9,999 (2011: Nil) equity shares of Rs.10/- each fully paid up of MDEPL (Note 14) representing 99.99% (2011: Nil) of the total paid up equity share capital of MDEPL.
 - (c) To Long Term Transmission Customers, to hold together with its consortium members, not less than 51% in the issued and paid up equity share capital of Raichur Sholapur Transmission Company Limited (RSTCL), an associate company, up to a period of two years after Commercial Operation Date of the project being executed by RSTCL and not less than 26% in the issued and paid up equity share capital of RSTCL for a period of three years thereafter. As at 31st March, 2012, the Company holds 6,977,692 (2011: 16,665) equity shares of Rs.10/- each fully paid up of RSTCL (Note 14) representing 33.33% (2011: 33.33%) of the total paid up equity share capital of RSTCL.

32. The Company has long term strategic investments in shares of Simplex Infrastructure 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.387 (2011: Rs.387) (Note 14). Further year end Other Current Asset - considered good (Note 22) and Short term Loans and Advances - considered good (Note 21) includes Rs.1,210 (2011: Rs.1059) and Rs.395 (2011: Rs.385) 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 2011-12 of Simplex Libya could not be carried out. However, as per the financial statements for the year 2011-12 of Simplex Libya as prepared by the Management, its year end net worth has been 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 .

Notes to the Financial Statements (contd.)

(All amounts in Rs. Lakhs, unless otherwise stated)

33. (a) The Company has entered into non-cancellable operating lease for office, warehouses and employee accommodation. Terms of the lease include renewal of the lease period at the end of the non - cancellable period, increase in rent in future periods, etc. The obligation for non-cancellable operating lease is Rs.988 (2011: Rs.919) payable within one year and Rs.1,072 (2011: Rs.978) payable later than one year but not later than five years and payable after five years Rs.1,460 (2011: Rs.1,489) as on 31st March, 2012.
- (b) The Company has entered into cancellable operating lease for office, warehouses, employee accommodation and equipments. Tenure of leases generally vary between 6 months to 3 years. Terms of the lease include operating term for renewal, terms of cancellation, etc.
- (c) Lease payments in respect of (a) and (b) above are recognised in the Profit and Loss Statement under the heads 'Rent' and 'Equipment Hire Charges' in Note 29.

| | 2011-2012 | 2010-2011 |
|--|----------------|----------------|
| 34. PROPOSED DIVIDEND | | |
| The final dividend proposed on Equity Shares for the year is as follows: | | |
| Amount of dividend proposed | 989 | 989 |
| Dividend per Share | Rs.2 per Share | Rs.2 per Share |
| 35. C.I.F. VALUE OF IMPORTS | | |
| Capital Goods | 4,938 | 8,882 |
| Tools | 2,165 | 263 |
| Components and Spare Parts | 919 | 472 |
| Construction Material | 1,039 | 1,018 |
| 36. EXPENDITURE IN FOREIGN CURRENCY | | |
| Travelling | 890 | 797 |
| Interest Expenses | 1,427 | 677 |
| Other Borrowing Costs | 392 | 186 |
| Contract Expenses (Overseas Branches) | 29,533 | 36,913 |
| Consultation Fees | 231 | 113 |
| Other Administrative Expenses (Overseas Branches) | 2,879 | 4,478 |
| Other matters | 25 | 85 |
| 37. EARNING IN FOREIGN CURRENCY | | |
| Contract Turnover | 57,229 | 60,933 |
| Proceeds from sale of Fixed Assets, Tools etc. | 115 | 159 |
| Interest Income | * | 12 |
| Sale of Scrap, etc. | 201 | 66 |
| Hire Charges | 27 | 458 |
| Dividend | 55 | 36 |
| Guarantee Charges | 11 | - |

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

Notes to the Financial Statements (contd.)

(All amounts in Rs. Lakhs, unless otherwise stated)

| | 2011-12 | | 2010-11 | |
|---|----------------|------------------------|----------------|------------------------|
| | Value | % of total Consumption | Value | % of total Consumption |
| 38. VALUE OF IMPORTED AND INDIGENOUS CONSUMPTION | | | | |
| Construction Materials | | | | |
| Imported | 1,180 | 0.51 | 1,236 | 0.71 |
| Indigenous | 230,696 | 99.49 | 172,306 | 99.29 |
| | 231,876 | 100.00 | 173,542 | 100.00 |
| Stores and Spare parts | | | | |
| Imported | 1,100 | 7.07 | 669 | 6.33 |
| Indigenous | 14,462 | 92.93 | 9,892 | 93.67 |
| | 15,562 | 100.00 | 10,561 | 100.00 |

| | 2011-2012 | 2010-2011 |
|--|-----------|-----------|
| 39. INFORMATION IN ACCORDANCE WITH THE REQUIREMENTS OF THE ACCOUNTING STANDARD (AS) 7 ON 'CONSTRUCTION CONTRACTS' PRESCRIBED UNDER THE ACT. | | |
| Contract revenue recognised for the year ended 31st March, 2012 | 586,502 | 466,634 |
| Aggregate amount of contract costs incurred and recognised profits (less recognised losses) up to 31st March, 2012 for all the contracts in progress | 1,547,166 | 898,065 |
| The amount of customer advances outstanding for contracts in progress as at 31st March, 2012 | 92,138 | 64,022 |
| The amount of retention due from customers for contracts in progress as at 31st March, 2012 | 33,808 | 21,971 |
| Gross amount due from customers for contracts in progress | 158,461 | 64,142 |
| Gross amount due to customers for contracts in progress | 1,655 | 5,495 |
| 40. DIVIDEND REMITTED IN FOREIGN CURRENCY | | |
| Number of Non Resident Shareholders | 2 | 4 |
| Number of Shares held | 360,500 | 365,500 |
| Year for which Dividend Paid | 2010-2011 | 2009-2010 |
| Dividend remitted | 7 | 7 |
| 41. INFORMATION RELATING TO MICRO AND SMALL ENTERPRISES (MSEs): | | |
| (I) The principal amount and interest due thereon remaining unpaid to any supplier as at the end of the year | | |
| Principal | 21 | 50 |
| Interest | 77 | 58 |

Notes to the Financial Statements (contd.)

(All amounts in Rs. Lakhs, unless otherwise stated)

| | 2011 - 2012 | 2010 - 2011 |
|--|-------------|-------------|
| 41. INFORMATION RELATING TO MICRO AND SMALL ENTERPRISES (MSEs): (contd.) | | |
| (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 | 291 | 279 |
| Interest | Nil | Nil |
| (III) The amount of interest accrued and remaining unpaid at the end of accounting year | 19 | 16 |
| (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 | 17 # | 11 # |

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.

42. RELATED PARTY DISCLOSURES PURSUANT TO ACCOUNTING STANDARD 18 PRESCRIBED UNDER THE ACT.

| Names of Related Parties | Relationship |
|--|---------------|
| (a) Where control exists: | |
| Simplex Infrastructures L.L.C. | Subsidiary |
| Simplex (Middle-East) Limited | - Do - |
| Simplex Infrastructures Libya Joint Venture Co. | - Do - |
| Simplex Infra Development Limited | - Do - |
| Maa Durga Expressways Private Limited @ | - Do - |
| (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 - |
| Arabian Construction Co - Simplex Infra Private Limited @@ | - Do - |
| Simplex - Somdatt Builders Joint Venture, Assam # | - Do - |

Notes to the Financial Statements (contd.)

(All amounts in Rs. Lakhs, unless otherwise stated)

42. RELATED PARTY DISCLOSURES PURSUANT TO ACCOUNTING STANDARD 18 PRESCRIBED UNDER THE ACT. (contd.)

| Names of Related Parties | Relationship |
|---|---|
| (b) Others with whom transactions were carried out during the year etc: (contd.) | |
| 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 - |
| Regard Fin-Cap Private Limited ## | - Do - |

@ with effect from 15 December, 2011

@@ with effect from 7 October, 2011

with effect from 1 April, 2011

with effect from 24 August, 2011

Notes to the Financial Statements (contd.)

42. RELATED PARTY DISCLOSURES PURSUANT TO ACCOUNTING STANDARD 18 PRESCRIBED UNDER THE ACT. (contd.)

(All amounts in Rs. Lakhs, unless otherwise stated)

| Name and Relationship | Transactions during the year | | | | | | | | | | | | Balance outstanding at the year end | | | | | | | | | | | | | | | | | | | |
|---|------------------------------|--------------------------------|---|------------------------------|---|------------------------------------|----------------------------------|---------------------------|---------------------------|---------------------------------------|---|---|--|--|---|--|--|--|---------------------------------|---|--|---|---|---|--------------------------|-------|--------|---|---|---|---|---|
| | Divi- dend Paid | Cont- ract Turn- over | Sale of Fixed Assets/ Tools | Divi- dend Inco- me | Adv- ance Taken/ (Rep- aid) | Miscell- aneous Rece- pts | Loans Given/ (Ref- und) | Interest Rece- ived | Interest Expe- ndse | Rent Paid/ Hire Char- ges | Hire Rece- ved/ Recei- vable Adv- ances | Provi- sion for Doubt- ful Adv- ances | Mana- gerial Remu- nera- tion of Ex- ecutives (Net) | Reimbu- sement/ (Reco- very) of Ex- penses (Net) | Provision for dimi- nishing value carrying amount of in- vest- ment | Share of Income from Joint Vent- ure | Adv- ance agai- nst Invest- ments | Invest- ment made during the year | Cont- ract Over- heads | Trade Recei- vables (net of Pro- vision) | Other Current Assets (net of Pro- vision) | Loans & Adv- ances (net of Pro- vision) | Other Current Liabi- lities/ Trade Payab- les | Invest- ment (net of Pro- vision) | Guar- antees Given | | | | | | | |
| Subsidiary Company | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Simplex Infrastructures LLC. | - | - | 13 | - | - | 11 | - | - | - | - | 110 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 135 | 10,576 | - | | | | |
| Simplex (Middle East) Limited | - | - | 141 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 48 | - | - | - | 3 | - | - | 68 | 8,094 | - | | | | |
| Simplex Infrastructures Libya Joint Venture Co. | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 1,210 | 395 | 2 | - | - | 387 | - | - | | | | |
| Simplex Infra Development Limited | - | - | - | - | - | - | - | * | - | - | - | - | - | - | - | - | - | - | - | - | 1,059 | - | - | - | - | 3,480 | - | - | | | | |
| Maa Durga Expressways Private Limited | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 7 | - | - | 600 | - | - | | | | |
| Total | - | - | 13 | - | - | 11 | - | * | - | - | 110 | - | - | - | - | - | - | - | - | - | 1,210 | 405 | 7 | - | - | 4,071 | 10,576 | - | | | | |
| | | | 141 | | | | | | | | | | | | | | | | | | 1,059 | 387 | * | | | 1,142 | 8,094 | | | | | |
| Parties where significant influence exists | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Girraj Apartments Pvt Ltd | 2 | - | - | - | - | - | - | - | - | 2 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | |
| Mundhra Estates | 2 | - | - | - | - | - | - | - | - | 3 | - | - | - | - | - | - | - | - | - | - | 1 | - | - | - | - | - | - | - | - | | | |
| Safe Builders | - | - | - | - | - | - | - | - | - | 2 | - | - | - | - | - | - | - | - | - | - | 1 | - | - | - | - | - | - | - | - | | | |
| HBS Credit & Financial Development Private Limited | 90 | - | - | - | - | - | - | - | - | 2 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | |
| Anupriya Consultants Private Limited | 142 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | |
| Baba Basuki Distributors Private Limited | 40 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | |
| Asnew Finance & Investment Private Ltd | 6 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | |
| Anjali Trade Links Private Limited | 6 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | |
| Universal Earth Engineering Consultancy Private Limited | 15 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | |
| Yaruna Multifin Pvt Ltd | 2 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | |
| East End Trading & Engineering Co Pvt Ltd | 3 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | |
| Ajay Merchants Pvt Ltd | 1 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | |
| Sandeepan Exports (P) Ltd | 20 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | |
| Parop Finance & Investment Private Limited | 3 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | |
| Simplex Technologies Pvt Ltd | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | |
| Regard Fin-Cap Pvt Ltd. | 2 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | |
| Total | 351 | - | - | - | - | - | - | - | - | 7 | - | - | - | - | - | - | - | - | - | - | 2 | 1 | - | - | - | - | - | - | - | - | - | |
| | 349 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Key Management Personnel | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Mr. B.D. Mundhra | 56 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Mr. A.D. Mundhra | 40 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Mr. Rajiv Mundhra | 37 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Mr. Apurba Mukherjee | * | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Mr. S.Dutta | * | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Total | 133 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | 133 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

Notes to the Financial Statements (contd.)

(All amounts in Rs. Lakhs, unless otherwise stated)

42. RELATED PARTY DISCLOSURES PURSUANT TO ACCOUNTING STANDARD 18 PRESCRIBED UNDER THE ACT. (contd.)

| Name and Relationship | Transactions during the year | | | | | | | | | | Balance outstanding at the year end | | | | | | | | | | | | | | |
|---|------------------------------|-----------------|----------------------------|------------------------|------------------------|-----------------------|-------------------|------------------|-------------------------|-----------------------|-------------------------------------|-------------------------|---|---|------------------------------------|-----------------------------|---------------------------------|--------------------|-------------------|---|-------------------------------------|---|-------------------------------|------------------|---------------|
| | Dividend Paid | Dividend Income | Sale of Fixed Assets/Tools | Advance Taken (Repaid) | Miscellaneous Receipts | Loans Given/ (Refund) | Interest Received | Interest Expense | Rent Paid/ Hire Charges | Hire Charges Received | Provision for Doubtful Advances | Management Remuneration | Reimbursement/ (Recovery) of Expenses (Net) | Provision for diminution in carrying amount of investment | Share of Income from Joint Venture | Advance against Investments | Investment made during the year | Contract Overheads | Trade Receivables | Other Current Assets (net of Provision) | Loans & Advances (net of Provision) | Other Current Liabilities/ Trade Payables | Investment (net of Provision) | Guarantees Given | |
| Relatives of Key Management Personnel | | | | | | | | | | | | | | | | | | | | | | | | | |
| Mrs. Yamuna Mundhra | 46 | - | - | - | - | - | - | 1 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Mrs. Kishna Devi Mundhra | 4 | - | - | - | - | - | - | 1 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Mrs. Savita Bagri | * | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Mr. Subhabrata Dutta | - | - | - | - | - | - | - | 3 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Mrs. Sarmistha Dutta | - | - | - | - | - | - | - | 3 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Mr. Sumit Dutta | - | - | - | - | - | - | - | 3 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Mrs. Anuja Mundhra | 2 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Mrs. Savita Mundhra | 2 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Master Shreyan Mundhra | 1 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Mr. Sreemohan Das Mundhra | 6 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total | 61 | 61 | - | - | - | - | - | 10 | 10 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Associates | | | | | | | | | | | | | | | | | | | | | | | | | |
| Shree Jagannath Expressways Private Limited | - | 26,536 | - | - | - | - | - | - | - | - | - | 1 | - | - | - | - | - | - | 295 | 7,068 | 1 | - | - | - | 12,260 |
| Raichur Sholapur Transmission Company Limited | - | 8,087 | - | - | - | - | - | - | - | - | 49 | - | - | - | - | - | - | 6,937 | - | 49 | 2,909 | - | - | - | 7,280 |
| Total | - | 26,536 | - | - | - | - | - | - | - | - | 16 | - | - | - | - | - | 696 | - | 16 | 698 | 16 | - | - | 460 | |
| | | | | | | | | | | | | | | | | | | | | | | | | | |
| Joint Venture | | | | | | | | | | | | | | | | | | | | | | | | | |
| Simplex-Gayatri Consortium | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 948 | - | 1 | - | - | - | 170 |
| Ho-Hup Simplex Joint Venture | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 1,634 | - | 86 | - | - | - | - | 3,753 |
| Simplex-Subash Joint Venture | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 1,634 | - | 87 | - | - | - | - | 3,753 |
| Somdaat Builders - Simplex Joint Venture | - | 265 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 2,673 | 229 | 323 | - | - | - | 205 |
| Simplex-Somdaat Builders Joint Venture | - | 3,897 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 3,096 | - | 323 | - | - | - | - | 206 |
| Simplex Almoyyed W.L.L. | - | 1,797 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 657 | 56 | - | - | - | - | - | 1,570 |
| Jaybee Simplex Consortium | - | 55 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 899 | - | - | - | - | - | - | 102 |
| Simplex Meinhardt Joint Venture | - | 36 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 64 | 434 | 3 | - | - | - | 287 |
| Laing - Simplex Joint Venture | - | 1,607 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 402 | 1,276 | - | - | - | - | 101 |
| Simplex Infrastructures (Thailand) Limited | - | 1,459 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 1,365 | - | - | - | - | - | 504 |
| Simplex-Somdaat Builders Joint Venture | - | 654 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 2,691 | - | - | - | - | - | 18 |
| Aabhan Construction Co. - Simplex India Private Limited | - | 4,210 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 2,812 | - | - | - | - | - | 898 |
| Total | - | 9,749 | - | 2,171 | - | - | - | 127 | - | - | - | - | - | - | - | - | - | 1,556 | 52 | 312 | 9,749 | 386 | - | - | 14 |
| | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | - | 16,779 | - | 55 | 9,312 | - | 8 | 127 | - | 558 | 81 | - | 770 | - | 20 | - | - | 10,937 | 11,362 | 1,335 | 9,469 | 2,106 | - | - | 24,014 |
| Grand Total | 545 | 143,315 | 13 | 55 | 9,312 | 11 | 8 | 127 | 17 | 558 | 81 | 307 | 794 | - | 20 | - | - | 11,232 | 19,642 | 1,658 | 9,489 | 6,875 | - | - | 47,310 |
| | 543 | 15,894 | 141 | 36 | - | - | 118 | 5 | - | 17 | 710 | 67 | 317 | 117 | 14 | 132 | - | 17,691 | 1,066 | 2,050 | 3,033 | 3,204 | - | - | 28,562 |

Figures in italics pertain to previous year

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

Notes to the Financial Statements (contd.)

(All amounts in Rs. Lakhs, unless otherwise stated)

43.1 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 (HHSJV) | Jointly Controlled Entity | @ 50% <i>@ 50%</i> | India |
| 2 | Simplex - Gayatri Consortium (SGC) | Jointly Controlled Entity | 70% <i>70%</i> | India |
| 3 | Simplex - Subhash Joint Venture (SSJV) | Jointly Controlled Entity | 50% <i>50%</i> | India |
| 4 | Somdatt Builders-Simplex Joint Venture (SBSJV) | Jointly Controlled Entity | @ 50% <i>@ 50%</i> | India |
| 5 | Simplex-Somdatt Builders Joint Venture (SSBJV) | Jointly Controlled Entity | @ 50% <i>@ 50%</i> | India |
| 6 | Simplex Meinhardt Joint Venture (SMJV) | Jointly Controlled Entity | @ 50% <i>@ 50%</i> | India |
| 7 | Laing - Simplex Joint Venture (LSJV) | Jointly Controlled Entity | @ 49% <i>@ 49%</i> | India |
| 8 | Jaybee Simplex Consortium (JBC) | Jointly Controlled Entity | 66.67% <i>66.67%</i> | India |
| 9 | Simplex - Almoayyed W.L.L. (SAWLL) | Jointly Controlled Entity | 49% <i>49%</i> | Kingdom of Bahrain |
| 10 | Simplex Infrastructures (Thailand) Limited (SITL) | Jointly Controlled Entity | 48.995% <i>48.995%</i> | Thailand |
| 11 | Simplex-Somdatt Builders Joint Venture - Assam (SSBJVA) | Jointly Controlled Entity | @ 51% - | India |
| 12 | Arabian Construction Co. - Simplex Infra Private Limited (ACC-SIPL) | Jointly Controlled Entity | 50% - | India |

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

Figures in italics pertain to previous year.

43.2 (i) FINANCIAL INTEREST IN JOINTLY CONTROLLED ENTITIES AS AT 31ST MARCH 2012

| | SSJV | SBSJV | SSBJV | SMJV | LSJV | JBC | SAWLL | SITL | SGC | HHSJV | SSBJVA | ACC-SIPL |
|---|------|-------|-------|------|------|-----|-------|------|-----|-------|--------|----------|
| Post acquisition Reserves and Surplus as at 31st March, 2012 | | | | | | | | | | | | |
| Foreign Currency Translation Reserve Account | - | - | - | - | - | - | 35 | (11) | - | - | - | - |
| Surplus in Profit and Loss Statement | 102 | 205 | 957 | 18 | 227 | 101 | (7) | (85) | 170 | (276) | 14 | 22 |
| | 100 | 206 | 949 | 12 | 207 | 145 | 120 | (81) | 154 | (275) | - | - |
| | 102 | 205 | 957 | 18 | 227 | 101 | 28 | (96) | 170 | (276) | 14 | 22 |
| | 100 | 206 | 949 | 12 | 207 | 145 | 143 | (82) | 154 | (275) | - | - |

Figures in normal type relate to previous year.

Notes to the Financial Statements (contd.)

(All amounts in Rs. Lakhs, unless otherwise stated)

43.2 (i) FINANCIAL INTEREST IN JOINTLY CONTROLLED ENTITIES AS AT 31ST MARCH 2012 (contd.)

| | SSJV | SBSJV | SSBJV | SMJV | LSJV | JBC | SAWLL | SITL | SGC | HHSJV | SSBJVA | ACC-SIPL |
|---|------------|--------------|--------------|--------------|--------------|------------|------------|-----------|------------|--------------|--------------|--------------|
| Liabilities as at 31st March, 2012 | | | | | | | | | | | | |
| Non-current Liabilities | | | | | | | | | | | | |
| Deferred Tax Liabilities (Net) | - | 11 | - | - | - | - | - | - | - | - | - | - |
| | - | 11 | - | - | - | - | - | - | - | - | - | - |
| Long-term Provisions | - | - | - | - | - | 3 | 15 | - | - | - | - | 1 |
| | - | - | - | - | - | 2 | 10 | - | - | - | - | - |
| Current Liabilities | | | | | | | | | | | | |
| Short-term Borrowings | - | - | - | - | - | - | - | 70 | - | - | - | - |
| | - | - | - | - | - | - | - | 59 | - | - | - | - |
| Trade Payables | * | 2,950 | 728 | 1,678 | 2,691 | 98 | 133 | * | 769 | 1,659 | 1,556 | 1,434 |
| | * | 3,144 | 913 | 1,365 | 2,812 | 58 | 299 | * | 770 | 1,659 | - | - |
| Other Current Liabilities | 12 | 355 | 116 | 38 | 69 | 306 | 22 | 13 | * | 376 | 2,465 | 3,983 |
| | 12 | 357 | 114 | 35 | 95 | 387 | 46 | 11 | * | 376 | - | - |
| Short-Term Provisions | - | - | - | - | 2 | - | 10 | - | - | - | - | - |
| | - | - | - | - | - | - | 7 | - | - | - | - | - |
| Total | 12 | 3,316 | 844 | 1,716 | 2,762 | 407 | 180 | 83 | 769 | 2,035 | 4,021 | 5,418 |
| | 12 | 3,512 | 1,027 | 1,400 | 2,907 | 447 | 362 | 70 | 770 | 2,035 | - | - |
| Assets as at 31st March, 2012 | | | | | | | | | | | | |
| Non-current Assets | | | | | | | | | | | | |
| Fixed Assets | | | | | | | | | | | | |
| Tangible Assets | - | 248 | - | - | - | 7 | 113 | 1 | - | 255 | - | - |
| | - | 263 | - | - | - | 7 | 197 | 1 | - | 278 | - | - |
| Intangible Assets | - | - | - | - | - | - | - | * | - | - | - | - |
| | - | - | - | - | - | - | - | * | - | - | - | - |
| Deferred Tax Assets (Net) | - | - | - | - | - | - | - | - | - | - | - | - |
| | - | - | - | - | - | * | - | - | - | - | - | - |
| Long-term Loans and Advances | - | - | - | - | - | - | - | * | - | 473 | - | - |
| | - | - | - | - | - | - | - | * | - | 472 | - | - |
| Other Non - current Assets | - | - | - | - | - | - | - | - | - | - | - | - |
| | - | - | - | - | - | - | - | - | - | 368 | - | - |
| Current Assets | | | | | | | | | | | | |
| Inventories | - | - | - | - | - | 172 | 2 | - | - | - | - | - |
| | - | - | - | - | - | 98 | 7 | - | - | - | - | - |
| Trade Receivables | - | 3,150 | 1,297 | 188 | 2,862 | 252 | 40 | - | 578 | 578 | 839 | - |
| | - | 3,133 | 1,418 | 1,190 | 2,862 | 407 | 250 | - | 582 | 579 | - | - |
| Cash and Bank Balances | 51 | 3 | 80 | 32 | 1 | 39 | 91 | 2 | 290 | 394 | 847 | 90 |
| | 49 | 9 | 5 | 23 | 4 | 34 | 39 | 1 | 302 | 37 | - | - |
| Short-term Loans and Advances | 62 | 120 | 424 | 186 | 126 | 38 | 264 | - | 70 | 24 | 2,297 | 244 |
| | 62 | 304 | 545 | 198 | 248 | 46 | 301 | * | 38 | 26 | - | - |
| Other Current Assets | 1 | - | - | 1,327 | - | - | 29 | - | 1 | 35 | 52 | 5,131 |
| | 1 | 9 | 8 | 1 | - | - | - | - | 1 | - | - | - |
| Total | 114 | 3,521 | 1,801 | 1,733 | 2,989 | 508 | 539 | 3 | 939 | 1,759 | 4,035 | 5,465 |
| | 112 | 3,718 | 1,976 | 1,412 | 3,114 | 592 | 794 | 2 | 923 | 1,760 | - | - |

Figures in normal type relate to previous year

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

Notes to the Financial Statements (contd.)

(All amounts in Rs. Lakhs, unless otherwise stated)

43.2 (i) FINANCIAL INTEREST IN JOINTLY CONTROLLED ENTITIES AS AT 31ST MARCH 2012 (contd.)

| | SSJV | SBSJV | SSBJV | SMJV | LSJV | JBC | SAWLL | SITL | SGC | HHSJV | SSBJVA | ACC-SIPL |
|--|----------|------------|------------|------------|-----------|--------------|------------|----------|-----------|-----------|--------------|--------------|
| Revenue for the year 2011-2012 | | | | | | | | | | | | |
| Revenue from Operations | - | 231 | 619 | 276 | - | 1,164 | 187 | - | - | - | 2,059 | 5,131 |
| | 126 | 2,191 | 1,160 | 251 | 666 | 1,364 | 205 | - | - | - | - | - |
| Other Income | 4 | 10 | 3 | * | 17 | 3 | 6 | - | 23 | 26 | 61 | - |
| | 3 | 5 | 5 | * | - | (2) | 17 | * | 12 | 50 | - | - |
| Total | 4 | 241 | 622 | 276 | 17 | 1,167 | 193 | - | 23 | 26 | 2,120 | 5,131 |
| | 129 | 2,196 | 1,165 | 251 | 666 | 1,362 | 222 | * | 12 | 50 | - | - |
| Expenses for the year 2011-2012 | | | | | | | | | | | | |
| Construction Material Consumed | - | - | - | - | - | - | 74 | - | - | - | - | - |
| | - | - | - | - | - | - | 112 | - | - | - | - | - |
| Changes in Inventories of Work - in - progress | - | - | - | - | - | - | (2) | - | - | - | - | - |
| | - | - | - | - | - | - | * | - | - | - | - | - |
| Employee Benefits Expense | - | - | - | - | - | 99 | 22 | - | - | - | - | 76 |
| | - | - | - | - | - | 80 | 10 | 48 | - | - | - | - |
| Finance Costs | - | - | - | - | - | - | - | - | - | - | 62 | - |
| | - | - | - | - | - | 2 | - | 3 | - | 5 | - | - |
| Depreciation and Amortisation Expense | - | 15 | - | - | - | * | 106 | * | - | 22 | - | - |
| | - | 15 | - | - | - | * | 190 | * | - | 22 | - | - |
| Other Expenses | 1 | 226 | 606 | 268 | 2 | 1,113 | 66 | 4 | - | 1 | 2,018 | 5,022 |
| | 119 | 2,149 | 1,135 | 244 | 657 | 1,179 | 105 | 12 | - | 1 | - | - |
| Total | 1 | 241 | 606 | 268 | 2 | 1,212 | 266 | 4 | - | 23 | 2,080 | 5,098 |
| | 119 | 2,164 | 1,135 | 244 | 657 | 1,261 | 417 | 63 | - | 28 | - | - |
| Results | | | | | | | | | | | | |
| Profit / (Loss) before Tax | 3 | - | 16 | 8 | 15 | (45) | (73) | (4) | 23 | 3 | 40 | 33 |
| | 10 | 32 | 30 | 7 | 9 | 101 | (195) | (63) | 12 | 22 | - | - |
| Current Tax | 1 | - | 8 | 2 | (5) | (1) | - | - | 7 | 4 | 26 | 11 |
| | 3 | 18 | 15 | 2 | 3 | 31 | - | - | 4 | 11 | - | - |
| Deferred Tax | - | 1 | - | - | - | * | - | - | - | - | - | - |
| | - | 4 | - | - | - | * | - | - | - | - | - | - |
| Profit / (Loss) after Tax | 2 | (1) | 8 | 6 | 20 | (44) | (73) | (4) | 16 | (1) | 14 | 22 |
| | 7 | 10 | 15 | 5 | 6 | 70 | (195) | (63) | 8 | 11 | - | - |

Figures in normal type relate to previous year

(ii) Share in Contingent Liabilities of Joint Ventures for which the Company is contingently liable Rs.759 (2011: Rs.170).

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

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

Notes to the Financial Statements (contd.)

(All amounts in Rs. Lakhs, unless otherwise stated)

| | 2011-2012 | 2010-2011 |
|--|------------|------------|
| 44. COMPUTATION OF EARNINGS PER EQUITY SHARE (BASIC AND DILUTED) | | |
| (I) Basic | | |
| (a) (i) Number of Equity Shares at the beginning of the year | 49,472,330 | 49,472,330 |
| (ii) Number of Equity Shares at the end of the year | 49,472,330 | 49,472,330 |
| (iii) Weighted average number of Equity Shares outstanding during the year | 49,472,330 | 49,472,330 |
| (iv) Face Value of each Equity Share (In Rs.) | 2/- | 2/- |
| (b) Amount of Profit after tax attributable to Equity Shareholders | | |
| Profit for the period | 8,919 | 12,324 |
| (c) Basic Earnings per Equity Share [(b)/(a)(iii)] | 18.03 | 24.91 |
| (II) Diluted | | |
| (a) Dilutive Potential Equity Shares | - | - |
| (b) Diluted Earnings per Equity Share [Same as (I)(c) above] | 18.03 | 24.91 |

45. OTHER NON-CURRENT ASSETS - TOOLS

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

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

46. DERIVATIVE INSTRUMENTS AND UNHEDGED FOREIGN CURRENCY EXPOSURE

(a) Derivatives outstanding as at the reporting date

| Particulars | Purpose | As at 31st March, 2012 | | | As at 31st March, 2011 | | |
|---------------------------------------|---|------------------------|----------------------------|--------------------|------------------------|----------------------------|--------------------|
| | | Currency | Amount in foreign currency | Amount in Rs Lakhs | Currency | Amount in foreign currency | Amount in Rs Lakhs |
| Forward Contracts | Hedge of Foreign Currency Loans | USD | 19,058,353 | 9,697 | - | - | - |
| | Hedge of Foreign Currency Loans | EURO | 7,100,000 | 4,819 | - | - | - |
| | Hedge of Foreign Currency Payables | USD | 90,339 | 46 | - | - | - |
| | Hedge of Foreign Currency Payables | EURO | 280,581 | 190 | EURO | 338,484 | 213 |
| Currency Swaps | Hedge of Foreign Currency Loans | JPY | 308,970,588 | 1,897 | JPY | 556,147,059 | 2,243 |
| Interest Rate Swaps / Coupon Swaps | Hedge of Floating Interest Rate and Interest Amount on Foreign Currency Loans | JPY | 308,970,588 | 1,897 | JPY | 556,147,059 | 2,243 |
| | Hedge of Floating Interest Rate and Interest Amount on Foreign Currency Loans | USD | 9,466,715 | 4,817 | USD | 8,922,267 | 3,979 |
| | Hedge of Floating Interest Rate on Foreign Currency Loans | USD | 10,000,000 | 5,088 | - | - | - |
| Options | Hedge of Foreign Currency Loans | USD | 11,863,443 | 6,036 | USD | 14,216,385 | 6,251 |

Notes to the Financial Statements (contd.)

(All amounts in Rs. Lakhs, unless otherwise stated)

46. DERIVATIVE INSTRUMENTS AND UNHEDGED FOREIGN CURRENCY EXPOSURE (contd.)

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

| Particulars | As at 31st March,2012 | | | As at 31st March,2011 | | |
|---------------|-----------------------|----------------------------|--------------------|-----------------------|----------------------------|--------------------|
| | Currency | Amount in foreign currency | Amount in Rs Lakhs | Currency | Amount in foreign currency | Amount in Rs Lakhs |
| Loans Payable | USD | 18,237,214 | 9,279 | - | - | - |
| Payables | USD | 39,493 | 20 | USD | 23,001 | 10 |
| Payables | - | - | - | EURO | 443,046 | 265 |
| Payables | - | - | - | SGD | 7,350 | 3 |
| Receivables | USD | 59,097 | 30 | USD | 240,710 | 107 |
| Receivables | LYD | 3,847,402 | 1,605 | LYD | 3,847,402 | 1,444 |

| | 2011-2012 | 2010-2011 |
|--|-----------|-----------|
| (c) Mark-to-Market losses provided for | 140 | 71 |

47. SEGMENT INFORMATION FOR THE YEAR ENDED 31ST MARCH,2012

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

| | Construction | Others | Total of Reportable Segment |
|--|---------------------------|-----------------------|-----------------------------|
| External Sales (i.e. Revenue from Operations) | 589,245 468,452 | 514 671 | 589,759 469,123 |
| Inter Segment Sales | - - | - - | - - |
| Other Income | 917 861 | - - | 917 861 |
| Segment Revenue | 590,162 469,313 | 514 671 | 590,676 469,984 |
| Segment Result (PBIT) | 42,486 37,849 | (8) 183 | 42,478 38,032 |
| Segment Assets | 594,170 472,573 | 6,506 5,985 | 600,676 478,558 |
| Segment Liabilities | 264,270 200,110 | 732 717 | 265,002 200,827 |
| Capital Expenditure | 22,183 23,814 | - 28 | 22,183 23,842 |
| Depreciation and Amortisation | 10,978 8,667 | 436 436 | 11,414 9,103 |
| Non cash expenses other than depreciation and amortisation | 9,320 7,250 | 64 11 | 9,384 7,261 |

Notes to the Financial Statements (contd.)

(All amounts in Rs. Lakhs, unless otherwise stated)

47. SEGMENT INFORMATION FOR THE YEAR ENDED 31ST MARCH,2012 (contd.)

Reconciliation of Reportable Segments with the Financial Statements

| | Revenues | Results / Net Profit | Assets | Liabilities |
|---|----------------------------------|------------------------------------|----------------------------------|----------------------------------|
| Total of Reportable Segment | 590,676 <i>469,984</i> | 42,478 <i>38,032</i> | 600,676 <i>478,558</i> | 265,002 <i>200,827</i> |
| Corporate - Unallocated (Net) | 1,004 <i>1,404</i> | (6,118) <i>(4,033)</i> | 22,511 <i>13,683</i> | 238,031 <i>183,646</i> |
| Inter Segment Sales | - | - | - | - |
| Finance Costs | - | (23,030) <i>(14,453)</i> | - | - |
| Provision for Taxation - Current (Net of MAT Credit Entitlement and Provision for earlier years written back) | - | 1,225 <i>(2,250)</i> | - | - |
| Provision for Taxation - Deferred | - | (5,636) <i>(4,972)</i> | - | - |
| As per Financial Statements | 591,680 <i>471,388</i> | 8,919 <i>12,324</i> | 623,187 <i>492,241</i> | 503,033 <i>384,473</i> |

Secondary Segment Reporting (by Geographical Segments)

| | India | Other Asian Countries | Africa | Total |
|---------------------|----------------------------------|--------------------------------|------------------------------|----------------------------------|
| Revenues | 532,563 <i>408,438</i> | 51,437 <i>61,546</i> | 6,676 <i>-</i> | 590,676 <i>469,984</i> |
| Total Assets | 508,635 <i>403,630</i> | 84,417 <i>71,123</i> | 7,624 <i>3,805</i> | 600,676 <i>478,558</i> |
| Capital Expenditure | 19,509 <i>21,886</i> | 1,936 <i>1,376</i> | 738 <i>580</i> | 22,183 <i>23,842</i> |

Figures in italics pertain to Previous Year.

| | 2011-2012 | 2010-2011 |
|---|-----------|-----------|
| 48. RESEARCH AND DEVELOPMENT EXPENDITURE (as allocated by the Management) | | |
| Revenue | 65 | 82 |
| Capital | - | - |

49. PARTICULARS IN RESPECT OF LOANS AND ADVANCES IN THE NATURE OF LOANS AS REQUIRED BY THE LISTING AGREEMENT:

| SI No. | Name of company | Balance as at | | Maximum balance outstanding during | |
|--------|--|-----------------|-----------------|------------------------------------|-----------|
| | | 31st March,2012 | 31st March,2011 | 2011-2012 | 2010-2011 |
| a) | Loans and advance in the nature of loans given to subsidiaries : Simplex Infra Development Limited | - | - | 500 | 10 |

Notes to the Financial Statements (contd.)

(All amounts in Rs. Lakhs, unless otherwise stated)

50. THE FOLLOWING TABLE INCLUDES THE CLASSIFICATION OF INVESTMENTS IN ACCORDANCE WITH AS -13: ACCOUNTING FOR INVESTMENTS

| | As at 31st March, 2012 | As at 31st March, 2011 |
|---|---------------------------|---------------------------|
| Long Term Investments | | |
| 5 (2011: 5) Fully Paid-up Ordinary Shares of Rs.50/- each in Mercantile Apartments Co-operative Housing Society Ltd., Mumbai - Face value Rs.250/- | * | * |
| 5 (2011: 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 (2011: 5) Fully Paid-up Ordinary Shares of Rs.50/- each in Borlo Co-operative Housing Society Ltd.,Chembur, Mumbai - Face value Rs.250/- | * | * |
| 5 (2011: 5) Fully Paid-up Ordinary Shares of Rs.50/- each in Saket Co-operative Housing Society Ltd., Mumbai - Face value Rs.250/- | * | * |
| Investments in Joint Venture (Unincorporated being Association of Persons) | | |
| Simplex - Subhash Joint Venture | 102 | 100 |
| Jaybee Simplex Consortium | 101 | 145 |
| Simplex - Meinhardt JV | 18 | 12 |
| Simplex Gayatri Consortium | 170 | 154 |
| Laing-Simplex JV | 227 | 207 |
| Simplex - Somdatt JV | 957 | 949 |
| Somdatt - Builders - Simplex JV | 205 | 206 |
| Simplex - Somdatt JV (Assam) | 14 | - |
| 9,799 (2011: 9,799) Shares of Thai Bhatt (THB) 100 each of Simplex Infrastructures (Thailand) Limited - Fully paid up, a joint venture company | 14 | 14 |
| 4,900 (2011: 4,900) Shares of Bahraini Dinars (BHD) 50 each of Simplex Almoayyed W.L.L.- Fully paid up, a joint venture company | 287 | 287 |
| 2,50,000 (2011: Nil) Equity Shares of Rs.10/- each in Arabian Construction Company - Simplex Infra Private Limited - Fully paid up, a joint venture company | 25 | - |
| 9,999 (2011: Nil) Equity Shares of Rs.10/- Maa Durga Expressways Private Limited - Fully paid up | 1 | - |
| 175,000 (2011: 175,000) Shares of Omani Rial (OMR) 1 each in Simplex Infrastructures LLC - Fully paid up | 135 | 135 |
| 520 (2011: 150) Shares of United Arab Emirates Dirham (AED) 1,000 each in Simplex (Middle East) Limited - Fully paid up | 68 | 20 |
| 9,750 (2011: 9,750) Shares of Libyan Dinar (LYD) 100 each in Simplex Infrastructures Libya Joint Venture Co. - Fully paid up | 387 | 387 |
| 3,48,00,000 (2011: 6,000,000) Equity Shares of Rs.10/- each in Simplex Infra Development Limited - Fully paid up | 3,480 | 600 |
| 2,600 (2011: 2,600) Equity Shares of Rs.10/- each of Shree Jagannath Expressways Private Limited -Fully paid up [Refer Note 14 (a)] | * | * |
| 69,77,692 (2011: 16,665) Equity Shares of Rs.10/- each of Raichur Sholapur Transmission Company Limited - Fully paid up | 698 | 2 |
| 20,000 (2011: 20,000) Equity Shares of Rs.10/- each (Rs.5/- paid up) of Parasrampuria Synthetics Ltd. | 1 | 1 |
| 4,700 (2011: 4,700) Equity Shares of Rs.10/- each at a Premium of Rs.35/- each of Pennar Patterson Securities Ltd.- Fully Paid up | 2 | 2 |

Notes to the Financial Statements (contd.)

(All amounts in Rs. Lakhs, unless otherwise stated)

50. THE FOLLOWING TABLE INCLUDES THE CLASSIFICATION OF INVESTMENTS IN ACCORDANCE WITH AS -13: ACCOUNTING FOR INVESTMENTS (Contd.)

| Particular | As at 31st March, 2012 | As at 31st March, 2011 |
|--|---------------------------|---------------------------|
| 90,000 (2011: 90,000) Equity Shares of Rs.10/- each of SREI Infrastructures Ltd. - Fully Paid up | 41 | 41 |
| 370,500 (2011: 369,981) Equity Shares of Rs.2/- each of Emami Paper Mills Limited - Fully paid up | 185 | 185 |
| 110,300 (2011: 305,000) Equity Shares of Re.1/- each of Emami Limited - Fully paid up | 434 | 1,199 |
| 17,500 (2011: 17,500) Equity Shares of Rs.2/- each of Dalmia Bharat Sugar and Industries Limited [formerly Dalmia Cement (Bharat) Limited] - Fully paid up | 70 | 70 |
| 17,500 (2011: 17,500) Equity Shares of Rs.2/- each of Dalmia Bharat Enterprises Limited - Fully paid up [Refer Note 14 (b)] | - | - |
| 2,000,000 (2011: 2,000,000) Equity Shares of Rs.10/- each of Electrosteel Steels Limited (formerly Electrosteels Integrated Limited) - Fully paid up | 205 | 205 |
| 6 Year National Savings Certificates (Matured) (Lodged as Security Deposits) | * | * |
| 7 Year National Savings Certificates (Matured) (Lodged as Security Deposits) | * | * |
| Less: Provision for diminution in carrying amount of Investments | (17) | (17) |
| Sub - total | 7,810 | 4,904 |
| Current Investments | | |
| 1,60,848.93 (2011: 1,51,588) Units of LIC Nomura Mutual Fund - Daily Dividend Plan | 16 | 15 |
| Sub - total | 16 | 15 |
| Total | 7,826 | 4,919 |
| Disclosed Under: | | |
| Non Current Investments (Refer Note 14) | 6,016 | 3,131 |
| Current Investments (Refer Note 17) | 1,810 | 1,788 |
| Total | 7,826 | 4,919 |

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

51. The financial statements for the year ended March 31, 2011 had been prepared as per the then applicable, pre-revised Schedule VI to the Companies Act, 1956. Consequent to the notification of Revised Schedule VI under the Companies Act, 1956, the financial statements for the year ended March 31, 2012 are prepared as per Revised Schedule VI. Accordingly, the previous year figures have also been reclassified to conform to this year's classification. The adoption of Revised Schedule VI for previous year figures does not impact recognition and measurement principles followed for preparation of financial statements.

Signatures to Notes 1 to 51

For Price Waterhouse

Firm Registration Number: 301112E

Chartered Accountants

For H. S. Bhattacharjee & Co.

Firm Registration Number: 322303E

Chartered Accountants

(P. Law)

Partner

Membership Number: 51790

Kolkata, 8th June, 2012

(H. S. Bhattacharjee)

Partner

Membership Number: 50370

B. L. Bajoria

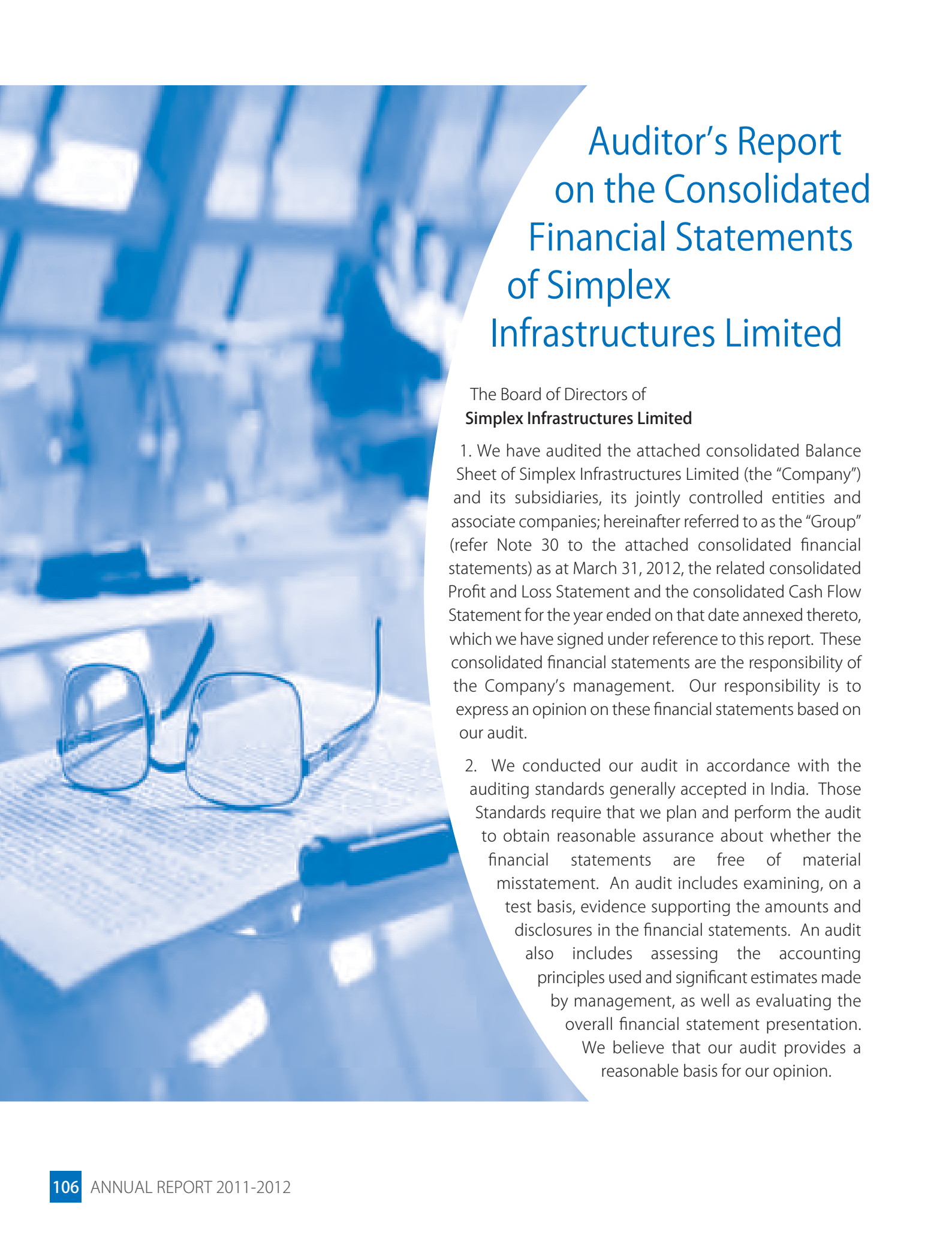
Secretary

B. D. Mundhra

Chairman & Managing Director

S. Dutta

Director



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

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 associate companies; hereinafter referred to as the "Group" (refer Note 30 to the attached consolidated financial statements) as at March 31, 2012, the related consolidated Profit and Loss Statement 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 (i) two subsidiaries and three jointly controlled entities included in the consolidated financial statements, which constitute total assets of Rs. 7,887 lakhs and net assets of Rs. 4,563 lakhs as at March 31, 2012, total revenue of Rs. 10,032 lakhs, net loss of Rs. 385 lakhs and net cash flows amounting to Rs. 383 lakhs for the year then ended; and (ii) two associate companies which constitute net loss of Rs 20 lakhs 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:
As indicated in Note 30 (b) and Note 30 (c) to the consolidated financial statements regarding a subsidiary and a joint venture respectively having total assets aggregating Rs. 1,946 lakhs and net assets aggregating Rs. 1,766 lakhs as at March 31, 2012, total revenue aggregating Rs. 193 lakhs, net loss aggregating Rs. 252 lakhs and net cash flows aggregating Rs. 52 lakhs 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.
5. We report that the consolidated financial statements have been prepared by the Company's Management in accordance with the requirements of Accounting Standard (AS) 21 - Consolidated Financial Statements, Accounting Standard (AS) 23 - Accounting for Investments in Associates in Consolidated Financial Statements, and Accounting Standard (AS) 27 - Financial Reporting of Interests in Joint Ventures notified under 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 observation in paragraph 4 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 March 31, 2012;
 - (b) in the case of the consolidated Profit and Loss Statement, 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
June 8, 2012

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

(H. S. Bhattacharjee)
Partner
Membership Number: 50370
Kolkata
June 8, 2012

Consolidated Balance Sheet of Simplex Infrastructures Limited and its Subsidiaries as at 31st March, 2012

(All amounts in Rs. Lakhs, unless otherwise stated)

| Particulars | Note No. | As at 31st March, 2012 | As at 31st March, 2011 |
|--------------------------------|----------|------------------------|------------------------|
| EQUITY AND LIABILITIES | | | |
| Shareholders' Funds | | | |
| Share Capital | 2 | 993 | 993 |
| Reserves and Surplus | 3 | 119,717 | 107,796 |
| | | 120,710 | 108,789 |
| Minority Interest | | | |
| | | 588 | 632 |
| Non-current Liabilities | | | |
| Long-term Borrowings | 4 | 8,793 | 4,186 |
| Deferred Tax Liabilities (Net) | 5(a) | 19,452 | 13,816 |
| Other Long-term Liabilities | 6 | 991 | - |
| Long-term Provisions | 7 | 790 | 702 |
| | | 30,026 | 18,704 |
| Current Liabilities | | | |
| Short-term Borrowings | 8 | 200,596 | 159,009 |
| Trade Payables | 9 | 160,855 | 113,245 |
| Other Current Liabilities | 10 | 114,278 | 97,665 |
| Short-term Provisions | 11 | 1,575 | 1,665 |
| | | 477,304 | 371,584 |
| TOTAL | | 628,628 | 499,709 |
| ASSETS | | | |
| Non-current Assets | | | |
| Fixed Assets | | | |
| Tangible Assets | 12 | 127,685 | 112,259 |
| Intangible Assets | 13 | 169 | 195 |
| Capital Work-in-progress | | 4,435 | 2,746 |
| Non-current Investments | 14 | 5,013 | 2,222 |
| Deferred Tax Assets (Net) | 5(b) | - | * |
| Long-term Loans and Advances | 15 | 3,318 | 4,613 |
| Other Non-current Assets | 16 | 14,064 | 14,231 |
| | | 154,684 | 136,266 |
| Current Assets | | | |
| Current Investments | 17 | 389 | 83 |
| Inventories | 18 | 87,949 | 73,035 |
| Trade Receivables | 19 | 168,869 | 231,725 |
| Cash and Bank Balances | 20 | 7,323 | 10,187 |
| Short-term Loans and Advances | 21 | 59,632 | 45,159 |
| Other Current Assets | 22 | 149,782 | 3,254 |
| | | 473,944 | 363,443 |
| TOTAL | | 628,628 | 499,709 |

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

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

The Notes are an integral part of these financial statements.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

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

(P. Law)
Partner
Membership Number: 51790
Kolkata, 8th June, 2012

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

B. L. Bajoria
Secretary

B. D. Mundhra
Chairman & Managing Director

S. Dutta
Director

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

For the year ended 31st March, 2012

(All amounts in Rs. Lakhs, unless otherwise stated)

| Particulars | Note No. | Year ended 31st March, 2012 | Year ended 31st March, 2011 |
|---|----------|-----------------------------|-----------------------------|
| Revenue from Operations | 23 | 600,980 | 482,384 |
| Other Income | 24 | 2,076 | 2,401 |
| Total Revenue | | 603,056 | 484,785 |
| EXPENSES | | | |
| Construction Materials Consumed | | 233,252 | 177,938 |
| Changes in Inventories of Work-in-progress | 25 | (2,609) | (7,439) |
| Employee Benefits Expense | 26 | 46,433 | 39,335 |
| Finance Costs | 27 | 23,130 | 14,752 |
| Depreciation and Amortisation Expense | 28 | 11,884 | 9,635 |
| Other Expenses | 29 | 278,233 | 230,530 |
| Total Expenses | | 590,323 | 464,751 |
| Profit before Exceptional and Extraordinary Items and Tax | | 12,733 | 20,034 |
| Exceptional Items | | - | - |
| Profit before Extraordinary Items and Tax | | 12,733 | 20,034 |
| Extraordinary Items | | - | - |
| Profit before Tax | | 12,733 | 20,034 |
| Tax Expense | | | |
| Current Tax | | 2,836 | 4,249 |
| Less: MAT Credit Entitlement | | - | 1,790 |
| Net Current Tax | | 2,836 | 2,459 |
| Deferred Tax | | 5,636 | 4,977 |
| Current Tax provision for earlier years written back | | (4,000) | - |
| Total Tax Expense | | 4,472 | 7,436 |
| Profit after tax before share of results of associates and minority interest | | 8,261 | 12,598 |
| (Less) / Add : Minority Interest | | 123 | (140) |
| Share of Profit / (Loss) in Associates | | (20) | - |
| Profit for the period | | 8,364 | 12,458 |
| Earnings per Equity Share [Nominal value per share Rs.2/-(2011: Rs.2/-)] | | | |
| Basic (Rs.) | 37 | 16.91 | 25.18 |
| Diluted (Rs.) | 37 | 16.91 | 25.18 |

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

The Notes are an integral part of these financial statements.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

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

(P. Law)
Partner
Membership Number: 51790
Kolkata, 8th June, 2012

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

B. L. Bajoria
Secretary

B. D. Mundhra
Chairman & Managing Director

S. Dutta
Director

Consolidated Cash Flow Statement of Simplex Infrastructures Limited and its Subsidiaries

For the year ended 31st March, 2012

(All amounts in Rs. Lakhs, unless otherwise stated)

| | Year ended 31st March, 2012 | | Year ended 31st March, 2011 | |
|--|--------------------------------|-----------------|--------------------------------|-----------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES: | | | | |
| Profit before Tax | | 12,733 | | 20,034 |
| Adjustments for: | | | | |
| Depreciation and Amortisation Expense | 11,884 | | 9,635 | |
| Interest Expense | 20,016 | | 12,082 | |
| Interest Income | (1,013) | | (1,531) | |
| (Profit) / Loss on disposal of Fixed Assets | 63 | | (41) | |
| Bad Debts / Advances written off (Net of Provision written back) | 2,301 | | 137 | |
| Provision for Doubtful Debts / Advances | 185 | | 126 | |
| Tools written off | 6,998 | | 7,063 | |
| Liabilities no longer required written back | (917) | | (692) | |
| Wealth Tax | 9 | | 8 | |
| Provision for mark-to-market losses on derivatives | 140 | | 71 | |
| Dividend Income from Current Investments | (23) | | (6) | |
| Dividend Income from Long-term Investments | (14) | | (1) | |
| Net Gain on sale of Long-term Investments | (107) | | - | |
| Net Gain on sale of Current Investments | (2) | | - | |
| Forward Premium Amortised | 349 | | 166 | |
| Exchange (Gain)/ Loss (Net) | 652 | | (24) | |
| Effect of Changes in Foreign Exchange Translation | 835 | 41,356 | (103) | 26,890 |
| Operating Profit before Working Capital Changes | | 54,089 | | 46,924 |
| Adjustments for: | | | | |
| Trade and Other Payables | 61,118 | | 28,973 | |
| Trade and Other Receivables | (85,544) | | (51,590) | |
| Long-term Loans and Advances / Other Non-current Assets | (1,186) | | (4,539) | |
| Inventories | (22,467) | (48,079) | (16,940) | (44,096) |
| Cash generated from operations | | 6,010 | | 2,828 |
| Direct Taxes Paid (net of refunds) | | (4,783) | | (1,555) |
| Net Cash from Operating Activities | | 1,227 | | 1,273 |
| B. CASH FLOW FROM INVESTING ACTIVITIES: | | | | |
| Purchase of Fixed Assets | (23,436) | | (23,925) | |
| Sale of Fixed Assets | 377 | | 152 | |
| Purchase of Investments | (283) | | (3,353) | |
| Sale of Investments | 875 | | 1,850 | |
| Investment in Associate Companies | (2,948) | | (522) | |
| Acquisition of a Subsidiary Company | - | | (5) | |
| Advance against Investments in Associate Companies | - | | (628) | |
| Interest Received | 1,580 | | 599 | |
| Term Deposits - Matured / (Invested) | 1,609 | | (2,325) | |
| Dividend Received | 14 | | 1 | |
| Inter Corporate Loans Recovered / (Given) | (3,429) | | 1,990 | |
| Net Cash used in Investing Activities | | (25,641) | | (26,166) |
| Carried Forward | | (24,414) | | (24,893) |

Consolidated Cash Flow Statement of Simplex Infrastructures Limited and its Subsidiaries

For the year ended 31st March, 2012 (contd.)

(All amounts in Rs. Lakhs, unless otherwise stated)

| | Year ended 31st March, 2012 | | Year ended 31st March, 2011 | |
|--|--------------------------------|----------|--------------------------------|----------|
| Brought Forward | | (24,414) | | (24,893) |
| C. CASH FLOW FROM FINANCING ACTIVITIES: | | | | |
| Proceeds from long term borrowings | 5,856 | | 2,197 | |
| Repayments of long term borrowings | (1,779) | | (2,479) | |
| Short term borrowings - Receipts / (Payments) | 39,649 | | 35,792 | |
| Interest Paid | (20,137) | | (12,394) | |
| Dividend Paid [including Dividend Tax Rs.161 (2011: Rs.164)] | (1,147) | | (1,153) | |
| Net Cash from Financing Activities | | 22,442 | | 21,963 |
| Net Decrease in Cash and Cash Equivalents | | (1,972) | | (2,930) |
| D. Effects of Foreign Exchange Differences on Cash and Cash Equivalents | | 294 | | (65) |
| | | (1,678) | | (2,995) |
| Cash and Cash Equivalents as at 31st March, 2011 | 8,317 | | 10,994 | |
| Added on Consolidation | - | | 313 | |
| Acquisition from a Subsidiary | - | | 5 | |
| | 8,317 | | 11,312 | |
| Cash and Cash Equivalents as at 31st March, 2012 | 6,639 | (1,678) | 8,317 | (2,995) |

| | As at 31st March, 2012 | As at 31st March, 2011 |
|---|---------------------------|---------------------------|
| (a) Cash and cash equivalents comprise : | | |
| Cash on hand | 27 | 38 |
| Remittances in Transit | 159 | 27 |
| Balances with Banks on current accounts | 6,154 | 7,948 |
| Fixed Deposits (less than 3 months maturity) | 282 | 289 |
| Unpaid Dividend Accounts @ | 17 | 15 |
| | 6,639 | 8,317 |
| @ Earmarked for payment of unclaimed dividend | | |

- (b) The above Consolidated Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard - 3 on Cash Flow Statements prescribed under the Companies Act, 1956.
- (c) Cash Flow from Investing Activities does not include investment of Rs.628 (2011: Rs.Nil) in Associate Companies by way of adjustment against advance made in previous year being a non-cash item.
- (d) Previous year's figures have been regrouped/reclassified where ever necessary to make the same comparable with the current year's figures. Also refer Note 44 to the Financial Statements.

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

For Price Waterhouse

Firm Registration Number: 301112E

Chartered Accountants

For H. S. Bhattacharjee & Co.

Firm Registration Number: 322303E

Chartered Accountants

(P. Law)

Partner

Membership Number: 51790

Kolkata, 8th June, 2012

(H. S. Bhattacharjee)

Partner

Membership Number: 50370

B. L. Bajoria

Secretary

B. D. Mundhra

Chairman & Managing Director

S. Dutta

Director

(All amounts in Rs. Lakhs, unless otherwise stated)

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION

These Financial Statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis and also to comply, in all material aspects, with the applicable accounting standards notified under Section 211(3C) of the Companies Act, 1956 (the 'Act').

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Revised Schedule VI to the Act.

1.2 CHANGES IN ACCOUNTING POLICY

Pursuant to the Notification No. GSR 914(E) dated 29th December 2011 issued by the Ministry of Corporate Affairs amending Accounting Standard (AS) 11, "The Effects of Changes in Foreign Exchange Rates" the Parent Company has exercised the option and accordingly the exchange differences for the year ended 31st March, 2012 pertaining to long term foreign currency monetary items to the extent of Rs.1,328 has been added to the cost of depreciable capital assets (Tangible Assets) and Rs.8 to Capital Work-in-progress related to Construction segment to be depreciated over the balance useful life of such assets and to the extent of Rs.714 has been accumulated in "Foreign Currency Monetary Item Translation Difference Account (FCMITDA)" to be amortised over the life of such monetary items. A portion of such exchange differences being Rs.838 would have been recognised as expense in the Profit and Loss Statement, had the earlier accounting policy been followed.

As a result of change in accounting as aforesaid the year-end aggregate carrying amount of Tangible Assets and Capital Work-in-progress is higher by Rs.1,214 and Rs.8 respectively and unamortised FCMITDA balance (debit) as at the year end is Rs.119 and profit for the year ended 31st March, 2012 is higher by Rs.129.

1.3 FIXED ASSETS

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

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

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

1.4 DEPRECIATION AND AMORTISATION

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

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

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

- vii) In case of an associate company, depreciation is provided under "Written Down Value Method" at the rates prescribed in Schedule XIV to the Companies Act, 1956.

(All amounts in Rs. Lakhs, unless otherwise stated)

1. SIGNIFICANT ACCOUNTING POLICIES (contd.)

1.5 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.

1.6 INVESTMENTS

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

1.7 INVENTORIES

Inventories are valued at lower of cost and net realisable value. The cost, in general, is determined under FIRST IN FIRST OUT method. In case of a Joint Venture in the Group, cost is determined under Weighted Average Method.

1.8 REVENUE RECOGNITION

Contract Revenue is recognised under percentage of completion method. The stage of completion is determined on the basis of completion of physical proportion of the contract work. Extra work and variation in contract (as mutually agreed), to the extent that it is probable that they will result in revenue and can be reliably measured is also covered. Revenue from oil drilling service is recognised when the service is performed on a time basis at rates mutually agreed with the customer.

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

Other items are recognised on accrual basis.

1.9 OTHER INCOME

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

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

All other items are recognised on accrual basis.

1.10 SITE DEVELOPMENT AND INITIAL EXPENSES

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

1.11 BORROWING COST

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

1.12 CLAIMS AND COUNTER CLAIMS

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

1.13 TRANSACTIONS IN FOREIGN CURRENCIES

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

(All amounts in Rs. Lakhs, unless otherwise stated)

1. SIGNIFICANT ACCOUNTING POLICIES (contd.)**1.13 TRANSACTIONS IN FOREIGN CURRENCIES (contd.)**

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

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

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

A monetary asset or liability is termed as a long-term foreign currency monetary item, if the asset or liability is expressed in a foreign currency and has a term of 12 months or more at the date of origination of the asset or liability. Refer Note 1.2 above for the effect of change in accounting policy.

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

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

1.14 DERIVATIVE INSTRUMENTS

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

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

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

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

1.15 EMPLOYEE BENEFITS

a) Short term Employee Benefits:

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

b) Post Employment Benefit Plans:

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

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 Statement 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.

(All amounts in Rs. Lakhs, unless otherwise stated)

1. SIGNIFICANT ACCOUNTING POLICIES (contd.)**1.15 EMPLOYEE BENEFITS (contd.)**

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

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

1.16 TAXATION

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

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

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

1.17 RESEARCH AND DEVELOPMENT EXPENDITURE

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

1.18 PROVISION AND CONTINGENT LIABILITIES

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

1.19 LEASES

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

1.20 SEGMENT REPORTING

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Group. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the Group as a whole and are not allocable to segments

(All amounts in Rs. Lakhs, unless otherwise stated)

on a reasonable basis, have been included under "Corporate-Unallocated (Net)".

1. SIGNIFICANT ACCOUNTING POLICIES (contd.)

1.21 CASH AND CASH EQUIVALENTS

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

1.22 EARNINGS PER SHARE

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

1.23 CONSOLIDATION

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

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

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

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.

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

iii) Investments in Associate Companies is accounted for in accordance with AS 23 "Accounting for Investments in Associates in Consolidated Financial Statements" prescribed under the Act, under equity method.

(All amounts in Rs. Lakhs, unless otherwise stated)

| | As at 31st March, 2012 | As at 31st March, 2011 |
|---|---------------------------|---------------------------|
| 2. SHARE CAPITAL | | |
| Authorised: | | |
| 374,900,000 (2011: 374,900,000) Equity Shares of Rs.2/- each | 7,498 | 7,498 |
| 20,000 (2011: 20,000) 15% Cumulative Preference Shares of Rs.10/- Each | 2 | 2 |
| | 7,500 | 7,500 |
| Issued, Subscribed and Paid-up: | | |
| 49,472,330 (2011: 49,472,330) Equity Shares of Rs.2/- each | 989 | 989 |
| Add: 1,26,000 Equity Shares of Rs.10/- each (equivalent of 630,000 Equity Shares of Rs.2/- each) forfeited in earlier years | 4 | 4 |
| Total | 993 | 993 |
| 3. RESERVES AND SURPLUS | | |
| Capital Reserve | | |
| Arising on Consolidation | * | * |
| Others | 2,158 | 2,158 |
| Capital Redemption Reserve | 1 | 1 |
| Securities Premium Account | 49,421 | 49,421 |
| Contingency Reserve [Refer (a) below] | 3,500 | 3,500 |
| Legal Reserve [Refer (b) below] | | |
| Balance at the beginning of the year | 98 | - |
| Add: Transferred from Surplus in Profit and Loss Statement | - | 98 |
| | 98 | 98 |
| Foreign Currency Translation Reserve Account [Refer Notes 1.13 and 1.23(i)(b)] | | |
| Balance at the beginning of the year | (1,831) | (1,506) |
| Add: Transferred during the year | 4,707 | (325) |
| Balance at the end of the year | 2,876 | (1,831) |
| General Reserve [Refer (c) below] | | |
| Balance at the beginning of the year | 9,455 | 7,955 |
| Add: Transferred from Surplus in Profit and Loss Statement | 1,500 | 1,500 |
| Balance at the end of the year | 10,955 | 9,455 |
| Surplus in Profit and Loss Statement | | |
| Balance at the beginning of the year | 44,994 | 35,284 |
| Add: Profit for the year | 8,364 | 12,458 |
| | 53,358 | 47,742 |
| Less: Appropriations | | |
| Transfer to General Reserve | 1,500 | 1,500 |
| Transfer to Legal Reserve | - | 98 |
| Proposed Dividend on Equity Shares | 989 | 989 |
| Dividend Tax on above | 161 | 161 |
| Balance at the end of the year | 50,708 | 44,994 |
| Total | 119,717 | 107,796 |

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

(All amounts in Rs. Lakhs, unless otherwise stated)

3. RESERVES AND SURPLUS (contd.)

- (a) Created out of Surplus in Profit and Loss Statement for meeting future contingencies, if any.
- (b) In case of a subsidiary, Legal Reserve is created by appropriating 10% of the net profit for the year as required by the Article 154 of the Commercial Companies Law of Oman, 1974. The subsidiary may resolve to discontinue such annual transfer when the reserve totals 33.33% of the paid-up share capital of the said subsidiary. The reserve is not available for distribution.
- (c) Represents a free reserve and is not meant for meeting any specific liability, contingency or commitment.

| | As at 31st March, 2012 | As at 31st March, 2011 |
|--|---------------------------|---------------------------|
| 4. LONG-TERM BORROWINGS | | |
| Secured Borrowings | | |
| Term Loans from Banks | | |
| Ruppee Loans | 3,207 | 2,354 |
| Foreign Currency Loans | 5,213 | 1,246 |
| Term Loans from Financial Companies | 317 | 511 |
| Sub - Total | 8,737 | 4,111 |
| Unsecured Borrowings | | |
| Term Loans from Banks | | |
| Ruppee Loans | 56 | 72 |
| Ruppee Term Loan from a Financial Company | - | 3 |
| Sub - Total | 56 | 75 |
| Total | 8,793 | 4,186 |
| 5. (a) DEFERRED TAX LIABILITIES (NET) | | |
| - In respect of the Parent Company and a Joint Venture | | |
| Tax impact due to timing differences resulting in liabilities / (assets) on account of: | | |
| Depreciation as per tax law and books | 7,472 | 6,441 |
| Part of the revenue not taxable based on terms of contract (Net) | 12,304 | 7,635 |
| Provision for doubtful debts / advances etc. | (178) | (144) |
| Items admissible on payment basis | (146) | (116) |
| Total | 19,452 | 13,816 |
| (b) DEFERRED TAX ASSETS (NET) | | |
| - 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 | - | (1) |
| Items admissible on payment basis | - | 1 |
| Total | - | * |

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

(All amounts in Rs. Lakhs, unless otherwise stated)

| | As at 31st March, 2012 | As at 31st March, 2011 |
|---|---------------------------|---------------------------|
| 6. OTHER LONG-TERM LIABILITIES | | |
| Derivative Liabilities | 991 | - |
| Total | 991 | - |
| 7. LONG-TERM PROVISIONS | | |
| Provision for Employee Benefits | | |
| Employees End of Service Benefit / Severance Pay / Indemnities Benefit Scheme | 491 | 504 |
| Gratuity (Unfunded) | 8 | 4 |
| Leave Encashment Liability | 226 | 143 |
| Other Long-term Employee Benefits | 65 | 51 |
| Total | 790 | 702 |
| 8. SHORT-TERM BORROWINGS | | |
| A. Secured Borrowings | | |
| Term Loans from Banks | | |
| Rupee Loans | 4,427 | 7,125 |
| Foreign Currency Loans | 6,464 | 4,863 |
| Term Loans from Financial Companies | | |
| Rupee Loans | 3,514 | 6,401 |
| Working Capital Loans repayable on demand from Banks | | |
| Rupee Loans | 67,272 | 77,329 |
| Foreign Currency Loans | 21,962 | 4,941 |
| Sub-Total | 103,639 | 100,659 |
| B. Unsecured Borrowings | | |
| Term Loans from Banks | | |
| Rupee Loans | 60,067 | 38,105 |
| Foreign Currency Loans | 4,070 | - |
| Term Loan from a Financial Company | 909 | 1,740 |
| Commercial Papers | 27,500 | 18,500 |
| Working Capital Loan repayable on demand from a Bank | 4,406 | - |
| Intercorporate Deposit (repayable on demand) | 5 | 5 |
| Sub-Total | 96,957 | 58,350 |
| Total | 200,596 | 159,009 |

(All amounts in Rs. Lakhs, unless otherwise stated)

| | As at 31st March, 2012 | As at 31st March, 2011 |
|---|---------------------------|---------------------------|
| 9. TRADE PAYABLES | | |
| Acceptances | 5,577 | 1,852 |
| Trade Payables | 155,278 | 111,393 |
| Total | 160,855 | 113,245 |
| 10. OTHER CURRENT LIABILITIES | | |
| Current maturities of long-term debt | 3,785 | 2,419 |
| Advances from Clients | 97,694 | 77,095 |
| Interest accrued but not due on borrowings | 404 | 239 |
| Interest accrued and due on borrowings | 350 | 217 |
| Interest accrued on others | 505 | 719 |
| Unpaid dividends | 17 | 15 |
| Unpaid matured deposits and interest accrued thereon | 5 | 9 |
| Temporary Book Overdraft | 170 | 237 |
| Employee related liabilities | 5,297 | 4,193 |
| Statutory Dues (Service Tax, Sales Tax, TDS, etc) | 3,768 | 4,537 |
| Derivatives Liabilities | 316 | 65 |
| Billing in Excess of Revenue | 1,729 | 5,556 |
| Capital Liabilities | 82 | 2,208 |
| Security Deposits | 8 | 8 |
| Other Payables | 148 | 148 |
| Total | 114,278 | 97,665 |
| 11. SHORT-TERM PROVISIONS | | |
| Provision for Employee Benefits | | |
| Employees End of Service Benefit/Severance Pay/Indemnities Benefit Scheme | 12 | 7 |
| Leave Encashment Liability | 150 | 136 |
| Gratuity (Unfunded) | * | - |
| Gratuity Fund | 64 | - |
| Other Long-term Employee Benefits | 52 | 48 |
| Provision for Current Tax (Net of advance payment) | 7 | 253 |
| Proposed Dividend | 989 | 989 |
| Tax on Proposed Dividend | 161 | 161 |
| Provision for mark-to-market losses on derivatives | 140 | 71 |
| Total | 1,575 | 1,665 |

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

12. TANGIBLE ASSETS

(All amounts in Rs. Lakhs, unless otherwise stated)

| Particulars | GROSS BLOCK | | | | DEPRECIATION | | | | NET BLOCK | | | | |
|--|--------------------------------------|--|---------------------------|---------------------------|---|--------------------------------------|------------------------|------------------------|---------------|---------------------------|-----------------------------------|------------------------|------------------------|
| | Original Cost as at 31st March, 2011 | Added on Consolidation during the year | Additions during the year | Disposals during the year | Other Adjustments during the year [Refer (d) below] | Original Cost as at 31st March, 2012 | As at 31st March, 2011 | Added on Consolidation | For the Year | Disposals during the year | Other Adjustments during the year | As at 31st March, 2012 | As at 31st March, 2011 |
| Freehold Land | 1,053 | - | - | - | - | 1,053 | - | - | - | - | - | 1,053 | 1,053 |
| Leasehold Land | 50 | - | - | - | - | 50 | 8 | - | 1 | - | - | 41 | 42 |
| Building | 1,600 | - | 2,316 | 44 | - | 3,872 | 210 | - | 43 | 7 | - | 3,626 | 1,390 |
| Plant and Equipment - Given on Operating Lease [Refer (e) below] | 4,205 | - | - | - | (4,205) | - | 1,751 | - | 400 | - | (2,151) | - | 2,454 |
| Plant and Equipment - Others | 134,015 | - | 16,764 | 418 | 13,432 | 163,793 | 32,114 | - | 10,313 | 305 | 4,615 | 46,737 | 117,056 |
| Furniture and Fittings | 1,009 | - | 84 | - | 32 | 1,125 | 507 | - | 57 | - | 19 | 583 | 542 |
| Office Equipment | 1,186 | - | 148 | 1 | 65 | 1,398 | 351 | - | 79 | * | 22 | 452 | 946 |
| Motor Vehicles | 4,523 | - | 780 | 256 | 353 | 5,400 | 1,419 | - | 521 | 114 | 130 | 1,956 | 3,444 |
| Computer | 2,378 | - | 301 | 6 | 28 | 2,701 | 1,445 | - | 309 | 6 | 17 | 1,765 | 936 |
| Electrical Equipment | 55 | - | - | - | - | 55 | 10 | - | 4 | - | - | 14 | 41 |
| Total | 150,074 | - | 20,393 | 725 | 9,705 | 179,447 | 37,815 | - | 11,727 | 432 | 2,652 | 51,762 | 127,685 |
| As at 31st March, 2011 | 127,001 | 471 | 22,910 | 283 | (25) | 150,074 | 28,529 | 171 | 9,389 | 172 | (102) | 37,815 | 112,259 |

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

- (a) Certain Freehold/Leasehold land and buildings were revalued by an approved Valuer as at 31st December, 2002 and 31st December, 2003, (the aggregate Book Value Rs.75 and Rs.230 respectively) but the resultant increase in the Net Book value on such revaluation Rs.470 and Rs.1,082 respectively have not been considered in the accounts.
- (b) Buildings include Rs.9 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.2) 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, 2012 of Plant and Equipment includes Rs.Nil (2011: Rs.6) for items acquired under Hire Purchase arrangements up to 31st March, 2001 of which Rs.Nil (2011: Rs.1) was outstanding as at 31st March, 2012.
- (d) Other Adjustments include Rs.1,328 (2011: Rs.Nil) being capitalisation of exchange differences on long term foreign currency monetary items relating to Fixed Assets (Refer Note 1.2) and Rs.3,967 [2011: Rs.(25)] being adjustments on account of exchange fluctuations relating to fixed assets in case of non integral operations.
- (e) Represents Oil Drilling Rig and its components given to Jaybee Simplex Consortium on cancellable operating lease. The same has been transferred to 'Plant and Equipment - Others' during the year on expiry of the lease term.

13. INTANGIBLE ASSETS

(All amounts in Rs. Lakhs, unless otherwise stated)

| Particulars | GROSS BLOCK | | | | AMORTISATION | | | | NET BLOCK | |
|------------------------------|--------------------------------------|---------------------------|---------------------------|-----------------------------------|--------------------------------------|--------------|---------------------------|-----------------------------------|------------------------|------------------------|
| | Original Cost as at 31st March, 2011 | Additions during the Year | Disposals during the year | Other Adjustments during the year | Original Cost as at 31st March, 2012 | For the Year | Disposals during the year | Other Adjustments during the year | As at 31st March, 2012 | As at 31st March, 2011 |
| Computer Software - Acquired | 814 | 131 | - | - | 945 | 157 | - | - | 776 | 195 |
| Total | 814 | 131 | - | - | 945 | 157 | - | - | 776 | 195 |
| As at 31st March, 2011 | 713 | 101 | - | - | 814 | 246 | - | - | 619 | 195 |

(All amounts in Rs. Lakhs, unless otherwise stated)

| | As at 31st March, 2012 | As at 31st March, 2011 |
|--|---------------------------|---------------------------|
| 14. NON-CURRENT INVESTMENTS | | |
| Trade Investments | | |
| Unquoted | | |
| Investments in Equity Instruments | | |
| Investments in Associates [Refer Note 1.23(iii)] | | |
| 3,40,00,000 (2011: 52,00,000) Equity Shares of Rs.10/- each of Shree Jagannath Expressways Private Limited -Fully paid up [Refer (a) below] | 3,400 | 520 |
| 69,77,692 (2011: 16,665) Equity Shares of Rs.10/- each of Raichur Sholapur Transmission Company Limited.-Fully paid up [Refer (b) below] | 678 | 2 |
| Sub - total | 4,078 | 522 |
| Other than Trade Investments (Valued at cost unless stated otherwise) | | |
| Unquoted | | |
| Others: | | |
| Investments in Equity Instruments | | |
| 5 (2011: 5) Fully paid-up Ordinary Shares of Rs.50/- each in Mercantile Apartments Co-operative Housing Society Ltd., Mumbai - Face value Rs.250/- | * | * |
| 5 (2011: 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 (2011: 5) Fully paid-up Ordinary Shares of Rs.50/- each in Borlo Co-operative Housing Society Ltd.,Chembur, Mumbai - Face value Rs.250/- | * | * |
| 5 (2011: 5) Fully paid-up Ordinary Shares of Rs.50/- each in Saket Co-operative Housing Society Ltd., Mumbai-Face value Rs.250/- | * | * |
| Quoted | | |
| Others: | | |
| Investments in Equity Instruments | | |
| 20,000 (2011: 20,000) Equity Shares of Rs.10/- each (Rs.5/- paid up) of Parasrampurua Synthetics Ltd. @ | 1 | 1 |
| Less: Provision for diminution in carrying amount of Investments | (1) | (1) |
| 4,700 (2011: 4,700) Equity Shares of Rs.10/- each at a Premium of Rs.35/- each of Pennar Patterson Securities Ltd.- Fully Paid up @ | 2 | 2 |
| Less: Provision for diminution in carrying amount of Investments | (2) | (2) |
| 90,000 (2011: 90,000) Equity Shares of Rs.10/- each of SREI Infrastructures Ltd. - Fully Paid up | 41 | 41 |
| 370,500 (2011: 369,981) Equity Shares of Rs.2/- each of Emami Paper Mills Limited - Fully paid up | 185 | 185 |
| 110,300 (2011: 305,000) Equity Shares of Re.1/- each of Emami Limited - Fully paid up | 434 | 1,199 |
| 17,500 (2011: 17,500) Equity Shares of Rs.2/- each of Dalmia Bharat Sugar and Industries Limited [formerly Dalmia Cement (Bharat) Limited] - Fully paid up | 70 | 70 |
| 17,500 (2011: 17,500) Equity Shares of Rs.2/- each of Dalmia Bharat Enterprises Limited - Fully paid up [Refer (c) below] | - | - |
| 2,000,000 (2011: 2,000,000) Equity Shares of Rs.10/- each of Electrosteel Steels Limited (formerly Electrosteels Integrated Limited) - Fully paid up | 205 | 205 |
| Sub - total | 935 | 1,700 |
| Total | 5,013 | 2,222 |

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

(All amounts in Rs. Lakhs, unless otherwise stated)

| | As at 31st March, 2012 | As at 31st March, 2011 |
|---|---------------------------|---------------------------|
| 14. NON-CURRENT INVESTMENTS (contd.) | | |
| Aggregate amount of Quoted Investments | 935 | 1,700 |
| Market Value of Quoted Investments other than that marked @ for which year-end official quotation is not available. | 1,510 | 1,655 |
| Aggregate amount of Unquoted Investments | 4,078 | 522 |
| Aggregate provision for diminution in carrying amount of investments | 3 | 3 |

| | As at 31st March, 2012 | As at 31st March, 2011 |
|--|---------------------------|---------------------------|
| a) Investment in Shree Jagannath Expressways Private Limited (Associate Company) [a Long-term investment - Refer Note 42] | | |
| Share in Net Assets on Acquisition (Cost of Investments) | 3,400 | 520 |

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.

| | As at 31st March, 2012 | As at 31st March, 2011 |
|--|---------------------------|---------------------------|
| b) Investment in Raichur Sholapur Transmission Company Limited (Associate Company) [a Long-term investment - Refer Note 42] | | |
| Share in Net Assets on Acquisition (Cost of Investments) | 698 | 2 |
| Less : Group's share in Profit / (Loss) for the year | (20) | - |
| | 678 | 2 |

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

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

e) Refer Note 33(c)(ii) for certain undertakings given by SIMPLEX in respect of its Non-current Investments.

| | As at 31st March, 2012 | As at 31st March, 2011 |
|--|---------------------------|---------------------------|
| 15. LONG-TERM LOANS AND ADVANCES | | |
| Unsecured, Considered Good | | |
| Capital Advances | 2,174 | 3,071 |
| Security Deposits | 347 | 409 |
| Deposit for Contract | 17 | 17 |
| Advance to related parties against Investments (Associate Companies) | * | 628 |
| Deposit under Investment Deposit Scheme | 15 | 15 |
| Claim Recoverable | 473 | 473 |
| Receivable relating to forward contracts | 292 | - |
| Total | 3,318 | 4,613 |

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

(All amounts in Rs. Lakhs, unless otherwise stated)

| | As at 31st March, 2012 | As at 31st March, 2011 |
|--|---------------------------|---------------------------|
| 16. OTHER NON-CURRENT ASSETS | | |
| Accrued Interest on Deposits with Banks and Others | - | 14 |
| Unamortised Premium on Forward Contracts | 711 | - |
| Tools (Refer Note 39) | 13,321 | 13,762 |
| Long Term Deposits with Banks with Maturity period more than 12 months [Refer (a) below] | 32 | 455 |
| Total | 14,064 | 14,231 |
| (a) Includes Rs.22 (2011: Rs.83) held as Margin money against bank guarantee. | | |
| 17. CURRENT INVESTMENTS | | |
| Unquoted | | |
| Other than Trade Investments | | |
| Investments in Government or Trust Securities (valued at cost) | | |
| 6 Year National Savings Certificates (Matured) (Lodged as Security Deposits) | * | * |
| 7 Year National Savings Certificates (Matured) (Lodged as Security Deposits) | * | * |
| Investments in Mutual Funds (valued at lower of cost and fair value) | | |
| LIC Nomura Mutual Fund - Daily Dividend Plan | 389 | 83 |
| Total | 389 | 83 |
| Aggregate amount of Unquoted Investments | 389 | 83 |

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

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

| | As at 31st March, 2012 | As at 31st March, 2011 |
|---|---------------------------|---------------------------|
| 18. INVENTORIES | | |
| At lower of cost and net realisable value | | |
| Work-in-progress | 14,709 | 12,100 |
| Construction Materials [includes in transit Rs.217 (2011: Rs.42)] | 55,384 | 44,917 |
| Stores and Spares [includes in transit Rs.50 (2011: Rs.8)] | 10,460 | 8,009 |
| Loose Tools | 7,396 | 8,009 |
| Total | 87,949 | 73,035 |

(All amounts in Rs. Lakhs, unless otherwise stated)

| | As at 31st March, 2012 | As at 31st March, 2011 |
|--|---------------------------|---------------------------|
| 19. TRADE RECEIVABLES | | |
| Unsecured considered good, unless otherwise stated | | |
| Outstanding for a period exceeding six months from the date they are due for payment | | |
| Considered Good | 63,667 | 50,386 |
| Considered Doubtful | 200 | 190 |
| Less: Provision for doubtful debts | (200) | (190) |
| Others [Refer (a) below] | 105,202 | 181,339 |
| Total | 168,869 | 231,725 |

(a) Includes retention money Rs.50,114 (2011: Rs.44,870) not due for payment as per related terms of contract.

| | As at 31st March, 2012 | As at 31st March, 2011 |
|--|---------------------------|---------------------------|
| 20. CASH AND BANK BALANCES | | |
| Cash and Cash Equivalents | | |
| Cash on hand | 27 | 38 |
| Remittances in transit | 159 | 27 |
| Balances with Banks on current accounts | 6,154 | 7,948 |
| Fixed Deposits (less than 3 months maturity) | 282 | 289 |
| Unpaid Dividend Accounts @ | 17 | 15 |
| | 6,639 | 8,317 |
| Other Bank Balances | | |
| Deposit Accounts lodged as Security Deposits | 7 | 6 |
| Term Deposits with maturity more than 3 months and up to 12 months [Refer (a) below] | 101 | 402 |
| Term Deposits with maturity more than 12 months (Current Portion) [Refer (b) below] | 576 | 1,462 |
| Total | 7,323 | 10,187 |

@ Earmarked for payment of unclaimed dividend.

(a) Includes Rs.56 (2011: Rs.361) held as Margin money against bank guarantee.

(b) Includes Rs.90 (2011: Rs.17) held as Margin money against bank guarantee.

(All amounts in Rs. Lakhs, unless otherwise stated)

| | As at 31st March, 2012 | As at 31st March, 2011 |
|---|---------------------------|---------------------------|
| 21. SHORT-TERM LOANS AND ADVANCES | | |
| Unsecured considered good, unless otherwise stated | | |
| Security deposits | | |
| Considered Good | 5,423 | 4,949 |
| Considered Doubtful | 6 | 5 |
| Less: Provision for Doubtful Security deposit | (6) | (5) |
| Loans and advances to related parties: | | |
| Associate Companies | 17 | 49 |
| Joint Ventures | | |
| Considered Good | 352 | 205 |
| Considered Doubtful | 73 | 34 |
| Less: Provision for Doubtful loans and advances | (73) | (34) |
| Inter Corporate Loans | 7,165 | 3,740 |
| Prepaid Expenses | 2,277 | 2,073 |
| Loans and Advances to Employees | | |
| Considered Good | 666 | 447 |
| Considered Doubtful | 201 | 177 |
| Less: Provision for Doubtful loans and advances to employees | (201) | (177) |
| Deposit for Contracts | | |
| Considered Good | 1,776 | 1,945 |
| Considered Doubtful | 5 | 5 |
| Less: Provision for Doubtful Deposit for Contracts | (5) | (5) |
| Excise Duty Recoverable | 1,224 | 1,959 |
| MAT Credit Entitlement | 1,790 | 1,790 |
| Claims Recoverable | | |
| Considered Good | 2,263 | 2,421 |
| Considered Doubtful | 45 | - |
| Less: Provision for Doubtful Claims | (45) | - |
| Advance to Suppliers for Goods and Services | | |
| Considered Good | 9,414 | 8,524 |
| Considered Doubtful | 123 | 123 |
| Less: Provision for Doubtful Advances | (123) | (123) |
| Advances to / Balances with Government Authorities (Service Tax, Sales Tax, VAT etc.) | 19,734 | 15,479 |
| Advance Current Tax (Net of Provision) | 6,618 | 926 |
| Receivable relating to forward contracts | 373 | * |
| Advance Fringe Benefit Tax (Net of Provision) | 29 | 29 |
| Other recoverables and prepayments | 511 | 623 |
| Total | 59,632 | 45,159 |

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

(All amounts in Rs. Lakhs, unless otherwise stated)

| | As at 31st March, 2012 | As at 31st March, 2011 |
|---|---------------------------|---------------------------|
| 21. SHORT-TERM LOANS AND ADVANCES (contd.) | | |
| Summarised position of Short-term Loans and Advances | | |
| Unsecured | | |
| Considered Good | 59,632 | 45,159 |
| Considered Doubtful | 453 | 344 |
| Less: Provision for Doubtful Loans and Advances | (453) | (344) |
| Total | 59,632 | 45,159 |
| 22. OTHER CURRENT ASSETS | | |
| Unsecured considered good, unless otherwise stated | | |
| Accrued Interest on Deposits with Banks and Others | 954 | 1,520 |
| Accrued Interest on Loans to Joint Venture | | |
| Considered Good | - | 3 |
| Considered Doubtful | 3 | - |
| Less: Provision for Doubtful Accrued Interest | (3) | - |
| Unbilled Revenue | 146,552 | - |
| Accruals under Duty Free Credit Entitlement | 1,817 | 1,559 |
| Receivable on account of sale of fixed assets | 21 | 169 |
| Unamortised Expenses | | |
| Unamortised Premium on Forward Contracts | 319 | 3 |
| Foreign Currency Monetary Item Translation Difference Account | 119 | - |
| Total | 149,782 | 3,254 |
| Summarised position of Other Current Assets | | |
| Unsecured | | |
| Considered Good | 149,782 | 3,254 |
| Considered Doubtful | 3 | - |
| Less : Provision for Doubtful Other Current Assets | (3) | - |
| Total | 149,782 | 3,254 |

(All amounts in Rs. Lakhs, unless otherwise stated)

| | Year ended 31st March, 2012 | Year ended 31st March, 2011 |
|---|--------------------------------|--------------------------------|
| 23. REVENUE FROM OPERATIONS | | |
| Sale of Services | | |
| Contract Turnover | 596,994 | 479,195 |
| Equipment Hire Charges - Oil Drilling Rig | 186 | 200 |
| Oil Drilling Service | 1,164 | 1,364 |
| Other Operating Revenues | | |
| Accruals under Duty Free Credit Entitlement | 1,721 | 532 |
| Income from Wind Mill - Electricity | - | 1 |
| Miscellaneous Receipts | 367 | 467 |
| Sale of Scrap | 548 | 625 |
| Total | 600,980 | 482,384 |
| 24. OTHER INCOME | | |
| Dividend Income | | |
| From Long-term Investments | 14 | 1 |
| From Current Investments | 23 | 6 |
| Interest Income | 1,013 | 1,531 |
| Net Gain on sale of Long-term Investments | 107 | - |
| Net Gain on sale of Current Investments | 2 | - |
| Net Profit on disposal of Fixed Assets | - | 41 |
| Liabilities no longer required written back | 917 | 692 |
| Net gain on foreign currency transaction and translation | - | 130 |
| Other non-operating income | * | * |
| Total | 2,076 | 2,401 |
| * Amount is below the rounding off norm adopted by the Group. | | |
| 25. CHANGES IN INVENTORIES OF WORK - IN - PROGRESS | | |
| Opening Work-in-progress | 12,100 | 4,661 |
| Less: Closing Work-in-progress | 14,709 | 12,100 |
| Changes in Inventories - (Increase) / Decrease | (2,609) | (7,439) |

(All amounts in Rs. Lakhs, unless otherwise stated)

| | Year ended 31st March, 2012 | Year ended 31st March, 2011 |
|---|--------------------------------|--------------------------------|
| 26. EMPLOYEE BENEFITS EXPENSE | | |
| Salaries and Wages | 43,803 | 37,166 |
| Contribution to Provident and Other Funds | 1,283 | 963 |
| Staff Welfare Expenses | 1,347 | 1,206 |
| Total | 46,433 | 39,335 |

a) Defined Contribution Plans.

The Group has recognised, in the Profit and Loss Statement for the year ended 31st March, 2012 an amount of Rs.517 (2011: Rs.405) as expenses under defined contribution plans.

b) Post Employment Defined Benefit Plans

i) a) Gratuity (Funded)

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

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

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

iii) Leave Encashment Scheme [LES] (Unfunded)

The Group provides for accumulated leave benefit for eligible employees payable at the time of retirement 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. Liabilities with regard to leave encashment scheme are determined by actuarial valuation as set out in Note 1.15.

(All amounts in Rs. Lakhs, unless otherwise stated)

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

| | Gratuity (Funded) | Gratuity (Unfunded) | ESB/SP/IBS (Unfunded) | LES (Unfunded) |
|---|------------------------------|------------------------|------------------------------|------------------------------|
| I. Reconciliation of opening and closing balances of the present value of the Defined Benefit Obligation | | | | |
| (a) Present Value of Obligation at the beginning of the year | 2,092 <i>1,816</i> | 4 <i>2</i> | 511 <i>540</i> | 279 <i>253</i> |
| (b) Current Service Cost | 325 <i>172</i> | 5 <i>1</i> | 160 <i>193</i> | 21 <i>21</i> |
| (c) Interest Cost | 172 <i>148</i> | * <i>*</i> | 31 <i>29</i> | 15 <i>15</i> |
| (d) Actuarial (Gain)/Loss | (50) <i>5</i> | (1) <i>1</i> | 99 <i>145</i> | 253 <i>136</i> |
| (e) (Benefits Paid) | (61) <i>(49)</i> | - <i>-</i> | (387) <i>(385)</i> | (210) <i>(143)</i> |
| (f) Exchange differences of foreign plans | - <i>-</i> | - <i>*</i> | 89 <i>(11)</i> | 18 <i>(3)</i> |
| (g) Present Value of Obligation at the end of the year | 2,478 <i>2,092</i> | 8 <i>4</i> | 503 <i>511</i> | 376 <i>279</i> |
| II. Reconciliation of opening and closing balances of the Fair Value of Plan Assets | | | | |
| (a) Fair Value of Plan Assets at the beginning of the year | 2,118 <i>1,851</i> | - <i>-</i> | - <i>-</i> | - <i>-</i> |
| (b) Expected Return on Plan Assets | 181 <i>157</i> | - <i>-</i> | - <i>-</i> | - <i>-</i> |
| (c) Actuarial Gain/(Loss) | 23 <i>9</i> | - <i>-</i> | - <i>-</i> | - <i>-</i> |
| (d) Contributions by employer | 153 <i>150</i> | - <i>-</i> | - <i>-</i> | - <i>-</i> |
| (e) (Benefits Paid) | (61) <i>(49)</i> | - <i>-</i> | - <i>-</i> | - <i>-</i> |
| (f) Fair Value of Plan Assets as at the end of the year | 2,414 <i>2,118</i> | - <i>-</i> | - <i>-</i> | - <i>-</i> |

Figures in italics pertain to previous year.

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

(All amounts in Rs. Lakhs, unless otherwise stated)

| | Gratuity (Funded) | Gratuity (Unfunded) | ESB/SP/IBS (Unfunded) | LES (Unfunded) |
|--|------------------------------|-------------------------|-----------------------------|-----------------------------|
| III. Reconciliation of the present value of Defined Benefit Obligation in 'I' above and the fair value of Plan Assets in 'II' above | | | | |
| (a) Present Value of Obligation as at the end of the year | 2,478 <i>2,092</i> | 8 <i>4</i> | 503 <i>511</i> | 376 <i>279</i> |
| (b) Fair Value of Plan Assets as at the end of the year | 2,414 <i>2,118</i> | - - | - - | - - |
| (c) (Asset)/Liability recognised in the Balance Sheet | 64 <i>(26) @</i> | 8 <i>4</i> | 503 <i>511</i> | 376 <i>279</i> |
| Recognised under : | | | | |
| Long-term Provisions (Refer Note 7) | - - | 8 <i>4</i> | 491 <i>504</i> | 226 <i>143</i> |
| Short-term Provisions (Refer Note 11) | 64 - | * - | 12 <i>7</i> | 150 <i>136</i> |
| | 64 - | 8 <i>4</i> | 503 <i>511</i> | 376 <i>279</i> |
| @ Included in "Other recoverables and prepayments" in Note 21 | | | | |
| IV. Expense charged to the Profit and Loss Statement | | | | |
| (a) Current Service Cost | 325 <i>172</i> | 5 <i>1</i> | 160 <i>193</i> | 21 <i>21</i> |
| (b) Interest Cost | 172 <i>148</i> | * * | 31 <i>29</i> | 15 <i>15</i> |
| (c) (Expected Return on Plan Assets) | (181) <i>(157)</i> | - - | - - | - - |
| (d) Actuarial (Gain)/Loss | (73) <i>(4)</i> | (1) <i>1</i> | 99 <i>145</i> | 253 <i>136</i> |
| (e) Total expense charged to the Profit and Loss Statement | 243 # <i>159</i> | 4 ## <i>2</i> | 290 ## <i>367</i> | 289 ## <i>172</i> |

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

recognised under Salaries and Wages in Note 26.

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

Figures in italics pertain to previous year.

(All amounts in Rs. Lakhs, unless otherwise stated)

| | Gratuity (Funded) | Gratuity (Unfunded) | ESB/SP/IBS (Unfunded) | LES (Unfunded) |
|--|------------------------------|------------------------------|------------------------------|------------------------------|
| V. Category of Plan Assets | | | | |
| Central Government Securities | 496 <i>385</i> | NA <i>NA</i> | NA <i>NA</i> | NA <i>NA</i> |
| State Government Securities | 419 <i>144</i> | NA <i>NA</i> | NA <i>NA</i> | NA <i>NA</i> |
| Public Sector Securities | 1,153 <i>1,327</i> | NA <i>NA</i> | NA <i>NA</i> | NA <i>NA</i> |
| Private Sector Bonds | 183 <i>140</i> | NA <i>NA</i> | NA <i>NA</i> | NA <i>NA</i> |
| Bank Balances | 85 <i>56</i> | NA <i>NA</i> | NA <i>NA</i> | NA <i>NA</i> |
| Others | 78 <i>66</i> | NA <i>NA</i> | NA <i>NA</i> | NA <i>NA</i> |
| | 2,414 <i>2,118</i> | NA <i>NA</i> | NA <i>NA</i> | NA <i>NA</i> |
| VI. Actual Return on Plan Assets | 204 <i>166</i> | NA <i>NA</i> | NA <i>NA</i> | NA <i>NA</i> |
| VII. Principal Actuarial Assumptions as at 31st March, 2012 | | | | |
| (a) Discount Rate (per annum) | 8.75% <i>8.35%</i> | 8.75% <i>8.35%</i> | 8.75% <i>8.35%</i> | 8.75% <i>8.35%</i> |
| (b) Expected Rate of Return on Plan Assets (per annum) | 8.35% <i>8.25%</i> | NA <i>NA</i> | NA <i>NA</i> | NA <i>NA</i> |
| (c) Salary Escalation | | | | |
| Permanent Employees | 4.50% <i>4.50%</i> | 4.50% <i>4.50%</i> | 4.50% <i>4.50%</i> | 4.50% <i>4.50%</i> |
| Contractual Employees | 4.50% <i>4.50%</i> | 4.50% <i>4.50%</i> | - - | - - |

Figures in italics pertain to previous year.

VIII. Other Disclosures

(All amounts in Rs. Lakhs, unless otherwise stated)

| | 2011-2012 | | | | 2010-2011 | | | | 2009-2010 | | | | @ 2008-2009 | | | |
|---|--------------------|----------------------|------------------------|-----------------|--------------------|----------------------|------------------------|-----------------|--------------------|----------------------|------------------------|-----------------|--------------------|----------------------|------------------------|-----------------|
| | Gratuity (Fun-dec) | Gratuity (Un-funded) | ESB/SP/IBS (Un-funded) | LES (Un-funded) | Gratuity (Fun-dec) | Gratuity (Un-funded) | ESB/SP/IBS (Un-funded) | LES (Un-funded) | Gratuity (Fun-dec) | Gratuity (Un-funded) | ESB/SP/IBS (Un-funded) | LES (Un-funded) | Gratuity (Fun-dec) | Gratuity (Un-funded) | ESB/SP/IBS (Un-funded) | LES (Un-funded) |
| a) Present Value of the Plan obligation as at the end of the year | 2,478 | 8 | 503 | 376 | 2,092 | 4 | 511 | 279 | 1,816 | 2 | 540 | 253 | 1,601 | - | 548 | 196 |
| b) Fair Value of Plan Assets as at the end of the year | 2,414 | - | - | - | 2,118 | - | - | - | 1,851 | - | - | - | 1,216 | - | - | - |
| c) (Surplus) / Deficit as at the end of the year | 64 | 8 | 503 | 376 | (26) | 4 | 511 | 279 | (35) | 2 | 540 | 253 | 385 | - | 548 | 196 |
| d) Experience Adjustments on Plan Obligation [(Gain) / Loss] | (14) | (1) | 109 | 260 | 12 | 1 | 148 | 137 | (50) | - | 88 | 24 | 284 | - | 370 | 75 |
| e) Experience Adjustments on Plan Assets [Gain / (Loss)] | 23 | - | - | - | 8 | - | - | - | 39 | - | - | - | 12 | - | - | - |

@ The Consolidated Financial Statements have been prepared by the Group for the first time for the year ended 31st March, 2009.

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

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

The Group expects to contribute Rs.326 (2011: Rs.209) to gratuity fund in the next year.

iv) Provident Fund

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

(All amounts in Rs. Lakhs, unless otherwise stated)

iv) Provident Fund (contd.)

Unlike in earlier years, the Actuary has carried out actuarial valuation of interest rate guarantee obligations as at the balance sheet date using Deterministic Approach as outlined in the Guidance Note 29 issued by the Institute of Actuaries of India. Based on such valuation, there is no future anticipated shortfall with regard to interest rate guarantee obligation of SIMPLEX as at the balance sheet date. Further during the year, SIMPLEX's contribution of Rs.523 (2011: Rs.399) to the Provident Fund Trust, has been expensed under "Contribution to Provident and Other Funds". Disclosures given hereunder are restricted to the information available as per the Actuary's report.

| Principle Actuarial Assumptions | Year ended 31st March, 2012 | Year ended 31st March, 2011 |
|---------------------------------|--------------------------------|--------------------------------|
| Discount Rate | 8.82% | # |
| Expected Investment Return | 8.60% | # |
| Guaranteed Interest Rate | 8.60% | # |

This being the first year of valuation, previous year figures are not available.

| | Year ended 31st March, 2012 | Year ended 31st March, 2011 |
|--|--------------------------------|--------------------------------|
| 27. FINANCE COSTS | | |
| Interest Expense @ | 20,016 | 12,082 |
| Other Borrowing Costs | 3,114 | 2,670 |
| Total | 23,130 | 14,752 |
| @ Includes interest on shortfall of Advance Tax amounting to Rs.42 (2011: Rs.Nil). | | |
| 28. DEPRECIATION AND AMORTISATION EXPENSE | | |
| Depreciation on Tangible Assets | 11,727 | 9,389 |
| Amortisation on Intangible Assets | 157 | 246 |
| Total | 11,884 | 9,635 |

(All amounts in Rs. Lakhs, unless otherwise stated)

| | Year ended 31st March, 2012 | Year ended 31st March, 2011 |
|---|--------------------------------|--------------------------------|
| 29. OTHER EXPENSES | | |
| Consumption of Stores and Spare Parts | 15,956 | 10,940 |
| Power and Fuel | 13,311 | 14,039 |
| Rent | 8,104 | 6,945 |
| Repairs to Buildings | 96 | 125 |
| Repairs to Machinery | 9,225 | 2,008 |
| Repairs to Others | 1,221 | 610 |
| Insurance | 2,334 | 1,705 |
| Rates and Taxes (includes Wealth Tax Rs.9; 2011: Rs.8) | 329 | 72 |
| Sub-Contractors' Charges | 150,721 | 131,729 |
| Equipment Hire Charges | 21,633 | 19,730 |
| Freight and Transport | 6,409 | 4,543 |
| Bad Debts / Advances written off (Net of Provision written back Rs.63 ; 2011: Rs. 66) | 2,301 | 137 |
| Provision for doubtful debts and advances | 185 | 126 |
| Expenses of Windmill | 1 | 4 |
| Derivative Loss | 156 | 142 |
| Net Loss on disposal of Fixed Assets | 63 | - |
| Net loss on foreign currency transaction and translation | 580 | - |
| Tools written off | 6,998 | 7,063 |
| Bank Charges | 78 | 26 |
| Miscellaneous Expenses | 38,532 | 30,586 |
| Total | 278,233 | 230,530 |

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

| Name of the Entity | Country of Incorporation/ Residence | Proportion of the Group's Ownership Interest | |
|--|--|---|---------------------------|
| | | As at 31st March, 2012 | As at 31st March, 2011 |
| (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. [Refer (b) below] | Libya | 65% | 65% |
| Simplex Infra Development Limited | India | 93.30% | 100% |
| Maa Durga Expressways Private Limited [Refer (d) below] | India | 99.99% | - |
| (ii) Joint Ventures | | | |
| Simplex - Subhash Joint Venture (SSJV) | India | 50% | 50% |
| Somdatt Builders - Simplex Joint Venture (SBSJV) | India | 50% # | 50% # |
| Simplex - Somdatt Builders Joint Venture (SSBJV) | India | 50% # | 50% # |
| Simplex Meinhardt Joint Venture (SMJV) | India | 50% # | 50% # |

(All amounts in Rs. Lakhs, unless otherwise stated)

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

| Name of the Entity | Country of Incorporation/ Residence | Proportion of the Group's Ownership Interest | |
|---|--|---|---------------------------|
| | | As at 31st March, 2012 | As at 31st March, 2011 |
| (ii) Joint Ventures (Contd.) | | | |
| Laing - Simplex Joint Venture (LSJV) | India | 49% # | 49% # |
| Jaybee Simplex Consortium (JBC) | India | 66.67% | 66.67% |
| Simplex Gayatri Consortium (SGC) | India | 70% | 70% |
| HO-HUP Simplex Joint Venture (HHSJV) | India | 50% # | 50% # |
| Simplex - Somdatt Builders Joint Venture, Assam (SSBJVA) \$ | India | 51% # | - |
| Arabian Construction Company - Simplex Infra Private Limited (ACC-SIPL) \$ | India | 50% | - |
| Simplex - Almoayyed W.L.L. (SAWLL) [Refer (c) below] | Kingdom of Bahrain | 49% | 49% |
| Simplex Infrastructures (Thailand) Limited (SITL) | Thailand | 48.995% | 48.995% |
| (iii) Associates | | | |
| Shree Jagannath Expressways Private Limited | India | 35.40% | 26% @ |
| Raichur Sholapur Transmission Company Limited | India | 33.33% | 33.33% @ |

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 as per equity method in the previous year in the absence of financial statements.

\$ Formed during the year.

- (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.1,407 (2011: Rs.1,433) and net assets of Rs.1,407 (2011: Rs.1,433) at the year end and total revenue of Rs.Nil (2011: Rs.3), net loss of Rs.179 (2011: Rs.401) and net cash inflows / (outflows) of Rs.0 [2011: Rs.(8)] for the year.
- (c) 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.539 (2011: Rs.794) and net assets of Rs.359 (2011: Rs.432) at the year end, total revenue of Rs.193 (2011: Rs.222) net loss of Rs.73 (2011: Rs.195) and net cash inflows / (outflows) of Rs.52 [2011: Rs.(131)] for the year.
- (d) In December 2011, the Group has formed Maa Durga Expressways Private Limited, a Subsidiary. Its year-end net liabilities and net loss for the year amounting to Rs.5 and Rs.6 respectively have been considered in these Consolidated Financial Statements. Neither Goodwill nor Capital Reserve in respect of the said subsidiary has arisen on consolidation.

(All amounts in Rs. Lakhs, unless otherwise stated)

31. THE GROUP'S FINANCIAL INTEREST IN THE JOINT VENTURES ACCOUNTED FOR USING PROPORTIONATE CONSOLIDATION PRINCIPLES BASED ON ITS FINANCIAL STATEMENTS ARE SET OUT BELOW :

| | SSJV | SBSJV | SSBJV | SMJV | LSJV | JBC | SAWLL | SITL | SGC | HHSJV | SSBJVA | ACC-SIPL |
|---|---------|-------|-------|-------|-------|-----|-------|------|-------|-------|--------|----------|
| Post acquisition Reserves and Surplus as at 31st March, 2012 | | | | | | | | | | | | |
| Foreign Currency Translation Reserve Account | - | - | - | - | - | - | 35 | (11) | - | - | - | - |
| | - | - | - | - | - | - | 23 | (1) | - | - | - | - |
| Surplus in Profit and Loss Statement | 102 | 205 | 957 | 18 | 227 | 101 | (7) | (85) | 170 | (276) | 14 | 22 |
| | 100 | 206 | 949 | 12 | 207 | 145 | 120 | (81) | 154 | (275) | - | - |
| | 102 | 205 | 957 | 18 | 227 | 101 | 28 | (96) | 170 | (276) | 14 | 22 |
| | 100 | 206 | 949 | 12 | 207 | 145 | 143 | (82) | 154 | (275) | - | - |
| Liabilities as at 31st March, 2012 | | | | | | | | | | | | |
| Non-current Liabilities | | | | | | | | | | | | |
| Deferred Tax Liabilities (Net) | - | 11 | - | - | - | - | - | - | - | - | - | - |
| | - | 11 | - | - | - | - | - | - | - | - | - | - |
| Long-term Provisions | - | - | - | - | - | 3 | 15 | - | - | - | - | 1 |
| | - | - | - | - | - | 2 | 10 | - | - | - | - | - |
| Current Liabilities | | | | | | | | | | | | |
| Short-term Borrowings | - | - | - | - | - | - | - | 70 | - | - | - | - |
| | - | - | - | - | - | - | - | 59 | - | - | - | - |
| Trade Payables | * 2,950 | 728 | 1,678 | 2,691 | 98 | 133 | * | 769 | 1,659 | 1,556 | 1,434 | - |
| | * 3,144 | 913 | 1,365 | 2,812 | 58 | 299 | * | 770 | 1,659 | - | - | - |
| Other Current Liabilities | 12 | 355 | 116 | 38 | 69 | 306 | 22 | 13 | * | 376 | 2,465 | 3,983 |
| | 12 | 357 | 114 | 35 | 95 | 387 | 46 | 11 | * | 376 | - | - |
| Short-term Provisions | - | - | - | - | 2 | - | 10 | - | - | - | - | - |
| | - | - | - | - | - | - | 7 | - | - | - | - | - |
| Total | 12 | 3,316 | 844 | 1,716 | 2,762 | 407 | 180 | 83 | 769 | 2,035 | 4,021 | 5,418 |
| | 12 | 3,512 | 1,027 | 1,400 | 2,907 | 447 | 362 | 70 | 770 | 2,035 | - | - |
| Assets as at 31st March, 2012 | | | | | | | | | | | | |
| Non-current Assets | | | | | | | | | | | | |
| Fixed Assets | | | | | | | | | | | | |
| Tangible Assets | - | 248 | - | - | - | 7 | 113 | 1 | - | 255 | - | - |
| | - | 263 | - | - | - | 7 | 197 | 1 | - | 278 | - | - |
| Intangible Assets | - | - | - | - | - | - | - | * | - | - | - | - |
| | - | - | - | - | - | - | - | * | - | - | - | - |
| Deferred Tax Assets (Net) | - | - | - | - | - | - | - | - | - | - | - | - |
| | - | - | - | - | - | * | - | - | - | - | - | - |
| Long-term Loans and Advances | - | - | - | - | - | - | - | * | - | 473 | - | - |
| | - | - | - | - | - | - | - | * | - | 472 | - | - |
| Other Non - current Assets | - | - | - | - | - | - | - | - | - | - | - | - |
| | - | - | - | - | - | - | - | - | - | 368 | - | - |

Figures in normal type relate to previous year.

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

(All amounts in Rs. Lakhs, unless otherwise stated)

31. THE GROUP'S FINANCIAL INTEREST IN THE JOINT VENTURES ACCOUNTED FOR USING PROPORTIONATE CONSOLIDATION PRINCIPLES BASED ON ITS FINANCIAL STATEMENTS ARE SET OUT BELOW : (contd.)

| | SSJV | SBSJV | SSBJV | SMJV | LSJV | JBC | SAWLL | SITL | SGC | HHSJV | SSBJVA | ACC-SIPL |
|--|------------|--------------|--------------|--------------|--------------|--------------|------------|----------|------------|--------------|--------------|--------------|
| Assets as at 31st March, 2012 (contd.) | | | | | | | | | | | | |
| Current Assets | | | | | | | | | | | | |
| Inventories | - | - | - | - | - | 172 | 2 | - | - | - | - | - |
| | - | - | - | - | - | 98 | 7 | - | - | - | - | - |
| Trade Receivables | - | 3,150 | 1,297 | 188 | 2,862 | 252 | 40 | - | 578 | 578 | 839 | - |
| | - | 3,133 | 1,418 | 1,190 | 2,862 | 407 | 250 | - | 582 | 579 | - | - |
| Cash and Bank Balances | 51 | 3 | 80 | 32 | 1 | 39 | 91 | 2 | 290 | 394 | 847 | 90 |
| | 49 | 9 | 5 | 23 | 4 | 34 | 39 | 1 | 302 | 37 | - | - |
| Short-term Loans and Advances | 62 | 120 | 424 | 186 | 126 | 38 | 264 | - | 70 | 24 | 2,297 | 244 |
| | 62 | 304 | 545 | 198 | 248 | 46 | 301 | * | 38 | 26 | - | - |
| Other Current Assets | 1 | - | - | 1,327 | - | - | 29 | - | 1 | 35 | 52 | 5,131 |
| | 1 | 9 | 8 | 1 | - | - | - | - | 1 | - | - | - |
| Total | 114 | 3,521 | 1,801 | 1,733 | 2,989 | 508 | 539 | 3 | 939 | 1,759 | 4,035 | 5,465 |
| | 112 | 3,718 | 1,976 | 1,412 | 3,114 | 592 | 794 | 2 | 923 | 1,760 | - | - |
| Revenue for the year 2011-2012 | | | | | | | | | | | | |
| Revenue from Operations | - | 231 | 619 | 276 | - | 1,164 | 187 | - | - | - | 2,059 | 5,131 |
| | 126 | 2,191 | 1,160 | 251 | 666 | 1,364 | 205 | - | - | - | - | - |
| Other Income | 4 | 10 | 3 | * | 17 | 3 | 6 | - | 23 | 26 | 61 | - |
| | 3 | 5 | 5 | * | - | (2) | 17 | * | 12 | 50 | - | - |
| Total | 4 | 241 | 622 | 276 | 17 | 1,167 | 193 | - | 23 | 26 | 2,120 | 5,131 |
| | 129 | 2,196 | 1,165 | 251 | 666 | 1,362 | 222 | * | 12 | 50 | - | - |
| Expenses for the year 2011-2012 | | | | | | | | | | | | |
| Construction Material Consumed | - | - | - | - | - | - | 74 | - | - | - | - | - |
| | - | - | - | - | - | - | 112 | - | - | - | - | - |
| Changes in Inventories of Work - in - progress | - | - | - | - | - | - | (2) | - | - | - | - | - |
| | - | - | - | - | - | - | * | - | - | - | - | - |
| Employee Benefits Expense | - | - | - | - | - | 99 | 22 | - | - | - | - | 76 |
| | - | - | - | - | - | 80 | 10 | 48 | - | - | - | - |
| Finance Costs | - | - | - | - | - | - | - | - | - | - | 62 | - |
| | - | - | - | - | - | 2 | - | 3 | - | 5 | - | - |
| Depreciation and Amortisation Expense | - | 15 | - | - | - | * | 106 | * | - | 22 | - | - |
| | - | 15 | - | - | - | * | 190 | * | - | 22 | - | - |
| Other Expenses | 1 | 226 | 606 | 268 | 2 | 1,113 | 66 | 4 | - | 1 | 2,018 | 5,022 |
| | 119 | 2,149 | 1,135 | 244 | 657 | 1,179 | 105 | 12 | - | 1 | - | - |
| Total | 1 | 241 | 606 | 268 | 2 | 1,212 | 266 | 4 | - | 23 | 2,080 | 5,098 |
| | 119 | 2,164 | 1,135 | 244 | 657 | 1,261 | 417 | 63 | - | 28 | - | - |

Figures in normal type relate to previous year.

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

(All amounts in Rs. Lakhs, unless otherwise stated)

31. THE GROUP'S FINANCIAL INTEREST IN THE JOINT VENTURES ACCOUNTED FOR USING PROPORTIONATE CONSOLIDATION PRINCIPLES BASED ON ITS FINANCIAL STATEMENTS ARE SET OUT BELOW : (contd.)

| | SSJV | SBSJV | SSBJV | SMJV | LSJV | JBC | SAWLL | SITL | SGC | HHSJV | SSBJVA | ACC-SIPL |
|----------------------------|------|-------|-------|------|------|------|-------|------|-----|-------|--------|----------|
| Results | | | | | | | | | | | | |
| Profit / (Loss) before Tax | 3 | - | 16 | 8 | 15 | (45) | (73) | (4) | 23 | 3 | 40 | 33 |
| | 10 | 32 | 30 | 7 | 9 | 101 | (195) | (63) | 12 | 22 | - | - |
| Current Tax | 1 | - | 8 | 2 | (5) | (1) | - | - | 7 | 4 | 26 | 11 |
| | 3 | 18 | 15 | 2 | 3 | 31 | - | - | 4 | 11 | - | - |
| Deferred Tax | - | 1 | - | - | - | * | - | - | - | - | - | - |
| | - | 4 | - | - | - | * | - | - | - | - | - | - |
| Profit / (Loss) after Tax | 2 | (1) | 8 | 6 | 20 | (44) | (73) | (4) | 16 | (1) | 14 | 22 |
| | 7 | 10 | 15 | 5 | 6 | 70 | (195) | (63) | 8 | 11 | - | - |

Figures in normal type relate to previous year.

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

| | 31st March, 2012 | 31st March, 2011 |
|--|------------------|------------------|
| 32. CONTINGENT LIABILITIES: | | |
| 32.1 Claims against the Group not acknowledged as debts | | |
| a) Interest (others) | 6 | 6 |
| b) Professional Tax | 4 | 4 |
| c) Sales Tax / Value Added Tax | 5,046 | 2,606 |
| d) Entry Tax | 446 | 161 |
| e) Excise Duty | 150 | - |
| f) Income Tax [Also refer item (h) and (i) below] | 40 | 40 |
| g) Service Tax [Also refer item (j) and (k) below] | 514 | 759 |

- h) 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. 1,597 (2011: Rs.1,597).
- i) The Joint Ventures in the Group claimed certain deduction under the provision of the Income-tax Act, 1961 up to the Assessment year 2009-10. In respect of the Assessment Years 2007-08 to 2009-10 the deduction was disallowed by the Income Tax Authorities and for those Assessment Years, Joint Venture's appeals are currently pending before the said appellate authorities. However, on the basis of legal opinion obtained, Joint Ventures, are eligible to such benefit, have challenged the issue by a writ petition before the Hon'ble Calcutta High Court and obtained interim stay order from the said High Court restraining the Tax Authorities from enforcing any demand against Joint Ventures. The estimated tax impact (being proportionate share of SIMPLEX) in this regard is Rs.589 (2011: Rs.Nil).

(All amounts in Rs. Lakhs, unless otherwise stated)

32. CONTINGENT LIABILITIES: (contd.)
32.1 Claims against the Group not acknowledged as debts (contd.)

- j) Show-cause cum demand notices for Rs.9,892 (2011: Rs.9,892) 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 notices aggregating Rs.1,585 (2011: Rs.1,689) on similar matter relating to Service Tax issued by the concerned Tax Authorities in Delhi during previous years have also been 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.1,057 (2011: Rs.1,065).
- k) A Joint Venture in the Group received a show-cause cum demand notice issued by the Commissioner of Service Tax which has been challenged by the enterprise by writ petition currently pending before the Jharkhand High Court. The proportionate share of SIMPLEX in the said demand is Rs.170 (2011: Rs.170). 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.

| | 31st March, 2012 | 31st March, 2011 |
|--|------------------|------------------|
| 32.2 Guarantees | | |
| Bank Guarantees | | |
| a) In respect of Joint Ventures | 3,668 | 248 |
| b) In respect of Associates | 12,720 | 7,740 |
| 32.3 Other money for which the Group is contingently liable | | |
| Bill Discounted with Bank | - | 30 |

- 32.4** In respect of the contingent liabilities mentioned in Note 32.1 above, pending resolution of the respective proceedings, it is not practicable for the Group to estimate the timings of cash outflows, if any. In respect of matter mentioned in Note 32.2 above, the cash outflows, if any, could generally occur during the validity period of the respective guarantees. The Group does not expect any reimbursements in respect of the above contingent liabilities.

| | 31st March, 2012 | 31st March, 2011 |
|---|------------------|------------------|
| 33. COMMITMENTS | | |
| a) Estimated amount of contracts remaining to be executed on capital account and not provided for | 1,005 | 2,771 |
| b) Uncalled liability on partly paid shares | 1 | 1 |

c) Other Commitments

- i) Pursuant to an Assignment Agreement dated 15th November, 2011, SIMPLEX along with Simplex Infra Development Limited (SIDL), a subsidiary has undertaken to acquire the right to subscribe to 8% of the equity share capital of Shree Jagannath Expressways Private Limited (SJEPL), an associate company from another shareholder of SJEPL at an agreed consideration and the related commitment outstanding at the year end is Rs.1,500 (2011: Rs.Nil).

(All amounts in Rs. Lakhs, unless otherwise stated)

33. COMMITMENTS (contd.)

c) Other Commitments (contd.)

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

- (a) To National Highways Authority of India, to hold together with its associates, not less than 26% of the issued and paid up equity share capital in Shree Jagannath Expressways Private Limited (SJEPL), an associate company, during construction period of the project being executed by SJEPL and two years thereafter. As at 31st March, 2012, the Group holds 3,40,00,000 (2011: 52,00,000) equity shares of Rs.10/- each fully paid up of SJEPL (Note 14) representing 35.40% (2011: 26%) of the total paid up equity share capital of SJEPL.
- (b) To National Highways Authority of India, to invest and maintain at all times either by itself and/or through its associates/subsidiaries/affiliates not less than 51% of the issued and paid up equity share capital of Maa Durga Expressways Private Limited (MDEPL), a subsidiary company, during construction period of the project being executed by MDEPL and two years thereafter. As at 31st March, 2012, SIMPLEX holds 9,999 (2011: Nil) equity shares of Rs.10/- each fully paid up of MDEPL representing 99.99% (2011 - Nil) of the total paid up equity share capital of MDEPL.
- (c) To Long Term Transmission Customers, to hold together with its consortium members, not less than 51% in the issued and paid up equity share capital of Raichur Sholapur Transmission Company Limited (RSTCL), an associate company, up to a period of two years after Commercial Operation Date of the project being executed by RSTCL and not less than 26% in the issued and paid up equity share capital of RSTCL for a period of three years thereafter. As at 31st March, 2012, the Group holds 6,977,692 (2011: 16,665) equity shares of Rs.10/- each fully paid up of RSTCL (Note 14) representing 33.33% (2011: 33.33%) of the total paid up equity share capital of RSTCL.

34. (a) The Group has entered into non-cancellable operating lease for office, warehouses and employee accommodation. Terms of the lease include renewal of the lease period at the end of the non-cancellable period, increase in rent in future periods, etc. The obligation for non-cancellable operating lease is Rs.1,254 (2011: Rs.1,036) payable within one year and Rs.1,865 (2011: Rs.978) payable later than one year but not later than five years and payable after five years Rs.1,460 (2011: Rs.1,489) as on 31st March, 2012.
- (b) The Group has entered into cancellable operating lease for office, warehouses, employee accommodation and equipments. Tenure of leases generally vary between 6 months to 3 years. Terms of the lease include operating term for renewal, terms of cancellation, etc.
- (c) Lease payments in respect of (a) and (b) above are recognised in the Profit and Loss Statement under the heads 'Rent' and 'Equipment Hire Charges' in Note 29.

| | 2011-2012 | 2010-2011 |
|--|-----------|-----------|
| 35. INFORMATION IN ACCORDANCE WITH THE REQUIREMENTS OF THE ACCOUNTING STANDARD (AS) 7 ON 'CONSTRUCTION CONTRACTS' PRESCRIBED UNDER THE ACT. | | |
| Contract revenue recognised for the year ended 31st March, 2012 | 596,994 | 479,195 |
| Aggregate amount of contract costs incurred and recognised profits (less recognised losses) up to 31st March, 2012 for all the contracts in progress | 1,582,705 | 929,336 |
| The amount of customer advances outstanding for contracts in progress as at 31st March, 2012 | 92,934 | 65,969 |
| The amount of retention due from customers for contracts in progress as at 31st March, 2012 | 33,818 | 21,957 |
| Gross amount due from customers for contracts in progress | 159,132 | 64,657 |
| Gross amount due to customers for contracts in progress | 1,729 | 5,556 |

(All amounts in Rs. Lakhs, unless otherwise stated)

36. RELATED PARTY DISCLOSURES PURSUANT TO ACCOUNTING STANDARD 18 PRESCRIBED UNDER THE ACT.

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

| Names of Related Parties | Relationship |
|---|---|
| Simplex – Gayatri Consortium | Joint Venture |
| HO-HUP Simplex Joint Venture | - Do - |
| Simplex - Subhash Joint Venture | - Do - |
| Somdatt Builders - Simplex Joint Venture | - Do - |
| Simplex Almoayyed W.L.L. | - Do - |
| Simplex - Somdatt Builders Joint Venture | - Do - |
| Laing - Simplex Joint Venture | - Do - |
| Simplex Meinhardt Joint Venture | - Do - |
| Jaybee Simplex Consortium | - Do - |
| Simplex Infrastructures (Thailand) Limited | - Do - |
| Arabian Construction Co - Simplex Infra Private Limited @ | - Do - |
| Simplex - Somdatt Builders Joint Venture, Assam # | - Do - |
| 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 | Relative 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 - |
| Regard Fin-Cap Private Limited ## | - Do - |

@ with effect from 7 October, 2011.

with effect from 1 April, 2011.

with effect from 24 August, 2011.

36. RELATED PARTY DISCLOSURES PURSUANT TO ACCOUNTING STANDARD 18 PRESCRIBED UNDER THE ACT. (contd.) (All amounts in Rs. Lakhs, unless otherwise stated)

| Name and Relationship | Transactions during the year | | | | | | | | | | Balance outstanding at the year end | | | | | | | | | | |
|--|------------------------------|-------------------|-------------------------|-------------------------|-----------------------------------|-----------------------------|---------------------------------|-------------------------|-------------------|------------------|--------------------------------------|---------------------------------|---|-----------------------------|-------------------|---|---------------------------------------|---------------------------|-------------------------------|------------------|--------------|
| | Dividend Paid | Contract Turnover | Advance Taken/ (Repaid) | Rent Paid/ Hire Charges | Hire Charges Received/ Receivable | Loans Given/ (Refund) (Net) | Provision for Doubtful Advances | Managerial Remuneration | Interest Received | Interest Expense | Share of Profit/ (Loss) of Associate | Investment made during the year | Reimbursement/ (Recovery) of expenses (Net) | Advance against Investments | Trade Receivables | Other Current Assets (net of provision) | Loans and Advances (net of provision) | Other Current Liabilities | Investment (net of provision) | Guarantees Given | |
| Joint Ventures # | | | | | | | | | | | | | | | | | | | | | |
| Simplex-Gayatri Consortium | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 284 284 | - | * | 1 | - | - | - |
| Simplex-Subash Joint Venture | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 2 | - | - | - | - |
| Somdatt Builders - Simplex Joint Venture | - | 43 1,783 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Simplex-Somdatt Builders Joint Venture | - | 352 681 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Simplex Almoayyed W.L.L. | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Jaybee Simplex Consortium | - | - | - | - | 186 200 | - | - | - | - | - | - | - | 128 22 | - | 21 | - | 145 170 | - | - | - | 168 240 |
| Simplex Meinhardt Joint Venture | - | 1,340 1,216 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Simplex Infrastructures (Thailand) Limited | - | - | - | - | - | 4 60 | 41 34 | - | 3 | 67 | - | - | - | - | - | 3 | 34 | - | - | - | 8 |
| Simplex-Somdatt Builders Joint Venture, Assam | - | 2,213 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Arabian Construction Co. - Simplex Infra Private Limited | - | 4,874 | 3,571 | - | - | - | - | - | - | - | - | - | 193 | - | 156 | 487 | 205 | 3,571 | - | - | 3,500 |
| Total | - | 8,822 3,680 | 3,571 | - | 186 200 | 4 60 | 41 34 | - | 3 | 67 | - | - | 321 23 | - | 461 284 | 487 3 | 352 205 | 3,571 | - | - | 3,668 248 |
| Associate | | | | | | | | | | | | | | | | | | | | | |
| Shree Jagannath Expressways Private Limited | - | 26,536 8,087 | - | - | - | - | - | - | - | - | - | 2,880 320 | 49 | * | 295 6,537 | 7,068 | 49 | 2,909 | 3,400 320 | 12,260 7,280 | |
| Rachur Stolepur Transmission Company Limited | - | - | - | - | - | - | - | - | - | (20) | (20) | 696 | 16 | 628 | - | - | 16 628 | - | 678 | 460 | |
| Total | - | 26,536 8,087 | - | - | - | - | - | - | - | (20) | (20) | 3,576 522 | 17 49 | 628 | 295 6,537 | 7,068 | 17 67 | 2,909 | 4,078 522 | 12,220 7,140 | |
| Key Management Personnel (KMP) | | | | | | | | | | | | | | | | | | | | | |
| Mr.B.D. Mundhra | 56 36 | - | - | - | - | - | - | 86 | - | - | - | - | - | - | - | - | - | 6 | - | - | - |
| Mr.A.D. Mundhra | 40 40 | - | - | - | - | - | - | 59 | - | - | - | - | - | - | - | - | - | 4 | - | - | - |
| Mr. Rajiv Mundhra | 37 37 | - | - | - | - | - | - | 52 | - | - | - | - | - | - | - | - | - | 4 | - | - | - |
| Mr. Apurba Mukherjee | * | - | - | - | - | - | - | 64 | - | - | - | - | - | - | - | - | - | 3 | - | - | - |
| Mr. S.Dutta | * | - | - | - | - | - | - | 46 | - | - | - | - | - | - | - | - | - | 3 | - | - | - |
| Total | 133 133 | - | - | - | - | - | - | 307 317 | - | - | - | - | - | - | - | - | - | 20 19 | - | - | - |
| Relatives of KMP | | | | | | | | | | | | | | | | | | | | | |
| Mrs. Tamuna Mundhra | 46 40 | - | - | 1 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Mrs. Krishna Devi Mundhra | 4 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Mrs. Savita Bagri | * | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Mr. Subhabrata Dutta | - | - | - | 3 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Mrs. Sarmistha Dutta | - | - | - | 3 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Mr. Sumit Dutta | - | - | - | 3 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Mrs. Anuja Mundhra | 2 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Mrs. Savita Mundhra | 2 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Master Shreyan Mundhra | 1 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Mr. Sreemohan Das Mundhra | 6 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total | 61 61 | - | - | 10 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |

36. RELATED PARTY DISCLOSURES PURSUANT TO ACCOUNTING STANDARD 18 PRESCRIBED UNDER THE ACT. (contd.) (All amounts in Rs. Lakhs, unless otherwise stated)

| Name and Relationship | Transactions during the year | | | | | | | | | | Balance outstanding at the year end | | | | | | | | | | |
|--|------------------------------|--------------------------------|---|---------------------------------------|--|--|--|---|--------------------------------|-------------------------------|--|--|---|--|---------------------------|--|--|--------------------------------------|---|--------------------------|---|
| | Divi- dend Paid | Cont- ract Turn- over | Adv- ance Taken/ (Rep- aid) | Rent Paid/ Hire Char- ges | Hire Charges Recei- ved/ Recei- vable | Loans Given/ Refe- und (Net) | Provi- sion for Doubt- ful Ad- vances | Mana- gerial Remu- nera- tion | Inter- est Recei- ved | Inter- est Exp- ense | Share of Profit/ (Loss) of Asso- ciate | Invest- ment made during the year | Reimbur- sement/ (Recovery) of expen- ses (Net) | Advance against Invest- ments | Trade Receiv- ables | Other Current Assets (net of provis- ion) | Loans and Advances (net of provis- ion) | Other Current Liabili- ties | Invest- ment (net of provis- ion) | Guaran- tees Given | |
| Entities over which KMP has significant influence | | | | | | | | | | | | | | | | | | | | | |
| Giriraj Apartments Pvt.Ltd | 2 | - | - | 2 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Mundhira Escates | 2 | - | - | 2 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Safe Builders | - | - | - | 3 | - | - | - | - | - | - | - | - | - | - | 1 | - | - | - | - | - | |
| | - | - | - | 3 | - | - | - | - | - | - | - | - | - | - | 1 | - | - | - | - | - | |
| | - | - | - | 2 | - | - | - | - | - | - | - | - | - | - | 1 | - | - | - | - | - | |
| | - | - | - | 2 | - | - | - | - | - | - | - | - | - | - | 1 | - | - | - | - | - | |
| RBS Credit & Financial Development Private Limited | 90 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| | 90 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Anupriya Consultants Private Limited | 142 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| | 142 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Baba Basuki Distributors Private Ltd | 40 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| | 40 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Asnew Finance & Investment Private Ltd | 6 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| | 6 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Anjali Trade Links Private Limited | 15 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| | 15 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Universal Earth Engineering Consultancy Private Limited | 2 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| | 2 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Yaruna Multilin Pvt Ltd | 3 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| | 3 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| East End Trading & Engineering Co Pvt Ltd | 25 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| | 25 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Aljay Merchants Pvt Ltd | 1 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| | 1 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Sandeepan Exports (P) Ltd | 20 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| | 20 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Parop Finance & Investment Pvt Ltd | 3 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| | 3 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Simplex Technologies Pvt Ltd | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Regard Fin-Cap Private Limited | 2 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| | 2 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Total | 351 | - | - | 7 | - | - | - | - | - | - | - | - | - | - | 2 | - | 1 | - | - | - | - |
| | 349 | - | - | 7 | - | - | - | - | - | - | - | - | - | - | 2 | - | 1 | - | - | - | - |
| Grand Total | 545 | 35,358 | 3,571 | 17 | 186 | 4 | 41 | 307 | - | 67 | (20) | 3,576 | 338 | * | 756 | 7,557 | 370 | 3,592 | 4,078 | 16,388 | |
| | 543 | 11,767 | - | 17 | 200 | 60 | 34 | 317 | 3 | - | - | 522 | 72 | 628 | 7,221 | 5 | 883 | 2,929 | 522 | 7,988 | |

* Amount is below the rounding off norm adopted by the Group.
Transactions and balances relating to Joint Ventures are net of amounts considered in these accounts under proportionate consolidation method.
Figures in italics pertain to previous year.

(All amounts in Rs. Lakhs, unless otherwise stated)

| | 2011-2012 | 2010-2011 |
|--|------------|------------|
| 37. COMPUTATION OF EARNINGS PER EQUITY SHARE (BASIC AND DILUTED) | | |
| (I) Basic | | |
| (a) (i) Number of Equity Shares at the beginning of the year | 49,472,330 | 49,472,330 |
| (ii) Number of Equity Shares at the end of the year | 49,472,330 | 49,472,330 |
| (iii) Weighted average number of Equity Shares outstanding during the year | 49,472,330 | 49,472,330 |
| (iv) Face Value of each Equity Share (In Rs.) | 2/- | 2/- |
| (b) Amount of Profit after tax attributable to Equity Shareholders of the Parent Company | | |
| Profit for the period | 8,364 | 12,458 |
| (c) Basic Earnings per Equity Share [(b)/(a)(iii)] | 16.91 | 25.18 |
| (II) Diluted | | |
| (a) Dilutive Potential Equity Shares | - | - |
| (b) Diluted Earnings per Equity Share [Same as (I)(c) above] | 16.91 | 25.18 |

38. (a) Depreciation for the year and year-end Accumulated Depreciation includes approximately Rs.415 (2011: Rs.478) and Rs.1,579 (2011: Rs.1,011) respectively computed by foreign Subsidiaries and foreign Joint Venture companies applying different depreciation rates as set out in Note 1.4(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 Construction Materials amounting to Rs.Nil (2011: Rs.1) (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 Group as set out in Note 1.7 above.

39. OTHER NON-CURRENT ASSETS - TOOLS

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

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

40. DERIVATIVE INSTRUMENTS AND UNHEDGED FOREIGN CURRENCY EXPOSURE

- (a) Derivatives outstanding as at the reporting date

| Particulars | Purpose | As at 31st March,2012 | | | As at 31st March,2011 | | |
|-------------------|------------------------------------|-----------------------|----------------------------|--------------------|-----------------------|----------------------------|--------------------|
| | | Currency | Amount in foreign currency | Amount in Rs Lakhs | Currency | Amount in foreign currency | Amount in Rs Lakhs |
| Forward Contracts | Hedge of Foreign Currency Loans | USD | 19,058,353 | 9,697 | - | - | - |
| | Hedge of Foreign Currency Loans | EURO | 7,100,000 | 4,819 | - | - | - |
| | Hedge of Foreign Currency Payables | USD | 90,339 | 46 | - | - | - |
| | Hedge of Foreign Currency Payables | EURO | 280,581 | 190 | EURO | 338,484 | 213 |

(All amounts in Rs. Lakhs, unless otherwise stated)

40. DERIVATIVE INSTRUMENTS AND UNHEDGED FOREIGN CURRENCY EXPOSURE (contd.)

(a) Derivatives outstanding as at the reporting date (contd.)

| Particulars | Purpose | As at 31st March, 2012 | | | As at 31st March, 2011 | | |
|---------------------------------------|---|------------------------|----------------------------|--------------------|------------------------|----------------------------|--------------------|
| | | Currency | Amount in foreign currency | Amount in Rs Lakhs | Currency | Amount in foreign currency | Amount in Rs Lakhs |
| Currency Swaps | Hedge of Foreign Currency Loans | JPY | 308,970,588 | 1,897 | JPY | 556,147,059 | 2,243 |
| Interest Rate Swaps / Coupon Swaps | Hedge of Floating Interest Rate and Interest Amount on Foreign Currency Loans | JPY | 308,970,588 | 1,897 | JPY | 556,147,059 | 2,243 |
| | Hedge of Floating Interest Rate and Interest Amount on Foreign Currency Loans | USD | 9,466,715 | 4,817 | USD | 8,922,267 | 3,979 |
| | Hedge of Floating Interest Rate on Foreign Currency Loans | USD | 10,000,000 | 5,088 | - | - | - |
| Options | Hedge of Foreign Currency Loans | USD | 11,863,443 | 6,036 | USD | 14,216,385 | 6,251 |

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

| Particulars | As at 31st March, 2012 | | | As at 31st March, 2011 | | |
|---------------|------------------------|----------------------------|--------------------|------------------------|----------------------------|--------------------|
| | Currency | Amount in foreign currency | Amount in Rs Lakhs | Currency | Amount in foreign currency | Amount in Rs Lakhs |
| Loans Payable | USD | 18,237,214 | 9,279 | - | - | - |
| Payables | USD | 39,493 | 20 | USD | 23,001 | 10 |
| Payables | - | - | - | EURO | 443,046 | 265 |
| Payables | - | - | - | SGD | 7,350 | 3 |
| Receivables | USD | 59,097 | 30 | USD | 240,710 | 107 |

| | 2011 - 2012 | 2010 - 2011 |
|--|-------------|-------------|
| (c) Mark-to-Market losses provided for | 140 | 71 |

41. SEGMENT INFORMATION FOR THE YEAR ENDED 31ST MARCH, 2012

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

| | Construction | Others | Total of Reportable Segment |
|---|--------------|--------|-----------------------------|
| External Sales (i.e. Revenue from Operations) | 599,630 | 1,350 | 600,980 |
| | 480,819 | 1,565 | 482,384 |
| Inter Segment Sales | - | - | - |
| | - | - | - |

(All amounts in Rs. Lakhs, unless otherwise stated)

41. SEGMENT INFORMATION FOR THE YEAR ENDED 31ST MARCH, 2012 (contd.)

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

| | Construction | Others | Total of Reportable Segment |
|--|--------------|--------|-----------------------------|
| Other Income | 917 | - | 917 |
| | 863 | - | 863 |
| Segment Revenue | 600,547 | 1,350 | 601,897 |
| | 481,682 | 1,565 | 483,247 |
| Segment Result | 41,833 | (8) | 41,825 |
| | 38,472 | 216 | 38,688 |
| Segment Assets | 598,534 | 6,556 | 605,090 |
| | 478,982 | 6,052 | 485,034 |
| Segment Liabilities | 268,142 | 1,139 | 269,281 |
| | 205,692 | 824 | 206,516 |
| Capital Expenditure | 22,213 | - | 22,213 |
| | 23,860 | 28 | 23,888 |
| Depreciation and Amortisation | 11,431 | 436 | 11,867 |
| | 9,182 | 436 | 9,618 |
| Non cash expenses other than depreciation and amortisation | 9,420 | 64 | 9,484 |
| | 7,315 | 11 | 7,326 |

Reconciliation of Reportable Segments with the Financial Statements

| | Revenues | Results / Net Profit | Assets | Liabilities # |
|--|----------|----------------------|---------|---------------|
| Total of Reportable Segments | 601,897 | 41,825 | 605,090 | 269,281 |
| | 483,247 | 38,688 | 485,034 | 206,516 |
| Corporate - Unallocated (Net) | 1,159 | (5,962) | 23,538 | 238,049 |
| | 1,538 | (3,902) | 14,675 | 183,772 |
| Inter Segment Sales | - | - | - | - |
| | - | - | - | - |
| Finance Costs | - | (23,130) | - | - |
| | - | (14,752) | - | - |
| Provision for Taxation - Current | - | 1,164 | - | - |
| (Net of MAT Credit Entitlement and Provision for earlier years written back) | - | (2,459) | - | - |
| Provision for Taxation - Deferred | - | (5,636) | - | - |
| | - | (4,977) | - | - |
| As per Financial Statements | 603,056 | 8,261 | 628,628 | 507,330 |
| | 484,785 | 12,598 | 499,709 | 390,288 |
| | | @ | | |

Excluding Shareholders' Funds and Minority Interest.

@ Profit After Tax and before share of results of associates and Minority Interest.

(All amounts in Rs. Lakhs, unless otherwise stated)

41. SEGMENT INFORMATION FOR THE YEAR ENDED 31ST MARCH, 2012 (contd.)

Secondary Segment Reporting (by Geographical Segments)

| | India | Other Asian Countries | Africa | Total |
|---------------------|---------|-----------------------|--------|---------|
| Revenues | 533,629 | 61,593 | 6,675 | 601,897 |
| | 409,534 | 73,712 | 1 | 483,247 |
| Total Assets | 505,918 | 90,140 | 9,032 | 605,090 |
| | 400,845 | 78,951 | 5,238 | 485,034 |
| Capital Expenditure | 19,509 | 1,965 | 739 | 22,213 |
| | 21,886 | 1,386 | 616 | 23,888 |

Figures in normal type relate to previous year.

42. THE FOLLOWING TABLE INCLUDES THE CLASSIFICATION OF INVESTMENTS IN ACCORDANCE WITH AS -13: ACCOUNTING FOR INVESTMENTS

| | As at 31st March, 2012 | As at 31st March, 2011 |
|--|---------------------------|---------------------------|
| Long Term Investments | | |
| 5 (2011: 5) Fully paid-up Ordinary Shares of Rs.50/- each in Mercantile Apartments Co-operative Housing Society Ltd., Mumbai - Face value Rs.250/- | * | * |
| 5 (2011: 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 (2011: 5) Fully paid-up Ordinary Shares of Rs.50/- each in Borlo Co-operative Housing Society Ltd., Chembur, Mumbai - Face value Rs.250/- | * | * |
| 5 (2011: 5) Fully paid-up Ordinary Shares of Rs.50/- each in Saket Co-operative Housing Society Ltd., Mumbai - Face value Rs.250/- | * | * |
| 34,000,000 (2011: 5,200,000) Equity Shares of Rs.10/- each of Shree Jagannath Expressways Private Limited -Fully paid up [Refer Note 14 (a)] | 3,400 | 520 |
| 69,77,692 (2011: 16,665) Equity Shares of Rs.10/- each of Raichur Sholapur Transmission Company Limited - Fully paid up [Refer Note 14 (b)] | 678 | 2 |
| 20,000 (2011: 20,000) Equity Shares of Rs.10/- each (Rs.5/- paid up) of Parasrampuriah Synthetics Ltd. | 1 | 1 |
| 4,700 (2011: 4,700) Equity Shares of Rs.10/- each at a Premium of Rs.35/- each of Pennar Patterson Securities Ltd.- Fully Paid up | 2 | 2 |
| 90,000 (2011: 90,000) Equity Shares of Rs.10/- each of SREI Infrastructures Ltd. - Fully Paid up | 41 | 41 |
| 370,500 (2011: 369,981) Equity Shares of Rs.2/- each of Emami Paper Mills Limited - Fully paid up | 185 | 185 |
| 110,300 (2011 - 305,000) Equity Shares of Re.1/- each of Emami Limited - Fully paid up | 434 | 1,199 |
| 17,500 (2011: 17,500) Equity Shares of Rs.2/- each of Dalmia Bharat Sugar and Industries Limited [formerly Dalmia Cement (Bharat) Limited] - Fully paid up | 70 | 70 |
| 17,500 (2011: 17,500) Equity Shares of Rs.2/- each of Dalmia Bharat Enterprises Limited - Fully paid up [Refer Note 14 (c)] | - | - |

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

(All amounts in Rs. Lakhs, unless otherwise stated)

42. THE FOLLOWING TABLE INCLUDES THE CLASSIFICATION OF INVESTMENTS IN ACCORDANCE WITH AS -13: ACCOUNTING FOR INVESTMENTS (contd.)

| | As at 31st March, 2012 | As at 31st March, 2011 |
|--|---------------------------|---------------------------|
| Long Term Investments (contd.) | | |
| 2,000,000 (2011: 2,000,000) Equity Shares of Rs.10/- each of Electrosteel Steels Limited (formerly Electrosteels Integrated Limited) - Fully paid up | 205 | 205 |
| 6 Year National Savings Certificates (Matured) (Lodged as Security Deposits) | * | * |
| 7 Year National Savings Certificates (Matured) (Lodged as Security Deposits) | * | * |
| Less: Provision for diminution in carrying amount of Investments | (3) | (3) |
| Sub - total | 5,013 | 2,222 |
| Current Investments | | |
| 3,880,226.08 (2011: 832,712.07) Units of LIC Nomura Mutual Fund - Daily Dividend Plan | 389 | 83 |
| Sub - total | 389 | 83 |
| Total | 5,402 | 2,305 |
| Disclosed Under: | | |
| Non-current Investments (Refer Note 14) | 5,013 | 2,222 |
| Current Investments (Refer Note 17) | 389 | 83 |
| Total | 5,402 | 2,305 |

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

43. Research and Development Expenditure (Revenue) (as allocated by the management) is amounting to Rs.65 (2011: Rs.82) for the year.

44. Previous year's figures have been regrouped/reclassified to conform to this year's classification. However in view of addition of a Subsidiary and two Joint Ventures as indicated in Notes 30(a) and 30(d) above, current year figures are not comparable with the previous year.

Signatures to Notes 1 to 44

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

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

(P. Law)
Partner
Membership Number: 51790
Kolkata, 8th June, 2012

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

B. L. Bajoria
Secretary

B. D. Mundhra
Chairman & Managing Director

S. Dutta
Director

Summary of Financial Information of Subsidiary Companies

Statement giving financial information of subsidiary companies for the year ended 31st March, 2012 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 Lacs)

| Sl. No. | Particulars | Simplex Infrastructures L.L.C | Simplex (Middle East) Limited | Simplex Infrastructures Libya Joint Venture Co. | Simplex Infra Development Limited | Maa Durga Expressways Private Limited |
|---------|--|-------------------------------|-------------------------------|---|-----------------------------------|---------------------------------------|
| 1 | Share Capital | 330.30 | 72.02 | 615.15 | 4,480.00 | 1.00 |
| 2 | Reserves and Surplus | 1,629.49 | (5.59) | (785.67) | (7.94) | (6.21) |
| 3 | Total Assets | 5,119.32 | 69.64 | 1,407.30 | 4,492.77 | 1.00 |
| 4 | Total Liabilities | 5,119.32 | 69.64 | 1,407.30 | 4,492.77 | 1.00 |
| 5 | Investments | | | | | |
| | - Units of Mutual Fund | - | - | - | 372.68 | - |
| | - Shares (except in Subsidiary Company) | 1,154.65 | - | - | 3,399.74 | - |
| 6 | Turnover | 10,569.24 | - | - | - | - |
| 7 | Profit / (Loss) before Taxation | (429.18) | (1.97) | (185.54) | 10.19 | (6.21) |
| 8 | Provision for Taxation | - | - | - | 7.22 | - |
| 9 | Profit / (Loss) after Taxation | (429.18) | (1.97) | (185.54) | 2.97 | (6.21) |
| 10 | Proposed Dividend | - | - | - | - | - |
| | Country | Sultanate of Oman | United Arab Emirates | Libya | India | India |
| | Currency of the Subsidiaries | OMR | AED | LYD | INR | INR |
| | Closing exchange rate against Indian Rupee as on 31st March, 2012 (In Rs.) | 132.12 | 13.85 | 41.01 | - | - |

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 and also kept for inspection at the Registered Office of the Company.



Construction of 77M high Jaikhamb Tower at Girodpuri, Chhattisgarh



Simplex Infrastructures Limited

Registered Office

SIMPLEX HOUSE

27 Shakespeare Sarani Kolkata 700 017

www.simplexinfrastructures.com