



Simplex Projects Limited

CIN:L45201WB1990PLC050101

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

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

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

Statement of Standalone Audited Financial Results for the Quarter and Year ended 31st March, 2019

Particulars	Quarter Ended			Year Ended	
	31st March, 2019 (Audited)	31st December, 2018 (Unaudited)	31st March, 2018 (Audited)	31st March,2019 (Audited)	31st March,2018 (Audited)
	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
1 Income					
a) Revenue from operations	7,471.63	6,562.68	4,705.79	24,680.40	24,929.50
b) Other income	104.79	138.32	33.24	456.90	531.29
Total Income	7,576.42	6,701.00	4,739.03	25,137.30	25,460.79
2 Expenses					
a) Cost of materials consumed for Executing Contract Work	607.77	385.39	1,313.23	4,077.11	4,621.86
b) Purchase of Trading Goods	-	-	129.20	-	9,308.52
c) Cost of Subcontracting & Other Site Expenses	6,081.68	5,757.00	1,759.90	18,276.71	8,347.93
d) Employee Benefits Expense	141.29	92.48	173.61	440.33	499.02
e) Finance costs	111.95	52.68	(44.14)	415.34	441.74
f) Depreciation and amortisation expense	332.95	346.48	368.53	1,390.38	1,487.90
g) Other Administrative expenses	307.04	72.24	405.13	527.47	736.39
Total expenses	7,582.68	6,706.28	4,105.46	25,127.34	25,443.34
3 Profit before tax (1-2)	(6.26)	(5.28)	633.57	9.96	17.45
4 Tax expense:					
a) Current Tax (net of reversal of excess tax of earlier years)	-	-	-	-	-
b) Deferred Tax Charge/(Credit)	(84.60)	(55.16)	(18.36)	(187.44)	(151.02)
Total Tax Expense	(84.60)	(55.16)	(18.36)	(187.44)	(151.02)
5 Profit for the period (3-4)	78.34	49.88	651.93	197.40	168.47
6 Other Comprehensive Income					
a) Items that may be reclassified to Profit/Loss (Note-11)	(1,233.45)	126.21	620.81	615.84	620.81
Income Tax relating to this item	320.70	(32.82)	(201.35)	(160.12)	(201.35)
b) Items that will not be reclassified to Profit/Loss	(31.62)	0.17	29.10	(31.92)	29.72
Income Tax relating to this item	-	-	(10.25)	-	(10.25)
7 Total Comprehensive Income for the Period (5+6)	(866.03)	143.45	1,090.24	621.20	607.40
8 Paid-up Equity Share Capital (Face Value of Rs.10/- Per Share)	1,260.04	1,260.04	1,260.04	1,260.04	1,260.04
9 Other Equity as per latest Audited Balance Sheet				11,322.68	10,701.55
10 Earnings Per Share (EPS) (of Rs. 10/- each)					
Basic and Diluted EPS (Rs.)	0.62	0.40	5.17	1.57	1.34
See accompanying notes to the Financial Results					

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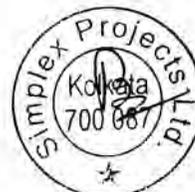
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Standalone Statement of Standalone Assets and Liabilities

Particulars	As at 31st March, 2019	As at 31st March, 2018
	(Audited)	(Audited)
	₹ in lakhs	₹ in lakhs
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	5,640.19	7,195.77
Capital work-in-progress	1,894.01	1,972.12
Financial Assets		
i. Investments	704.44	704.63
ii. Other Financial Assets	850.78	697.98
Other Non-Current Assets	573.11	1,081.44
Total Non-Current Assets	9,662.53	11,651.94
Current Assets		
Inventories	6,995.77	70,113.57
Financial Assets		
i. Investments	-	-
ii. Trade Receivables	100,584.46	103,107.16
iii. Cash and Cash Equivalents	79.87	696.90
iv. Bank Balances other than (iii) above	352.64	158.36
v. Loans	-	-
vi. Other Financial Assets	814.88	2,255.08
Current Tax Assets (Net)	185.08	589.28
Other current assets	71,820.33	2,004.75
Total Current Assets	180,833.02	178,925.10
Total Assets	190,495.56	190,577.03
EQUITY AND LIABILITIES		
Equity		
Equity Share Capital	1,260.04	1,260.04
Other Equity	11,322.68	10,701.55
Total Equity	12,582.72	11,961.59
LIABILITIES		
Non-Current Liabilities		
Financial Liabilities		
i. Borrowings		93.16
Provisions	95.92	56.01
Deferred Tax Liabilities (Net)	227.13	253.71
Other Non-Current Liabilities	78,731.70	77,377.38
Total Non-Current Liabilities	79,054.75	77,780.26
Current Liabilities		
Financial Liabilities		
i. Borrowings	65,625.27	56,640.49
ii. Trade Payables	23,546.21	31,743.17
iii. Other Financial Liabilities	3,002.51	2,738.83
Other Current Liabilities	6,540.22	9,597.32
Provisions	143.88	115.38
Current Tax Liabilities (Net)	-	-
Total Current Liabilities	98,858.10	100,835.19
Total Liabilities	177,912.85	178,615.45
Total Equity and Liabilities	190,495.56	190,577.03



(Contd.....)

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Standalone Segment wise Revenue, Results, Total Assets and Total Liabilities (by Business Segment) (₹n Lakhs)

		Quarter ended			Year Ended	
		31st March, 2019 (Audited)	31st December, 2018 (Unaudited)	31st March, 2018 (Audited)	31st March, 2019 (Audited)	31st March, 2018 (Audited)
1	SEGMENT REVENUE					
	a. Construction	7,576.42	6,701.00	3,785.49	25,137.30	16,111.00
	b. Trading	-	-	953.54	-	9,349.79
	Total Segment Revenue	7,576.42	6,701.00	4,739.03	25,137.30	25,460.79
2	SEGMENT RESULTS					
	a. Construction	105.69	47.40	576.11	425.30	417.89
	b. Trading	-	-	13.32	-	41.28
	Total	105.69	47.40	589.43	425.30	459.17
	Less:					
	Finance Costs	111.95	52.68	(44.14)	415.34	441.74
	Total Profit Before Tax	(6.26)	(5.28)	633.57	9.96	17.43
3	SEGMENT ASSETS					
	a. Construction	185,370.04	112,609.75	184,858.24	185,370.04	184,858.24
	b. Trading	5,125.52	5,718.79	5,718.79	5,125.52	5,718.79
	Total	190,495.56	118,328.54	190,577.03	190,495.56	190,577.03
4	SEGMENT LIABILITIES					
	a. Construction	190,488.06	117,258.39	189,506.88	190,488.06	189,506.88
	b. Trading	7.50	1,070.15	1,070.15	7.50	1,070.15
	Total	190,495.56	118,328.54	190,577.03	190,495.56	190,577.03

(Contd.....)



Notes:

1. The above results, after review by the Audit Committee, have been approved and taken on record by the Board of Directors at its meeting held on 22.10.2019. The Statutory Auditors of the Company have carried out an "Audit" of the results for the quarter and year ended 31st March, 2019 in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. These results have been prepared in accordance with Ind AS, notified under section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standard) Rules, 2015 as amended.
3. The operation of the company's branch at Libya, was stopped due to prevailing political situation. The company has signed a supplementary agreement with the government for realization of dues and resumption of contract. In view of this the amount of dues and assets deployed in Libya are realizable and no provisions thereof are required at this stage. The depreciation of Rs. 258.55 Lakh (previous year Rs.286.51 Lakh) relating to the machineries deployed there, have been considered as work-in-progress. However, in view of prolonged uncertainty of resumption the company has moved an application with the Hon'ble High Court at Delhi for proceeding with Arbitration and has been granted an interim stay for further extension/invocation of Bank Guarantees for the project. The Company has filed a claim of INR 770.00 Crores against State of Libya in International Arbitration.
4. The Company's account with Bank of Baroda, DBS Bank, ICICI Bank, IDBI Bank, State Bank of India, Yes Bank, UCO Bank, State Bank of Travancore & Axis Bank for working capital facilities and ICICI bank for Term loan have been classified as Non-Performing Assets and accordingly the provision for interest has not been made amounting to Rs. 8423.41 lakh approximately for the year ended March, 2019. No further provision of interest has been made on term loan from Kotak Mahindra Bank.
5. Sundry Debtors include overdue amount aggregating to Rs. 12948.42 Lakh (Previous Year - Rs. 10053.17 Lakh) & Work In Progress (for work done) Rs.3680.67 Lakh (Previous Year - Rs. 1679.28 Lakh) are under arbitration. However, the same is considered good by the management, based on the opinion obtained and the earlier experiences on realization. No provision in this regard is considered necessary by the management.
6. Capital work in progress consists of materials lying outside amounting to Rs. 1894 lacs which includes Rs.465.29 lakh pertaining to materials imported and kept at port.
7. Site Working Progress amounting to Rs. 6987.28 Lakhs and uncertified sales amounting to Rs. 2109.19 Lakhs has been lying as such since long, due to some dispute arise with the customer for some of the projects which is under regular follow up by the management and will be resolved very shortly.
8. The Investment made earlier in Simplex - Netharlands (JV) Rs.542.94 Lakhs was only for the purpose of Libya Project procurement which is under Arbitration proceedings and the Management are quite confident about recovery / settlement of these issue.
9. There are advances to suppliers, sub-contractors & staffs related to certain projects amounting to Rs. 4367.39 Lakhs on which the company is in active pursuit and confident of recovery / settlement of these advances within a reasonable period of time and amount of Rs. 1088.16 Lakhs under the head of advance against project is hundred percent recoverable as it is given to the subsidiaries.



10. The impact of Ind AS 115 'Revenue from Contracts with Customers' does not have material impact on the financial results for the quarter and year ended 31st March, 2019.
11. Other Comprehensive Income that may be reclassified to profit or loss represents Exchange (loss) / gain on translation of foreign operations.
12. In the opinion of the Management, there is lack of clarity in respect of application of Ind AS 11 read with Ind AS 109 and Ind AS 32 with regard to measurement of retention money (included in Debtors) and unbilled revenue not due for collection under the respective contracts (in form of work in progress) and retention money liability which are not due for payment to subcontractors (as the respective contracts are in progress) at the balance sheet date in absence of any authoritative clarification/ interpretation from any statutory authorities, professional bodies, etc. Pending such clarifications, the outstanding retention money, unbilled revenue and retention money liability as at 31st March, 2019 as aforesaid have been accounted for at transactional value.
13. The figures for the quarter ended 31st March, 2019 and 31st March, 2018 are the balancing figures between audited figures for the full financial year and the unaudited year to date published figures up to the quarter ended 31st December, 2018 and 31st December, 2017 respectively.
14. The figures for the previous periods relating to results have been regrouped/ rearranged wherever necessary to conform to current period classification.

Place: Kolkata
Dated: 22nd October, 2019

For and on behalf of Board of Directors

Balkrishan Das Mundhra
Chairman & Director
DIN: 00013125



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

SL.NO.	PARTICULARS	AUDITED FIGURES		ADJUSTED FIGURES	
		(AS REPORTED BEFORE ADJUSTING FOR QUALIFICATIONS) In Lakhs)	(Rs.)	(AUDITED FIGURES AFTER ADJUSTING FOR QUALIFICATIONS) Lakhs)	(Rs. In Lakhs)
1	TURNOVER/TOTAL INCOME		25,137.30		25,137.30
2	TOTAL EXPENDITURE		25,127.34		25,127.34
3	NET (PROFIT)/LOSS		197.40		197.40
4	EARNINGS PER SHARE		1.57		1.57
5	TOTAL ASSETS		190,495.56		190,495.56
6	TOTAL LIABILITIES		177,912.84		177,912.84
7	NET WORTH *		12,582.72		12,582.72
8	ANY OTHER FINANCIAL ITEMS(S) (AS FELT APPROPRIATE BY THE MANAGEMENT)				
* Represents Total Equity as per Balance Sheet					
II Audit Qualification (each audit qualification seperately) :					
a.	DETAILS OF AUDIT QUALIFICATION:	<p>M/s. H.S.Bhattacharjee & Co., Chartered Accountants, the Statutory Auditor has qualified their audit opinion in their Report dated October 22, 2019 on the Standalone Financial Results of the company for the year ended 31st March, 2019.</p> <p>Relevant excerpts from the Auditor's Report on Quarterly Financial Results and Year to Date Results of the Company on the said Standalone Financial Statements are given below .</p> <p>"3. We draw your attention to the following :</p> <p>a) Note 3 to the standalone Ind AS financial results regarding Company's branch at Libya where operation was stopped due to prevailing political situation. The company has signed a supplementary agreement with the government for realization of dues and resumption of contract. As such in the opinion of the management the amount of dues and assets deployed in Libya are realizable and no provision thereof are required at this stage. However, in view of prolonged uncertainty of resumption the company has moved an application with the Hon'ble High court at Delhi for proceeding with arbitration and has granted a stay for further extension / invocation of Bank Guarantees for the project. The Company has filed a claim of INR 770.00 Crores against State of Libya in International Arbitration.</p> <p>We are unable to comment on the extent of the recoverability of the amounts due and the assets at Libya due to lack of adequate information. The impact of this matter on the Total Assets & Total Equity and Liabilities as at March 31, 2019; Total Expenses, Profit before Tax, Tax Expense, Profit for the Year, Total Comprehensive Income and Earnings per Share of the company for the year ended March 31, 2019 is presently not ascertainable.</p> <p>b) We did not audit the financial statements of Libya branch having Net Assets Rs. 17668.43 Lakhs & Net Receivables Rs. 19116.20 Lakhs as at March 31, 2019 included in the Standalone Ind AS Financial Statements, which reflect depreciation charged of Rs. 258.55 Lakhs relating to the machineries deployed for the year ended March 31, 2019. The financial statements of this branch is unaudited and have been furnished to us by the management and are certified by the management and our report is based solely on certificate of management.</p>			

c) We did not audit the financial statements of Kuwait branch having Net Assets Rs. 16918.57 Lakhs & Net Receivables Rs. 20063.09 Lakhs as at March 31, 2019 included in the Standalone Ind AS Financial Statements, which reflect work done Rs. 8300.25 Lakhs and expenses incurred of Rs. 8299.77 Lakhs for the for the year ended March 31, 2019. The financial statements of this branch is unaudited and have been furnished to us by the management and are certified by the management and our report is based solely on certificate of management.

d) Investment of Rs. 542.94 Lakhs in the partnership firm Simplex Projects (Netherlands) Co-operative U.A. is doubtful of recovery since project has not started from FY 2013-2014 and no provision for the same has been made by the company.

e) The company has not made any provision against Advances paid to Suppliers of material, Subcontractors & Staff advances amounting to Rs. 4367.39 Lakhs since long and advance against projects Rs. 1088.16 Lakhs.

f) The Company's account with Bank of Baroda, DBS Bank, ICICI Bank, IDBI Bank, State Bank of India, Yes Bank, UCO Bank, State Bank of Travancore & Axis Bank for working capital facilities and ICICI bank & Kotak Mahindra Bank for Term loan facilities have been classified as Non-performing assets and accordingly the provision for interest has not been made for the quarter ended March, 2019 amounting to Rs. 2116.23 Lakh approximately and year ended March, 2019 amounting to Rs. 8423.41 Lakh approximately.

g) No provision for diminution in the value or impairment has been made for Capital Work in Progress consists of materials lying outside amounting to Rs. 1894 Lakhs which includes Rs.465.29 Lakhs pertaining to materials imported and kept at port since FY 2012-13.

h) Site work in progress (included under Other Current Assets) amounting to Rs. 6987.28 Lakh (out of which Rs.3680.67 lakh are under dispute with client) and uncertified sales amounting to Rs. 2109.19 Lakh (included under revenue) has been lying as such since long against which no provision have been made.

i) In respect of certain projects wherein the Management of the company has considered Trade Receivables include overdue amount aggregating to Rs. 12948.42 Lakh (Previous Year - Rs. 10053.17 Lakh) & Work In Progress (for work done) Rs. 3680.67 Lakh (Previous Year - Rs. 1679.28 Lakh) that are under arbitration. However, the same is considered good by the management, based on the opinion obtained and the earlier experiences on realization. In view of pending arbitration against the customer and lack of adequate information, we are unable to comment on the extent of recoverability of these balances.

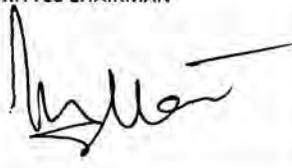
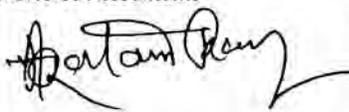
j) Provident Fund contributions in respect of employees are made to Trust administered by the company. In absence of Audit of such Trust for the financial year ended 31st March, 2017, 31st March 2018 & 31st March 2019 we are unable to comment on the utilization of the funds.

k) Regarding closing balance confirmations of Debtors, Creditors, Earnest Money, loans and advances being unconfirmed in respect of which we are unable to express our opinion.

l) Pursuant to the provisions of SEBI circular no. CIR/CFD/CMD/12/2015 dated November 30, 2015 with respect to Standard Operating Procedure (SOP) for suspension and revocation of trading of shares of listed entities for non-compliance of certain regulations of SEBI (LODR) Regulation, 2015. The company has not submitted the Financial Results as per Reg. 33 of SEBI (LODR) Regulation, 2015 within due date and also not paid the fine amount levied for the said non-compliance.

b.	TYPE OF AUDIT QUALIFICATION:	Qualified Opinion
c.	FREQUENCY OF QUALIFICATION:	Qualification no. 3 (k) & 3 (i) have appeared for the first time in the Auditors' reports financial year ended 31st March, 2019 Qualification no. 3 (a) to 3 (j) have been appearing since earlier.

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

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

Place : Kolkata
Date : 22/10/2019