



# Simplex Projects Limited

AN ISO 9001:2008 & ISO 14001:2004 COMPANY

SPL/SE/BM/2020-21  
January 22, 2021

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

Dear Sir / Madam,

**Sub: Outcome of the Board Meeting**

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we would like to inform you that the Board of Directors of the Company at its meeting held today i.e on 22<sup>nd</sup> January, 2021, which commenced at 4.00 P.M. and concluded at 5.00 P.M. inter alia, transacted and approved the following business:

1. Approved the Standalone and Consolidated Financial result/Statement of the Company for the quarter and year ended March 31<sup>st</sup> 2020. Pursuant to Regulation 33(3)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, duly reviewed and approved by the Audit Committee and the Board of Directors in their respective meetings held today, 22<sup>nd</sup> January, 2021.
2. Approved the Directors report, Corporate governance report, Secretarial audit report, Management discussion and analysis report for the financial year ended March 31<sup>st</sup> 2020.

We request you to take the above on record.

Thanking you,

Yours faithfully

For Simplex Projects Limited

Sohini Shukla  
Company Secretary  
(A48409)



**Registered & Corporate Office :**

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

www.simplexprojects.com



**H. S. BHATTACHARJEE & CO.**  
Chartered Accountants

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

The Board of Directors  
Simplex Projects Limited  
12/1, Nellie Sengupta Sarani  
Kolkata -700087

**Qualified Opinion**

1. We have audited the accompanying statement of quarterly and year to date standalone financial results of Simplex Projects Limited (the "Company") for the quarter and year ended March 31, 2020 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
  - a) is presented in accordance with the requirements of the Listing Regulations in this regard; and
  - b) gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net profit and other comprehensive Income and other financial information of the Company for the quarter ended March 31, 2020 as well as the year to date results for the period from April 01, 2019 to March 31, 2020 except for the possible effects of the matters described in paragraph 3 below.

**Basis for Qualified Opinion**

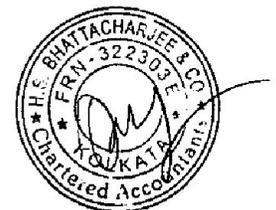
3. We draw your attention to the following:
  - a. Note 3 of the results regarding Company's branch at Libya where operation was stopped due to prevailing political situation. The company has signed a supplementary agreement with the government for realization of dues and resumption of contract. In view of this as per management the amount of dues and assets deployed in Libya are realizable and no provision thereof are required at this stage. The depreciation relating to the machineries deployed there has 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 granted a stay for further extension / invocation of Bank guarantees for the project. Accordingly, no provision for charges has been made after extension.  
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, 2020; 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, 2020 is presently not ascertainable.





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- b. We did not audit the financial statements of the foreign project site of the company at Libya having Net Assets Rs. 18,316.89 lakh & Net Receivables Rs. 20,451.47 lakh as on 31<sup>st</sup> March, 2020 included in the accompanying financial statement, which reflect depreciation charged of Rs. 225.57 Lakh relating to the machineries deployed for the year ended 31<sup>st</sup> March, 2020. The financial statements of this branch is unaudited and have been furnished to us by the management and are certified by the management and our report is based solely on certificate of management.
- c. We also did not audit the financial statements of the foreign project site of the company at Kuwait having Net Assets Rs. 17,786.01 lakh & Net Receivables Rs. 32,818.67 lakh as on 31<sup>st</sup> March, 2020 included in the accompanying financial statement, which reflect no work done and depreciation charged of Rs. 39.89 Lakh for the year ended 31<sup>st</sup> March, 2020. 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. Note 4 of the results regarding 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 have been classified as Non-performing assets and accordingly the provision for interest has not been made for the quarter ended March, 2020 amounting to Rs. 2675.94 Lakh approximately and Rs. 9201.96 Lakh approximately for the year ended March, 2020.
- e. Note 5 of the results regarding Investments of Rs. 542.94 Lakh in the partnership firm Simplex Projects (Netherlands) Co-operative U.A. is doubtful of recovery since project has not started from FY 2013-2014 and no provision for the same has been made by the company.
- f. Note 6 of the results regarding no provision made against Advances paid to Suppliers of material, Subcontractors & Staff advances amounting to Rs. 4672.62 Lakh since long and advance against projects Rs. 924.67 Lakh.
- g. Note 7 of the results regarding 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. 1894.01 Lakh which includes Rs. 465.29 Lakh pertaining to materials imported and kept at port since FY 2012-13.
- h. Note 8 of the results regarding Site work in progress (included under Other Current Assets) amounting to Rs. 6095.76 Lakh and uncertified sales amounting to Rs. 1908.78 Lakh (included under revenue) has been lying as such from various projects against which no provision have been made.
- i. Note 9 of the results regarding certain projects wherein the Management of the company has considered Trade Receivables include overdue amount aggregating to Rs. 9746.90 Lakh & Work In Progress (for Unbilled Revenue) Rs. 4587.87 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.





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- 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 & 31st March 2020 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 repeatedly and also liable to pay fine, consequently to be levied for the said non-compliance.  
In view of above, the entire promoter shareholding of the company has been frozen w.e.f. November 02, 2018 and trading in the equity shares of the company suspended w.e.f. November 26, 2018.
- m. Note 11 of the results regarding default in repayment of interest and principal amounting to Rs. 421.36 lakh payable to SREI Equipment Finance Limited up to 31.03.2019 and the interest for the year ended March 31, 2020 has not been ascertained and booked. Thus, profit is overstated to that extent.

The matters (a to l) mentioned above were also qualified in our last audit report for the year ended March 31, 2019.

4. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Results" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our qualified opinion.

**Emphasis of Matter**

5. We draw attention to the following matters:
  - a. Note 14 of the Standalone Financial Results which describe the uncertainties and the management assessment of possible impact of COVID-19 pandemic on its business operations, financial assets, contractual obligations and its overall liquidity position as at March 31, 2020. Management will continue to monitor in future any material changes arising on financial and operational performance of the company due to the impact of this pandemic and necessary measure to address the situation.





- b. The Company has generated negative cash flow from operating activities amounting to Rs. 9,787.69 Lakhs for the year ended March 31, 2020, as also there is default in payment of financial debts, to its bankers and others. As stated in Note 15 these financial statements are prepared by the management on going concern basis for the reasons stated therein.
- c. Note 10 of the Standalone Financial Results regarding GSTR -1 & GSTR 3B which is not yet filed in the states of Meghalaya, Assam & Uttar Pradesh for the FY 2019-2020. Also, GST Audit for the year ended March, 2018 & March, 2019 is still pending.

Our opinion is not modified in respect of these matters.

**Management's Responsibilities for the Standalone Financial Results**

6. These quarterly Standalone financial results as well as year to date Standalone financial results have been prepared on the basis of the standalone annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive income of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing the Statement, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
8. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Standalone Financial Results**

9. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.





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10. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
  - Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure, and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
11. Materiality is the magnitude of misstatements in the Standalone Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the Results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Results.
12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.





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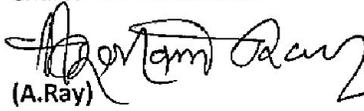
**Other Matter**

14. Due to the outbreak of COVID 19 pandemic that caused nationwide lockdown and other travel restrictions imposed by the Central and State Governments/ local administrations during the period of our audit, we could not travel to the branches / contract sites and carry out the audit processes physically at the respective places. Necessary records / reports / documents / certificates were made available to us by the management through e-mail at Head Office, Kolkata and on which were relied upon as audit evidence for conducting the audit and reporting for the current period.

Our opinion on the Statement is not modified in respect of this matter.

15. The Statement includes the results for the quarter ended March 31, 2020 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2020 and the published unaudited year-to-date figures up to the end of the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

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

  
(A. Ray)  
Partner  
Membership Number: 057516



UDIN – 21057516AAAAA19709  
Kolkata  
22<sup>nd</sup> January, 2021



Simplex Projects Limited

CIN:L45201WB1990PLC050101

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

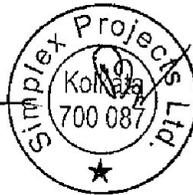
Phone No.033-2252-7231 Fax No. 033-2252-8013

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

## Statement of Standalone Audited Financial Results for the Quarter and Year ended 31st March, 2020

Particulars	Quarter Ended			Year Ended	
	31st March, 2020 (Audited)	31st December, 2019 (Unaudited)	31st March, 2019 (Audited)	31st March,2020 (Audited)	31st March,2019 (Audited)
	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
1 Income					
a) Revenue from operations	1,593.90	5,606.14	7,471.63	17,657.61	24,680.40
b) Other income	32.67	82.67	104.79	255.71	456.90
<b>Total Income</b>	<b>1,626.57</b>	<b>5,688.82</b>	<b>7,576.42</b>	<b>17,913.32</b>	<b>25,137.30</b>
2 Expenses					
a) Cost of materials consumed for Executing Contract Work	43.37	217.27	607.77	495.62	4,077.11
b) Cost of Subcontracting & Other Site Expenses	800.83	4,884.69	6,081.68	14,942.01	18,276.71
c) Employee Benefits Expense	108.06	69.84	141.29	331.98	440.33
d) Finance costs	150.34	72.98	111.95	372.58	415.34
e) Depreciation and amortisation expense	297.92	310.65	332.95	1,247.35	1,390.38
f) Other Administrative expenses	220.77	135.47	307.04	517.72	527.47
<b>Total expenses</b>	<b>1,621.29</b>	<b>5,690.91</b>	<b>7,582.68</b>	<b>17,907.26</b>	<b>25,127.34</b>
3 Profit/Loss before tax (1-2)	5.28	(2.09)	(6.26)	6.06	9.96
4 Tax expense:					
a) Current Tax (net of mat credit entitlement)	-	-	-	-	-
b) Deferred Tax Charge/(Credit)	(18.02)	(30.24)	(84.60)	(82.36)	(187.44)
<b>Total Tax Expense</b>	<b>(18.02)</b>	<b>(30.24)</b>	<b>(84.60)</b>	<b>(82.36)</b>	<b>(187.44)</b>
5 Profit/Loss for the period (3-4)	23.29	28.15	78.34	88.42	197.40
6 Other Comprehensive Income / (Loss)					
a) Items that will be reclassified to Statement of Profit and Loss, net of tax (Note 12)	882.42	(131.38)	(912.74)	949.82	455.73
b) Items that will not be reclassified to Statement of Profit and Loss, net of tax	(3.88)	0.50	(31.62)	(3.31)	(31.92)
<b>Other Comprehensive Income / (Loss), for the period, net of tax</b>	<b>878.54</b>	<b>(130.88)</b>	<b>(944.36)</b>	<b>946.52</b>	<b>423.81</b>
7 Total Comprehensive Income / (Loss) for the Period (5+6)	901.83	(102.73)	(866.03)	1,034.94	621.20
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				12,357.63	11,322.68
10 Earnings Per Share (EPS) (of Rs. 10/- each)					
Basic and Diluted EPS (Rs.)	0.18*	0.22*	0.62*	0.70	1.57
*not annualised					
See accompanying notes to the Financial Results					

(Contd.....)



**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**  
**Standalone Statement of Assets and Liabilities**

Particulars	As at 31st March, 2020 (Audited)	As at 31st March, 2019 (Audited)
	₹ in lakhs	₹ in lakhs
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, Plant and Equipment	4,445.78	5,640.19
Capital work-in-progress	1,894.01	1,894.01
Financial Assets		
i. Investments	622.40	704.44
ii. Other Financial Assets	839.60	850.78
Other Non-Current Assets	73.01	573.11
<b>Total Non-Current Assets</b>	<b>7,874.80</b>	<b>9,662.53</b>
<b>Current Assets</b>		
Inventories	7,154.90	6,995.77
Financial Assets		
i. Investments	-	-
ii. Trade Receivables	112,816.75	100,584.46
iii. Cash and Cash Equivalents	77.40	79.87
iv. Bank Balances other than (iii) above	404.95	352.64
v. Loans	-	-
vi. Other Financial Assets	2,450.08	814.88
Current Tax Assets (Net)	-	185.08
Other current assets	75,730.25	71,820.33
<b>Total Current Assets</b>	<b>198,634.33</b>	<b>180,833.02</b>
<b>Total Assets</b>	<b>206,509.14</b>	<b>190,495.56</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity Share Capital	1,260.04	1,260.04
Other Equity	12,357.63	11,322.68
<b>Total Equity</b>	<b>13,617.67</b>	<b>12,582.72</b>
<b>LIABILITIES</b>		
<b>Non-Current Liabilities</b>		
Financial Liabilities		
i. Borrowings	-	-
Provisions	117.17	95.92
Deferred Tax Liabilities (Net)	473.61	227.13
Other Non-Current Liabilities	83,623.53	78,731.70
<b>Total Non-Current Liabilities</b>	<b>84,214.31</b>	<b>79,054.75</b>
<b>Current Liabilities</b>		
Financial Liabilities		
i. Borrowings	77,163.67	65,625.27
ii. Trade Payables		
Total Outstanding dues of micro enterprises and small enterprises	-	-
Total Outstanding dues of creditors other than micro enterprises and small enterprises	23,441.48	23,546.21
iii. Other Financial Liabilities	3,000.86	3,002.51
Other Current Liabilities	4,459.32	6,540.22
Provisions	146.93	143.88
Current Tax Liabilities (Net)	464.90	-
<b>Total Current Liabilities</b>	<b>108,677.16</b>	<b>98,858.10</b>
<b>Total Liabilities</b>	<b>192,891.47</b>	<b>177,912.85</b>

## SIMPLEX PROJECTS LIMITED

## Notes:

## 1. Standalone Cash Flow Statement for Year ended 31st March, 2020 as per Regulation 33(3)(g) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended :

(₹ in lakhs)

	Year ended 31st March, 2020 (Audited)		Year ended 31st March, 2019 (Audited)	
<b>A CASH FLOW FROM OPERATING ACTIVITIES :</b>				
Profit before Tax		6.06		9.96
Adjustments for :				
Depreciation and Amortisation Expenses	1,247.35		1,390.38	
Finance Cost	372.58		415.34	
Dividend received	(0.09)		(0.05)	
Interest Income	153.49		139.53	
(Profit)/Loss on Disposal of Fixed Asset	(0.23)		-	
(Profit)/Loss on sale of shares / investments	(7.95)		-	
Allowance for Expected Credit Loss	460.33		760.76	
Fair value gain from financial assets measured at FVPL	(8.68)		(77.55)	
Liabilities no longer required written back	(8.78)		(5.57)	
Exchange (Gain) / Loss on non Integral branch	949.82		455.72	
Provision for employee benefits	(3.31)		(31.92)	
<b>Operating Profit before Working Capital Changes</b>		3,154.54		3,046.64
<b>Change in operating assets and liabilities</b>		3,160.60		3,056.60
(Decrease) / Increase in Trade and other payables	4,787.10		(8,196.96)	
(Increase) / Decrease in Trade and other receivables	(12,692.62)		(4,099.45)	
(Increase) / Decrease in Non- current Assets	(5,533.61)		783.99	
(Increase) / Decrease in Inventories	(159.13)		64.18	
<b>Cash generated from operations</b>		(13,598.25)		(11,448.23)
Income Taxes (Paid) / Refund		(10,437.65)		(8,391.65)
		649.98		404.20
<b>Net Cash (used in) / generated from operating activities</b>		(9,787.68)		(7,987.44)
<b>B CASH FLOW FROM INVESTING ACTIVITIES :</b>				
Sale of Investments	82.04		0.19	
Purchase of Property, plant and equipment	(52.94)		243.31	
Dividend received	0.09		0.05	
Interest received	(153.49)		(139.53)	
Profit on Disposal of Fixed Asset	0.23		-	
Profit on sale of shares / investments	7.95		-	
<b>Net Cash (used in) / generated from Investing Activities</b>		(116.12)		104.01
		(9,903.80)		(7,883.43)
<b>C CASH FLOW FROM FINANCING ACTIVITIES :</b>				
Repayment of Non-current borrowings	-		(93.16)	
Intercompany loans and advances (incl. deposits)	(1,264.51)		(1,209.83)	
Proceeds from short term borrowings	11,538.42		8,984.71	
Finance cost paid	(372.58)		(415.34)	
<b>Net Cash (used in) / generated from Financing Activities</b>		9,901.33		7,266.39
<b>Net increase / (decrease) in cash and cash equivalents</b>		(2.47)		(617.04)
Cash and Cash Equivalents at the beginning of the year	79.87		696.90	
Cash and Cash Equivalents at the end of the year	77.40	(2.47)	79.87	(617.04)

Reconciliation of cash and cash equivalents as per cash flow statement

Description	As at 31 March, 2020	As at 31 March, 2019
Cash and Cash Equivalents		
Balances with Banks		
in Current Accounts	77.40	79.87
in EEFC accounts	-	-
Cheque on hand	-	-
Deposits with maturity of less than three months	-	-
<b>Total :-</b>	<b>77.40</b>	<b>79.87</b>



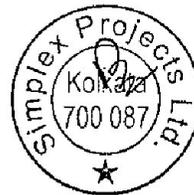
Notes (Contd.):

2. 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 22.01.2021. The Statutory Auditors of the Company have carried out an Audit of the results for the quarter and year ended 31<sup>st</sup> March, 2020 in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
3. The operations 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 considered realizable and no provisions thereof are required at this stage. The depreciation of Rs. 225.57 Lakh (previous year Rs.258.55 Lakh) relating to the machineries deployed in respect said of the said branch has been taken 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. 2675.94 Lakh approximately for the quarter ended March, 2020 and Rs. 9201.96 Lakh approximately for the year ended March, 2020. No further provision of interest has been made on term loan from Kotak Mahindra Bank.
5. 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.
6. There are advances to suppliers, sub-contractors & staffs related to certain projects amounting to Rs. 4672.62 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. 924.67 Lakhs under the head of advance against project.
7. Capital work in progress consists of materials lying outside amounting to Rs. 1894.01 lakhs which includes Rs. 465.29 lakhs pertaining to materials imported and kept at port.
8. Site Working Progress amounting to Rs. 6095.76 Lakhs and uncertified sales amounting to Rs. 1908.78 Lakhs (included under revenue) 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.
9. Trade Receivables include overdue amount aggregating to Rs. 9746.90 Lakh (Previous Year - Rs. 12948.42 Lakh) & Work In Progress (for Unbilled Revenue) Rs. 4587.87 Lakh (Previous Year - Rs.



3680.67 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.

10. GSTR -1 & GSTR 3B is not yet filed in the states of Meghalaya, Assam & Uttar Pradesh for the FY 2019-2020. Moreover, GST Audit for the year ended March, 2018 and March, 2019 is still pending.
11. Company has defaulted in repayment of interest and principal amounting to Rs. 421.36 lakh payable to SREI Equipment Finance Limited up to 31.03.2019 and the interest for the year ended March 31, 2020 has not been ascertained and booked on account of legal proceedings.
12. Other Comprehensive Income that will be reclassified to profit or loss represents Exchange (loss) / gain on translation of foreign operations.
13. 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.
14. On account lockdown declared by Central Government and State Government on 23<sup>rd</sup> March, 2020 due to Covid-19 the Company suspended all its operations. The operations at our working sites and offices gradually resumed from May, 2020 with limited man power. Based on overall assessment of economic environment, Management is of the view that impact of Covid-19 will affect the Company's operations in the FY: 2020-21 which has not yet been assessed.
15. The Company has generated negative cash flow from its operating activities amounting to Rs. 9,787.69 lakhs for the year ended March 31, 2020, there was also default in payment of financial debts, to its bankers and others. The reason for such operational loss is due to:
  - a. Delay in realization of trade receivables & Unbilled Revenue in tune of Rs. 9,746.90 lakhs & Rs. 4587.87 lakhs respectively, for which arbitration is going on.
  - b. On account of civil unrest (in the year 2011) the company's operation at Libya was stopped due to which our assets and receivables are "stand still". However, the Company has filed a claim of INR 770.00 Crores against State of Libya in International Arbitration.Company is confident of improving the credit profile including time bound realization of its assets, arbitration claims etc. which would result in meeting its obligations on time. Accordingly, the Management considers it appropriate to prepare these financial statements on going concern basis.



16. Revenue from operation includes Rs.1908.78 lakhs on account of bills submitted but not certified as on the Balance Sheet date.  
Revenue from operation also includes an amount of Rs.13,048.67 lakhs against certified work done on "debitable basis" for the year ended March 31, 2020. Thus, liability for GST does not arise on us on this work.
17. Finance Cost includes Rs.132.22 lakhs on unsecured borrowing for the period from 01.04.2019 to 31.03.2020 has been booked in the quarter ended March 31, 2020.
18. The figures for the previous periods relating to results have been regrouped/ rearranged wherever necessary to conform to current period.

Place: Kolkata

Dated: 22nd January, 2021



For and on behalf of Board of Directors

  
Balkishan Das Mundhra  
Chairman & Director  
DIN: 00013125



**SIMPLEX PROJECTS LIMITED**  
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  
CIN:L45201WB1990PLC050101

**Statement on Impact of Audit Qualification (for Audit Report of M/s. H.S.Bhattacharjee & Co.) for the Financial Year ended 31st March, 2020 (Standalone)**

SL.NO.	PARTICULARS	AUDITED FIGURES	ADJUSTED FIGURES
		(AS REPORTED BEFORE ADJUSTING FOR QUALIFICATIONS) In Lakhs)	(AUDITED FIGURES AFTER ADJUSTING FOR QUALIFICATIONS) (Rs. In Lakhs)
1	TURNOVER/TOTAL INCOME	17,913.32	Not Applicable Refer Point II(d) below
2	TOTAL EXPENDITURE	17,907.26	
3	NET (PROFIT)/LOSS	88.41	
4	EARNINGS PER SHARE	0.70	
5	TOTAL ASSETS	206,509.13	
6	TOTAL LIABILITIES	192,891.47	
7	NET WORTH *	13,617.66	
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:

M/s. H.S.Bhattacharjee & Co., Chartered Accountants, the Statutory Auditor has qualified their audit opinion in their Report dated January 22, 2021 on the Standalone Financial Results of the company for the year ended 31st March, 2020.

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 :

"3. Basis for Qualified Opinion :

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. Accordingly, no provision for charges has been made after extension.

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, 2020; 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, 2020 is presently not ascertainable.

b) We did not audit the financial statements of Libya branch having Net Assets Rs. 18,316.89 Lakhs & Net Receivables Rs. 20,451.47 Lakhs as at March 31, 2020 included in the Standalone Ind AS Financial Statements, which reflect depreciation charged of Rs. 225.57 Lakhs relating to the machineries deployed for the year ended March 31, 2020. The financial statements of this branch is unaudited and have been furnished to us by the management and are certified by the management and our report is based solely on certificate of management.



c) We did not audit the financial statements of Kuwait branch having Net Assets Rs. 17,786.01 Lakhs & Net Receivables Rs. 32,818.67 Lakhs as at March 31, 2020 included in the Standalone Ind AS Financial Statements, which reflect no work done and Depreciation incurred of Rs. 39.89 Lakhs for the for the year ended March 31, 2020. 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) Note 4 of the results regarding 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 have been classified as Non-performing assets and accordingly the provision for interest has not been made for the quarter ended March, 2020 amounting to Rs. 2675.94 Lakh approximately and Rs. 9201.96 Lakh approximately for the year ended March, 2020.

e) Note 5 of the results regarding Investments of Rs. 542.94 Lakh in the partnership firm Simplex Projects (Netherlands) Co-operative U.A. is doubtful of recovery since project has not started from FY 2013-2014 and no provision for the same has been made by the company.

f) Note 6 of the results regarding no provision made against Advances paid to Suppliers of material, Subcontractors & Staff advances amounting to Rs. 4672.62 Lakh since long and advance against projects Rs. 924.67 Lakh.

g) Note 7 of the results regarding 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. 1894.01 Lakh which includes Rs. 465.29 Lakh pertaining to materials imported and kept at port since FY 2012-13.

h) Note 8 of the results regarding Site work in progress (included under Other Current Assets) amounting to Rs. 6095.76 Lakh and uncertified sales amounting to Rs. 1908.78 Lakh (included under revenue) has been lying as such from various projects against which no provision have been made.

i) Note 9 of the results regarding certain projects wherein the Management of the company has considered Trade Receivables include overdue amount aggregating to Rs. 9746.90 Lakh & Work In Progress (for Unbilled Revenue) Rs. 4587.87 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 & 31st March 2020. 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.

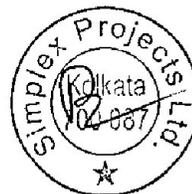
l) Pursuant to the provisions of SEBI circular no. CIR/CFD/CMD/12/2015 dated November 30, 2015 with respect to Standard Operating Procedure (SOP) for suspension and revocation of trading of shares of listed entities for non-compliance of certain regulations of SEBI (LODR) Regulation, 2015. The company has not submitted the Financial Results as per Reg. 33 of SEBI (LODR) Regulation, 2015 within due date repeatedly and also liable to pay fine, consequently to be levied for the said non-compliance. In view of above, the entire promoter shareholding of the company has been frozen w.e.f. November 02, 2018 and trading in the equity shares of the company suspended w.e.f. November 26, 2018.

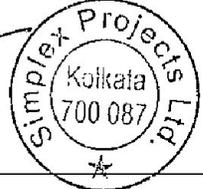
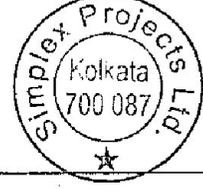
m) Note 11 of the results regarding default in repayment of interest and principal amounting to Rs. 421.36 lakh payable to SREI Equipment Finance Limited up to 31.03.2019 and the interest for the year ended March 31, 2020 has not been ascertained and booked. Thus, profit is overstated to that extent.

b.	TYPE OF AUDIT QUALIFICATION:	Qualified Opinion
c.	FREQUENCY OF QUALIFICATION:	Qualification no. 3 (a) to 3 (l) have been appearing since earlier. Qualification no. 3 (m) for the first time.



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 (m) of the Auditors' report
	(i) MANAGEMENT'S ESTIMATION ON THE IMPACT OF AUDIT QUALIFICATION:	Not Ascertainable
	(ii) IF, MANAGEMENT IS UNABLE TO ESTIMATE THE IMPACT,REASONS FOR THE SAME :	<p>Management's views to Audit Qualifications 3 (a), (b), (c), (d), (e), (f), (g), (h), (i), (j), (k), (l) &amp; (m) of the Audit Report :</p> <p>3(a) &amp; (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). Interest on bank loan of Rs.9201.96 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, 2020.</p> <p>3(e). The Investment made earlier in Simplex - Netharlands (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, 2020.</p> <p>3(f). There are advances to suppliers, sub-contractors &amp; staffs related to certain projects amounting to Rs. 4672.62 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. 924.67 Lakhs under the head of advance against project is hundred percent recoverable as it is given to the related party.</p> <p>3(g). Capital Work in Progress consists of materials lying outside amounting to Rs. 1894.01 Lakhs as at 31st March , 2020. 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. 6095.76 Lakhs and uncertified sales amounting to Rs. 1908.78 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 &amp; Work in Progress (work done) which are under legal proceedings amounting to Rs. 9746.90 Lakh &amp; Rs. 4587.87 Lakh respectively as at 31st Mach, 2020. 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, 2020.</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> <p>3 (m). Legal proceedings under process.</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 : 22/01/2021



**H. S. BHATTACHARJEE & CO.**

Chartered Accountants

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

The Board of Directors  
Simplex Projects Limited  
12/1, Nellie Sengupta Sarani  
Kolkata -700087

**Qualified Opinion**

1. We have audited the accompanying statement of quarterly and year to date consolidated financial results of Simplex Projects Limited (the "Company") and its associate (Simpark Infrastructure Private Limited) for the quarter and year ended March 31, 2020 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the separate financial statement and other financial information of the associate, the Statement:
  - a) includes the results of the entities (Associate - Simpark Infrastructure Private Limited)
  - b) is presented in accordance with the requirements of the Listing Regulations in this regard; and
  - c) gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the consolidated net loss and other comprehensive Income for the quarter ended March 31, 2020, consolidated net profit and other comprehensive Income for the year ended March 31, 2020 and other financial information of the Company for the quarter and year ended March 31, 2020 except for the possible effects of the matters described in paragraph 3 below.

**Basis for Qualified Opinion**

3. We draw your attention to the following:
  - a. Note 3 of the 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. In view of this as per management the amount of dues and assets deployed in Libya are realizable and no provision thereof are required at this stage. The depreciation relating to the machineries deployed there has 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 granted a stay for further extension / invocation of Bank guarantees for the project. Accordingly, no provision for charges has been made after extension.  
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





**H. S. BHATTACHARJEE & CO.**  
Chartered Accountants

Total Assets & Total Equity and Liabilities as at March 31, 2020; 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, 2020 is presently not ascertainable.

- b. We did not audit the financial statements of the foreign project site of the company at Libya having Net Assets Rs. 18,316.89 lakh & Net Receivables Rs. 20,451.47 lakh as on 31<sup>st</sup> March, 2020 included in the accompanying financial statements, which reflect depreciation charged of Rs. 225.57 lakh relating to the machineries deployed for the year ended 31<sup>st</sup> March, 2020. The financial statements of this branch is unaudited and have been furnished to us by the management and are certified by the management and our report is based solely on certificate of management.
- c. We also did not audit the financial statements of the foreign project site of the company at Kuwait having Net Assets Rs. 17,786.01 lakh & Net Receivables Rs. 32,818.67 lakh as on 31<sup>st</sup> March, 2020 included in the accompanying financial statements, which reflect no work done and depreciation charged of Rs. 39.89 lakh for the year ended 31<sup>st</sup> March, 2020. 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. Note 4 of the results regarding 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 have been classified as Non-performing assets and accordingly the provision for interest has not been made for the quarter ended March, 2020 and year ended March, 2020 amounting to Rs. 2,675.94 lakh & Rs. 9201.96 lakh respectively.
- e. Note 5 of the results regarding Investments of Rs. 542.94 Lakh in the partnership firm Simplex Projects (Netherlands) Co-operative U.A. is doubtful of recovery since project has not started from FY 2013-2014 and no provision for the same has been made by the company.
- f. Note 6 of the results regarding no provision made against Advances paid to Suppliers of material, Subcontractors & Staff advances amounting to Rs. 4672.62 Lakh since long and advance against projects Rs. 924.67 Lakh.
- g. Note 7 of the results regarding 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. 1894.01 Lakh which includes Rs. 465.29 Lakh pertaining to materials imported and kept at port since FY 2012-13.
- h. Note 8 of the results regarding Site work in progress (included under Other Current Assets) amounting to Rs. 6095.76 Lakh and uncertified sales amounting to Rs. 1908.78 Lakh (included under revenue) has been lying as such from various projects against which no provision have been made.
- i. Note 9 of the results regarding certain projects wherein the Management of the company has considered Trade Receivables include overdue amount aggregating to Rs. 9746.90 Lakh & Work In Progress (for Unbilled Revenue) Rs. 4587.87 Lakh that are under





**H. S. BHATTACHARJEE & CO.**  
Chartered Accountants

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 & 31st March 2020 we are unable to comment on the utilization of the funds.
- k. The accompanying consolidated Ind AS financial results includes share of net (loss) / profit after tax of Rs. (70.58) lakh and Rs. 18.47 lakh and total comprehensive (loss) / income of Rs. (70.58) lakh and Rs. 18.47 lakh for the quarter and year ended March 31, 2020, respectively, as considered in the consolidated financial results, in respect of associate, based on their interim financial results and other financial information which have not been audited by their auditors. These unaudited financial results and other unaudited financial information have been approved and furnished to us by the management. Our conclusion, in so far as it relates to the affairs of these associate, is based solely on such unaudited financial results and other unaudited financial information furnished to us by the management.
- l. Regarding closing balance confirmations of Debtors, Creditors, Earnest Money, loans and advances being unconfirmed in respect of which we are unable to express our opinion.
- m. Pursuant to the provisions of SEBI circular no. CIR/CFD/CMD/12/2015 dated November 30, 2015 with respect to Standard Operating Procedure (SOP) for suspension and revocation of trading of shares of listed entities for non-compliance of certain regulations of SEBI (LODR) Regulation, 2015. The company has not submitted the Financial Results as per Reg. 33 of SEBI (LODR) Regulation, 2015 within due date repeatedly and also liable to pay fine, consequently to be levied for the said non-compliance.  
In view of above, the entire promoter shareholding of the company has been frozen w.e.f. November 02, 2018 and trading in the equity shares of the company suspended w.e.f. November 26, 2018.
- n. Note 11 of the results regarding default in repayment of interest and principal amounting to Rs. 421.36 lakh payable to SREI Equipment Finance Limited up to 31.03.2019 and the interest for the year ended March 31, 2020 has not been ascertained and booked. Thus, profit is overstated to that extent.

The matters (a to m) mentioned above were also qualified in our last audit report for the year ended March 31, 2019.

4. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Results" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of





Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our qualified opinion.

**Emphasis of Matter**

5. We draw attention to the following matters:

- a. Note 14 of the Consolidated Financial Results which describe the uncertainties and the management assessment of possible impact of COVID-19 pandemic on its business operations, financial assets, contractual obligations and its overall liquidity position as at March 31, 2020. Management will continue to monitor in future any material changes arising on financial and operational performance of the company due to the impact of this pandemic and necessary measure to address the situation.
- b. The Company has generated negative cash flow from operating activities amounting to Rs. 9,787.68 Lakhs for the year ended March 31, 2020, as also there is default in payment of financial debts, to its bankers and others. As stated in Note 15 these financial statements are prepared by the management on going concern basis for the reasons stated therein.
- c. Note 10 of the Standalone Financial Results regarding GSTR -1 & GSTR 3B which is not yet filed in the states of Meghalaya, Assam & Uttar Pradesh for the FY 2019-2020. Also, GST Audit for the year ended March, 2018 & March, 2019 is still pending.

Our opinion is not modified in respect of these matters.

**Management's Responsibilities for the Consolidated Financial Results**

6. These quarterly Consolidated financial results as well as year to date Consolidated financial results have been prepared on the basis of the Consolidated annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the consolidated net loss and other comprehensive Income for the quarter ended March 31, 2020, consolidated net profit and other comprehensive Income for the year ended March 31, 2020 of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Director of the company and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and of its associate and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing the Statement, the Board of Directors of the company and of its associate are responsible for assessing the ability of the company and of its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern





basis of accounting unless the respective Board of Directors either intends to liquidate or to cease operations, or has no realistic alternative but to do so.

8. The respective Board of Directors of the company and of its associate are also responsible for overseeing the financial reporting process of the company and of its associate.

**Auditor's Responsibilities for the Audit of the Consolidated Financial Results**

9. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.
10. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
  - Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and its associate to cease to continue as a going concern
  - Evaluate the overall presentation, structure, and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.



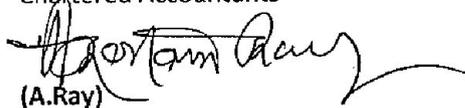


- Obtain sufficient appropriate audit evidence regarding the financial statements and other financial information of the Company and its associate to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of the financial information of such entity included in the Statement of which we are the independent auditor. For the other entity included in the Statement, which remain unaudited by other auditors, company's management remains responsible for the direction, supervision and performance of the work carried out by them. We remain solely responsible for our audit opinion.
11. We communicate with those charged with governance of the Company, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
12. We also performed procedures in accordance with the Circular No. CIR/CFD/CMD 1/44/2019 dated March 29, 2019 issued by the Securities Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

**Other Matter**

13. Due to the outbreak of COVID 19 pandemic that caused nationwide lockdown and other travel restrictions imposed by the Central and State Governments/ local administrations during the period of our audit, we could not travel to the branches / contract sites and carry out the audit processes physically at the respective places. Necessary records / reports / documents / certificates were made available to us by the management through e-mail at Head Office, Kolkata and on which were relied upon as audit evidence for conducting the audit and reporting for the current period.  
Our opinion on the Statement is not modified in respect of this matter.
14. The Statement includes the results for the quarter ended March 31, 2020 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2020 and the published unaudited year-to-date figures up to the end of the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

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

  
(A. Ray)

Partner  
Membership Number: 057516  
UDIN – 21057516AAAAAJ1489  
Kolkata  
22<sup>nd</sup> January, 2021





Simplex Projects Limited  
CIN:L45201WB1990PLC050101

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

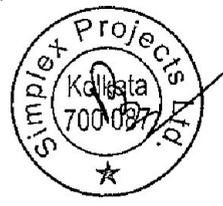
Phone No.033-2252-7231 Fax No. 033-2252-8013

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

Statement of Consolidated Financial Results for the Quarter and Year ended 31st March, 2020

Particulars	Quarter Ended			Year Ended	
	31st March, 2020 (Audited)	31st December, 2019 (Unaudited)	31st March, 2019 (Unaudited)	31st March, 2020 (Audited)	31st March, 2019 (Audited)
	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
<b>1 Income</b>					
a) Revenue from operations	1,593.90	5,606.14	7,526.30	17,657.61	24,871.95
b) Other income	32.67	82.67	105.01	255.71	459.29
<b>Total Income</b>	<b>1,626.57</b>	<b>5,688.82</b>	<b>7,631.31</b>	<b>17,913.32</b>	<b>25,331.24</b>
<b>2 Expenses</b>					
a) Cost of materials consumed for Executing Contract Work	43.37	217.27	607.77	495.62	4,077.11
b) Cost of Subcontracting & Other Site Expenses	800.83	4,884.69	6,081.68	14,942.01	18,276.71
c) Employee Benefits Expense	108.06	69.84	149.19	331.98	463.70
d) Finance costs	150.34	72.98	133.54	372.58	479.39
e) Depreciation and amortisation expense	297.92	310.65	419.36	1,247.35	1,476.78
f) Other Administrative expenses	220.77	135.47	350.55	517.72	590.21
<b>Total expenses</b>	<b>1,621.29</b>	<b>5,690.91</b>	<b>7,742.08</b>	<b>17,907.26</b>	<b>25,363.90</b>
<b>3 Profit for the period before share of net profit / (loss) of associate and tax</b>	<b>5.28</b>	<b>(2.09)</b>	<b>(110.77)</b>	<b>6.06</b>	<b>(32.66)</b>
<b>4 Share of Profit / (loss) of associate accounted for using equity method</b>	<b>(70.58)</b>	<b>(33.11)</b>	<b>(132.12)</b>	<b>18.47</b>	<b>4.17</b>
<b>5 Profit before tax</b>	<b>(65.30)</b>	<b>(35.20)</b>	<b>(242.89)</b>	<b>24.53</b>	<b>(28.49)</b>
<b>6 Tax expense:</b>					
a) Current Tax (net of mat credit entitlement)	-	-	-	-	-
b) Deferred Tax Charge/(Credit)	(18.02)	(30.24)	(56.57)	(82.36)	(159.41)
<b>Total Tax Expense</b>	<b>(18.02)</b>	<b>(30.24)</b>	<b>(56.57)</b>	<b>(82.36)</b>	<b>(159.41)</b>
<b>7 Profit for the year (5 - 6)</b>	<b>(47.28)</b>	<b>(4.96)</b>	<b>(186.32)</b>	<b>106.89</b>	<b>130.92</b>
<b>8 Other Comprehensive Income</b>					
a) Items that will be reclassified to statement of profit and loss, net of tax (Note 12)	882.42	(131.38)	(912.74)	949.82	455.72
b) Items that will not be reclassified to statement of profit and loss, net of tax	(3.88)	0.50	(31.62)	(3.31)	(31.92)
	878.54	(130.88)	(944.37)	946.52	423.80
<b>9 Total comprehensive income / (loss) for the period (7 + 8)</b>	<b>831.25</b>	<b>(135.84)</b>	<b>(1,130.69)</b>	<b>1,053.41</b>	<b>554.72</b>
<b>10 Profit / (loss) for the year attributable to :</b>					
a) Owners of Simplex Projects Limited	(47.28)	(4.96)	(151.37)	13,242.61	154.55
b) Non-controlling Interest#	13,135.72	-	(34.95)	13,135.72	(23.63)
	13,088.44	(4.96)	(186.32)	26,378.33	130.92
<b>11 Other comprehensive income / (loss) for the year attributable to :</b>					
a) Owners of Simplex Projects Limited	878.54	(130.88)	(944.37)	946.52	423.80
b) Non-controlling Interest#	-	-	-	-	-
	878.54	(130.88)	(944.37)	946.52	423.80
<b>12 Total comprehensive income / (loss) for the year attributable to :</b>					
a) Owners of Simplex Projects Limited	831.25	(135.84)	(1,095.74)	14,189.13	578.35
b) Non-controlling Interest#	-	-	(34.95)	13,135.72	(23.63)
	831.25	(135.84)	(1,130.69)	27,324.86	554.72
<b>13 Paid-up Equity Share Capital (Face Value of Rs.10/- Per Share)</b>	<b>1,260.04</b>	<b>1,260.04</b>	<b>1,260.04</b>	<b>1,260.04</b>	<b>1,260.04</b>
<b>14 Other Equity as per latest Audited Balance Sheet</b>				<b>13,135.72</b>	<b>11,954.63</b>
<b>15 Earnings per Equity Share (EPS) (Face value of Rs.10/- per share)</b>					
Basic and Diluted EPS (Rs.)	(0.38)*	(0.04)*	(1.20)*	0.85	1.23
* not annualised					
<b>See accompanying notes to the Financial Results</b>					

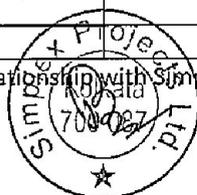
# During FY- 2019-2020 Holding- Subsidiary relationship with Simplex Agri-Infra Services Pvt. Ltd. ceased to exist due to loss of control.



**Simplex Projects Limited**  
**CIN:L45201WB1990PLC050101**  
**Registered Office: 12/1 Nellie Sengupta Sarani, Kolkata - 700087**  
**Phone No.033-2252-7231 Fax No. 033-2252-8013**  
**Website:www.simplexprojects.com, Email:info@simplexprojects.com**  
**Consolidated Statement of Assets and Liabilities**

Particulars	As at 31st March, 2020 (Audited)	As at 31st March, 2019 (Audited)
	₹ in lakhs	₹ in lakhs
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, Plant and Equipment	4,445.78	7,965.41
Capital work-in-progress	1,894.01	3,560.57
Investments accounted for using equity method	104.21	85.74
<b>Financial Assets</b>		
i. Investments	36.24	17.80
ii. Other Financial Assets	839.60	998.89
<b>Other Non-Current Assets</b>	73.01	2,026.78
<b>Total Non-Current Assets</b>	<b>7,392.85</b>	<b>14,655.19</b>
<b>Current Assets</b>		
Inventories	7,154.90	6,995.77
<b>Financial Assets</b>		
i. Investments	-	-
ii. Trade Receivables	112,816.75	100,647.14
iii. Cash and Cash Equivalents	77.40	80.62
iv. Bank Balances other than (iii) above	404.95	361.01
v. Loans	-	-
vi. Other Financial Assets	2,450.08	431.81
Current Tax Assets (Net)	-	230.48
Other current assets	75,730.25	71,842.99
<b>Total Current Assets</b>	<b>198,634.33</b>	<b>180,589.82</b>
<b>Total Assets</b>	<b>206,027.18</b>	<b>195,245.02</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity Share Capital	1,260.04	1,260.04
Other Equity	11,875.68	10,694.59
Equity attributable to owner's of Simplex Projects Ltd.	13,135.72	11,954.63
Non-controlling interest*	-	-13.59
<b>Total Equity</b>	<b>13,135.72</b>	<b>11,941.04</b>
<b>LIABILITIES</b>		
<b>Non-Current Liabilities</b>		
<b>Financial Liabilities</b>		
i. Borrowings	-	-
Provisions	117.17	95.92
Deferred Tax Liabilities (Net)	473.61	345.40
Other Non-Current Liabilities	83,623.53	81,432.35
<b>Total Non-Current Liabilities</b>	<b>84,214.31</b>	<b>81,873.67</b>
<b>Current Liabilities</b>		
<b>Financial Liabilities</b>		
i. Borrowings	77,163.67	67,382.26
ii. Trade Payables	23,441.48	24,154.21
iii. Other Financial Liabilities	3,000.86	3,016.22
Other Current Liabilities	4,459.32	6,733.73
Provisions	146.93	143.88
Current Tax Liabilities (Net)	464.90	-
<b>Total Current Liabilities</b>	<b>108,677.15</b>	<b>101,430.31</b>
<b>Total Liabilities</b>	<b>192,891.46</b>	<b>183,303.98</b>
<b>Total Equity and Liabilities</b>	<b>206,027.18</b>	<b>195,245.02</b>

\* During FY- 2019-2020 Holding- Subsidiary relationship with Simplex Agri-Infra Services Pvt. Ltd. ceased to exist due to loss of control.



**Notes:**

1. Consolidated Cash Flow Statement for year ended 31st March, 2020 as per Regulation 33(3)(g) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended :

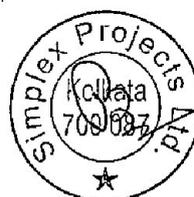
		( ₹ in lakhs)	
		Year ended 31st March, 2020 (Audited)	
		Year ended 31st March, 2019 (Audited)	
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES :</b>		
	Profit before Tax	24.53	(28.49)
	Adjustments for :		
	Depreciation and Amortisation Expenses	1,247.35	1,476.78
	Finance Cost	372.58	479.39
	Dividend received	(0.09)	(0.05)
	Interest Income	153.49	139.53
	(Profit)/Loss on Disposal of Fixed Asset	(0.23)	-
	(Profit)/Loss on sale of shares / investments	(7.95)	-
	Share of net loss / (profit) of associate accounted for using equity method	(18.47)	(4.17)
	Allowance for Expected Credit Loss	460.33	760.76
	Fair value gain from financial assets measured at FVPL	(8.68)	(77.55)
	Liabilities no longer required written back	(8.78)	(5.57)
	Exchange Gain / (Loss) on non Integral branch	949.82	455.72
	Provision for employee benefits	(3.31)	(31.92)
		3,136.07	3,192.92
	<b>Operating Profit before Working Capital Changes</b>	3,160.60	3,164.42
	<b>Change in operating assets and liabilities</b>		
	(Decrease) / Increase in Trade and other payables	4,787.10	(7,705.54)
	(Increase) / Decrease in Trade and other receivables	(12,692.62)	(4,591.75)
	(Increase) / Decrease in Non- current Assets	(5,533.61)	(771.87)
	(Increase) / Decrease in Inventories	(159.13)	64.18
		(13,598.25)	(13,004.98)
	<b>Cash generated from operations</b>	(10,437.65)	(9,840.56)
	Income Taxes (Paid) / Refund	649.98	412.61
	<b>Net Cash (used in) / inflow from operating activities</b>	(9,787.68)	(9,427.93)
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES :</b>		
	Sale of Investments	82.04	0.19
	(Purchase) / Sale of Property, plant and equipment	(52.94)	126.44
	Dividend received	0.09	0.05
	Interest received	(153.49)	(139.53)
	Profit on Disposal of Fixed Asset	0.23	-
	Profit on sale of shares / investments	7.95	-
	<b>Net Cash (used in) / inflow from Investing Activities</b>	(116.12)	(12.85)
		(9,903.80)	(9,440.78)
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES :</b>		
	Repayment of Non-current borrowings	-	(1,182.61)
	Intercompany loans and advances (incl. deposits)	(1,264.51)	(272.24)
	Proceeds from short term borrowings	11,538.42	10,741.76
	Finance cost paid	(372.58)	(479.39)
	<b>Net Cash (used in) / inflow from Financing Activities</b>	9,901.33	8,807.52
	<b>Net increase / (decrease) in cash and cash equivalents</b>	(2.47)	(633.28)
	<b>Cash and Cash Equivalents at the beginning of the year*</b>	79.87	713.89
	<b>Cash and Cash Equivalents at the end of the year</b>	77.40	80.62

\* During FY- 2019-2020 Holding- Subsidiary relationship with Simplex Agri-Infra Services Pvt. Ltd. ceased to exist due to loss of control. Rs. 0.75 lakh have been excluded from the opening cash balance.

**Reconciliation of cash and cash equivalents as per cash flow statement**

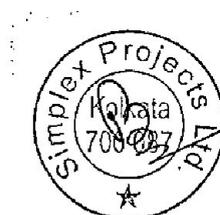
Description	As at 31 March, 2020	As at 31 March, 2019
Cash and Cash Equivalents		
Balances with Banks		
in Current Accounts	77.40	80.62
in EEFC accounts	-	-
Cheque on hand	-	-
Deposits with maturity of less than three months	-	-
Less : Adjustment for Subsidiaries	-	-
<b>Total :-</b>	<b>77.40</b>	<b>80.62</b>

(Contd.....)

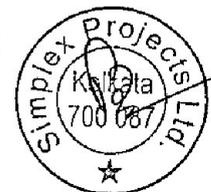


**Notes (Contd.):**

2. 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 22.01.2021. The Statutory Auditors of the Company have carried out an Audit of the results for the quarter and year ended 31<sup>st</sup> March, 2020 in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
3. The operations 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 considered realizable and no provisions thereof are required at this stage. The depreciation of Rs. 225.57 Lakh (previous year Rs.258.55 Lakh) relating to the machineries deployed in respect said of the said branch has been taken 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. 2675.94 Lakh approximately for the quarter ended March, 2020 and Rs. 9201.96 Lakh approximately for the year ended March, 2020. No further provision of interest has been made on term loan from Kotak Mahindra Bank.
5. 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 is quite confident about recovery / settlement of this issue.
6. There are advances to suppliers, sub-contractors & staffs related to certain projects amounting to Rs. 4672.62 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. 924.67 Lakhs under the head of advance against project.
7. Capital work in progress consists of materials lying outside amounting to Rs. 1894.01 lakhs which includes Rs. 465.29 lakhs pertaining to materials imported and kept at port.
8. Site Working Progress of amounting to Rs. 6095.76 Lakhs and uncertified sales amounting to Rs. 1908.78 Lakhs (included under revenue) 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.

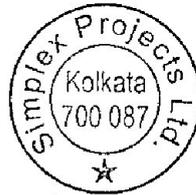


9. Trade Receivables include overdue amount aggregating to Rs. 9746.90 Lakh (Previous Year - Rs. 12948.42 Lakh) & Work in Progress (for Unbilled Revenue) Rs. 4587.87 Lakh (Previous Year - Rs. 3680.67 Lakh) are under arbitration. However, the same is considered good by the management, based on the opinion obtained and the earlier experiences on realization. No provision in this regard is considered necessary by the management.
10. GSTR -1 & GSTR 3B is not yet filed in the states of Meghalaya, Assam & Uttar Pradesh for the FY 2019-2020. Moreover, GST Audit for the year ended March, 2018 and March, 2019 is still pending.
11. Company has defaulted in repayment of interest and principal amounting to Rs. 421.36 lakh payable to SREI Equipment Finance Limited up to 31.03.2019 and the interest for the year ended March 31, 2020 has not been ascertained and booked on account of legal proceedings.
12. Other Comprehensive Income that will be reclassified to profit or loss represents Exchange (loss) / gain on translation of foreign operations.
13. 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.
14. On account lockdown declared by Central Government and State Government on 23<sup>rd</sup> March, 2020 due to Covid-19 the Company suspended all its operations. The operations at our working sites and offices gradually resumed from May, 2020 with limited man power. Based on overall assessment of economic environment, management is of the view that impact of Covid-19 will affect the company's operations in the FY: 2020-21 which has not yet been assessed.
15. The Company has generated negative cash flow from its operating activities amounting to Rs. 9,787.68 lakhs for the year ended March 31, 2020, there was also default in payment of financial debts, to its bankers and others. The reason for such operational loss is due to:
- Delay in realization of trade receivables & Unbilled Revenue in tune of Rs. 9,746.90 lakhs & Rs. 4587.87 lakhs respectively, for which arbitration is going on.
  - On account of civil unrest (in the year 2011) the operation at Libya was stopped due to which our assets and receivables are "stand still". However, the company has filed a claim of INR 770.00 crores against State of Libya in International Arbitration.
- Company is confident of improving the credit profile including time bound realization of its assets, arbitration claims etc. which would result in meeting its obligations on time. Accordingly, the Management considers it appropriate to prepare these financial statements on going concern basis.



16. Revenue from operation of includes Rs.1908.78 lakhs on account of bills submitted but not certified as on the Balance Sheet date.  
Revenue from operation of also includes an amount of Rs.13,048.67 lakhs against certified work done on "debitable basis" for the year ended March 31, 2020. Thus, liability for GST does not arise on us on this work.
17. Finance Cost includes Rs. 132.22 lakhs on unsecured borrowing for the period from 01.04.2019 to 31.03.2020 has been booked in the quarter ended March 31, 2020.
18. Company has considered business segment as primary segment for disclosure. The main operation consists of construction / project activities, which is considered the only business segment in the context of Ind AS 108 "Operating Segments".
19. The Company has disposed off its investment in Simplex Agri- Infra Services Private Limited at cost. Thus, the Company ceased to consolidate for the investment due to loss of control during the year.
20. The figures for the previous periods relating to results have been regrouped/ rearranged wherever necessary to conform to current period.

Place: Kolkata  
Dated: 22nd January, 2021



For and on behalf of Board of Directors

**Balkishan Das Mundhra**  
Chairman & Director  
DIN: 00013125



**SIMPLEX PROJECTS LIMITED**  
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  
CIN:L45201WB1990PLC050101

**Statement on Impact of Audit Qualification (for Audit Report of M/s. H.S.Bhattacharjee) for the  
Financial Year ended 31st March, 2020 (Consolidated)**

I	SL.NO.	PARTICULARS	AUDITED FIGURES	ADJUSTED FIGURES
			(AS REPORTED BEFORE ADJUSTING FOR QUALIFICATIONS) (Rs. In Lakhs)	(AUDITED FIGURES AFTER ADJUSTING FOR QUALIFICATIONS) (Rs. In Lakhs)
	1	TURNOVER/TOTAL INCOME	17,913.32	Not Applicable Refer Point II(d) below
	2	TOTAL EXPENDITURE	17,907.26	
	3	NET (PROFIT)/LOSS	106.88	
	4	EARNINGS PER SHARE	0.85	
	5	TOTAL ASSETS	206,027.18	
	6	TOTAL LIABILITIES	192,891.47	
	7	NET WORTH *	13,135.71	
	8	ANY OTHER FINANCIAL ITEMS(S) (AS FELT APPROPRIATE BY THE MANAGEMENT)	-	-
* Represents Total Equity as per Balance Sheet				
<b>II Audit Qualification (each audit qualification seperately) :</b>				
	a.	DETAILS OF AUDIT QUALIFICATION:	<p>M/s. H.S.Bhattacharjee &amp; Co., Chartered Accountants, the Statutory Auditor has qualified their audit opinion in their Report dated January 22, 2021 on the Consolidated Financial Results of the company for the year ended 31st March, 2020.</p> <p>Relevant excerpts from the Auditor's Report on Quarterly Financial Results and Year to Date Results of the Company on the said Consolidated Financial Statements are given below :</p> <p>"3. We draw your attention to the following :</p> <p>a) Note 3 to the Consolidated Ind AS financial results regarding Company's branch at Libya where operation was stopped due to prevailing political situation. The company has signed a supplementary agreement with the government for realization of dues and resumption of contract. As such in the opinion of the management the amount of dues and assets deployed in Libya are 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 &amp; Total Equity and Liabilities as at March 31, 2020; 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, 2020 is presently not ascertainable.</p> <p>b) We did not audit the financial statements of Libya branch having Net Assets Rs. 18316.89 Lakhs &amp; Net Receivables Rs. 20451.47 Lakhs as at March 31, 2020 included in the Consolidated Ind AS Financial Statements, which reflect depreciation charged of Rs. 225.57 Lakhs relating to the machineries deployed for the year ended March 31, 2020. 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. 17786.01 Lakhs & Net Receivables Rs. 32818.67 Lakhs as at March 31, 2020 included in the Consolidated Ind AS Financial Statements, which reflect work done NIL and Depreciation expenses incurred of Rs. 39.89 Lakhs for the for the year ended March 31, 2020. 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) Note 4 of the results regarding 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 have been classified as Non-performing assets and accordingly the provision for interest has not been made for the quarter ended March, 2020 and year ended March, 2020 amounting to Rs. 2,675.94 lakh & Rs. 9201.96 lakh respectively.

e) Note 5 of the results regarding Investments of Rs. 542.94 Lakh in the partnership firm Simplex Projects (Netherlands) Co-operative U.A. is doubtful of recovery since project has not started from FY 2013-2014 and no provision for the same has been made by the company.

f) Note 6 of the results regarding no provision made against Advances paid to Suppliers of material, Subcontractors & Staff advances amounting to Rs. 4672.62 Lakh since long and advance against projects Rs. 924.67 Lakh.

g) Note 7 of the results regarding 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. 1894.01 Lakh which includes Rs. 465.29 Lakh pertaining to materials imported and kept at port since FY 2012-13.

h) Note 8 of the results regarding Site work in progress (included under Other Current Assets) amounting to Rs. 6095.76 Lakh and uncertified sales amounting to Rs. 1908.78 Lakh (included under revenue) has been lying as such from various projects against which no provision have been made.

i) Note 9 of the results regarding certain projects wherein the Management of the company has considered Trade Receivables include overdue amount aggregating to Rs. 9746.90 Lakh & Work In Progress (for Unbilled Revenue) Rs. 4587.87 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 & 31st March 2020. We are unable to comment on the utilization of the funds.

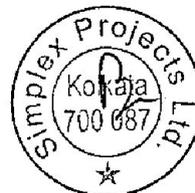
k) The accompanying consolidated Ind AS financial results includes share of net (loss) / profit after tax of Rs. (70.58) lakh and Rs. 18.47 lakh and total comprehensive (loss) / income of Rs. (70.58) lakh and Rs. 18.47 lakh for the quarter and year ended March 31, 2020, respectively, as considered in the consolidated financial results, in respect of associate, based on their interim financial results and other financial information which have not been audited by their auditors.

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

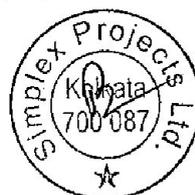
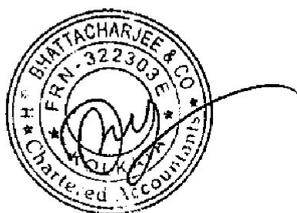
m) Pursuant to the provisions of SEBI circular no. CIR/CFD/CMD/12/2015 dated November 30, 2015 with respect to Standard Operating Procedure (SOP) for suspension and revocation of trading of shares of listed entities for non-compliance of certain regulations of SEBI (LODR) Regulation, 2015. The company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

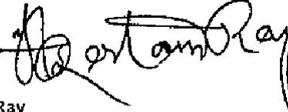
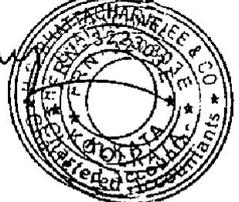
n) Note 11 of the results regarding default in repayment of interest and principal amounting to Rs. 421.36 lakh payable to SREI Equipment Finance Limited up to 31.03.2019 and the interest for the year ended March 31, 2020 has not been ascertained and booked. Thus, profit is overstated to that extent.

b.	TYPE OF AUDIT QUALIFICATION:	Qualified Opinion
c.	FREQUENCY OF QUALIFICATION:	Qualification no. 3 (a) to 3 (m) have been appearing since earlier. Qualification no. 3 (n) appearing for the first time



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 (n) 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), (m) &amp; (n) of the Audit Report :</p> <p>3(a) &amp; (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, 2020.</p> <p>3(e). There are advances to suppliers, sub-contractors &amp; staffs related to certain projects amounting to Rs. 4672.62 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. 924.67 Lakhs under the head of advance against project is hundred percent recoverable as it is given to the related party . 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, 2020.</p> <p>3(f). Interest on bank loan of Rs.9201.96 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, 2020.</p> <p>3(g). Capital Work in Progress consists of materials lying outside amounting to Rs. 1894.01 Lakhs as at 31st March , 2020. 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. 6095.76 Lakhs and uncertified sales amounting to Rs. 1908.78 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 &amp; Work in Progress which are under legal proceedings amounting to Rs. 9746.90 Lakh &amp; Rs. 4587.87 Lakh respectively as at 31st Mach, 2020. 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, 2020.</p> <p>3(j). The audit report of PF Trust is under process.</p> <p>3(k). Audit under process.</p> <p>3 (l). The balance confirmations have been called for from the parties.</p> <p>3 (m). We are in the process of Compliance.</p> <p>3 (n). Legal proceedings under process.</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	  <p>Sudarshan Mundhra Managing Director &amp; CFO</p>
	AUDIT COMMITTEE CHAIRMAN	  <p>B. N. Thakur Audit Committee Chairman</p>
STATUTORY AUDITOR	<p>For H.S.Bhattacharjee &amp; Co. Firm Registration Number : 322303E Chartered Accountants</p>   <p>A Ray Partner Membership No. 57516</p>	

Place : Kolkata  
Date : 22/01/2021