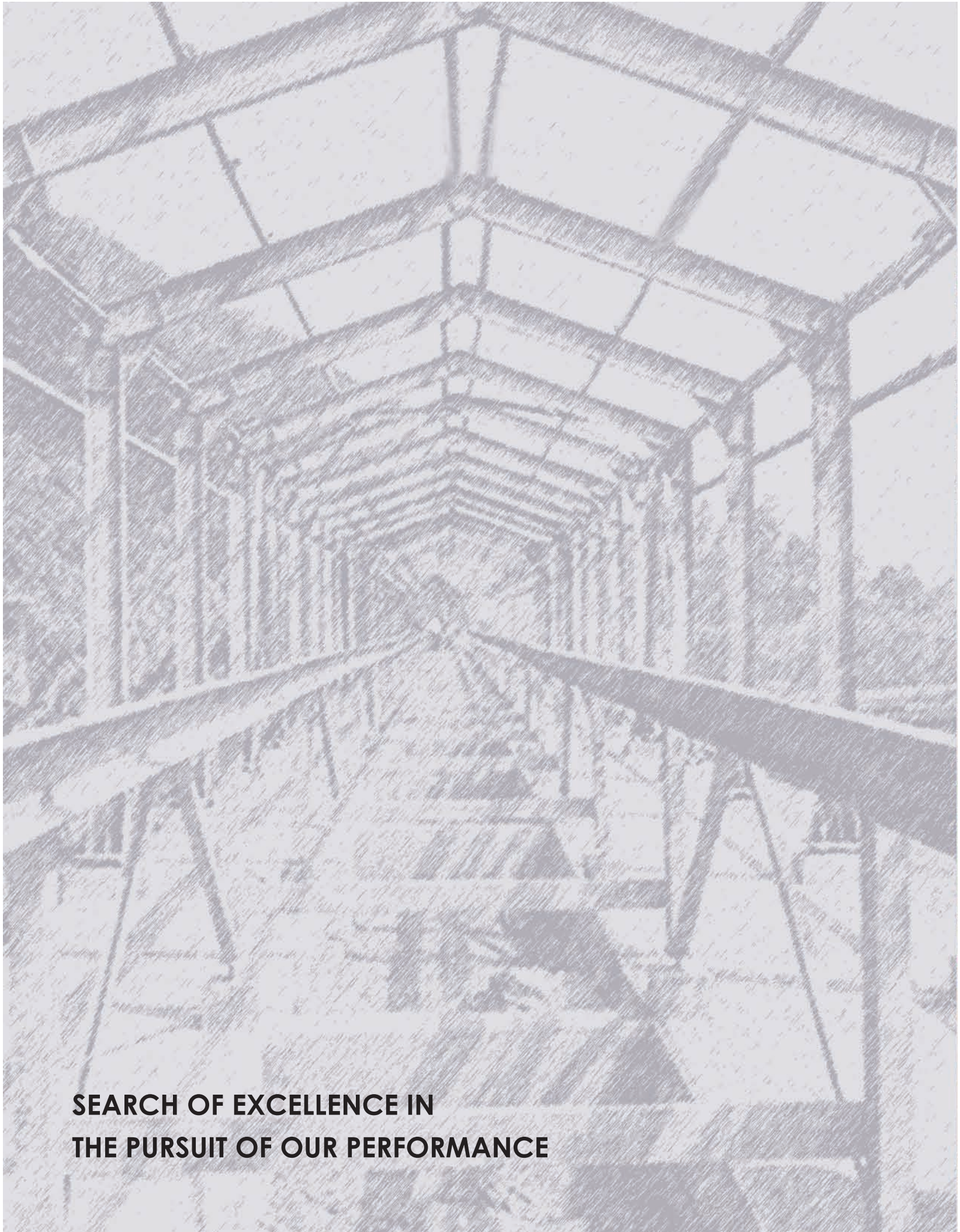




SIMPLEX
PROJECTS LIMITED

Annual Report 2009-10



**SEARCH OF EXCELLENCE IN
THE PURSUIT OF OUR PERFORMANCE**

LETTER FROM CHAIRMAN



Dear fellow Shareholders,

I have great pleasure in presenting the 20th Annual Report of your Company for the financial year 2009-10.

Global Economic recession is fading and the recovery process from the damages is entering another year with most of the indicators are now offering the sign of strength. While growth rates have picked up, it will still be a while to get back to the pre-crisis era. Indian economy has been growing quite impressively as compared to many of its counterparts across the globe. This rapid economic growth in the past few years, has at the same time brought to fore the widening gap in the infrastructure and a need to bridge this before it becomes a bottleneck to future growth. Realising the necessity to bridge this gap, the government has not only chalked out a massive spending plan but also undertaken various policy measures to ensure speedy implementation.

The biggest booster to the economic growth has been the construction industry. The growth in Construction Industry continues to outpace GDP growth for the last few years. Investment in Infrastructure accounts for nearly 46% of the Union Budget 2010-11. It is estimated that total construction spending shall be doubled to Rs 12,189 bn during the period 2008-09 to 2012-13 from Rs 6,217 bn incurred during 2003-04 to 2007-08. There is a huge opportunity for infra spending in the segments of Construction Industry.

Alongside, the Government is also seeking higher investments from the private players through the Public Private Partnership (PPP) Model by making necessary changes in the policy framework. There has been huge potential opportunities in all segments of Construction Industry more particularly, roads, highways, real estate and airports and further, it is expected that other sectors like power, SEZs, metros, ports and urban infrastructure will also be the key drivers for the coming years. Going further, I am quite confident that the growth of the Construction Industry will turn out to be far better than the projected economic growth of the Country.

On an operational front, our organic growth strategy has resulted in an exciting project pipeline in pursuit of growth to support the favourable market conditions we see in most of our operating segments in the year ahead. Our balance sheet remains sufficiently strong and flexible for us to consider additional value-adding growth opportunities.

During the year the Company has achieved 95.15% jump in total income to Rs. 619.35 crore in the year ended March 2010 over the year ended March 2009. The prime reasons for this achievement are the strong order book position at the beginning of the financial year and execution of some of the fast track projects during the year. The operating margin that is profit before depreciation, interest and taxes was registered at Rs. 53.76 crores as compared to Rs. 33.55 crores during the last fiscal. For the audited full year, net profit after tax rose 81.12% to Rs. 36.06 crore in the year ended March 2010 as against Rs. 19.91 crore during the previous year ended March 2009. On a consolidated basis, the company's net profit galloped 155.52% to Rs. 36.08 crore.

We have a strong order book of approx Rs 32.3 bn, with cumulative order intake of approx. Rs 7.9 bn during FY10. The order book is executable over the next 30 months, thereby providing strong revenue visibility for the next two-three years. The order book has grown at a CAGR of 82% from Rs 2.73 bn in FY06 to Rs 32.3 bn in FY10. During last financial year, we bagged a Rs 2,000 Crores order for the construction of housing units and allied infrastructure from the Government of Libya, which has significantly boosted our order book.

Overall, the year re-affirms our commitment of creating value for our shareholders by focusing on profitable growth. With the spirit, commitment and dedication of our team, we are confident of realizing our growth potential. And our core values will propel us towards our vision of becoming one of the most admired infrastructure construction company in India. This will help our Company to deliver sustainable and profitable growth for many years to come.

Our Company, over the last decade, has set up sizeable projects in various parts of the Country. In the recent past the Company has also forayed into the international arena with investments in Housing units and other related infrastructure. The Company is having strategic plans to expand its global operations further across other countries.

Before I conclude, I wish to extend my thanks to my fellow Members of the Board for their guidance and counsel during the year and to our staff members for their continued faith in our vision and whose outstanding commitment and dedicated efforts have brought this vision to reality. I am also grateful to our shareholders, clients, bankers, financial institutions, SEBI, NSE, BSE, RBI, the central and state governments and other regulatory authorities/agencies, vendors and business associates for their unstinted support and confidence reposed on us.

I am grateful to you for your cooperation and the trust that you have reposed in us and look forward to your continued support.

Thank You,

B. K. Mundhra
Chairman & Managing Director

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Board of Directors*Chairman & Managing Director*

Sri Balkrishandas Mundhra

Whole Time Directors

Sri Jai Kishan Bagri

Sri Raghav Das Mundhra

Sri Sudarshan Das Mundhra

Directors

Sri Shyam Das Mundhra

Sri Anand Chopra

Sri Prabir Kumar De

Sri Nitindra Nath Som

Company Secretary

Sri Binaya Kumar Dash

Auditors

Chaturvedi & Company

Chartered Accountants

Solicitors

Bose & Mitra

Bankers

Axis Bank Ltd.

Bank of Baroda

Development Credit Bank Ltd.

IDBI Bank Ltd.

State Bank of India

State Bank of Travancore

UCO Bank

Yes Bank Ltd.

Registrar

Cameo Corporate Services Limited

Subrananian Building, No. 1

Club House Road

Chennai - 600 002

Registered Office

12/1, Nellie Sengupta Sarani

Kolkata-700087, India

Corporate Office

3rd Floor, SS Hogg Market Complex,

19, Nellie Sengupta Sarani,

Kolkata - 700 087, India

Phone : +91-33-2252 4125 / 7900

Fax : +91-33-22528013

E-mail : info@simplexprojects.com

Website : www.simplexprojects.com

Dear Members,

Your Directors have immense pleasure in presenting the 20th Annual Report on the business and operations of the Company together with the audited accounts for the financial year ended 31st March, 2010.

1. FINANCIAL RESULTS

The performance of the Company for the financial year ended 31st March, 2010 is summarized below:

	Year ended 31st March, 2010 Rs.	Year ended 31st March, 2009 Rs.
Total Income	6,19,35,86,643	3,17,36,47,417
Less : Operating Expenditures	5,52,28,94,889	<u>2,83,06,93,691</u>
Profit before Interest, Depreciation and Tax	67,06,91,754	34,29,53,726
Less : Interest	12,23,66,975	9,15,84,369
Depreciation	5,12,62,867	<u>2,55,59,004</u>
Profit before tax	49,70,61,912	22,58,10,353
Less : Provisions for Taxation	13,64,50,500	<u>2,66,84,400</u>
Profit After Tax	36,06,11,412	19,91,25,953
Add : Balance brought forward from last year	21,93,07,205	<u>14,12,41,017</u>
Profit Available For Appropriation	57,99,18,617	34,03,66,970
Less : Proposed Dividend	1,89,00,567	1,80,00,567
Tax thereon	31,39,147	30,59,197
Transfer to General Reserve	10,00,00,000	<u>10,00,00,000</u>
Balance Profit after appropriation	45,78,78,903	21,93,07,206

The Board proposes to carry over the said balance of Rs. 45,78,78,903 to Balance Sheet.

2. OPERATIONAL PERFORMANCE

After the unprecedented changes in the economic environment in the last fiscal year, there has been a significant improvement in the economic situation more particularly in the later part of the financial year.

With all hard work and dedication your Company overcame the challenges of the global economic crisis and continued its growth streak. Your Company has in-house expertise and capability in

construction and project management, development consultancy, sales and marketing, thereby making the Company vertically integrated. This enables the Company to meet the project timeliness and commitments and ensuring that the highest levels of technical and service standards are met. As a result of the measures taken by the Company there has been considerable increase in the quantum of work done by the Company and that resulted in increased profitability.

The Libya Project bagged last year is a testimony of our credential and strength in urban infrastructure

development space and has laid the foundation for entering the high value overseas infrastructure industry. Your Company has been successful in generating revenue from this project. It is being executed at a good pace and is expected to contribute to a significant proportion towards revenues in the next two years. The overseas business will continue to be a focus area for your Company.

For the financial year under review, the revenue is Rs. 61,935.86 Lacs as against Rs. 31,736.47 Lacs for the previous period, thus showing an increase of 95.15 % as against the previous year.

The profit before tax (after interest and depreciation charges) has increased to Rs. 4,970.62 Lacs as against Rs. 2,258.10 Lacs for the previous year, thus showing an increase of 120.12% as against the previous year. While the profit after providing for tax was registered at Rs. 3,606.11 Lacs as against Rs. 1991.26 Lacs in the previous year, thus showing an increase of 81.09 % as against the previous year.

Further your Company had been successful in bagging various contracts for execution of Infrastructure Projects. Your Directors are pleased to state that during the year under review, your Company had unexecuted orders worth Rs. 301,937.61 lacs approx, which includes domestic order book of Rs. 122,797.74 and foreign order book of Rs. 179,139.87. Your Company's order book was largely weighted towards the core strength areas of buildings, bridges and urban infrastructure projects.

3. DIVIDEND

Your Directors have recommended a dividend of 15%, i.e. Rs. 1.50 per equity share on 1,26,00,378 equity shares of Rs. 10/- each for the financial year ended 31st March, 2010, which if approved at the Annual General Meeting of the Company, shall be paid to the eligible members, whose names appear in the Register of Members of the Company as on the date of Book Closure.

4. PREFERENTIAL ISSUE OF SHARES & UTILISATION

During the year under review, the Company has issued 600,000 equity shares of Rs. 10 each at a premium of Rs. 125/- per equity share to a Non-Promoter in terms of the erstwhile Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000. Consequently, the paid up equity share capital of the Company has increased from Rs. 120,003,780/- divided into 12,000,378 equity shares of Rs.10 each to Rs. 126,003,780/- divided into 12,600,378 equity shares of Rs. 10 each.

The proceeds of the issue have been utilized for the purpose of working capital requirements.

5. CAPITAL EXPENDITURE

During the period under review, the Company has made additions to the Fixed Assets amounting to Rs. 4,795.49 Lacs. Additions were required for augmenting the Company's business turnover and to procure various construction equipments needed for the effective discharge of the Projects undertaken.

6. SUBSIDIARY

Your Company has a wholly owned subsidiary, Simpark Infrastructure Pvt. Ltd. (SIPL) to undertake construction and maintenance of multi-level car parking projects.

During the year SIPL has been concentrating on providing consultancy marketing retail segment of multilevel parking and also installation and maintenance of multi-level car parking projects.

Today SIPL has created brand equity in multi-level car parking systems and has an excellent team to pursue the opportunities lying ahead in this sector.

The Company also has a subsidiary in the form of Joint Venture Co-operative at Netherland in the name and style of Simplex Projects (Netherlands) Cooperatie U.A., in partnership with one of its Group Company to foray into the European Markets.

As required under Section 212 of the Companies Act, 1956, the Annual Accounts of SIPL along with other related information forms part of the Annual Report.

7. CONSOLIDATED FINANCIAL STATEMENTS

In compliance with the Accounting Standard – 21 on consolidated Financial statements, read with AS-23 on Accounting for Investments in Associates prescribed by Companies (Accounting Standard) Rule, 2006 and the Listing Agreement entered into with the Bombay Stock Exchange Limited and National Stock Exchange of India Ltd., this Annual Report includes the consolidated financial statements of the Company together with the financial statements of Simpark Infrastructure Private Limited, the wholly owned subsidiary.

8. PUBLIC DEPOSITS

The Company, during the period under review, has accepted fixed deposits attracting the provisions of Section 58A of the Companies Act, 1956 through private

circulation only. The directives issued by the Reserve Bank of India and the provisions of the Section 58A of the Companies Act, 1956 and the Rules framed there under have been complied with. There is no overdue Deposit as on 31st March, 2010. The Company, during the period under review has not defaulted in the repayment of any deposit or part thereof or any interest thereupon including small depositor as defined in section 58AA of the Companies Act, 1956.

9. LISTING OF SHARES

The equity shares of the Company are listed on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited. The Company has paid the applicable listing fees to the above stock exchanges up to date. The Company's shares are also traded in dematerialized segment for all investors compulsorily.

The Company has entered into agreement with the Central Depository Services (India) Ltd. and National Securities Depository Limited for trading in electronic form. The Company has also paid the annual custodian fees to both the Depositories.

10. EMPLOYEES

The Company is committed to improve employee satisfaction at all levels. It continues to develop and retain the best available talent. The Company strives to implement the best HR Practices so as to ensure that talent retention is ensured at all levels.

We appreciate and place on record excellent efforts and contributions made by our staff members in maintaining the growth streak of the Company.

11. PARTICULARS OF EMPLOYEES

The information required under Section 217(2A) of the Companies Act, 1956 and the Rules made there under is given in the Annexure to this Report and forms part of the Report. However, in terms of Section 219(1)(b)(iv) of the Companies Act, 1956, the Report and accounts are being sent to the shareholders, excluding the aforesaid Annexure. Any shareholder interested in obtaining the copy of the same, may write to the Company Secretary at the registered office of the Company and the same is also available for inspection at the Registered Office of the Company.

12. DISCLOSURE OF PARTICULARS

Disclosure in accordance with the provisions of Section 217 (1) (e) of the Companies Act, 1956, read with the

Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, regarding Conservation of Energy, Technology Absorption and Foreign Exchange earnings and outgo, are set out as an Annexure to this Report.

13. DIRECTORS' RESPONSIBILITY STATEMENT

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

- (i) in the preparation of the Annual Accounts, the applicable accounting standards have been followed and proper explanations were provided for material departure, if any;
- (ii) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit of the Company for the year;
- (iii) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the directors have prepared the accounts for the financial year ended 31st March, 2010 on a going concern basis;

14. DIRECTORS

At present, there are eight Directors on the Board of Directors of the Company.

Mr. Raghav Das Mundhra and Mr. Nitindra Nath Som, Directors, retire from the Board by rotation under the Company's Articles of Association and being eligible, offer themselves for re-appointment.

Appropriate resolutions for the re-appointment of the aforesaid Directors are being moved at the forthcoming Annual General Meeting, which the Board commends for your approval.

Brief resumes of the Directors proposed to be re-appointed, as stipulated under Clause 49 of the Listing Agreement entered into with the Stock Exchanges, are being provided in the Notice convening the Annual General Meeting.

Tenure of Mr. Balkrishandas Mundhra, Chairman & Managing Director shall expire in March, 2011. Mr. Mundhra has expressed his willingness to continue as the Chairman & Managing Director of the Company. The Board recommends his re-appointment subject to new terms and conditions.

15. AUDITORS & AUDITORS' REPORT

M/s. Chaturvedi & Company, Chartered Accountants, retires on the conclusion of the ensuing Annual General Meeting and have signified their willingness to continue in office, if reappointed and have confirmed their eligibility under Section 224 (1B) of the Companies Act 1956. The auditors have also confirmed that they have duly undergone peer review process conducted by the Institute of Chartered Accountants of India (ICAI). The Board recommends re-appointing them as Auditors.

The Auditors have made certain observations, in their Report. The management's response to the same is as follows:

- (i) With regard to the Paragraph 4(vi) of the Auditor's Report, we draw the attention of the members that since the nature of activity of the Company is such that true bifurcation of the material and labour expenses are not feasible. Hence, these expenses are clubbed and are not shown separately.
- (ii) With regards to the paragraph 3(vi) of the Auditor's Report, we draw the attention of the members that a Deposit was repaid before maturity due to urgent need of funds by the depositor.

16. CREDIT RATING FOR DEBT INSTRUMENTS

During 2009-10, the Company obtained the credit rating PR1 from CARE for the long term credit facilities. Further, the Company on the basis of the Rating assigned to it issued Commercial Paper for Rs. 50 Crores from time to time.

17. CORPORATE GOVERNANCE:

Your Company expresses considerable significance to good corporate governance, as an important step towards building investors' confidence, improve investors' protection and maximize long term stakeholders' value. In pursuance of Clause 49 of the Listing Agreement entered into with the Stock Exchanges, a separate section has been provided in the Annual Report.

The Auditor's Certificate on compliance with the mandatory recommendations of the Clause 49 of the

Listing Agreement with the Stock Exchanges is annexed with this Report.

18. MANAGEMENT DISCUSSION & ANALYSIS REPORT

Management Discussion & Analysis Report for the year under review as required under Clause 49 of the Listing Agreement is presented in a separate section forming part of the Annual Report.

19. CODE OF CONDUCT

Pursuant to clause 49 of the Listing Agreement, the declaration signed by the Managing Director affirming compliance of the Code of Conduct by the Directors and senior management personnel for the financial year 2009-10 is annexed and forms part of the Directors and Corporate Governance report.

20. AWARDS & RECOGNITION

During the year, your Company was conferred with the "Excellence Award" by Institute of Economic Studies and "GIREM 2009 Award" for promising future Company – Infrastructure for its role in Urban Development and was ranked 370th among the Best Performing Mid-sized Companies by Inc.India.

21. ACKNOWLEDGEMENT

We wish to express our grateful appreciation for the valuable support and cooperation received from our valuable customers, lenders, business associates, banks, financial institutions, shareholders, various statutory authorities and agencies of Central and State Governments and the society at large. We place on record our appreciation of the contribution made by employees at all levels for sustaining the organizational growth especially during the challenging times. Our flawless growth was made possible by their hard and sincere work, solidarity, cooperation and support. We thank the Government of India, state governments and other government agencies for their assistance and cooperation and look forward to their continued support in future. Finally, we would like to express our gratitude to the members of the Company for their continued support and cooperation.

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

B. K. Mundhra
Chairman & Managing Director

Registered Office :

12/1, Nellie Sengupta Sarani
Kolkata - 700 087

Date : 26th May, 2010

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

A. CONSERVATION OF ENERGY:

- a) Energy Conservation measures taken:
- To conserve energy, a sophisticated maintenance programme has been developed to minimize fuel oil and electric energy consumption.
 - Conservation was achieved through regular monitoring of machineries.
 - Intensified vigil against wastage and towards conservation awareness.
- b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy:
Investments are being made in phases to replace old machinery with new and more efficient machinery.
- c) Impact of the measures at (a) and (b) for reduction of energy consumption and consequent impact on the cost of the production of goods:
Although it is not possible to quantify the impact, the Company has been able to reduce fuel oil and electric energy consumption and is hopeful that there will be considerable savings as a result of these, in future as well.
- d) Total energy consumption and energy consumption per unit of production as per prescribed format not applicable, as the Company is not covered under the list of specified industries.

B. TECHNOLOGY ABSORPTION

- a) Research and Development :-
The Company is not having any Research and Development activity at present.
- b) Technology Absorption, Adoption and Innovation: -
- (i) Efforts, in brief, made towards technology absorption, adoption and innovation :
The Company has absorbed advanced technology and technical know-how in the field of automated car parking systems.

- (ii) Benefit derived as a result of the above efforts:

The technology implemented in parking projects has been economical and more effective in terms of ground coverage in comparison to conventional method of construction.

- (iii) Technology imported during the last five years:

- Technology imported : Nil
- Year of import : Not applicable
- Has the technology been fully absorbed : Not applicable

C. FOREIGN EXCHANGE EARNINGS

Particulars	As on 31st March, 2010 (Rs.)	As on 31st March, 2009 (Rs.)
On Contract Work (Gross Billing) (Overseas Branch)	20,695,82,480	-

D. FOREIGN EXCHANGE OUTGO

Particulars	As on 31st March, 2010 (Rs.)	As on 31st March, 2009 (Rs.)
Membership & Subscription	-	2,06,883
Travelling	21,98,642	66,11,160
Contract Expenses (Overseas Branch)	1,80,97,39,600	-
Others Administrative Expenses	9,58,302	-

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

B. K. Mundhra
Chairman & Managing Director

Registered Office :

12/1, Nellie Sengupta Sarani
Kolkata - 700 087

Date : 26th May, 2010

CORPORATE GOVERNANCE REPORT

Corporate Governance encompasses adhering effectively to the governing laws, procedures, practices and the implicit rule that determines a management's ability to take sound decisions in the best interest of all the its stakeholders viz. shareholders, customers, employees, creditors, partners, and the society at large. Good Corporate Governance leads to long term shareholders' value and enhances interest of other stakeholders. A Good Corporate Governance is primarily based on the principles of integrity, transparency, fairness, accountability, full disclosure, independent monitoring of the state of affairs. It brings into focus the fiduciary and trusteeship role of the Board to align and direct the actions of an organization towards creating & promoting transparency, accountability, fairness, integrity and social responsibilities. At Simplex Projects Limited (SPL), the Corporate Governance Mechanism is being implemented in its true spirit, so as to ensure that all the stakeholders of the Company maximize their value legally, ethically and benefit in the long run by way of sustained growth and value addition.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company has always been committed to growth and long term shareholders wealth creation. Our corporate philosophy extends beyond just doing business for profit maximization, but encouraging forward looking initiatives to strengthen our goodwill, to play responsible roles for our stakeholders. Principles of Transparency and Timely Disclosures have been adhered to the extent these do not compromise on its competitiveness. We believe that this value enhancement process is possible only by adhering to the principles of Corporate Governance. The Company does not view Corporate Governance principles as a set of binding

obligations, but believes in using the same as a framework that is inherent to the value system that drives business practices. The Company is committed to establish systems and practices which enable it to conduct its business in line with the best practices thereby bringing it at par with any other world class Company. It is an inherent culture that guides the Board of Directors, the management and the employees to function towards the best interest of all stakeholders.

The Company, in compliance with the guidelines on corporate governance as stipulated under clause 49 of the Listing Agreement entered into with the Stock Exchanges and in this regard, submits a report on the matters mentioned in the said clause and practices followed by the Company.

BOARD OF DIRECTORS

Composition of the Board

The Board consists of eight Directors .The composition of the Board of Directors is in conformity with the corporate governance norms and has an optimum combination of Executive and Independent Non-Executive Directors. Appointment of all Independent Directors is in conformity with Clause 49(l) (A) of the Listing Agreement entered into with the Stock Exchanges.

As per the declarations received by the Company, none of the Directors are disqualified under Section 274(1) (g) of The Companies Act, 1956 read with Companies (Disqualification of Directors) Rules, 2003.

The composition of the Board and category of Directors as on date is as follows:

Name	Position & Designation	No. of Directorships/Committee positions held in other Public Companies		
		Directorship	Committee Chairmanship	Committee Membership
Mr. Balkrishandas Mundhra	Promoter, Chairman & Managing Director	1	-	-
Mr. Raghav Das Mundhra	Promoter, Executive Director	-	-	-
Mr. Sudarshan Das Mundhra	Promoter, Executive Director	-	-	-
Mr. Jai Kishan Bagri	Executive Director	1	-	-
Mr. Anand Chopra	Non-Executive, Independent Director	-	-	-
Mr. Prabir Kumar De	Non-Executive, Independent Director	-	-	-
Mr. Shyam Das Mundhra	Non-Executive, Independent Director	-	-	-
Mr. Nitindra Nath Som	Non-Executive, Independent Director	1	-	-

Mr. Balkrishandas Mundhra is the father of Mr. Raghav Das Mundhra and Mr. Sudarshan Das Mundhra. Other than this, none of the Directors are in any way related to each other.

As mandated by Clause 49 of the Listing Agreement, none of the Directors are members of more than ten Board level committees nor are they Chairman of more than five committees in which they are members.

Independent Director is as defined in clause 49 of the Listing Agreement and they actively contribute in the activities of the Board, covering all strategic policies and decisions making.

Except the Chairman and Managing Director, all other directors are liable to retire by rotation.

Board Meetings and Directors Attendance

The Company has a well-defined process in place for placing vital and sufficient information before the Board. Any matters requiring discussion/ decision/ approval at the Board or Committee are communicated to the Company Secretary well in advance, so that the same could be included in the agenda of the respective meetings. All information required under clause 49 of the Listing Agreement(s) are covered to the fullest extent and presentation covering sales, finance, compliance, human resources and risk management practices are given to the Board before considering the quarterly and annual financial results of the Company. The Board meets at least once a quarter as and when required and the maximum time gap between any such two meetings is not more than four months.

The Directors of your Company met fifteen times during the period April 2009 to March 2010 on 20th April, 2009, 21st May, 2009, 29th May, 2009, 13th June, 2009, 30th June, 2009, 31st July, 2009, 6th August, 2009, 20th August, 2009, 17th September, 2009, 30th October, 2009, 18th November, 2009, 29th January, 2010, 24th February, 2010, 12th March, 2010 and 15th March, 2010.

The attendance of each of the Directors at 15 (Fifteen) Board Meetings held during the year 2009-10 and at the last AGM is given below :

Name of Director	Number of Board Meetings Attended	Attendance at the last AGM
Mr. Balkrishandas Mundhra	14	Yes
Mr. Raghav Das Mundhra	13	Yes
Mr. Sudarshan Das Mundhra	9	No
Mr. Jai Kishan Bagri	14	Yes
Mr. Anand Chopra	10	No
Mr. Prabir Kumar De	12	Yes
Mr. Shyam Das Mundhra	6	Yes
Mr. Nitindra Nath Som	8	Yes

Code of Conduct

The Company has laid down a Code of Conduct for all its board members and senior management personnel. The Company's Code of Conduct is in consonance with the requirements of Clause 49 of the Listing Agreement. The Code of Conduct is available on the website of the Company – www.simplexprojects.com. All Board members and senior management personnel have affirmed compliance with the Code of Conduct. A declaration signed by the Managing Director is annexed and form a part of this report.

COMMITTEES OF THE BOARD

The Company has constituted Board level committees to delegate particular matters that require greater and more focused attention in the affairs of the Company. These committees prepare the basic ground work for decisions and reports to the Board. Details on the role, composition of the committees and the number of meetings held and related attendance during the financial year, are given hereunder:

AUDIT COMMITTEE

Role of Audit Committee

The Audit Committee has the following scope and responsibilities:

- (a) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- (b) Recommending the appointment/re-appointment and if required, removal/replacement of statutory auditors, fixation of audit fee and also approval for payment for any other services.
- (c) Reviewing with the management the annual financial statements before submission to the Board, focusing primarily on the following:
 - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (2AA) of the Section 217 of the Companies Act, 1956
 - Changes, if any, in the accounting policies and practices.
 - Major accounting entries based on exercise of judgment by management.
 - Qualifications in the draft audit reports.
 - Significant adjustments arising out of audit.

- The going concern assumption.
 - Compliance with accounting standards.
 - Disclosure of related party transactions, if any.
- (d) Compliance with Stock Exchange and legal requirements concerning financial statements.
- (e) Any related party transaction, i.e., transaction of the Company of the material nature with promoters or the management, their subsidiaries or relatives, etc., that may have potential conflict with the interest of the Company at large.
- (f) Reviewing with the management, external and internal auditors, and the adequacy of internal control systems.
- (g) Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- (h) Discussion with internal auditors and significant findings and follow up thereon.
- (i) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- (j) Discussion with statutory auditors before the audit commences nature and scope of audit as well as have

post audit discussion to ascertain any area of concern.

- (k) Reviewing the Company's financial and risk management policies.
- (l) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends, if any and creditors)
- (n) Reviewing the financial statements of Subsidiary particularly the investments made by them.
- (o) To take on record the minutes book of the subsidiary on a periodical basis and
- (p) Reviewing all the significant material transactions and arrangements entered into by the subsidiary.

Composition and Meetings

As on 31st March 2010, the Audit Committee comprised of three Non-Executive Independent Directors. The Audit Committee met eight times during the financial year under review. The dates on which the Meetings were held are as follows:

20th April, 2009, 30th June, 2009, 31st July, 2009, 20th August, 2009, 30th October, 2009, 18th November, 2009, 29th January, 2010 and 24th February, 2010. The gap between two meetings did not exceed four months.

The composition and attendance record of each of the members of the committee during the year 2009-10 is given below:

Name of the Director	Designation	Nature of Directorship	No. of Meetings held during the year	No. of Meetings Attended during the year
Mr. Anand Chopra	Chairman	Independent & Non-Executive Director	8	8
Mr. Prabir Kumar De	Member	Independent & Non-Executive Director	8	8
Mr. Shyam Das Mundhra	Member	Independent & Non-Executive Director	8	2

The executives responsible for the finance and accounts functions and the Statutory Auditors are invitees to the meetings. The quarterly and annual audited financials of the Company were reviewed by the Audit Committee before consideration and approval by the Board of Directors. Among other items, the Committee also reviewed the adequacy of Internal Control Systems and Internal Audit Reports and

various compliances and reviewed the transactions of subsidiary Company.

REMUNERATION COMMITTEE

Remuneration Policy

The Remuneration Committee has been constituted to determine and review remuneration payable to Executive Directors, based on their performance and vis-à-vis with the

performance of the Company on defined assessment parameters and recommends to the Board, the remuneration terms to the Executive Directors within the prescribed limits as approved by the shareholders in the general meeting and as per applicable provisions of the Companies Act, 1956.

Composition and Meetings

The Remuneration Committee comprise of three Non-

Executive Independent Directors. The Remuneration Committee met one time during the financial year on 29th January, 2010 to review the managerial remuneration to the Chairman & Managing Director and Whole Time Directors. The composition and attendance record of each of the members of the Committee during the year 2009-10 is given below:

Name of the Director	Designation	Nature of Directorship	No. of Meetings held during the year	No. of Meetings Attended uring the year
Mr. Prabir Kumar De	Chairman	Independent & Non-Executive Director	1	1
Mr. Anand Chopra	Member	Independent & Non-Executive Director	1	1
Mr. Shyam Das Mundhra	Member	Independent & Non-Executive Director	1	1

Details of Remuneration paid to all Directors during the year 2009-10

a) Chairman & Managing Director and other Executive Directors

Name of the Director	Designation	Salary, Allowances & Perquisites* (Rs.)
Mr. Balkrishandas Mundhra	Chairman and Managing Director	24,25,920
Mr. Raghav Das Mundhra	Executive Director	14,52,806
Mr. Sudarshan Das Mundhra	Executive Director	14,02,130
Mr. Jai Kishan Bagri	Executive Director	16,68,786

*Salary and perquisites include House Rent Allowances and contributions to provident and other superannuation funds.

b) Non-Executive Director

No remuneration is paid to Non-Executive Directors except sitting fees of Rs. 1501/- per meeting for attending the meetings of the Board and its committees, the details of which are as under :

Name of the Director	Sitting Fees(Rs.)	No. of shares held as on 31.03.2010
Mr. Anand Chopra	30,020	NIL
Mr. Shyam Das Mundhra	15,010	30
Mr. Prabir Kumar De	33,022	NIL
Mr. Nitindra Nath Som	12,008	NIL

SHAREHOLDERS' / INVESTORS' GRIEVANCE COMMITTEE

As part of its Corporate Governance initiative, the Company has constituted the Shareholders/Investors Grievance Committee to specifically look into the un-resolved shareholders grievances.

The terms of reference of the Shareholders/Investors Grievance Committee are as follows:

- To approve the transfer of shares.
- To look after the matter relating to non-receipts of the refund orders, right entitlement, annual reports and other entitlements.
- To look after the matters relating to dematerialization and re-materialization of shares
- Overseeing the performance of the Registrars and Share Transfer Agents, M/s. Cameo Corporate Services Ltd.
- To look after non-payment of dividends and revalidation of refund orders/ dividend warrants.

Composition and meetings during the year

The Shareholders' / Investors' Grievance Committee comprise of three Non-Executive Independent Directors. The Committee met one time during the financial year on 30th June, 2009 to review the investors' grievances relating to non-receipt of refund orders.

The composition and attendance record of each of the members of the committee during the year 2009-10 is as under:

Name of the Director	Designation	Nature of Directorship	No. of Meetings held during the year	No. of Meetings Attended during the year
Mr. Anand Chopra	Chairman	Independent & Non-Executive Director	1	1
Mr. Prabir Kumar De	Member	Independent & Non-Executive Director	1	1
Mr. Shyam Das Mundhra	Member	Independent & Non-Executive Director	1	1

Mr. Binaya Kumar Dash, Company Secretary and Compliance Officer, nominated under Clause 47(a) of the Listing Agreement, is Secretary to all the Committees.

The total number of complaints and requests received and resolved to the satisfaction of the investors during the period ended 31st March 2010 is as under:

Received	Resolved	Pending
35	35	NIL

The Company publishes the status of the complaint received and their respective redressals at the end of each quarter.

GENERAL BODY MEETINGS

The venue, time and date where the last three Annual General Meetings of the Company held are given hereunder :

Date	Venue	Time
17th September, 2009	Rotary Sadan, 94/2, Chowringhee Road, Kolkata 700020	11 A. M.
22nd September, 2008	Rotary Sadan, 94/2, Chowringhee Road, Kolkata 700020	3 P. M.
25th June, 2007	Regd. Office of the Company at 12/1, Nellie Sengupta Sarani, Kolkata 700087	11 A.M.

The details of Special Resolutions passed in the last three Annual General Meetings are as follows:

Date	Special resolutions passed
17th September, 2009	Authorizing Board to ratify the variations, if any, in the utilization of the proceeds, arising out of the issue of equity shares allotted pursuant to the Prospectus dated July 20, 2007.
22nd September, 2008	Authorizing Board to issue and allot equity warrants to Non-Promoters in accordance with erstwhile SEBI (DIP) Guidelines.
25th June, 2007	Authorizing Board to accept additional share premium from the Promoters against shares issued to them so as to comply with erstwhile SEBI (DIP) Guidelines.

POSTAL BALLOTS

During the year, a Postal Ballot was conducted pursuant to the provisions of Section 192A of the Companies Act, 1956, read with the Companies (Passing of the Resolution By Postal Ballot) Rules, 2001, on the business set out in the Notice dated 13th June, 2009, seeking consent of the Members for :

- Increase in the Borrowing limits under Section 293 (1) (d) of the Companies Act, 1956
- Increase in the limits for creation of Charge under Section 293 (1) (a) of the Companies Act, 1956.

- Preferential issue of equity shares under Section 81 (1A) of the Companies Act, 1956.

Out of which, as set out in the Notice, item no. 1 & 2, were passed as ordinary resolution and item no. 3 was passed as special resolution. Mr. A. K. Labh of A.K. Labh & Co., Company Secretaries was appointed as the Scrutiniser and as per the Report submitted by the Scrutiniser, the summary of the resolution passed is as follows :

Total no. of Postal Ballots Received	187
Total no. of invalid postal Ballots	17
Total no. of valid postal ballots	170

	For		Against	
	No. of Shares	%	No. of Shares	%
Resolution No. 1 [u/s 293(1)(d)]	72,93,502	99.99	620	0.01
Resolution No. 2 [u/s 293(1)(a)]	72,91,978	99.98	1314	0.02
Resolution No. 3 [u/s 81(1A)]	72,92,667	99.99	756	0.01

As required under Clause 49 IV (G) (i) of the Listing Agreement, the particulars of the Directors who are proposed to be re-appointed are given in the Notice.

DISCLOSURES

a. Materially significant related party transactions

There have been no materially related party transactions with the Company's Promoters, Directors, the management, their subsidiary or relatives which may have potential conflict with the interests of the Company. The necessary disclosures regarding the transactions with related parties are given in the notes to the accounts. None of the transactions with any of the related parties were in conflict with the interest of the Company.

b. Regulatory Compliances by the Company

The Company has complied with the requirements of the stock exchanges/ SEBI/ any other statutory authority on all the matters related to capital markets. There has not been any non-compliance by the Company and there are no penalties or strictures imposed on the Company by SEBI, Stock Exchanges or any other statutory authority on any matters related to capital markets during the last three years.

- c. During the year, no person has been denied access to the Audit Committee.
- d. There has been complete compliance with mandatory requirements and in respect of non-mandatory requirements disclosures have been made to the extent of adoption.
- e. Accounting Treatment in preparation of Financial Statements

Simplex Projects Limited has followed the guidelines laid down by Institute of Chartered Accountants of India (ICAI) in preparation of its Financial statements.

f. Risk Management

The Company has put in place Risk Management Policy and Procedures for assessing, timely responding and mitigating these risks on continuous basis. The Policy

seeks to address the risks involved in four major areas i.e. Pre-bidding/ Tendering Risks, Post award or execution Risks, Contractual Risks and Financial/ Statutory Compliance Risks with a view to/ avoid mitigate adverse impact if any.

During the year, the Board has reviewed the risk assessment and minimization procedure adopted by the Company.

g. Pledge of Equity Shares

The Promoters have not pledged any shares of the Company held by them as on 31st March, 2010.

The aggregate shareholding of the Promoters and persons belonging to Promoters and Promoters Group as on 31st March, 2010 comprised of 69,98,139 Equity Shares representing 55.5391% of the Paid up Equity Share Capital of the Company

SUBSIDIARY COMPANY

The Company has a Subsidiary Company namely Simpark Infrastructure Private Limited, which is a Non-Material Non-Listed Subsidiary Company. The Audit committee reviews the financial statements, particularly, the investments made by Subsidiary Company. Minutes of said Subsidiary Company are being placed before the Board for its review. The Board also reviews the account of the said Subsidiary Company on a quarterly basis.

MEANS OF COMMUNICATION

The Company regularly intimates the Quarterly un-audited financial results to the Stock Exchanges' immediately after they are taken and recorded by the Board of Directors of the Company.

The Company's quarterly/half yearly and annual financial results are uploaded on the Company's website at www.simplexprojects.com and also the same are published in Business Standard and Kalantar (Bengali daily) after its submission to the Stock Exchanges.

The Company has designated a separate e-mail id. investors@simplexprojects.com for handling investor's services.

GENERAL SHAREHOLDERS INFORMATION

1. Annual General Meeting

Date	Time	Venue
22nd September, 2010	3.00 p.m.	Rotary Sadan, 94/2, Chowringhee Road, Kolkata 700020

2. Financial Calendar for the year 2010-11 (tentative)

Sl. No.	Particulars	Tentative Schedule
1	Financial reporting for the quarter ended June 30, 2010	Before 14th August, 2010
2	Financial reporting for the half year ended September 30, 2010	Before 14th November, 2010
3	Financial reporting for the quarter ended December 31, 2010	Before 14th February, 2011
4	Financial reporting for the year ended March 31, 2011	Before 30th May, 2011
5	Annual General Meeting for the year ending March 31, 2011	Before 30th September, 2011

3. Book Closure Date

18th September, 2010 to 22nd September, 2010 (both days inclusive)

4. Dividend Payment Date

On or after 22nd September, 2010

5. Listing on Stock Exchanges

The Company's shares are listed on the following Stock Exchanges with effect from 3rd August, 2007.

Bombay Stock Exchange Limited, Mumbai
National Stock Exchange of India Ltd., Mumbai

The Company has paid the listing fees for the period ending March 31, 2010 and there is no outstanding payment towards the Exchange, as on date.

6. Stock Code

Bombay Stock Exchange Limited, Mumbai	532877
National Stock Exchange of India Ltd., Mumbai	SIMPLEX EQ
Demat ISIN Number for NSDL/CDSL	INE898F01018

7. STOCK PRICES DATA and PERFORMANCE OF COMPANY'S SHARE PRICES

i) Bombay Stock Exchange Limited

Month	High (Rs.)	Low (Rs.)	Index during the month	
			High	Low
April	61.90	42.00	11492.10	9546.29
May	100.85	60.00	14930.54	11621.30
June	148.70	105.85	15600.30	14016.95
July	135.35	88.00	15732.81	13219.99
August	146.65	107.00	16002.46	14684.45
September	157.75	127.00	17142.52	15356.72
October	212.10	132.10	17493.17	15805.20
November	255.00	182.00	17290.48	15330.56
December	236.50	205.00	17530.94	16577.78
January	247.40	220.00	17790.33	15982.08
February	228.75	202.00	16669.25	15651.99
March	223.35	198.00	17793.01	16438.45

ii) National Stock Exchange of India Limited

Month	High (Rs.)	Low (Rs.)	Index during the month	
			High	Low
April	62.60	40.20	3517.25	2965.70
May	98.10	60.00	4509.40	3478.70
June	150.00	108.20	4693.20	4143.25
July	137.50	87.00	4669.75	3918.75
August	149.15	105.50	4743.75	4353.45
September	156.90	124.40	5087.60	4576.60
October	213.00	133.60	5181.95	4687.50
November	258.90	181.40	5138.00	4538.50
December	240.00	200.55	5221.85	4943.95
January	236.95	209.00	5310.85	4766.00
February	230.00	196.80	4992.00	4675.40
March	224.25	200.60	5329.55	4935.35

(SOURCE: www.bseindia.com, www.nseindia.com)

8. Registrar & Share Transfer Agents :Cameo Corporate Services Limited

"Subramanian Building", No.1,
 Club House Road, Chennai - 600002
 Tel: +91-44-28460390/22520464
 Fax: +91-44-28460129

9. Share Transfer System

M/s. Cameo Corporate Services Ltd has been appointed as the Company's' Registrar and Share Transfer Agent. All share transfers and related activities are conducted by Cameo, in accordance with the stipulated guidelines. The authority relating to transfer of shares and allied work relating to servicing of investors has been delegated by the board to the Shareholders/ Investors Grievance Committee which consists of Mr. Anand Chopra, (Chairman), Mr. Shyam Das Mundhra and Mr. Prabir Kumar De.

10. Distribution of shareholding by size class as on March 31, 2010

Shares	Number of holders	% of total	No. of Shares	% of total
1 and 100	5,609	88.82	1,72,995	1.37
101 and 500	469	7.43	1,29,088	1.02
501 and 1000	105	1.66	80,563	0.64
1001 and 2000	30	0.48	42,163	0.33
2001 and 3000	20	0.32	49,891	0.40
3001 and 4000	11	0.17	38,406	0.30
4001 and 5000	12	0.19	56,497	0.45
5001 and 10000	13	0.21	1,00,294	0.80
> 10000	46	0.73	1,19,30,481	94.68
Total	6,315	100.00	1,26,00,378	100.00

11. Distribution of shareholding by ownership as on March 31, 2010

Category	No. of shares	Percentage of holding
A Promoter & Promoter Group		
1 Indian		
Individuals/HUF	6,32,586	5.0203
Bodies Corporate	63,65,553	50.5187
2 Foreign Promoters	-	-
Sub-total (A)	69,98,139	55.5391
B Non-Promoter's Holdings		
1 Institutional Investors		
Mutual Funds/UTI	8,21,596	6.5204
Foreign Institutional Investors	10,44,652	8.2906
Subtotal (B)(1)	18,66,248	14.8110
2 Non-Institutional Investors		
Bodies Corporate	14,60,789	11.5932
Individuals :		
Holding nominal share capital up to Rs. 1 lakh	4,89,245	3.8827
Holding nominal share capital in excess of Rs. 1 Lakh	13,79,726	10.9498
3 Clearing Members	14,456	0.1147
4 Directors & their relatives	3,42,538	2.7184
5 Hindu undivided families	36,742	0.2894
6 Non-resident Indians	12,765	0.1013
Sub-total (B)(2)	37,35,991	29.6498
Sub -Total(B) = (B1) + (B2)	56,02,239	44.4608
Grand Total (A) + (B)	1,26,00,378	100.00

Dematerialization of shares and liquidity

The shares of the Company form part of the compulsory demat segment. The Company has established connectivity with both the depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) through the Registrar, Cameo Corporate Services Ltd. As on 31st March 2010, 98.29% of the paid-up share capital of the Company were held in dematerialized form.

Outstanding Convertible Instruments

There are no ADRs/GDRs /warrants or any convertible instruments issued by the Company during the year.

Plant Location

The Company has various work sites spread throughout the country and the operations are controlled by the Head Office and has its Branch office at New Delhi and Libya.

Corporate office

SS Hogg Market Complex,
(New Building), 3rd Floor,
19, Nellie Sengupta Sarani, Kolkata-700087, India

Address for Correspondence

Registered Office
12/1, Nellie Sengupta Sarani,
Kolkata 700087, India
Tel:- +91-33-22524125/7900
Fax:- +91-33-22528013
Website: www.simplexprojects.com

Investor's Correspondence may be addressed to

Company Secretary & Compliance Officer
Simplex Projects Limited
12/1, Nellie Sengupta Sarani
Kolkata 700087
Tel:- +91-33- 32923330
Fax:- +91-33- 22528013
Email ID: investors@simplexprojects.com

NON-MANDATORY REQUIREMENTS

Chairman of the Board

The Chairman of the Company is an Executive Chairman of the Company and hence this provision is not applicable.

Remuneration Committee

The Company has a Remuneration Committee whose terms of reference, composition and other relevant particulars have been mentioned in this Report.

Audit Qualification

Observations of the Auditors in their Report have been appropriately addressed in the Directors' Report.

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE CODE OF CONDUCT

The undersigned, as the Chairman & Managing Director of Simplex Projects Limited, as required by Clause 49(l)(D)(ii) of the Listing Agreement executed with the Bombay Stock Exchange Ltd. and National Stock Exchange of India Ltd., hereby declare that all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Company's Code of Conduct for the financial year 2009-10.

Place: Kolkata
Date: 26th May, 2010

For **Simplex Projects Limited**

B. K. Mundhra
Chairman & Managing Director



CHIEF EXECUTIVE OFFICER (CEO) & CHIEF FINANCIAL OFFICER(CFO) CERTIFICATION

To

The Board of Directors of
Simplex Projects Limited

Dear Sirs,

We the undersigned, in our capacity as Chief Executive Officer (CEO) and Chief Financial Officer (CFO) of Simplex Projects Limited ("the Company"), to the best of our knowledge and belief, certify that,

We have reviewed the Financial Statements and the Cash Flow Statement for the year ended 31st March, 2010 and

- (a) (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
- (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) We further state that, to the best of our knowledge and belief, there are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that, we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors, the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee:
 - (i) Significant changes, if any, in internal control over financial reporting during the year;
 - (ii) Significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **Simplex Projects Limited**

B. K. Mundhra

Chairman & Managing Director

Pradeep Mishra

Chief Financial Officer

Date: 26th May, 2010

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Simplex Projects Limited

We have examined the compliance of conditions of Corporate Governance by Simplex Projects Ltd. ("the Company") for the year ended on 31st March, 2010 as stipulated in Clause 49 of the Listing Agreement with Stock exchanges.

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

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

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

Place: Kolkata
Date: 26th May, 2010

For **Chaturvedi & Company**
Chartered Accountants

Nilima Joshi
Partner

MACRO ECONOMY OVERVIEW

The world economy has started showing signs of recovery from what has been the worst recession ever witnessed in the recent time. The momentum of economic growth is regaining its pace but the world economy will take some time to bring up the original pace of growth it was witnessing before the global meltdown. The developing nations in particular have outperformed their developed counterparts, that too more relevant in Asia's context, this has been possible due to the well coordinated efforts of the governments of the developing nations across the world.

The Indian Economy during these tough times has done considerably well by maintaining a growth rate of 7.2% in 2009-10 as compared to 6.7% in 2008-09. A noteworthy point here is that the growth rate achieved by India is better than any other large economy barring China but still it is lacking far behind the growth rate which the nation got used to. The Indian economy due to its strong sustainable domestic demand, conservative fiscal policy and Government's focus on Infrastructure development and the ability to attract capital in the country has been able to maintain its growth streak.

Indian Infrastructure and Construction Industry have shown sign of steady recovery. The Construction Industry has a strong correlation with economic growth as well as investor's sentiments. The construction industry is an integral part of the Indian economy and its contribution to GDP has increased substantially over a period of time. With the momentum of growth slowly coming back on track the Government expenditure on Infrastructure development is most likely to increase. This will increase the confidence of the industry players and will provide the right momentum for growth.

The overall outlook of the Indian construction industry looks positive in view of the current economic scenario. Given the economic fundamentals and committed efforts of the government, drive growth, the future of the Indian economy, in particular construction industry appears to be optimistic.

BUSINESS OVERVIEW

Our Company has emerged as a leading and one of the fastest growing civil infrastructure solution provider in India. Within a short span the Company has significantly increased its presence in the infrastructure sector as a whole and more specifically in the segment of core competence, which include piling, buildings, multi-level car parking and other infrastructure constructions. The Company is committed to further strengthen its presence in the Industry by focusing

on all the segments falling under urban as well as rural infrastructure. The Company has created an enviable brand in all the segments falling under the Infrastructure sector and the brand is synonymous with high quality product and transparency in dealing with its customers.

Our Company, over the last decade, has set up sizeable projects in various parts of the Country. In the past two years the Company has forayed into the international arena with projects in Housing and other related infrastructure construction. The Company is having strategic plans to expand its global operations further across the globe.

Being a pioneer in the Indian construction Industry that operates across a wide spectrum of sectors, the Company maintained its growth streak and further enhanced its order book. The Financial highlights of the Company on a standalone basis are:

- The contract receipt of the company for the financial year under review reflected a growth of over 91% as compared to preceding financial year.
- The operating margin that is profit before depreciation, interest and taxes registered a growth of over 60%.
- The Profit after tax was registered a growth of over 81%.

It is evident from the figures given above that despite the economic crisis the Company maintained its growth streak, it is evident that the Company is on the path of growth with strong fundamentals at its base.

OPPORTUNITIES & STRENGTHS

Our Company, has at present several segments, which primarily consists of piling and foundation engineering, transportation engineering, which mainly consists of bridges and fly over, etc., buildings and housings, industrial construction, irrigation and waste and water management. We have a much diversified business portfolio, which helps us in mitigating the risk of slowdown in any particular vertical. We are continuously exploring business opportunities in other segments of the Industry and the business mix of the Company is determined taking all the factors into account.

Sustained focus of the Govt. to improve infrastructure especially roads, port, housing and urban development and their increased allocation to various schemes would result in continued growth for the construction industry.

THREATS & CONCERNS

There are several constraints which affect the smooth

functioning of the industry, besides the recent global economic downturn. The Construction industry has always been adversely affected by high volatility in prices of major inputs, delays in approval by Authorities, and lack of availability of skilled laborers. Natural calamities like poor weather conditions and manmade disruptions like encroachment, disruption of supply chain etc. continue to be a major constraint in project completion.

RISK MANAGEMENT

Risks are inherent in every business and their successful mitigation is necessary to protect profitability. In a highly competitive market, the ability to manage diverse risks determines success for a company. Our Strategic focus on infrastructure sector in India and overseas exposes the Company to a vast variety of risks. We at Simplex ensure that the risks we undertake are commensurate with better returns. We are subject to the following risks and uncertainties:

High Project Concentration Risk

The company earns a major portion from contracts awarded by Central and State governments, so any slowdown in government spending may adversely affect the growth of the company. However we believe that the thrust on infrastructure spending by the government will continue.

Escalation Risk

Fluctuations in operating costs can often lead to spiraling costs and over shooting budgets. This can lead to delay in the completion of projects. Most of the times, the contracts provide for escalation clause, which covers increase of basic raw material costs as cement, steel and labour etc.

Regulatory Risk

The company operates in a highly regulated environment and any adverse change in existing and new laws, regulations and policies affecting the present operating sectors could affect our profitability. The management continues to remain optimistic about the future regulatory and policy frame work.

Apart from the above initiatives, the company has continuous project monitoring system in terms of quality, time and cost parameters. These are being further upgraded through greater use of modern technologies.

FINANCIAL OVERVIEW

The Company has achieved total contract receipts of Rs. 606.04 Crores for the financial year under review reflecting a

growth of over 91% as compared to preceding financial year. The prime reasons for this achievement are the strong order book position at the beginning of the financial year and execution of some of the fast track projects during the year. The operating margin that is profit before depreciation, interest and taxes was registered at Rs. 5375.82 Lacs as compared to Rs. 3354.87 Lacs during the last fiscal, registering a growth of over 60%. The Profit after tax was registered at Rs. 3606.11 Lacs for the year under review as compared to Rs. 1991.26 Lacs in the previous financial year, registering a growth of over 81%.

INTERNAL CONTROL & THEIR ADEQUACY

The Company has adequate system of internal controls commensurate to its size and its operations. To ensure that all the assets are safeguarded and productive. The Company has put in place comprehensive systems and procedural guidelines concerning all operational areas such as tendering, budgeting, execution. Quality, safety asset, arrangement, finance, accounts and audit and human resources etc. The Company has continued its efforts to align all its processes and controls with the best practices in these areas as well. The Management has been making constant efforts to review and upgrade the existing systems and processes to gear up and meet with the changing needs of the business.

HUMAN RESOURCES

Human Resources continued to be one of the biggest asset of the Company. The management is paying special attention to various aspects like training, welfare and safety and thereby further strengthening the human resources. Relations with the employees remain cordial throughout the year.

CAUTIONARY STATEMENT

Statement in this Management Discussion and Analysis describing the Company's objective, projections, estimates and expectations are "forward looking statements" within the applicable laws and regulations.

Such forward-looking statements involve risks and uncertainties that may cause actual events, results or performances to differ materially from those indicated by such statements. Simplex Projects Limited disclaims any obligation to update these forward-looking statements to reflect future events or developments.

To

The Members

Simplex Projects Limited

1. We have audited the attached Balance sheet of **SIMPLEX PROJECTS LTD.** as at 31st March, 2010 and also the profit and loss account and the cash flow statement for the year ended on that date annexed there to. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 and as amended by Company (Auditors Report) (Amendment) Order 2004 "the order", issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we set out in the Annexure a statement on the matters specified in Paragraph 4 and 5 of the said order.
4. We did not audit the financial statement of the foreign branch of the Company. These financial statements have been audited by the other auditor, whose report have been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of the said foreign branch, is based solely on the reports of the other auditor.
5. Further to our comments in the Annexure referred in paragraph 3 above we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.

- (ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books
- (iii) The Balance sheet, Profit & loss account and the cash flow statement dealt with by this report are in agreement with the books of account.
- (iv) In our opinion, the Balance sheet, Profit & loss account and the cash flow statement dealt with by this report comply with the accounting standards referred to in Section 211(3C) of the Companies Act, 1956.
- (v) On the basis of written representations received from the directors, as on 31st March, 2010 and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31st March, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts and read together with other notes in the schedule *subject to note 5 regarding non bifurcation of expenses as per part-II of Schedule-VI and note 12 regarding non confirmation of debtors, creditors, advance and bank balance of Schedule 12* thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :
 - (a) In the case of the Balance sheet, of the state of affairs of the company as at 31st March, 2010.
 - (b) In the case of the profit and loss account, of the profit for the year ended on the date; and
 - (c) In the case of the cash flow statement, of the cash flows for the year ended on that date.

For **Chaturvedi & Company**
Firm Registration Number-302137E
Chartered Accountants

Nilima Joshi
Partner

Place : Kolkata
Dated : 26th May, 2010

Membership No.52122

ANNEXURE TO AUDITORS' REPORT

ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF M/S. SIMPLEX PROJECTS LIMITED ON THE ACCOUNTS FOR THE YEAR ENDED 31st March , 2010.

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management during the year end which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification
- (c) According to the information and explanations given to us, No substantial part of the fixed assets has been disposed off during the year, which has bearing on the going concern assumption.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year.
- (b) The procedures of physical verifications of inventory followed by the management are, in our opinion, reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) (a) According to the information and explanation given to us, the company has granted advance in the nature of loans to two parties (a subsidiary of the company and Joint Venture) which are covered in the register maintained under section 301 of the Companies Act 1956. The maximum amount outstanding at any point of time during the year was Rs. 34,03,12,870/- and the year end balance of the same is Rs. 32,61,87,415/-
- (b) According to the information and explanation given to us, the loans given to the subsidiary is interest free and payable on demand which as per the management is not prejudicial to the interest of the company.
- (c) According to information and explanation given to us the said advances in the nature of loans are repayable on demand and as such Clause (iii)(c) & (d) of Companies (Auditor's Report) Order, 2003, are not applicable to the company.
- (d) On the basis of examination of records and according to the information and explanations given to us, the company has not taken any loans secured or unsecured from the party covered in the register maintained under section 301 of the Companies Act, 1956.
- (e) As the company has not taken any loan secured or unsecured from the party covered in the register maintained under section 301 of the Companies Act, 1956 paragraph (iii) (e), (f) & (g) of Companies (Auditor's Report) Order, 2003, are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and for the sale of goods/service. Further during the course of our audit, we have neither come across nor have we been informed of any instance of major weaknesses in internal control procedures.
- (v) (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management we are of the opinion that, transactions that need to be entered into the register maintained under Section 301 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained u/s. 301 of the

Act and exceeding a value of Rupees five lacs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.

- (vi) In our opinion and according to the information and explanation given to us, the company has complied with the provisions of sections 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public *except repayment of a deposit before maturity*. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company.
- (vii) In our opinion, the company has an internal audit system commensurate with its size and nature of its business.
- (viii) As explained to us the Central Government has not prof the business of the Company.
- (ix) (a) According to the information and explanations

Nature of Dues	Period to which the amount relates	Amount (Rs.)	Forum where the dispute is pending
Service Tax	2000-01 to 2004-05	5,31,24,001	Commissioner of Service Tax
Customs Duty	2004-05	1,84,646	Asstt. Commissioner of Customs
Income Tax	2006-07	2,88,95,591	CIT (A)-XII, Kolkata
Sales Tax / VAT	2005-06 2006-07	49,13,264	Sr. Joint Commissioner Commercial Taxes

- (x) The Company has neither accumulated losses at 31st March, 2010 nor has it incurred any Cash losses during the year and in the immediately preceding financial year.
- (xi) According to the records of the Company examined by us and the information and explanations given to us, the company has not defaulted in repayment of dues to any financial institution, bank or debenture holder.
- (xii) Based on our examination of documents and records and according to the information and explanation given by the management the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the company is not a chit fund or a nidhi mutual benefit fund / society. Therefore the provisions of clause 4(xiii) of the Companies (Auditors Report) Order, 2003 are not applicable to the company.

given to us, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, Income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess, Investor Education and Protection fund and other statutory dues, as applicable.

- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Income tax, Wealth tax, Service tax, Sales tax, Customs duty, Excise duty, Cess, Investor Education and Protection fund and other material statutory dues for a period of more than six months from the date they became payable were outstanding as at 31st March, 2010.
- (c) According to the information and explanation given to us, the particulars of dues of Income Tax, Service Tax, Sales Tax, VAT and Custom Duty which have not been deposited on account of dispute are as follows:

- (xiv) The Company has maintained proper records of securities and other investments, which it has traded in and also in respect of shares and other securities, held as investments and the said investments are in the name of the Company.
- (xv) The company has also given a corporate guarantee to a bank for financial assistance in foreign currency extended to its joint venture amounting to Rs.2,88,26,560/-. In our opinion and based on the information and explanations received, the terms and conditions of these guarantees are not prejudicial to the interest of the company.
- (xvi) The term loans have been applied for the purpose for which they were raised.
- (xvii) According to the information and explanation given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short term basis have been used for long term investment.
- (xviii) The company has not made any preferential allotment to parties and companies covered under register maintained under section 301 of the companies Act, 1956, during the year and the question of whether the price at which the shares have been issued is prejudicial to the interest of the Company does not arise.
- (xix) According to the information and explanations given to us, no debentures have been issued by the Company during the year.
- (xx) Based on the records examined by us, we report that the Company has not raised any money from public issue during the year.
- (xxi) During the course of our examination of books of accounts carried out in accordance with generally accepted auditing practices in India and according to the information and explanations given to us we have neither come across any instance of fraud on or by the company nor have we been informed of such case by the management.

For **Chaturvedi & Company**
Firm Registration Number-302137E
Chartered Accountants

Nilima Joshi
Partner

Place : Kolkata
Dated : 26th May, 2010

Membership No.52122

BALANCE SHEET

as at 31st March, 2010

Schedule	As At 31st March, 2010		As At 31st March, 2009	
	Rs.	Rs.	Rs.	Rs.
SOURCES OF FUNDS				
Shareholders' Fund				
Share Capital	1	12,60,03,780	12,00,03,780	
Reserves and Surplus	2	<u>1,65,37,61,870</u>	<u>1,28,51,60,367</u>	
		1,77,97,65,650		1,40,51,64,147
Loan Funds				
Secured Loans	3	98,72,85,941	85,85,30,517	
Unsecured Loans	4	<u>70,69,27,045</u>	<u>8,11,46,173</u>	
		1,69,42,12,986		93,96,76,690
Deferred Tax Liability		5,57,91,962		1,93,64,462
TOTAL		<u>3,52,97,70,598</u>		<u>2,36,42,05,299</u>
APPLICATION OF FUNDS				
Fixed Assets				
Gross Block	5	1,10,41,70,535	62,55,49,569	
Less: Depreciation		<u>12,97,17,840</u>	<u>7,85,96,341</u>	
Net Block		97,44,52,695	54,69,53,228	
Add: Capital Work in Progress		<u>5,76,62,321</u>	<u>7,90,43,811</u>	
		1,03,21,15,016		62,59,97,039
Investments	6	12,26,55,860		12,36,62,387
Current Assets, Loans & Advances	7	4,95,38,25,457	2,69,44,72,846	
Less: Current Liabilities & Provisions	8	<u>2,57,88,25,735</u>	<u>1,07,99,26,973</u>	
Net Current Assets		2,37,49,99,722		1,61,45,45,873
TOTAL		<u>3,52,97,70,598</u>		<u>2,36,42,05,299</u>
NOTES ON ACCOUNTS	12			

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

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

For and on behalf of
CHATURVEDI & COMPANY
 Firm Registration Number : 302137E
Chartered Accountants
Nilima Joshi
Partner
 Membership No.52122
 Kolkata,
 Dated: 26th May, 2010

B. K. Mundhra
Chairman & Managing Director

Anand Chopra
Director

J. K. Bagri
Director

B. K. Dash
Company Secretary

PROFIT AND LOSS ACCOUNT

for the year ended 31st March, 2010

Schedule	For the year ended 31st March, 2010		For the year ended 31st March, 2009	
	Rs.	Rs.	Rs.	Rs.
INCOME				
Work Done	9	6,06,04,73,616	3,16,61,80,425	
Other Income	10	13,31,13,027	<u>74,66,992</u>	
		6,19,35,86,643		3,17,36,47,417
EXPENSES				
Site Cost & Other				
Administrative Expenses	11	5,52,28,94,889	2,83,06,93,691	
Interest		12,23,66,975	9,15,84,369	
Depreciation		5,12,62,867	<u>2,55,59,004</u>	<u>2,94,78,37,064</u>
PROFIT BEFORE TAX		49,70,61,912		22,58,10,353
PROVISION FOR TAXATION				
Current Tax		10,00,23,000	2,55,85,000	
Deferred Tax		3,64,27,500	-	
Fringe Benefit Tax		-	<u>10,99,400</u>	<u>2,66,84,400</u>
PROFIT AFTER TAX		36,06,11,412		19,91,25,953
Balance Brought Forward from previous year		21,93,07,205		<u>14,12,41,017</u>
AMOUNT AVAILABLE FOR APPROPRIATIONS		57,99,18,617		<u>34,03,66,970</u>
APPROPRIATIONS				
Proposed Dividend		1,89,00,567	1,80,00,567	
Tax thereon		31,39,147	<u>30,59,197</u>	2,10,59,764
Transfer to General Reserve		10,00,00,000		10,00,00,000
Surplus - end of the year		45,78,78,903		<u>21,93,07,206</u>
		57,99,18,617		<u>34,03,66,970</u>
Basic and Diluted Earnings Per Share (Note 25 of Schedule 12)	12	29.10		16.59
NOTES ON ACCOUNTS				

The Schedule referred to above form an integral part of the Profit & Loss Account.

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

For and on behalf of
CHATURVEDI & COMPANY
 Firm Registration Number : 302137E
 Chartered Accountants
Nilima Joshi
 Partner
 Membership No.52122
 Kolkata,
 Dated: 26th May, 2010

B. K. Mundhra
 Chairman & Managing Director

Anand Chopra
 Director

J. K. Bagri
 Director

B. K. Dash
 Company Secretary

CASH FLOW STATEMENT

for the year ended 31st March, 2010

	As At 31st March, 2010		As At 31st March, 2009	
	Rs.	Rs.	Rs.	Rs.
A. Cash flow from operating activities :				
Net profit before tax and extraordinary items		49,70,61,912		22,58,10,353
Adjustments for:				
Depreciation	5,12,62,867		2,55,59,004	
Interest (Net)	9,08,34,065		8,53,71,773	
Loss on sale of Fixed Assets	1,93,435		1,91,178	
Dividend Received	(58,405)		(59,395)	
Liability no longer required written back	(1,16,702)		(1,09,918)	
Exchange Gain / Loss on Non Integral Branch	(4,49,70,194)		-	
Provisions for employee benefits	74,59,160		(1,54,752)	
Operating profit before working capital changes		10,46,04,226		11,07,97,890
Increase / Decrease in :		60,16,66,138		33,66,08,243
Trade and other receivables	46,22,52,990		(25,76,49,919)	
Inventories	(58,04,51,223)		(30,72,27,197)	
Trade payable	44,39,17,418		24,78,93,026	
		32,57,19,185		(31,69,84,090)
Cash Generated from operations		92,73,85,323		1,96,24,153
Direct Tax paid	(5,15,91,833)			(5,78,17,018)
FBT	(19,96,742)			(31,782)
Net Cash from/(Used in) Operating Activities		87,37,96,748		(3,82,24,647)
B. Cash flow from Investing Activities:				
Purchase of Fixed Assets	(45,81,67,915)		(29,49,98,461)	
Sale of Fixed Assets	5,93,637		1,10,000	
Sale / (Purchase) of Investments	10,06,527		(14,07,684)	
Dividend Received	58,405		59,395	
Interest Received	1,77,26,761		43,92,672	
Net Cash from / (Used in) Investing Activities		(43,87,82,584)		(29,18,44,078)
		43,50,14,164)		(33,00,68,725)
C. Cash flow from Financing Activities:				
Interest Paid	(12,25,86,103)		(9,10,00,646)	
Proceeds from Issue of Equity Share	8,10,00,000		-	
Repayments of Long term Borrowings	(3,75,43,681)		(3,00,00,000)	
Inter corporate Loans and advances including Deposits	(2,40,00,000)		4,17,50,000	
Proceeds from Long term borrowings	-		5,96,94,228	
Proceeds from Short term borrowings	81,62,99,105		48,75,01,769	
Dividend Paid (Including Tax)	(2,10,59,764)		(2,10,59,764)	
Net Cash from / (Used in) Financing Activities		69,21,09,557		44,68,85,587
Net Increase / (Decrease) in Cash and Cash equivalents during the year		1,12,71,23,721		11,68,16,862
Cash and Cash Equivalents as at 31st March, 2009	20,91,80,313		9,23,63,451	
Cash and Cash Equivalents as at 31st March, 2010	1,33,63,04,034	1,12,71,23,721	20,91,80,313	11,68,16,862

Notes:

- The above cash flow statement has been prepared under the indirect method as set out in the Accounting Standard-3 on Cash Flow Statements issued by The Institute of Chartered Accountants of India.
- Schedules referred to above form an integral part of the Cash Flow Statement.
- Previous year's figures have been regrouped / rearranged.

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

For and on behalf of

CHATURVEDI & COMPANY

Firm Registration Number : 302137E

Chartered Accountants

Nilima Joshi

Partner

Membership No.52122

Kolkata,

Dated: 26th May, 2010

B. K. Mundhra
Chairman & Managing Director

Anand Chopra
Director

J. K. Bagri
Director

B. K. Dash
Company Secretary

SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT

	As At 31st March, 2010		As At 31st March, 2009	
	Rs.	Rs.	Rs.	Rs.
SCHEDULE - 1				
SHARE CAPITAL				
Authorised				
1,50,00,000 (2008-09 : 1,50,00,000)				
Equity Shares of Rs.10/- each		15,00,00,000		15,00,00,000
Issued, Subscribed & Paid-up				
1,26,00,378 (2008-09 : 1,20,00,378)				
Equity Shares of Rs.10/- each		12,60,03,780		12,00,03,780
Of the above Equity Shares:-				
a) 9,00,000 Shares were allotted in 1995-96 as fully paid-up Equity Shares pursuant to a contract without payment being received in cash				
b) 17,95,714 Shares were allotted as fully paid-up Bonus Share by capitalisation of Rs.1,79,57,140/- from General Reserve.		12,60,03,780		12,00,03,780
SCHEDULE - 2				
RESERVES AND SURPLUS				
Securities Premium Account				
As per last account	76,45,94,166		76,45,94,166	
Add: Received during the year	7,50,00,000	83,95,94,166	-	76,45,94,166
General Reserve				
As per last account	30,12,58,995		20,12,58,995	
Add: Transfer from Profit & Loss A/c	10,00,00,000	40,12,58,995	10,00,00,000	30,12,58,995
Foreign Currency Translation Reserve				
Adjustment for exchange (Refer Note 1.11 of Schedule 12)		(4,49,70,194)		-
Profit & Loss Account Balance Carried forward		45,78,78,903		21,93,07,206
		1,65,37,61,870		1,28,51,60,367

SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT

SCHEDULE - 3

SECURED LOANS

Working Capital Loan from Banks

Cash Credit

Short-term Loan

Secured by hypothecation of stocks, stores, work-in-progress & book-debts as also by charge of certain moveable plant & machinery ranking pari passu with the Banks and by personal guarantees of Managing Director and a Director of the Company.

FCNR Loan

Buyers Credit

Foreign Currency Loans & Buyer's Credit Facility availed in Foreign currency from International Banks and Overseas branches of Indian Bank are secured by letter of undertakings/earnmarkings by working capital Bankers, which in turn are secured as recited above

Term Loan from Banks

Other Term Loans

Secured by hypothecation of specific assets, comprising Plant & Machinery, Equipment and Vehicles, acquired out of the term loan.

SCHEDULE - 4

UNSECURED LOANS

Short Term Loan from Bank

Commercial Paper

Inter Corporate Deposits

Fixed Deposit

Interest accrued and due

As At 31st March, 2010	As At 31st March, 2009
Rs.	Rs.
51,79,59,345	73,70,63,186
25,15,92,466	-
4,66,00,000	-
8,72,10,480	-
6,27,42,183	11,50,31,535
2,11,81,467	64,35,796
98,72,85,941	85,85,30,517
15,00,00,000	-
50,00,00,000	-
3,60,00,000	5,95,00,000
1,92,51,000	1,97,51,000
16,76,045	18,95,173
70,69,27,045	8,11,46,173

SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT

SCHEDULE - 5

FIXED ASSETS

Particulars	Original Cost as at 01.04.2009 Rs.	Additions during the period Rs.	Disposal during the period Rs.	Original cost as at 31.03.2010 Rs.	Depreciation as at 01.04.2009 Rs.	Depreciation for the period Rs.	Depreciation on Assets disposed Rs.	Depreciation as at 31.03.2010 Rs.	Net Balance 31.03.2010 Rs.	Net Balance 31.03.2009 Rs.
PLANT & MACHINERY										
PLANT & MACHINERY	-	23,02,50,772	-	23,02,50,772	-	1,10,40,096	-	1,10,40,096	21,92,10,676	-
CRANES	86,13,307	52,19,161	-	1,38,32,468	6,90,569	6,44,581	-	13,35,150	1,24,97,318	79,22,738
AIR CONDITIONER	-	15,63,524	-	15,63,524	-	17,858	-	17,858	15,45,666	-
WINCH & ENGINE	2,27,63,028	-	-	2,27,63,028	57,02,332	10,81,250	-	67,83,582	1,59,79,447	1,70,60,696
PILE FRAME	6,94,35,416	4,63,440	-	6,98,98,856	1,00,36,011	33,05,370	-	1,33,41,381	5,65,57,475	5,93,99,404
OTHER PLANTS	45,92,55,792	15,51,05,433	-	61,43,61,225	4,72,22,032	2,49,41,630	-	7,21,63,662	54,21,97,567	41,20,33,760
TOOLS & IMPLEMENTS	98,99,063	20,03,362	-	1,19,02,425	26,98,937	4,96,547	-	31,95,484	87,06,940	72,00,126
TRUCKS & TIPPERS	79,21,188	4,48,99,575	-	5,28,20,763	23,55,405	31,42,701	-	54,98,106	4,73,22,657	55,65,783
MOTORS VEHICLES	2,22,01,435	1,47,23,091	6,93,661	3,62,30,865	44,87,147	27,54,925	1,35,226	71,06,846	2,91,24,021	1,77,14,288
TWO WHEELERS	3,38,927	38,185	-	3,77,112	1,89,845	34,552	-	2,24,397	1,52,713	1,49,082
COMPUTERS	97,40,812	82,85,015	-	1,80,25,827	37,63,627	19,05,565	-	56,69,192	1,23,56,635	59,77,185
FURNITURE & FIXTURES	1,26,68,905	1,54,24,112	2,34,779	2,78,58,238	10,08,021	17,12,987	6,142	27,14,866	2,51,43,372	1,16,60,885
OFFICE EQUIPMENT	27,11,696	15,73,735	-	42,85,431	4,42,415	1,84,805	-	6,27,220	36,58,211	22,69,281
TOTAL	62,55,49,569	47,95,49,405	9,28,440	1,10,41,70,534	7,85,96,341	5,12,62,867	1,41,368	12,97,17,840	97,44,52,695	54,69,53,228
AS AT 31.03.2009	37,32,02,125	25,29,04,889	5,57,445	62,55,49,569	5,32,93,604	2,55,59,004	2,56,267	7,85,96,341	54,69,53,228	31,99,08,521

Notes : Original cost of Fixed Assets as on 31st March, 2010, includes **Rs. 18,93,35,390/-** acquired under Hire Purchase Schemes, out of which **Rs. 8,39,23,650/-** is outstanding as on 31st March, 2010, which has been shown under the head 'Secured Loans'.

SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT

SCHEDULE - 6
INVESTMENTS
LONG TERM INVESTMENTS
(Other than trade - At Cost)

		As At 31st March, 2010	As At 31st March, 2009
		Rs.	Rs.
	Face Value Rs.		
Government Securities			
7 Years National Savings Certificates (Lodged as Security Deposit)		70,500	70,500
5.1/2 Years Kishan Vikash Patra (Lodged as Security Deposit)		1,07,000	1,07,000
Unquoted			
In Subsidiaries			
31,85,200 Fully Paid-up Equity Shares of Simpark Infrastructure Pvt. Ltd.	10/-	12,01,51,000	12,01,51,000
Investment in the capital of partnership firm outside India (refer note 21 of Schedule 12)		13,52,597	13,52,597
In Other Companies			
15,000 Fully Paid-up Ordinary Shares of Geo.miller & Co. Ltd.	10/-	1,05,000	1,05,000
5,000 Fully Paid-up Equity Shares of Simplexprojects Road & Highway Constrn. Pvt.Ltd.	10/-	50,000	50,000
Quoted			
1,600 Fully Paid-up Equity Shares of Uco Bank	10/-	19,200	19,200
1,000 Fully Paid-up Equity Shares of Vijaya Bank	10/-	24,000	24,000
100 Fully Paid-up Equity Shares of Indraprasth Gas Ltd.	10/-	4,800	4,800
22 Fully Paid-up Equity Shares of Tata Consultancy Services Ltd.	1/-	9,350	9,350
Total Long Term Investments		12,18,93,447	12,18,93,447
CURRENT INVESTMENTS (Unquoted, Other than trade) (at cost or market value whichever is lower)			
62349.2633 Units of Mutual Funds (Incuding dividend reinvestment)	10/-	7,62,413	17,68,940
Total Current Investments		7,62,413	17,68,940
TOTAL INVESTMENT		12,26,55,860	12,36,62,387
Aggregate Value of Quoted Investments		57,350	57,350
Aggregate Value of Unquoted Investments		12,16,58,597	13,36,05,037
Market value of quoted Investment		1,76,673	84,623
Units of Mutual Fund Sold During the year			
Name of the Fund		Number of Units	
Reliance Liquidity Fund		86916.962	
ICICI Prudential Institutional Liquid Fund		1621.229	

SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT

	As At 31st March, 2010		As At 31st March, 2009	
	Rs.	Rs.	Rs.	Rs.
SCHEDULE - 7				
CURRENT ASSETS, LOANS & ADVANCES				
A : INVENTORIES				
(As certified & valued by the management)				
(i) Materials:				
(At lower of cost or net realizable value)				
At Sites	25,67,33,712		16,98,48,765	
At Stores	45,59,789		10,29,430	
(ii) Construction Contract Work-in-Progress				
(At estimated cost)	89,88,85,532		46,57,39,102	
(iii) Project Development Work-in-progress				
(At estimated cost)	40,42,49,049		34,73,59,562	
		1,56,44,28,082		98,39,76,859
B : SUNDRY DEBTORS				
(Unsecured, considered good)				
Debts Outstanding for a period exceeding				
Six months	27,77,16,204		12,68,77,672	
Other Debts	1,20,10,06,571		91,33,80,687	
		1,47,87,22,775		1,04,02,58,359
C : CASH AND BANK BALANCE				
Cash in hand	2,86,55,419		-	
Balance with Scheduled Banks				
Current Accounts	28,94,71,346		1,86,78,952	
Cheque in hand	3,21,06,151		-	
Fixed Deposits	77,57,53,062		18,53,05,380	
Balance with Other Banks	21,03,18,056		51,95,981	
(Refer Note 6 of Schedule 12)		1,33,63,04,034		20,91,80,313
D : LOANS AND ADVANCES				
(Unsecured, considered good)				
LOANS		-		5,00,000
ADVANCES (recoverable in cash or in kind or				
for value to be received, considered good):				
Advances to Subsidiary (Interest Free)		31,83,00,000		18,98,36,309
Advances to Joint Venture		78,87,415		78,87,415
Income Tax Advance (Net of Income Tax				
Provision : Rs 17,12,91,549/-,	1,81,24,278		6,65,55,445	
Previous year : Rs.7,12,68,749/-)	24,88,182		4,91,440	
Advance Fringe Benefit Tax	1,52,68,859		1,98,79,338	
Staff Advance	9,67,14,314		6,61,18,076	
Other Advances	9,64,09,545		10,44,17,468	
Deposits	1,91,77,973		53,71,824	
Interest Receivable				
		24,81,83,151		26,28,33,591
		4,95,38,25,457		2,69,44,72,846

SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT

**SCHEDULE - 8
CURRENT LIABILITIES AND PROVISIONS**
A : CURRENT LIABILITIES

	As At 31st March, 2010		As At 31st March, 2009	
	Rs.	Rs.	Rs.	Rs.
Acceptances		10,84,71,861		6,28,29,980
Sundry Creditors		37,77,64,533		31,66,08,784
Advance from Clients		1,44,94,36,439		40,27,77,505
Other Liabilities		<u>60,69,73,793</u>		<u>26,99,70,707</u>
		2,54,26,46,626		1,05,21,86,976

B : PROVISIONS

Proposed Dividend	1,89,00,567		1,80,00,567	
Tax on Dividend	31,39,147		30,59,197	
Fringe Benefit Tax	24,56,400		24,56,400	
Employee Benefits	<u>1,16,82,995</u>	<u>3,61,79,109</u>	<u>42,23,833</u>	<u>2,77,39,997</u>
		2,57,88,25,735		1,07,99,26,973

SCHEDULE - 9
WORK DONE
Construction Contract Works

	Year ended 31st March, 2010		Year ended 31st March, 2009	
	Rs.	Rs.	Rs.	Rs.
Gross Billing	5,57,04,37,699		2,93,97,46,203	
Add: Closing Work-in-Progress	<u>89,88,85,532</u>		<u>46,57,39,102</u>	
	6,46,93,23,231		3,40,54,85,305	
Less: Opening Work-in-Progress	<u>46,57,39,102</u>		<u>33,82,27,262</u>	
		6,00,35,84,129		3,06,72,58,043

Project Development Works

Closing Work-in-Progress	40,42,49,049		34,73,59,562	
Less: Opening Work-in-Progress	<u>34,73,59,562</u>		<u>24,84,37,180</u>	
		5,68,89,487		9,89,22,382
		6,06,04,73,616		3,16,61,80,425

SCHEDULE -10
OTHER INCOME

Interest				
Fixed Deposit with Bank (TDS:Rs 28,03,028/- Previous year - Rs.15,77,327/-)	3,00,92,372		60,64,908	
Other Deposits (TDS: Rs 1,54,344/- Previous year - Rs. 30,425/-)	<u>14,40,538</u>	<u>3,15,32,910</u>	<u>1,47,688</u>	62,12,596
Dividend from Current Investments		55,031		55,087
Dividend from Long term Investments - Others		3,374		4,308
Exchange Gain		10,08,18,591		-
Liabilities No Longer Required		1,16,702		1,09,918
Miscellaneous Receipt		<u>5,86,419</u>		<u>10,85,083</u>
		13,31,13,027		74,66,992

SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT

	Year ended 31st March, 2010		Year ended 31st March, 2009	
	Rs.	Rs.	Rs.	Rs.
SCHEDULE - 11				
SITE COST AND OTHER				
ADMINISTRATIVE EXPENSES				
Expenses for Executing Contract work		5,26,61,38,556		2,61,21,38,653
Expenses for Executing Project Development		5,68,97,921		9,89,22,382
Salaries and other benefits to employees				
Salaries, Wages & Bonus	3,90,84,148		2,19,42,385	
Contribution to Provident & Other Funds	1,35,91,983		45,86,083	
Staff Welfare Expenses	4,23,943	5,31,00,074	4,80,875	2,70,09,343
Rent		1,10,24,664		83,59,744
Rates & Taxes		60,77,114		1,81,20,708
Repairs - (Others)		26,17,003		8,10,119
Telephone & Telex Expenses		38,74,796		35,88,872
Electricity Charges		11,63,078		10,57,622
Motor Vehicle Expenses		14,99,779		23,18,346
Travelling & Conveyance		1,08,16,405		93,67,887
Insurance Charges		14,35,082		11,39,525
Printing & Stationary Expenses		16,68,564		11,79,738
Stores & Godown Expenses		75,21,060		53,80,248
Advertisements		10,64,632		30,83,208
Membership & Subscription		7,35,167		11,86,133
Legal & Professional charges		1,46,58,550		67,79,364
Bank Charges		7,19,54,033		2,30,72,590
Finance Charges		11,62,353		4,21,051
Auditors' Remuneration:				
Audit Fee	1,26,845		1,04,785	
Tax Audit Fee	33,090		27,575	
Other matters	1,65,449		93,899	
		3,25,384		2,26,259
Loss on disposal of Fixed Assets		1,93,435		1,91,178
Brokerage - Finance		12,73,402		11,18,092
Filing Fee		21,438		11,000
Donation and Charity		39,42,900		13,81,100
Miscellaneous Expenses		37,29,499		38,30,529
		5,52,28,94,889		2,83,06,93,690

SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT

SCHEDULE - 12

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

1.0 DISCLOSURE OF SIGNIFICANT ACCOUNTING POLICIES.

1.1 Basis of Preparation of Financial Statements

The financial statements have been prepared on accrual basis of accounting in conformity with the generally accepted accounting principles in India (GAAP) and comply with Accounting Standards prescribed by the Companies (Accounting Standard) Rules, 2006 and the relevant provisions of the Companies Act, 1956.

1.2 Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between the actual results and estimates are recognized in the period in which the results are know / materialized.

1.3 Fixed Assets

Fixed assets are valued at cost of acquisition less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Assets acquired under Hire Purchase arrangements are recorded at their cash values and the finance charges are charged to Profit and Loss Account as accrued.

1.4 Depreciation

Depreciation on Fixed Assets is provided as per Schedule XIV of the Companies Act, 1956 under straight line method except assets deployed at foreign branches is provided as per the provisions of local laws at the following rates:

Description of the Assets	Rate of Depreciation
Plant and Machinery	15 %
Trucks	10 %
Motor Vehicles	20 %
Computers	20 %
Furniture and Fixtures	10 %
Office Equipments	10 %

1.5 Impairment of Assets

The carrying cost of assets is reviewed at each Balance Sheet date to determine whether there is any indication of impairment of assets. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use.

1.6 Inventories

Inventories are valued at cost under FIFO method or net realizable value, whichever is lower.

1.7 Investments

Long term Investments are valued at cost. Current investments are stated lower of cost or fair market value. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary.

1.8 Revenue Recognition

- Revenue is accounted for following "Percentage of Completion" method of accounting in respect of the Construction Contracts.

SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT

- b) Share of Profit / Loss from joint ventures is accounted for in respect of the financial year of the venture, ending on the balance sheet date, on the basis of their audited / unaudited accounts.
- c) Price escalation claims and additional claims including those under arbitration are recognized as revenue when they are realized or receipts thereof are mutually settled or reasonably ascertained.
- d) Site start up expenses is charged off in the year these are incurred.
- e) Liabilities on account of Service Tax to the extent not reimbursable by the Clients have been charged off to the profit & loss account.
- f) Interest income is recognized on a time proportion basis taking into the amount outstanding and the rate applicable.

1.9 Borrowing Cost

Borrowing costs, attributable to acquisition and construction of qualifying assets, are capitalized as a part of the cost of such asset up to the date when such assets are ready for its intended use. Other borrowing costs are charged to the profit and loss account.

1.10 Employee Benefits

The company has adopted the Revised Accounting Standard 15 Employee benefits prescribed by Companies (Accounting Standards) Rules, 2006 with effect from 1st April 2007.

i) Short term benefits

Short terms employee benefits are charged off at the undiscounted amount in the year in which the related service is rendered.

ii) Post employment benefits

Post employment benefits are charged off in the year in which the employee has rendered services. The amount charged off is recognized at the present value of the amounts payable determined using actuarial valuation technique. Actuarial gains and losses in respect of post employment benefits are charged to profit and loss account.

1.11 Foreign Currency Transactions

Transactions in foreign currencies are recognized in the reporting currency at the prevailing exchange rates on the transaction dates. Foreign currency monetary items are reported using the closing rate. Exchange difference arising on the settlement of monetary items or on reporting monetary items of the Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or expenses in the year in which they arises. Transactions completed during the year are accounted for at the then ruling rate.

Financial Statements of foreign branches are treated as non-integral operation. In translating the financial statement of foreign branches, the assets and liabilities, both monetary and non monetary, has been translated at the closing rate and income and expense items are translated at the average rate for the period. The resultant exchange differences are accumulated in Foreign Currency Translation Reserve Account. Exchange differences arising on monetary items that are receivable from or payable to non-integral operation for which settlement is neither planed nor likely to occur in the foreseeable future forms part of net investment in non-integral foreign operations and are also accumulated in Foreign Currency Translation Reserve Account.

Financial derivatives and hedging contracts are accounted on the date of their settlement and realized gain/ loss in respect of settled contracts is recognised in the profit & loss account along with the underlying transactions.

1.12 Taxation

Current tax is determined as the amount of tax payable in respect of taxable income for the year. Deferred Tax liability is recognized being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT

1.13 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Contingent assets are neither recognized nor disclosed in the financial statements.

1.14 Earnings per share

Earnings per shares are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

1.15 Cash and cash equivalents

Cash and cash equivalents as indicated in the Cash Flow Statement comprise cash at bank and in hand and highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

1.16 Event occurring after the Balance Sheet Date

Material events if any occurring after Balance Sheet date are taken into cognizance.

NOTES ON ACCOUNTS

2. Deferred tax liability

The break-up of year end net deferred tax liability as at March 31, 2010 comprises

Particulars	March 31, 2010	March 31, 2009
Timing difference on account of depreciation as per books and Tax Laws.	5,57,91,962	1,93,64,462
Net Deferred Tax Liability	5,57,91,962	1,93,64,462

- Decline, if any, in the market value of long term quoted investments, considered by management not of permanent nature, has not been provided for.
- Investments in National Savings Certificate and Kisan Vikas Patra amounting to **Rs.1,77,500/-** (Previous Year – Rs.1,77,500/-) have matured in earlier years and hence no interest has been taken into accounts. These investments along with Fixed Deposit with banks amounting to **Rs. 50,37,62,142/-** (Previous Year – Rs.17,36,72,212/-) are not in possession of the company as they have been lodged as security deposit with clients / Banks.
- As regard Contract expenses for executing work it has not been possible for the Company to bifurcate the expenses into different heads of account as per Part II of the Schedule VI.
- Balance with other banks comprise of the following:

Name of the Bank	Bank Balance as on 31st March, 2010	Bank Balance as on 31st March, 2009	Maximum balance outstanding	
			2009-10	2008-09
First Gulf Libyan Bank	19,70,15,141	51,95,981	131,58,19,574	51,95,981
Bank for Commerce and development, Libya	24,02,053	-	95,83,409	-
Sahara bank, Libya	7,46,468	-	7,46,468	-
First Gulf Bank, Dubai	1,01,54,394	-	1,01,56,500	-

SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT

7. Sundry Debtors and Work-in-progress include overdue amount aggregating to Rs. 2,44,50,493/- (Previous Year - Rs. 1,51,70,197/-) and Rs. 2,38,81,498/- (Previous Year - Rs. 1,09,28,668/-) that 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.
8. A sum of Rs.13,31,550/- (Previous Year Rs.15,97,950/-) is lying unpaid in the escrow refund account of the company with its refund banker, which is shown under the head 'Other Current Liabilities'. The corresponding balance has been included in the balances with schedule banks.
9. Salaries and Other benefits to employees include payments to the Managing Director and other Whole time Directors in accordance with the provisions of section 198 of the Companies Act, 1956. Sitting Fee paid to Independent Directors has been charged off to Profit & Loss account under Miscellaneous Expenses. The details of managerial remuneration are as follows:

Particulars	Year ended 31st March, 2010	Year ended 31st March, 2009
Salaries & Perquisites	64,04,746	46,29,672
Contribution to Provident and other Funds	5,44,896	3,91,428
Sitting Fee	90,060	1,00,567
Total	70,39,702	51,21,667

The employee-wise break-up of liability on account of Gratuity and Leave Encashment, based on actuarial valuation, is not ascertainable. The amounts relating to the Directors are, therefore, not considered in the above figure.

10. a) Payment against supplies from small scale and ancillary undertakings are made in accordance with the agreed credit terms and to the extent ascertained from available information, there was no amount overdue as on 31.03.2010.
- b) Based on the available information with the Company relating to the registration status of suppliers under the Micro, Small and Medium Enterprises Development Act, 2006, there are no dues to micro and small enterprises.
11. The Company is yet to receive the Balance confirmations in respect of certain Bank Balances, Sundry Creditors, Sundry Debtors and advances. The balances are, therefore, as per the books of account only.
12. Capital Work-in-progress includes an unfinished commercial outlet purchased by the Company from its subsidiary for which the lease deed is yet to be executed.
13. The Company has entered into an agreement dated 08.11.1999 with The Kolkata Municipal Corporation (KMC) for installation, development and maintenance of Multilevel Computerized Car Parking System (hereinafter referred to as 'Project') at Rawdon Street, Kolkata. The Company with the consent of KMC has nominated M/s Simpark Infrastructure Pvt. Ltd. (SIPL) to carry out the said project, which is on Built-Own-Operate-Transfer (BOOT) basis for a period of 20 years. KMC has given a deposit of Rupees Three crore to the Company as interest free deposit, to be refunded to them only out of the profits to be earned under a joint venture with KMC to develop commercial complex on a land to be allotted by the KMC. The same has been adjusted by the company against civil and other work of the project undertaken by it from SIPL. The company has, accordingly adjusted the deposit on completion of execution of civil and other works.

Similarly, the Company has entered into another agreement dated 21/10/2002 with the KMC for installation, development and maintenance of another Multilevel Underground Car Parking System at New Market, Lindsay Street, Kolkata, which in accordance with its earlier agreement, has been nominated to the said SIPL to carry out the construction of said project, to lease out commercial outlets and also to enter into Lease Agreement with the prospective lessee with a right to collect all receivable against Lease Premium. The company, however, acts as a Confirming Party to all the lease agreements entered into by the said SIPL with the allottee's of the commercial outlets.

SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT

14. Contingent Liabilities:

- a) There are outstanding guarantees amounting to Rs. 868,40,26,870/- (Previous Year - Rs.159,59,94,544/-) and outstanding letters of credit amounting to Rs. 97,34,08,255/- (Previous Year - Rs. 6,28,29,980/-) given on behalf of the Company by Banks and an outstanding guarantee amounting to Rs.NIL /- (Previous Year – Rs.1,77,00,000/-) given on behalf of the subsidiary of the company by earmarking the limits of the company by the Banks, which are secured by the securities as specified in Schedule 3 of the accounts. The receipts of term deposits are also held by Banks towards margin money against the guarantees/letters of credit given by them on Company's behalf, besides the counter indemnity by the Company for such guarantees/letters of credit. The company has also given its corporate guarantee to a bank for financial assistance in foreign currency extend to its Associates amounting to Rs 2,88,26,560/- (Previous Year Rs 3,22,03,200/-)
- b) The Companies claims of certain deduction under the provisions of the Income Tax Act 1961 for the Assessment Year 2007-08 was disallowed by the Income Tax Authority, for which the company has preferred an appeal with the appellate Tribunal. The Company has also challenged the issue of claiming the said deduction in respect of assessment years 2005-06 to 2009-10 by a writ petition before the Hon'ble Calcutta High Court and obtained interim stay order from the said High Court restraining the Tax Authority from enforcing any demand against the Company. The impact of tax in case of an adverse decision is estimated at Rs. 4,81,45,128/-.
- c) Disputed Sales Tax / VAT under appeal with appropriate forum – Rs. 49,13,264/- (Previous Year – Nil.)

15. Value of Imports (C.I.F Basis) :

(In Rupees)

Particulars	Year ended 31st March, 2010	Year ended 31st March, 2009
Capital Goods	19,62,552	-
Raw Materials	1,89,70,289	2,21,55,786
Total	2,09,32,841	2,21,55,786

16. a) Earnings in Foreign Currency :

(In Rupees)

Particulars	Year ended 31st March, 2010	Year ended 31st March, 2009
On Contract Work (Gross Billing) (Overseas Branch)	206,95,82,480	Nil

b) Expenditure in Foreign Currency :

(In Rupees)

Particulars	Year ended 31st March, 2010	Year ended 31st March, 2009
Membership & Subscription	-	2,06,883
Travelling	21,98,642	66,11,160
Contract Expenses (Overseas Branch)	1,80,97,39,600	-
Others administrative expenses	9,58,302	-

17. Stores Consumed

Particulars	2009-10		2008-09	
	Value	% of total Consumption	Value	% of total Consumption
Imported (Into India)	1,89,70,289	1.17	2,21,55,786	1.65
Indigenous	160,91,61,195	98.83	1,31,65,70,713	98.35
TOTAL	162,81,31,484	100	1,33,87,26,499	100

SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT

18. Information in accordance with the requirements of revised Accounting Standards – 7 on Construction Contracts prescribed by the Companies (Accounting Standard) Rules, 2006:

Particulars	Year ended	
	31st March, 2010 (Rs)	Year ended 31st March, 2009 (Rs)
Contract revenue recognized for the year ended 31st March, 2010	6,06,04,73,616	3,16,61,80,426
Aggregate amount of contracts costs incurred and recognized profits (less recognised losses) up to 31st March, 2010 for all the Contracts in progress	10,63,38,85,564	5,32,90,89,027
The amount of Customers advances outstanding for contracts in progress as at 31st March, 2010	1,36,52,11,534	34,68,24,677
The amount of retention due from customers for Contracts in progress as at 31st March, 2010	28,40,68,700	14,06,89,143
Gross amount due from customers for Contracts in progress as at 31st March, 2010 (including work-in- progress of Rs.64,08,93,443/-)	1,67,28,45,971	1,00,29,18,364
Gross amount due to customers for contracts in progress as at 31st March, 2010 (including work-in- progress of Rs.1,69,76,040)	8,89,15,625	5,32,98,697

19. Segment information for the year ended 31st March, 2010

The Company's business activity falls mainly within a single primary segment i.e. construction business and hence there is no separate reportable business segment under primary segment reporting. However, as the Company is engaged in execution of work in overseas, the secondary segment reporting is prepared based on Geographical Segments.

Geographical Segment	Revenue		Assets		Capital Expenditure	
	Year Ended 31st March, 2010 Rs.	Year Ended 31st March, 2009 Rs.	Year Ended 31st March, 2010 Rs.	Year Ended 31st March, 2009 Rs.	Year Ended 31st March, 2010 Rs.	Year Ended 31st March, 2009 Rs.
India	399,08,91,136	-	412,18,23,999	-	15,08,04,393	-
Outside India	206,95,82,480	-	198,67,72,334	-	30,73,63,522	-
Total	606,04,73,616	-	610,85,96333	-	45,81,67,915	-

SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT

20. The Company has a co-operative incorporated under the laws of Netherland, by the name of Simplex Projects (Netherlands) Co-operative U.A., in partnership with M/s Simplex fiscal Holdings Pvt. Ltd. The profit and loss sharing of the co-operative between the company and its partner is in the ratio of 99:1. As the co-operative is yet to commence its business, the entire expenses have been taken as pre-operative expenses.

21. Disclosure in respect of Joint Ventures:

a) List of Joint Venture

Name of Joint Venture	Name of JV Partner	Proportion of Ownership	Country of Incorporation / Residence	Method of Accounting
Triveni Engicons Pvt. Ltd.- Simplex Projects Ltd. (JV)	Triveni Engicons Pvt Ltd	98%	India	Percentage Completion

b) Financial Interest in the Jointly Controlled Entity (un-audited)

(In Rupees)

Particulars	Year ended 31st March 2010	Year ended 31st March 2009
Assets	18,32,98,554	25,05,45,914
Liabilities	18,32,98,554	25,05,45,914
Income	23,70,31,723	49,84,17,727
Expenditure	23,70,45,752	49,84,17,727

In respect of Joint Venture the Company along with the JV partner is jointly & severally responsible for performance of the contract.

The amount of Rs.3,35,45,499/- (Previous Year – Rs. 19,85,90,768/-) due from the joint venture have been included in Sundry Debtors. The investment in joint venture amounting to Rs.20,000/- (Previous Year – Rs.20,000/-) are included under the head Other Advances.

22. Related Party Disclosures pursuant to Accounting Standard (AS) – 18 issued by the Institute of Chartered Accountants of India

I. Related Parties and their Relationships:

Name of Related Parties	Nature of Relationships
Mr. B.K. Mundhra	Key Management Personnel
Mr. J.K. Bagri	Key Management Personnel
Mr. R.D. Mundhra	Key Management Personnel
Mr. S.D. Mundhra	Key Management Personnel
Mrs. Krishna Devi Mundhra	Relative of Key Management personnel
Mrs. Pushpa Mundhra	Relative of Key Management personnel
Simpark Infrastructure Pvt. Ltd.	Subsidiary
Simplex Projects (Netherlands) co-operative UA	Jointly controlled Entity / Joint Venture
Triveni Engicons Pvt. Ltd – Simplex Projects Ltd (JV)	Jointly controlled Entity / Joint Venture
Bharat Gypsum Pvt. Ltd.	Other related party (Entities in which Key Management Personnel or Relatives of Key Management Personnel have control or significant influence).

SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT

Name of Related Parties	Nature of Relationships
SPL International BV	Other related party (Entities in which Key Management Personnel or Relatives of Key Management Personnel have control or significant influence).
Pioneer Engineering Co. Pvt. Ltd.	
Simplex Fiscal Holdings Pvt. Ltd.	
Kirti Vinimay Pvt. Ltd.	
Datson Exports Ltd.	
Prozen Merchants Pvt. Ltd.	
Simplex Foundation	
Vasudha Vanijya Pvt Ltd	

II. Material Transactions with Related Parties during year ended 31st March, 2010.

Nature of transaction	Description of	Related Party	March 31, 2010	March 31, 2009
Transactions during the year				
Director's Remuneration	Key management personnel	Mr. B. K. Mundhra	24,25,920	17,61,655
		Mr. J. K. Bagri	16,68,786	12,38,486
		Mr. R. D. Mundhra	14,52,806	10,35,844
		Mr. S. D. Mundhra	14,02,130	9,85,115
Dividend Paid	Other related party	Kirti Vinimay Pvt. Ltd.	8,52,857	8,52,857
		Pioneer engineering Co. Pvt Ltd	7,20,215	7,20,215
		Bharat Gypsum Pvt. Ltd.	10,37,144	10,37,144
		Datson Export Ltd	2,25,644	2,25,644
		Simplex Fisical Holdings Pvt Ltd	25,85,357	25,85,357
		Vasudha Vanijya Pvt Ltd	5,35,715	5,35,715
		Prozen Merchants Pvt Ltd	35,91,401	35,91,401
	Key management personnel	Mr. B. K. Mundhra	5,75,594	5,18,786
		Mr. S. D. Mundhra	1,28,786	1,28,786
		Mr. R. D. Mundhra	1,28,571	1,28,571
	Relative of Key Management personnel	Mrs. Krishna Devi Mundhra	215	215
	Relative of Key Management personnel	Mrs. Pushpa Mundhra	1,15,715	1,15,715
	Purchase of Assets/ Materials	Subsidiary	Simpark Infrastructure Pvt. Ltd.	-
Other related party		Datson Export Ltd	-	16,12,000
Rent Paid	Other related party	Kirti Vinimay Pvt. Ltd.	12,00,000	12,00,000
		Datson Export Ltd	67,164	67,164
		Mundhra Estate	46,080	46,080
Rendering of service	Jointly controlled entity/Joint Venture	Triveni Engicons Pvt. Ltd. – Simplex Projects Ltd. (JV)	23,70,31,723	48,84,49,372
	Other related party	Pioneer engineering Co. Pvt Ltd	5,49,744	5,44,389
Interest paid		Datson Export Ltd	-	26,328

SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT

Nature of transaction	Description of	Related Party	March 31, 2010	March 31, 2009
Leasing and Hire purchase arrangement	Other related party	Datson Export Ltd	-	1,72,178
Loans and Advance given	Subsidiary	Simpark Infrastructure Pvt. Ltd	14,61,56,146	20,27,50,000
	Jointly controlled entity / Joint Venture	Simplex Projects (Netherlands) Co-operative UA	5,48,90,240	78,87,415
		Triveni Engicons Pvt. Ltd. – Simplex Projects Ltd. (JV)	-	10,000
	Other related party	Pioneer engineering Co. Pvt Ltd	-	1,59,00,000
		Simplex Fiscal Holdings Pvt Ltd	-	29,749
		Kirti Vinimay Pvt. Ltd.	38,00,000	3,27,50,000
Loans and Advance taken	Other related party	Kirti Vinimay Pvt. Ltd.	-	-
		Prozen Merchants Pvt Ltd	-	32,00,000
Balance outstanding at the year end				
Loans and advance given	Subsidiary	Simpark Infrastructure Pvt. Ltd	31,83,00,000	18,98,36,309
	Jointly controlled entity / Joint venture	Simplex Projects (Netherlands) Co-operative UA	6,27,77,655	78,87,415
	Other related party	Kirti Vinimay Pvt. Ltd.	-	15,00,000
Sundry Debtors	Subsidiary	Simpark Infrastructure Pvt. Ltd	-	2,09,50,014
	Jointly controlled entity / Joint venture	Triveni Engicons Pvt. Ltd. Simplex Projects Ltd. (JV)	3,35,45,499	19,85,90,768
Other Current Assets	Subsidiary	Simpark Infrastructure Pvt. Ltd	-	70,61,698
	Jointly controlled entity / Joint venture	Triveni Engicons Pvt. Ltd. – Simplex Projects Ltd. (JV)	20,000	20,000
	Other related party	Pioneer engineering Co. Pvt Ltd	-	1,54,25,000
		Datson Export Ltd	-	1,42,349
		Simplex Phisical Pvt. Ltd.	-	29,749
		Kirti Vinimay Pvt. Ltd.	2,42,12,036	2,55,98,234
Current Liabilities	Other related party	Pioneer engineering Co. Pvt Ltd	-	5,42,146
		Prozen Merchants Pvt Ltd	-	11,700
		Datson Export Ltd	-	2,63,673
		Mundhra Estate	11,520	1,22,880

23. The disclosures required under Accounting Standard 15 “Employee Benefits” notified in the Companies (Accounting Standards) Rules 2006, are given below:

Defined Contribution plan

Contribution to Defined Contribution Plan, recognized are charged off for the year are as under:

(In Rupees)

Employer's Contribution to Provident Fund	29,72,992
Employer's Contribution to Superannuation Fund	-
Employer's Contribution to Pension Scheme	17,46,164

SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT

Defined Benefit Plan

The employees' gratuity fund scheme managed by Life Insurance Corporation of India is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognized in the same manner as gratuity.

(In Rupees)

	Year ended 31st March, 2010		Year ended 31st March, 2009	
	Gratuity (Funded)	Leave (encashment) (unfunded)	Gratuity (Funded)	Leave encashment (unfunded)
a. Reconciliation of opening and Closing balances of Defined benefit obligation				
Defined Benefit obligation at beginning of the year	61,12,660	19,39,051	41,04,721	30,14,131
Current Service Cost	12,84,878	6,47,298	12,21,928	4,48,259
Interest Cost	4,83,548	1,55,124	3,05,860	2,26,059
Actuarial gain/(loss)	12,35,942	(38,906)	5,33,299	(17,49,398)
Benefits paid	1,36,601	-	53,149	-
Defined Benefit obligation at year end	89,80,428	27,02,567	61,12,660	19,39,051
b. Reconciliation of opening and Closing balances of fair value of plan assets				
Fair value of plan assets at beginning of the year	38,27,878	-	35,14,423	-
Expected return on plan assets	3,06,230	-	2,81,153	-
Actuarial gain/(loss)	1,45,506	-	38,956	-
Employer contribution	19,00,089	-	46,494	-
Benefits paid	1,36,601	-	53,149	-
Fair value of plan assets at year end	60,43,103	-	38,27,878	-
Actual return on plan assets	-	-	-	-
c. Reconciliation of opening and Closing balances of fair value of plan assets				
Fair value of plan assets as at 31st March, 2009	60,43,103	-	38,27,878	-
Present value of obligation as at 31st March, 2009	89,80,428	-	61,12,660	-
Amount recognized in balance Sheet	(29,37,325)	-	(22,84,782)	-
d. Reconciliation of opening and Closing balances Closing balances				
Current Service Cost	12,84,878	6,47,298	12,21,928	4,48,259
Interest Cost	4,83,548	1,55,121	3,05,860	2,26,059
Expected return on plan assets	3,06,230	-	2,81,153	-
Actuarial gain / (loss)	10,90,435	(38,906)	4,94,342	(17,49,398)
Net Cost	25,52,632	7,63,516	17,40,978	(10,75,080)
e. Investment Details	% invested as at 31st March, 2010		% invested as at 31st March, 2009	
L.I.C. Group Gratuity (Cash Accumulation) Policy		100		100

SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT

	For the year ended 31st March, 2010		For the year ended 31st March, 2009	
	Gratuity (Funded)	Leave encashment (unfunded)	Gratuity (Funded)	Leave encashment (unfunded)
a. Actuarial assumptions				
Mortality Table (L. I. C.)	LICI 1994-1996		LICI 1994-1995	
Discount rate (per annum)	8%	8%	7.5%	7.5%
Expected rate of return on plan assets (per annum)	8%	8%	8%	8%
Rate of escalation in salary (per annum)	5%	5%	5%	5%
Formula used	Projected Unit Credit Method		Projected Unit Credit Method	

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

24. Information pursuant to clause 32 of the listing agreements with Stock Exchange :

The company has given an interest free advance to Simpark Infrastructure Pvt. Ltd., a wholly-owned subsidiary of the company, having no repayment schedule and outstanding balance is **Rs.31,83,00,000/-** (Previous Year Rs. 18,98,36,309/-)

25. Earnings Per Share

Sl No.	Particulars	For the year ended 31st March, 2010	For the year ended 31st March, 2009
a)	Net Profit after tax available for equity shareholder	Rs. 36,06,11,412	Rs.19,91,25,953
b)	Weighted Average number of equity shares for Basic EPS	12391611	12000378
c)	Weighted Average number of equity shares for Diluted EPS	12391611	12000378
d)	Basic EPS	Rs. 29.10	Rs.16.59
e)	Diluted EPS	Rs. 29.10	Rs.16.59

26. During the year the company has issued 6,00,000 equity shares of face value of Rs. 10 each on preferential basis at a price of Rs. 135/-. The proceeds of the issue have been utilized for the purpose of working capital requirements.

27. Information pursuant to the provisions of Paragraph 3 and 4 of the Part II of Schedule VI of the Companies

Act, 1956:

- i) Licensed Capacity
- ii) Installed Capacity
- iii) Actual Production
- iv) Opening & Closing Stock of Goods Produced ascertainable.
- v) Raw Material Consumption
- vi) TURNOVER

The Company being Civil Engineering Construction concern, these are not applicable as in running contracts quantities of different type of work is not ascertainable.

(In Rupees)

PILING	BUILDING	BRIDGE & FLYOVER	INDUSTRIAL & OTHERS	TOTAL BILLING
8,79,25,149/-	4,40,80,30,047/-	42,49,27,928/-	1,13,95,90,492/-	6,06,04,73,616/-
31st March, 2009				
52,21,30,754/-	1,50,01,38,713/-	27,23,72,003/-	87,15,38,954/-	3,16,61,80,425/-

SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT

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

Balance Sheet Abstract and Company's Business Profile.

I Registration Details :

Registration No. 2 1 - 5 0 1 0 1

State Code 2 1

Balance Sheet Date 3 1 0 3 2 0 1 0

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

Public Issue 6 0 0 0 Right Issue N I L Bonus Issue N I L Private Placement N I L

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

Total Liabilities
6 1 0 8 5 9 6

Total Assets
6 1 0 8 5 9 6

Sources of Funds

Paid up Share Capital 1 2 6 0 0 4
Reserves & Surplus 1 6 5 3 7 6 2
Secured Loans 9 8 7 2 8 6
Unsecured Loans 7 0 6 9 2 7
Deferred Tax Liability 5 5 7 9 2

Application of Fund

Net Fixed Assets 1 0 3 2 1 1 5
Net Current Assets 2 3 7 5 0 0 0
Investments 1 2 2 6 5 6

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

Turnover (including other income)

6 1 9 3 5 8 7

Total Expenditure

5 6 9 6 5 2 5

[+/-] Profit/Loss before Tax

+ 4 9 7 0 6 2

[+/-] Profit/Loss after Tax

+ 3 6 0 6 1 1

Earning per share in Rs.

2 9 . 1 0

Dividend Rate%

1 5

V Generic Names of Three Principal Products / Services of the Company (as per monetary terms)

Item Code No. (ITC Code)	N I L	Product Description	Concreting, Building & Finishing Work
Product Description	Piling	Item Code No. (ITC Code)	N I L
Item Code No. (ITC Code)	N I L	Product Description	Miscellaneous Work

29. Previous year's figures have been re-arranged / regrouped where ever considered necessary.

SIGNATURES TO SCHEDULES " 1 TO 12"

For and on behalf of
CHATURVEDI & COMPANY
Firm Registration No. - 302137E
Chartered Accountants
Nilima Joshi
Partner
Membership No.52122
Kolkata,
Dated: 26th May, 2010

B. K. Mundhra
Chairman & Managing Director

Anand Chopra
Director

J. K. Bagri
Director

B. K. Dash
Company Secretary

INFORMATION REGARDING SUBSIDIARY COMPANY

Statement pursuant to section 212(1)(e) of the Companies Act, 1956

1. Name of the Subsidiary	Simpark Infrastructure Private Limited
2. The Financial Year of the Subsidiary Company ended on	31st March, 2010
3. i) No. of Shares held at the end of the financial year of the Subsidiary	31,85,200
ii) Extent of Holding	100%
4. The net aggregate of profits/losses and reserves of the Subsidiary Company so far as it concerns the Holding Company :	
i) dealt with in the accounts of the Company by way of dividends on the shares held in the Subsidiary Company :	
a) For the financial year of the Subsidiary Company	NIL
b) For the previous financial year of Subsidiary Company since they became a subsidiary of the Simplex Projects Ltd.	NIL
ii) Not dealt with in the accounts of the Company	
a) For the financial year of the Subsidiary Company.	Rs. 1,15,936
b) For the previous financial year of Subsidiary since they became a subsidiary Company of the Company	Rs. 4,62,721

B. K. Mundhra
Chairman & Managing Director

J. K. Bagri
Director

Place : Kolkata
 Date : 26th May, 2010

Anand Chopra
Director

B. K. Dash
Company Secretary

SIMPARK INFRASTRUCTURE PRIVATE LIMITED

Board of Directors

Sri Vijay Goverdhandas Kalantri

Sri Achyut Ghosh

Sri Parag Chandulal Mehta

Sri Nitindra Nath Som

Sri Arup Choudhuri

Sri Pradeep Mishra

Auditors

Chaturvedi & Company
Chartered Accountants

Banker

UCO Bank

Registered Office

12/1B, Nellie Sengupta Sarani,
Kolkata - 700 087, India
Phone : +91-33-2252 4125 / 7900
Fax : +91-33-22528013
E-mail : info@simparkinfrastucture.com
Website : www.simparkinfrastucture.com

To

The Members,

SIMPARK INFRASTRUCTURE PRIVATE LIMITED

Your Directors have pleasure in presenting their 15th Annual Report together with the Audited Statement of Accounts for the year ended 31st March, 2010:

FINANCIAL RESULTS

The performance of the Company for the financial year ended 31st March, 2010 is summarized below:

Particulars	Year ended	Year ended
	31st March, 2010	31st March, 2009
	Rs.	Rs.
Total Income	16,91,82,427	10,72,62,936
Less : Operating Expenditures	15,67,34,994	7,22,33,659
Profit before Interest, Depreciation and Tax	1,24,47,433	3,50,29,277
Less : Interest	3,44,196	2,25,21,690
Depreciation	1,19,66,001	1,19,23,666
Profit before tax	1,37,236	5,83,921
Less : Provisions for Taxation	21,300	1,21,200
Profit After Tax	1,15,936	4,62,721
Add : Balance brought forward from last Year	3,36,75,493	3,32,12,772
Balance Profit carried to Balance Sheet	3,37,91,429	3,36,75,493

The Board proposes to carry over the said balance of Rs. 3,37,91,429 to Balance Sheet.

REVIEW OF OPERATIONS:

As you are aware your Company has the first mover advantage in the business of development, installation, operation and maintenance of Multi-level car parking systems. We believe that there are sizeable opportunities in this space, given the increase in car ownership and its impact on weak infrastructure, leading to traffic and congestion problems. The rapid urbanisation and the pressure on infrastructure has increased the governments focus on urban development. State governments across the country are launching various multi-level parking projects on a BOT basis to improve urban infrastructure and relieve traffic congestion problem.

Leveraging on its technical expertise and demonstrated capabilities, your Company has recently won four new projects in Jaipur (Two Projects), Noida and Guwahati to develop multi – level commercial car parking projects.

Your Company, during the year under review, has made a profit of Rs. 1,37,236 out of the operations. The said amount, together with the brought forward profit of Rs. 3,36,75,493 is proposed to be carried over to the Balance Sheet.

DIVIDEND

To conserve the resources, your Directors do not recommend payment of any dividend on equity shares for the year.

CAPITAL EXPENDITURE

During the period under review, the Company has made additions to the Fixed Assets amounting to Rs.1,375,842/. Additions were required for augmenting the Company's operational efficiency.

PUBLIC DEPOSITS

During the year the Company has not accepted any deposits within the purview of Section 58A and 58AA of the Companies Act, 1956.

HOLDING COMPANY

During the year under review, Simplex Projects Limited continued to hold the entire share capital of the Company, making your Company its wholly owned subsidiary.

DIRECTORS

Mr. Parag Chandulal Mehta and Mr. Nitindra Nath Som, Directors retiring by rotation and being eligible, offer themselves for re-appointment. The Board recommends their re-appointment for your approval.

PRINCIPALS OF EMPLOYEES

During the year, the Company had no employees drawing remuneration equal to or more than the limits prescribed under section 217 (2A) of the Companies Act 1956, read with Rule 1A of the Companies (Particulars of Employees) Rules 1975.

DISCLOSURE OF PARTICULARS

Disclosure as required under Section 217 (1) (c) of the Companies Act 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988, showing the particulars of Conservation of Energy in Form A and Technology Absorption in Form B :

The Company, not being a manufacturing company, is advised that Forms A and B are not applicable to it.

FOREIGN EXCHANGE EARNING & OUTGO

Total Foreign Exchange used and earned during the year:

	2009-10 Rs.	2008-09 Rs.
Foreign exchange earned	-	22,33,173
Foreign Exchange used	92,825	9,30,730

DIRECTORS' RESPONSIBILITY STATEMENT

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

- i) in the preparation of the Annual Accounts, the applicable accounting standards had been followed;
- ii) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year;
- iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the directors have prepared the accounts for the financial year ended 31st March, 2010 on a going concern basis.

AUDITORS

M/s. Chaturvedi & Company, Chartered Accountants, retires on the conclusion of the ensuing Annual General Meeting and have signified their willingness to continue in office, if reappointed and have confirmed their eligibility under Section 224 (1B) of the Companies Act 1956. The Board recommends re-appointing them as Auditors

COMPLIANCE CERTIFICATE

Compliance Certificate, in compliance with the proviso to Sub-section (1) of Section 383A of the Companies Act, 1956, read with the Companies (Compliance Certificate) Rule, 2001, was issued by M/s. A. K. Labh & Co., Company Secretaries.

ACKNOWLEDGEMENT

We wish to express our grateful appreciation for the valuable support and cooperation received from our valuable customers, lenders, business associates, banks, financial institutions, various statutory authorities and agencies of Central and State Governments and Simplex Projects Limited, our Holding Company. We place on record our appreciation of the contribution made by employees at all levels. Our flawless growth was made possible by their hard and sincere work, solidarity, cooperation and support.

By Order of the Board
For **SimPark Infrastructure Private Limited**
Pradeep Mishra
Director

Registered Office :
12/1B, Nellie Sengupta Sarani
Kolkata - 700 087

Date : 26th May, 2010

To
The Members

Simpark Infrastructure Private Limited

1. We have audited the attached Balance sheet of **M/S SIMPARK INFRASTRUCTURE PVT. LTD.** as at 31st March 2010, and also the profit and loss account and the Cash Flow statement for the period ended on that date annexed there to. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 and as amended by the Company (Auditors Report) (Amendment) order 2004 "the order" issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we set out in the Annexure a statement on the matters specified in Paragraph 4 and 5 of the said order.
4. Further to our comments in the Annexure referred in paragraph 3 above we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books.
 - (iii) The Balance sheet Profit & loss account and Cash Flow statement dealt with by this report are in agreement with the books of account.
 - (iv) In our opinion, the Balance sheet, Profit & loss account and Cash Flow statement dealt with by this report comply with the accounting standards, as referred to in Section 211(3C) of the Companies Act, 1956.
 - (v) On the basis of written representations received from the directors, as on 31st March 2010 and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31st March 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts, read together with other notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) In the case of the Balance sheet, of the state of affairs of the company as at 31st March, 2010.
 - (b) In the case of the profit and loss account, of the profits for the year ended on the date; and
 - (c) In the case of the Cash Flow statement, of the Cash Flows for the year ended on that date.

For **Chaturvedi & Company**
Firm Registration Number - 302137E
Chartered Accountants

Nilima Joshi
Partner

Place : Kolkata
Dated : 26th May, 2010

Membership No.52122

ANNEXURE TO AUDITORS' REPORT

ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF M/S. SIMPARK INFRASTRUCTURE PRIVATE LIMITED ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2010

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management during the period end which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us, no fixed assets have been disposed off during the period, which has bearing on the going concern assumption.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the period.
- (b) The procedures of physical verifications of inventory followed by the management are, in our opinion, reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) (a) According to the information and explanation given to us, the company has Taken advance in the nature of loans from M/S Simplex Projects Ltd., a Holding Company of the Company which is covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount outstanding at any point of time during the year was Rs. 31,83,00,000/- and the year end balance of the same is Rs. 31,83,00,000/-.
- (b) According to the information and explanation given to us, the advances taken from the holding company is interest free which as per the management is not prejudicial to the interest of the company.
- (c) The company has not given any loans to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act 1956.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and for the sale of goods. Further during the course of our audit, we have neither come across nor have we been informed of any instance of major weaknesses in internal control procedures.
- (v) (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management we are of the opinion that, transactions that need to be entered into the register maintained under Section 301 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained u/s. 301 of the Act and exceeding a value of Rupees five lacs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (vi) The Company has not accepted any deposits under section 58A and 58AA of the Companies Act, 1956 from public during the period.
- (vii) In our opinion, the company has an internal audit system, which is commensurate with the size and nature of its business.
- (viii) As explained to us the Central Government has not prescribed for the maintenance of cost record under section 209(1)(d) of the Companies Act, 1956 in respect of the business of the Company.
- (ix) (a) According to the information and explanations given to us, the company is regular in depositing

with appropriate authorities undisputed statutory dues including, Income tax, custom duty and other material statutory dues, as applicable.

- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Income tax, Wealth tax, Service tax, Sales tax, Customs duty, Excise duty and Cess and other material statutory dues for a period of more than six months from the date they became payable were outstanding, as at 31st March, 2010.
- (c) According to the information and explanation given to us, there are no dues of sales tax, income tax, custom duty, wealth tax, excise duty and cess that have not been deposited on account of any dispute.
- (x) The Company does not have any accumulated losses at the end of period. The Company has not incurred Cash losses during the period or in the immediately preceding financial year.
- (xi) *On the basis of information and explanations given to us and on the basis of examination of books of account, we report that there has been delay in repayment of the principal in respect of loans taken from the bank, aggregating to Rs.8, 90,000/- by due dates, which has subsequently been paid..*
- (xii) Based on our examination of documents and records and according to the information and explanation given by the management the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the company is not a chit fund or a Nidhi mutual benefit fund / society. Therefore the provisions of clause 4(xiii) of the Companies (Auditors Report) Order, 2003 are not applicable to the company.
- (xiv) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditors Report) Order 2003 are not applicable to the company.
- (xv) As per the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions during the period.
- (xvi) The company has not availed any term loan during the year.
- (xvii) According to the informations and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) According to the informations and explanations given to us, the company has not made any preferential allotment of shares to parties and/or companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) According to the information and explanation given to us, no debentures have been issued by the Company during the period.
- (xx) Based on the records examined by us, the Company has not raised any money by public issues during the period.
- (xxi) During the course of our examination of books of accounts carried out in accordance with generally accepted auditing practices in India and according to the informations and explanations given to us we have neither come across any instance of fraud on or by the company nor have we been informed of such case by the management.

For **Chaturvedi & Company**
Firm Registration Number - 302137E
Chartered Accountants

Nilima Joshi
Partner

Place : Kolkata
Dated : 26th May, 2010

Membership No.52122

BALANCE SHEET

as at 31st March, 2010

Schedule	As At 31st March, 2010		As At 31st March, 2009	
	Rs.	Rs.	Rs.	Rs.
SOURCES OF FUNDS				
Shareholders' Fund				
Share Capital	1	3,18,52,000	3,18,52,000	
Reserves & Surplus	2	8,97,91,429	8,96,75,493	12,15,27,493
Deposit from CMC (Long Term)		3,00,00,000		3,00,00,000
Loan Funds:				
Secured Loans	3	-		44,40,578
TOTAL		15,16,43,429		15,59,68,071
APPLICATION OF FUNDS				
FIXED ASSETS				
Gross Block	4	23,73,41,802	23,72,94,482	
Add: During the year		13,75,842	47,320	
		23,87,17,644	23,73,41,802	
Less: Depreciation		6,06,33,608	4,86,67,607	
Net Block		17,80,84,036	18,86,74,195	
Capital Work-in-Progress		1,75,82,533	1,48,84,326	20,35,58,521
INVESTMENTS	5			83,662
CURRENT ASSETS, LOANS & ADVANCES	6			
Inventories		16,72,30,098	2,59,68,431	
Cash & Bank Balances		1,54,70,887	43,79,035	
Sundry Debtors		11,16,72,553	13,85,95,205	
Loans & Advances		36,84,300	1,87,55,100	
Other Current Assets		92,58,874	84,16,045	
		30,73,16,712	19,61,13,816	
CURRENT LIABILITIES & PROVISIONS	7			
Current Liabilities & Provisions		35,14,23,514	24,37,87,927	
NET CURRENT ASSETS		(4,41,06,802)		(4,76,74,111)
TOTAL		15,16,43,429		15,59,68,071
NOTES ON ACCOUNTS	10			

As per our report of even date annexed.

For and on behalf of
CHATURVEDI & COMPANY
 Firm Registration Number - 302137E
 Chartered Accountants

Nilima Joshi
 Partner

Membership No.52122
 Kolkata,
 Dated : 26th May, 2010

Achyut Ghosh
 Director

Arup Choudhuri
 Director

Pradeep Mishra
 Director

PROFIT AND LOSS ACCOUNT

for the year ended 31st March, 2010

Schedule	Year ended 31st March, 2010		Year ended 31st March, 2009	
	Rs.	Rs.	Rs.	Rs.
INCOME				
Income from Parking Operations and Advertisement		1,43,32,007		1,33,82,986
Income from Lease Premium		-		7,09,03,256
Fee from Parking Consultancy		25,00,000		-
Sale of Parking Systems		52,14,719		1,68,13,000
Other Income	8	7,75,698		6,81,315
Closing Project Work-in-Progress		14,63,60,003		54,82,379
TOTAL		16,91,82,427		10,72,62,936
EXPENSES				
Operating & Maintaining Expenses	9	76,39,836		52,52,416
Cost of Completed Project		27,35,154		6,14,98,864
Projects Work-in-Progress				
Opening		54,82,379		5,68,34,226
Add: Incurred during the year		14,08,77,624		5,81,620
		14,63,60,003		5,74,15,846
Less: Cost of Completed Project		-		5,19,33,467
Interest		3,44,196		2,25,21,690
Depreciation		1,19,66,001		1,19,23,666
TOTAL		16,90,45,191		10,66,79,015
PROFIT / (LOSS) BEFORE TAX		1,37,236		5,83,921
Provision for Taxation		21,300		66,200
Fringe Benefit Tax		-		55,000
PROFIT / (LOSS) AFTER TAX		1,15,936		4,62,721
Balance Brought Forward from previous year		3,36,75,493		3,32,12,772
BALANCE CARRIED TO BALANCE SHEET		3,37,91,429		3,36,75,493
Basic and Diluted Earnings Per Share (Note 13 of Schedule 10)		0.04		0.15
NOTES ON ACCOUNTS	10			

The Schedule referred to above form an integral part of the Profit & Loss Account.

For and on behalf of
CHATURVEDI & COMPANY
 Firm Registration Number - 302137E
 Chartered Accountants

Nilima Joshi
 Partner

Membership No.52122
 Kolkata,
 Dated : 26th May, 2010

Achyut Ghosh
 Director

Arup Choudhuri
 Director

Pradeep Mishra
 Director

CASH FLOW STATEMENT

for the year ended 31st March, 2010

Particulars	Schedule	Year ended 31st March, 2010		Year ended 31st March, 2009	
		Rs.	Rs.	Rs.	Rs.
Net profit before tax			1,37,236		5,83,921
Adjustments for:					
Depreciation		1,19,66,001		1,19,23,666	
Interest (Net)		2,30,835		2,24,14,901	
Dividend		(4,213)		(5,808)	
Provision for Employee Benefit		(99,202)		(1,060)	
Liability no longer required written back		(68,965)	1,22,22,860	(1,58,000)	3,41,73,699
Operating Profit before working capital changes			1,23,60,096		3,47,57,620
Adjustment for:					
Trade & other receivables		5,05,54,038		(3,00,94,022)	
Inventories		(14,12,61,667)		5,24,56,342	
Trade payables		9,87,45,005	80,37,376	13,21,17,979	15,44,80,299
Cash generated from operations			2,03,97,473		18,92,37,919
Direct Taxes Paid			(5,05,013)		(21,37,064)
Fringe Benefit Tax Paid			(54,425)		(1,23,882)
Net Cash flow from Operative Activities			1,98,38,034		18,69,76,973
CASH FLOW FROM INVESTING ACTIVITIES					
Purchase of fixed assets		(40,74,048)		(92,25,728)	
Interest Received		1,08,427		96,275	
Dividend		4,213		5,808	
Inter-corporate Deposit		-		-	
Net Cash used in Investing Activities			(39,61,408)		(91,23,645)
CASH FROM FINANCING ACTIVITIES					
Repayment of long term borrowing		(44,40,578)		(16,85,65,271)	
Interest Paid		(3,44,,196)		(2,25,21,690)	
Net cash flow from Financing Activities			(47,84,774)		(19,10,86,961)
Net Increase/(Decrease) in Cash & Cash Equivalents			(1,10,91,852)		(1,32,33,633)
Cash & Cash equivalents at the beginning of the Year (Refer Schedule 6 to Accounts)		43,79,035		1,76,12,668	
Cash & Cash equivalents at the end of the Year (Refer Schedule 6 to Accounts)		1,54,70,887	1,10,91,852	43,79,035	(1,32,33,633)

For and on behalf of
CHATURVEDI & COMPANY
 Firm Registration Number - 302137E
 Chartered Accountants

Nilima Joshi
 Partner

Membership No.52122
 Kolkata,
 Dated : 26th May, 2010

Achyut Ghosh
 Director

Arup Choudhuri
 Director

Pradeep Mishra
 Director

SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT

	As At 31st March, 2010		As At 31st March, 2009	
	Rs.	Rs.	Rs.	Rs.
SCHEDULE - 1				
SHARE CAPITAL				
Authorised				
32,50,000 Equity Shares of Rs.10/- each (Previous year 32,50,000 Equity Shares)		3,25,00,000		3,25,00,000
Issued, Subscribed & Paid-up				
31,85,200 Equity Shares of Rs.10/- each fully paid-up in cash (Previous year 31,85,200 Equity Shares)		3,18,52,000		3,18,52,000
		3,18,52,000		<u>3,18,52,000</u>
SCHEDULE - 2				
RESERVES AND SURPLUS				
Securities Premium Account as per last account	5,60,00,000		5,60,00,000	
Add : Received during the year	-	5,60,00,000	-	5,60,00,000
Profit and Loss Account	3,37,91,429		3,36,75,493	
Less : Transition adjustment on adoption of AS-15(revised)	-	3,37,91,429	-	3,36,75,493
		8,97,91,429		<u>8,96,75,493</u>
SCHEDULE - 3				
SECURED LOANS				
Term Loan from UCO Bank (Secured by exclusive first charge on the Parking system of Rawdon Street, Kolkata and also on present & future receivables through escrow mechanism)		-		44,40,578
		-		<u>44,40,578</u>

SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT

SCHEDULE - 4

FIXED ASSETS

PARTICULARS	Original Cost as at 01.04.2009 Rs.	Additions during the year Rs.	Original cost as at 31.03.2010 Rs.	Depreciation as at 01.04.2009 Rs.	Depreciation for the year Rs.	Depreciation as at 31.03.2010 Rs.	Net Balance 31st March, 2010 Rs.	Net Balance 31st March, 2009 Rs.
BUILDING & STRUCTURE	10,35,72,724	-	10,35,72,724	2,19,77,154	51,78,636	2,71,55,790	7,64,16,934	8,15,95,570
PLANT & MACHINERY EQUIPMENT & MACHINERY	12,74,54,842	4,98,743	12,79,53,585	2,54,11,769	64,08,717	3,18,20,486	9,61,33,099	10,20,43,073
ELECTRICAL INSTALLATIONS	53,16,578	-	53,16,578	8,14,400	2,69,448	10,83,848	42,32,730	45,02,178
COMPUTERS	4,67,176	55,224	5,22,400	2,85,500	55,826	3,41,326	1,81,074	1,81,676
OFFICE EQUIPMENT	2,72,638	8,21,875	10,94,513	74,727	37,052	1,11,779	9,82,734	1,97,911
FURNITURE & FITTINGS	2,57,844	-	2,57,844	1,04,057	16,322	1,20,379	1,37,465	1,53,787
	23,73,41,802	13,75,842	23,87,17,644	4,86,67,607	1,19,66,001	6,06,33,608	17,80,84,036	18,86,74,195
As at 31st March, 2009	23,72,94,482	47,320	23,73,41,802	3,67,43,941	1,19,23,666	4,86,67,607	18,86,74,195	20,05,50,541

SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT

SCHEDULE - 5 INVESTMENTS

(Other than trade - At Cost)

Long Term

Quoted Nominal Value
of Shares (Rs.)

		As At 31st March, 2010		As At 31st March, 2009	
		Rs.	Rs.	Rs.	Rs.
2,400	Fully Paid Equity Shares of UCO Bank		28,800		28,800
1,000	Fully Paid Equity Shares of Vijaya Bank		24,000		24,000
72	Fully Paid Equity Shares of TCS		15,300		15,300
251	Fully Paid Equity Shares of NTPC Ltd.		15,562		15,562
			83,662		83,662
	Market Value of Investments		2,91,125		1,45,570
	Purchased / Sold during the year :		NIL		NIL

SCHEDULE - 6

CURRENT ASSETS, LOANS & ADVANCES

INVENTORIES

(As certified and valued by the management)

Parking Systems awaiting Installation		2,08,70,095		2,04,86,052	
(At lower of cost or net realizable value)					
Projects Work-in-Progress (At Cost)		14,63,60,003	16,72,30,098	54,82,379	2,59,68,431

CASH & BANK BALANCES

Cheques in hand		9,790		19,580	
Balance with Scheduled Banks:					
Current Account		1,41,97,486		31,87,955	
Fixed Deposits		12,63,611	1,54,70,887	11,71,500	43,79,035

SUNDRY DEBTORS

(Unsecured, Considered good)

Debts Outstanding for a period exceeding Six months		71,43,631		12,70,86,405	
Other Debts		10,45,28,922	11,16,72,553	1,15,08,800	13,85,95,205

OTHER CURRENT ASSETS

(Considered Good)

Advance Income Tax		81,42,316		76,37,303	
Advance Fringe Benefit Tax		1,78,307		1,23,882	
Security Deposit		2,87,827		2,87,827	
Advances to Staff		2,15,575		1,01,875	
Other Advance		4,09,435		2,44,678	
Interest Receivable		25,414		20,480	
			92,58,874		84,16,045
			36,84,300		1,87,55,100

Loans & Advances

(Advances recoverable in cash or in kind or for value to be received)

Advances against supply & services.			30,73,16,712		19,61,13,816
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SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT

	As At 31st March, 2010		As At 31st March, 2009	
	Rs.	Rs.	Rs.	Rs.
SCHEDULE - 7				
CURRENT LIABILITIES & PROVISIONS				
A) CURRENT LIABILITIES				
Sundry Creditors	54,92,831		3,57,94,907	
Advances Against Contract	78,01,884		1,88,221	
Advances Against Lease Premium	29,61,985		17,36,605	
Other Liabilities	95,29,490		90,15,063	
Interest free Advance from Holding Company	31,83,00,000	34,40,86,190	18,98,36,309	23,65,71,105
B) PROVISIONS:				
Provision for Income Tax	68,77,500		68,56,200	
Provision for Fringe Benefit Tax	1,81,000		1,81,000	
Provision for Employee Benefits	2,78,824	73,37,324	1,79,622	72,16,822
		35,14,23,514		24,37,87,926
	Year ended 31st March, 2010		Year ended 31st March, 2009	
	Rs.	Rs.	Rs.	Rs.
SCHEDULE - 8				
OTHER INCOME				
Interest				
Fixed Deposit with Bank (TDS Rs. 10,787/- Previous Year Rs. 17,526/-)	1,07,828		85,076	
Other Deposit (TDS Rs. NIL Previous Year Rs. NIL)	5,533	1,13,361	21,714	1,06,790
Dividend From Long Term Investment		4,213		5,808
Miscellaneous Receipts		5,89,159		4,10,717
Excess Provision Written Back		68,965		1,58,000
		7,75,698		6,81,315
SCHEDULE - 9				
OPERATING & MAINTAINING EXPENSES				
Revenue Shared with KMC		4,58,725		4,11,275
Salaries and other benefits to employees				
Salaries, Wages & Bonus	23,21,176		17,41,349	
Contribution to Provident & Other Funds	2,77,910		2,03,369	
Staff Welfare Expenses	1,52,665	27,51,751	1,28,703	20,73,421
Postage & Telephone Expenses		88,610		1,09,490
Repaires & Maintenance				
Plant and Machinery	15,75,210		3,82,147	
Others	35,348	16,10,558	12,186	3,94,333
Electricity Charges		50,468		-
Motor Vehicle Expenses		1,35,164		-
Travelling & Conveyance		2,64,385		29,110
Printing & Stationery		98,150		56,479
Brokerage on lease premises		1,08,140		8,41,423
Consultancy Charges		2,65,078		5,82,790
Rates & Taxes		1,02,440		23,420
Insurance		2,10,091		2,88,487
Auditors' Remuneration				
As Audit Fee	44,120		44,120	
As Tax Audit Fee	11,030		11,030	
Other Matters	-	55,150	1,685	56,835
Legal Charges		1,27,965		15,810
Sales & Promotional Expenses		5,00,786		49,500
Miscellaneous Expenses		7,03,709		3,20,043
Bad-Debts/Advances written off		1,08,666		-
		76,39,836		52,52,416

SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT

SCHEDULE 10

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

1 SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of Accounting

The financial statements have been prepared on accrual basis of accounting in conformity with the generally accepted accounting principles in India (GAAP) and comply with Accounting Standards prescribed by the Companies (Accounting Standard) Rules, 2006 and the relevant provisions of the Companies Act, 1956.

1.2 Revenue Recognition

- a) Fee collections from users of facility are accounted for when the amount is due and recovery is certain.
- b) Fee for amenities are accounted for on accrual basis and are net of Service tax, if any.
- c) Revenue from Commercial Real estate (received as lease premium) is recognized on making the initial agreement with the parties and receipt of substantial amount of total lease premium value.
- d) The management revises the estimates of saleable area and costs periodically. The effect of such changes to estimates is recognized in the period such changes are determined.
- e) Revenue from sale of parking systems are recognized upon delivery and erection, which is when the title passes to the customer.
- f) Interest income is recognized on a time proportion basis taking into the amount outstanding and the rate applicable.

1.3 Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/materialized.

1.4 Cost of construction/development

Cost of Construction / development incurred is charged to the Profit & Loss account proportionate to project area sold. Adjustment, if required, is made in project work in progress.

The estimated salable area cost of the project as determined, is based on management's estimate of the cost expected to be incurred till the final completion of the project and includes material, services and other related overheads. The effect of such changes to estimates is recognized in the period such changes are determined.

1.5 Inventories

Inventories are valued at cost under FIFO method or net realizable value, whichever is lower.

1.6 Fixed Assets

Fixed assets are valued at cost of acquisition less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Assets acquired under Hire Purchase arrangements are recorded at their cash values and the finance charges are charged to Profit and Loss Account as accrued.

1.7 Project Work-in-progress

Work-in-progress comprises cost of material, services and other related overheads related to projects under construction.

SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT

1.8 Depreciation

Depreciation on certain assets is provided on straight-line basis at the rates and in the manner specified in the Schedule XIV of the Companies Act, 1956. Assets constructed on land not owned by the company were amortized over a period of the rights given under the concession agreement as referred to in Note 2 hereinafter.

1.9 Impairment of Assets

The carrying cost of assets is reviewed at each Balance Sheet date to determine whether there is any indication of impairment of assets. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use.

1.10 Foreign Exchange Transaction

Transactions in foreign currencies are recognized in the reporting currency at the prevailing exchange rates on the transaction dates. Foreign currency monetary items are reported using the closing rate. Exchange difference arising on the settlement of monetary items or on reporting monetary items of the Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or expenses in the year in which they arise. Transactions completed during the year are accounted for at the then ruling rate.

The company is not using any derivative financial instruments to hedge its risks associated with foreign currency fluctuations.

1.11 Employment Benefits

The Company has adopted the Revised Accounting Standard 15- Employee benefits prescribed by Companies (Accounting Standards) Rules, 2006 with effect from 1st April 2007.

i) Short term benefits

Short term employee benefits are charged off at the undiscounted amount in the year in which the related service is rendered.

ii) Post employment benefits

Post employment benefits are charged off in the year in which the employee has rendered services. The amount charged off is recognized at the present value of the amounts payable determined using actuarial valuation technique. Actuarial gains and losses in respect of post employment benefits are charged to profit and loss account.

1.12 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Contingent assets are neither recognized nor disclosed in the financial statements.

1.13 Investment

Long term Investments are valued at cost. Current investments are stated lower of cost or fair market value. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary.

1.14 Taxation

Current tax is determined as the amount of tax payable in respect of taxable income for the year. Deferred tax liabilities is recognized being the difference between taxable incomes and accounting income that originate in one period are capable of reversal in one or more subsequent period.

SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT

1.15 Earnings per share

Earnings per shares are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

1.16 Borrowing Cost

Borrowing costs, attributable to acquisition and construction of qualifying assets, are capitalized as a part of such assets up to the date when such assets are ready for its intended use. Other borrowing costs are charged to the profit and loss account.

1.17 Cash and Cash equivalents

Cash and cash equivalents as indicated in the Cash Flow Statement comprise cash at bank and in hand and highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

1.18 Event occurring after the Balance Sheet Date

Material events if any occurring after Balance Sheet date are taken into cognizance.

Notes on Accounts

2. The Kolkata Municipal Corporation (KMC) has entered into an agreement-dated 08.11.1999 with M/s Simplex Projects Ltd. (SPL) for installation, development and maintenance of Multilevel Computerised Car Parking System (hereinafter referred to as 'RSPP') at Rawdon Street, Kolkata. SPL, with the consent of KMC has nominated the Company to carry out the said project, which is on Built-Own-Operate-Transfer (BOOT) basis for a period of 20 years. (KMC has given a deposit of Rupees three crores to SPL as interest free deposit, to be refunded to them only out of the profits earned under a joint venture with KMC to develop commercial complex on a land to be allotted by KMC. The same has been adjusted by SPL against civil and other work of the project undertaken by them. The company has, accordingly, accounted for the said deposit and adjusted the same on completion of execution of civil and other work by SPL).

Similarly, the said SPL has entered into another agreement dated 21/10/2002 with the KMC for installation, development and maintenance of another 'Multilevel Underground Car Parking System' at New Market, Lindsay Street, and Kolkata (hereinafter referred to as 'NMP'. The said New Market Project has two levels basement, of which the upper basement has been utilized for the purpose of commercial development for which the company will enter into a lease agreement for an initial period of sixty year with KMC. Some agreements for transfer of Commercial space to shop owner have been made and revenue to be realized on the same has been accounted as Income from Lease Premium.

3. a) Payment against supplies from small scale and ancillary undertakings are made in accordance with the agreed credit terms and to the extent ascertained from available information, there was no amount overdue as on 31.03.2010.

b) Based on the available information with the Company relating to the registration status of suppliers under the Micro, Small and Medium Enterprises Development Act, 2006, there are no dues to micro and small enterprises.

4. The Company is a service company and accordingly information required under paragraph 4(c) of Part II of Schedule VI to the Companies Act, 1956 has not been furnished.

5. The company is yet to receive the Balance conformation in respect of certain sundry creditors, sundry Debtors and advance. The balances are, therefore, as per the books of account only.

6. Segment Reporting

The Company's business activity falls mainly within a single primary segment i.e. multi level car parking system in India and hence there are no separate reportable segment as per Accounting Standard (AS) – 17.

7. Deferred Tax Asset

The deferred tax asset in the beginning as well as during the year has not been recognized, on prudence basis, in accordance with Accounting Standard – 22 issued by the Institute of Chartered Accountants of India, as there is no reasonable certainty for future taxable income against which it can be realized.

SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT

8. Expenditure in Foreign Currency:

Particulars	2009-10 Rs.	2008-09 Rs.
Travelling	92,825/-	9,30,730/-
Total	92,825/-	9,30,730/-

9. Earning in Foreign Currency :

Particulars	2009-10 Rs.	2008-09 Rs.
Sale of Parking System	-	22,33,173/-
Total	-	22,33,173/-

10. Contingent Liability

There are outstanding bank guarantees amounting to Rs. NIL (Year ended 31-03-2009 – Rs.1,77,00,000/-) given on behalf of the company by banks by earmarking the limits of its holding company by the bank. The receipts of the term deposits are also held by banks towards margin money against the guarantee/letters of credit given by them on company's behalf, besides the counter indemnity by the company for such guarantees.

11. The disclosures required under Accounting Standard 15 "Employee Benefits" notified in the Company's (Accounting Standard) Rules 2006, are given below.

Defined contribution plan

Contribution to defined contribution plan, recognized are charged off for the year as under:

	(In Rupees)
Employer's contribution to provident fund	85,620
Employer's contribution to superannuation fund	-
Employer's contribution to pension scheme	85,332

Defined Benefit Plan

The employees' gratuity fund scheme managed by Life Insurance Corporation of India is a defined benefits plan. The present value of obligation is determined based on actuarial valuation using the projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to built up the final obligation. The obligation for leave encashment is recognized in the same manner as gratuity.

	Year ended 31st March, 2010		Year ended 31st March, 2009	
	Gratuity (Funded)	Leave Encashment (unfunded)	Gratuity (Funded)	Leave Encashment (unfunded)
a. Reconciliation of opening and closing balances of Defined Benefit obligation				
Defined Benefit obligation at beginning of the year	1,32,581	47,041	74,740	1,05,942
Current Service Cost	35,360	40,290	31,251	2,223
Interest Cost	10,606	3,763	5,605	7,945
Actuarial (gain)/loss	6,481	2,700	21,020	(69,069)
Benefits paid	-	-	-	-
Defined Benefit obligation at the year ended	1,85,029	93,795	1,32,581	47,041

SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT

(In Rupees)

b. Reconciliation of opening and closing balances of fair value of plan assets	Not applicable as scheme is Unfunded		Not applicable as scheme is Unfunded	
Fair value of plan assets at beginning of the year	-	-	-	-
Expected return of plan assets	-	-	-	-
Actuarial (gain)/loss	-	-	-	-
Employer contribution	-	-	-	-
Benefits paid	-	-	-	-
Fair value of plan assets at the year end.	-	-	-	-
Actual return on plan assets	-	-	-	-
c. Reconciliation of fair value of assets and obligations	Not applicable as scheme is Unfunded		Not applicable as scheme is Unfunded	
Fair value of plan assets as at 31st March 2009	-	-	-	-
Present value of obligation as at 31st March, 2009	-	-	-	-
Amount recognized in balance sheet	-	-	-	-
d. Expenses recognized during the year				
Current Service Cost	35,360	40,290	31,251	2,223
Interest cost	10,606	3,763	5,605	7,945
Expected return on plan assets	-	-	-	-
Actuarial (gain)/loss	6,481	2,700	21,020	(69,069)
Net cost	52,448	46,754	57,841	(58,901)
e. Investment Details	% invested as at 31st March 2010		% invested as at 31st March, 2009	
L. I. C. Group Gratuity (Cash Accumulation) Policy	100		100	
f. Actuarial assumptions				
Mortality Table (L.I.C.)	LICI 1994-1996		LICI 1994 - 1996	
Discount rate (per annum)	8%	8%	7.5%	
Expected rate of return on plan assets (per annum)	0%	0%	0%	0%
Rate of escalation in salary (per annum)	5%	5%	5%	5%
Formula used	Projected unit credit method		Projected unit credit method	

The estimates of rate of escalation in salary considered in actuarial valuation, take into account, inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is satisfied by the Actuary. This being first year of the implementation, previous year figure have been not given.

12. Related party Disclosures pursuant to AS-18

Related party and their relationship

SL. No.	Name of Party	Relationship
1.	SIMPLEX PROJECTS LIMITED	Holding Company

SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT

Material transaction with related parties during the period ended 31st March, 2010.

Particulars	Holding Company Rs.	Total Rs.
Sale of Immovable Property	NIL (5,84,13,691)	NIL (5,84,13,691)
Advances Taken	14,61,56,146 (20,27,50,000)	14,61,56,146 (20,27,50,000)
Outstanding Balances as on 31st March, 2010		
Loan & Advance taken	31,83,00,000 (18,98,36,309)	31,83,00,000 (18,98,36,309)
Sundry Creditors	NIL (1,99,50,014)	NIL (1,99,50,014)
Current Liability	NIL (76,91,173)	NIL (76,91,173)

(Figures in brackets relate to previous year)

13. Earnings per Share

Sl. No.	Particulars	Year ended 31st March, 2010	Year ended 31st March, 2009
a)	Net Profit after tax available for equity shareholder(Rs.)	1,15,936	4,62,721
b)	Weighted Average number of equity shares for Basic EPS (No.)	31,85,200	31,85,200
c)	Weighted Average number of equity shares for Diluted EPS(No.)	31,85,200	31,85,200
d)	Basic EPS (Rs.)	0.04	0.15
e)	Diluted EPS (Rs.)	0.04	0.15

SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT

14. Information pursuant to part IV of Schedule VI to the Companies Act, 1956 (as amended). Balance Sheet Abstract and Company's Business Profile.

I Registration Details :

Registration No. - State Code

Balance Sheet Date

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

Public Issue Right Issue Bonus Issue Private Placement

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

<p>Total Liabilities</p> <p><input type="text" value="1"/> <input type="text" value="5"/> <input type="text" value="1"/> <input type="text" value="6"/> <input type="text" value="4"/> <input type="text" value="3"/></p> <p>Sources of Funds</p> <p>Paid up Share Capital <input type="text" value="3"/> <input type="text" value="1"/> <input type="text" value="8"/> <input type="text" value="5"/> <input type="text" value="2"/></p> <p>Reserves & Surplus <input type="text" value="8"/> <input type="text" value="9"/> <input type="text" value="7"/> <input type="text" value="9"/> <input type="text" value="9"/></p> <p>Secured Loans <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/></p> <p>Unsecured Loans <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/></p> <p>Deposits <input type="text" value="3"/> <input type="text" value="0"/> <input type="text" value="0"/> <input type="text" value="0"/> <input type="text" value="0"/></p>	<p>Total Assets</p> <p><input type="text" value="1"/> <input type="text" value="5"/> <input type="text" value="1"/> <input type="text" value="6"/> <input type="text" value="4"/> <input type="text" value="3"/></p> <p>Application of Fund</p> <p>Net Fixed Assets <input type="text" value="1"/> <input type="text" value="9"/> <input type="text" value="5"/> <input type="text" value="6"/> <input type="text" value="6"/> <input type="text" value="6"/></p> <p>Net Current Assets <input type="text" value=""/> <input type="text" value="-"/> <input type="text" value="4"/> <input type="text" value="4"/> <input type="text" value="1"/> <input type="text" value="0"/> <input type="text" value="7"/></p> <p>Investments <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="8"/> <input type="text" value="4"/></p>
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IV Performance of the Company (Amount in Rs. Thousands)

<p>Turnover (including other income)</p> <p><input type="text" value="1"/> <input type="text" value="6"/> <input type="text" value="9"/> <input type="text" value="1"/> <input type="text" value="8"/> <input type="text" value="2"/></p> <p>[+/-] Profit/Loss before Tax <input type="text" value="1"/> <input type="text" value="3"/> <input type="text" value="7"/></p> <p>[+/-] Profit/Loss after Tax <input type="text" value="1"/> <input type="text" value="1"/> <input type="text" value="6"/></p>	<p>Total Expenditure</p> <p><input type="text" value="1"/> <input type="text" value="6"/> <input type="text" value="9"/> <input type="text" value="0"/> <input type="text" value="4"/> <input type="text" value="5"/></p> <p>Earning per share in Rs. <input type="text" value="0"/> <input type="text" value="."/> <input type="text" value="0"/> <input type="text" value="4"/></p> <p>Dividend Rate% <input type="text" value="0"/> <input type="text" value="0"/></p>
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V Generic Names of Three Principal Products / Services of the Company (as per monetary terms)

Item Code No. (ITC Code) Product Description

15. Previous year's figures have been re-arranged/regrouped wherever considered necessary.

SIGNATURES TO SCHEDULES " 1 TO 10"

For and on behalf of
CHATURVEDI & COMPANY
Firm Registration No. 302137E
Chartered Accountants

Nilima Joshi
Partner

Membership No.52122
Kolkata,
Dated : 26th May, 2010

Achyut Ghosh
Director

Arup Choudhuri
Director

Pradeep Mishra
Director

AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To
The Members

Simplex Projects Limited

1. We have audited the attached Consolidated Balance sheet of **SIMPLEX PROJECTS LIMITED** and its Subsidiary SIMPARK INFRASTRUCTURE PRIVATE LIMITED as at 31st March, 2010 and also the Consolidated Profit and loss account and the Consolidated Cash flow statement for the year ended on that date annexed there to. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We report that the Consolidated Financial Statement have been prepared by the company's management in accordance with the requirements of the Accounting Standards (AS) 21, Consolidated Financial Statements prescribed by the Companies (Accounting Standard) Rules, 2006.
4. Further to our comments in the Annexure referred in paragraph 3 above we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books
 - (iii) The Balance sheet, Profit & loss account and the cash flow statement dealt with by this report are in agreement with the books of account.
 - (iv) In our opinion and to the best of our information and according to the explanations given to us, the said Consolidated financial Statements and read together

with other notes in the schedule *subject to note 5 regarding non bifurcation of expenses as per part-II of schedule – VI and note 10 regarding non confirmation of debtors, creditors, advance and bank balance of schedule 12* thereon give the financial information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Consolidated Balance sheet, of the state of affairs of the group company as at 31st March, 2010.
- (b) In the case of the Consolidated profit and loss account, of the profit for the year ended on the date; and
- (c) In the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

For **Chaturvedi & Company**
Firm Registration Number - 302137E
Chartered Accountants

Nilima Joshi
Partner

Place : Kolkata
Dated : 26th May 2010

Membership No.52122

CONSOLIDATED BALANCE SHEET

as at 31st March, 2010

Schedule	As At 31st March, 2010		As At 31st March, 2009	
	Rs.	Rs.	Rs.	Rs.
SOURCES OF FUNDS				
Shareholders' Fund				
Share Capital	1	12,60,03,780	12,00,03,780	
Reserves and Surplus	2	1,66,89,04,388	1,26,04,22,170	1,38,04,25,950
Deposit from CMC (Long Term)		3,00,00,000		3,00,00,000
Loan Funds				
Secured Loans	3	98,72,85,941	86,29,710,95	
Unsecured Loans	4	70,69,27,045	8,11,46,173	94,41,17,268
Deferred Tax Liability		5,57,91,962		1,93,64,462
TOTAL		3,57,49,13,116		2,37,39,07,680
APPLICATION OF FUNDS				
FIXED ASSETS				
Gross Block	5	1,34,28,88,179	86,28,91,371	
Less: Depreciation		19,03,51,448	12,72,63,948	
Net Block		1,15,25,36,731	73,56,27,423	
Add: Capital Work in Progress		5,65,95,942	3,55,14,446	77,11,41,869
Goodwill (on consolidation)		3,22,99,000		3,22,99,000
INVESTMENTS	6	25,88,522		35,95,049
CURRENT ASSETS, LOANS & ADVANCES	7	4,94,28,42,170	2,67,27,38,641	
Less: Current Liabilities & Provisions	8	2,61,19,49,249	1,10,58,66,879	
NET CURRENT ASSETS		2,33,08,92,921		1,56,68,71,762
TOTAL		3,57,49,13,116		2,37,39,07,680
NOTES ON ACCOUNTS	12			

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

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

For and on behalf of
CHATURVEDI & COMPANY
 Firm Registration No. 302137E
 Chartered Accountants
Nilima Joshi
 Partner
 Membership No.52122
 Kolkata,
 Dated: 26th May, 2010

B. K. Mundhra
 Chairman & Managing Director

Anand Chopra
 Director

J. K. Bagri
 Director

B. K. Dash
 Company Secretary

CONSOLIDATED PROFIT AND LOSS ACCOUNT

for the year ended 31st March, 2010

Schedule	As At 31st March, 2010		As At 31st March, 2009	
	Rs.	Rs.	Rs.	Rs.
INCOME				
Work Done	9	6,06,04,73,616		3,16,61,80,425
Other Income	10	13,46,84,915		81,45,807
Income from Parking Operations		1,43,32,007		1,33,82,986
Income from Lease Premium		-		1,24,92,065
Fee from Parking Consultancy		25,00,000		-
Sale of Parking Systems		52,14,719		1,68,13,000
Closing Project Work-in-Progress		14,63,60,003		54,82,379
		<u>6,36,35,65,260</u>		<u>3,22,24,96,662</u>
EXPENSES				
Site Cost & Other				
Administrative Expenses	11	5,53,05,34,727		2,83,59,46,106
Cost of Completed Project		27,35,154		6,14,98,864
Projects Work-in-Progress				
Opening		54,82,379	5,68,34,226	
Add: Incurred during the year		14,08,77,624	5,81,620	
		<u>14,63,60,003</u>	<u>5,74,15,846</u>	
Less: Cost of Completed Project		-	-	
Cost of Capital Assets		14,63,60,003	5,19,33,467	54,82,379
Interest		12,27,11,171		11,41,06,059
Depreciation		6,32,28,868		3,74,82,670
		<u>5,86,55,69,923</u>		<u>3,05,45,16,078</u>
		<u>49,79,95,337</u>		<u>16,79,80,584</u>
PROFIT BEFORE TAX				
PROVISION FOR TAXATION				
Current Tax		10,00,44,300	2,56,51,200	
Deffered Tax		3,64,27,500	-	
Fringe Benefit Tax		-	11,54,400	2,68,05,600
PROFIT AFTER TAX		<u>36,15,23,537</u>		<u>14,11,74,984</u>
Balance Brought Forward from previous year		19,45,69,009	17,44,53,789	
Add : Adjustment on consolidation related to previous year		3,89,68,589	-	17,44,53,789
AMOUNT AVAILABLE FOR APPROPRIATIONS		<u>59,50,61,135</u>		<u>31,56,28,773</u>
APPROPRIATIONS				
Proposed Dividend		1,89,00,567	1,80,00,567	
Tax thereon		31,39,147	30,59,197	2,10,59,764
Transfer to General Reserve		10,00,00,000		10,00,00,000
Surplus - end of the year		47,30,21,421		19,45,69,009
		<u>59,50,61,135</u>		<u>31,56,28,773</u>
Basic and Diluted Earnings Per Share (Note 25 of Schedule 12)		29.17		11.76
NOTES ON ACCOUNTS	12			

The Schedule referred to above form an integral part of the Profit & Loss Account.

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

For and on behalf of
CHATURVEDI & COMPANY
Firm Registration No. 302137E
Chartered Accountants
Nilima Joshi
Partner
Membership No.52122
Kolkata,
Dated: 26th May, 2010

B. K. Mundhra
Chairman & Managing Director

Anand Chopra
Director

J. K. Bagri
Director

B. K. Dash
Company Secretary

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31st March, 2010

Particulars	As At 31st March, 2010		As At 31st March, 2009	
	Rs.	Rs.	Rs.	Rs.
Net profit before tax		49,79,95,337		16,79,80,584
Adjustments for:				
Depreciation	6,32,28,868		3,74,82,670	
Interest (Net)	9,10,64,900		10,77,86,674	
(Gain) / Loss on sale of Fixed Assets	1,93,435		1,91,178	
Dividend	(62,618)		(65,203)	
Provisions for Employee Benefits	75,58,364		(1,55,812)	
Exchange Gain/Loss on Non Integral Branch	(4,49,70,194)		-	
Liability no longer required written back	(1,85,667)		(2,67,918)	
Operating Profit before working capital changes		11,68,27,088		14,49,71,589
Adjustments for:		61,48,22,425		31,29,52,173
Trade & other receivables	60,44,19,965		(16,63,71,387)	
Inventories	(72,17,12,890)		(25,47,70,855)	
Trade payables	45,10,49,489		25,86,38,445	
Cash generated from operations		33,37,56,564		(16,25,03,797)
Direct Taxes Paid		94,85,78,989		15,04,48,376
Fringe Benefit Tax Paid		(5,20,96,846)		(5,99,54,082)
Net Cash flow from Operative Activities		89,44,30,976		9,03,38,630
CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of fixed assets	(46,30,38,156)		(24,58,10,493)	
Disposal of fixed assets	5,93,637		1,10,000	
Interest Received	1,78,35,188		44,88,948	
Sale / (Purchase) of Investment	10,06,527		(14,07,684)	
Dividend received	62,618		65,203	
Net Cash used in investing activities		(44,35,40,186)		(24,25,54,026)
		45,08,90,790		(15,22,15,396)
CASH FROM FINANCING ACTIVITIES				
Proceeds from Issue of Share Capital	60,00,000		-	
Share Premium	7,50,00,000		-	
Inter-corporate Deposit	(2,40,00,000)		4,17,50,000	
Repayment of long term borrowings	(3,75,43,681)		(19,85,65,272)	
Proceeds from Short term borrowings	1,03,54,02,946		48,75,01,769	
Repayment of long term borrowing	(44,40,578)		5,96,94,227	
Repayment of Short term borrowing	(21,91,03,841)		-	
Dividend paid (including Dividend Tax)	(2,10,59,764)		(2,10,59,764)	
Interest Paid	(12,29,30,299)		(11,35,22,336)	
Net cash flow from Financing Activities		68,73,24,783		25,57,98,624
Net Increase / (Decrease) in		1,13,82,15,573		10,35,83,228
Cash & Cash Equivalents				
Cash & Cash equivalents at the beginning of the Year (Refer Schedule 7 to Accounts)	21,35,59,348		10,99,76,120	
Cash & Cash equivalents at the end of the Year (Refer Schedule 7 to Accounts)	1,35,17,74,921	1,13,82,15,573	21,35,59,348	10,35,83,228

Notes:

- The above cash flow statement has been prepared under the indirect method as set out in the Accounting Standard-3 on Cash Flow Statements issued by The Institute of Chartered Accountants of India.
- Schedules referred to above form an integral part of the Cash Flow Statement.
- Previous year's figures have been regrouped / rearranged where ever necessary.

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

For and on behalf of

CHATURVEDI & COMPANY

Firm Registration No. 302137E

Chartered Accountants

Nilima Joshi

Partner

Membership No.52122

Kolkata,

Dated: 26th May, 2010

B. K. Mundhra
Chairman & Managing Director

Anand Chopra
Director

J. K. Bagri
Director

B. K. Dash
Company Secretary



**SCHEDULES FORMING PART OF CONSOLIDATED
BALANCE SHEET & PROFIT AND LOSS ACCOUNT**

	As At 31st March, 2010		As At 31st March, 2009	
	Rs.	Rs.	Rs.	Rs.
SCHEDULE - 1				
SHARE CAPITAL				
Authorised		15,00,00,000		15,00,00,000
1,50,00,000 (2008-09: 1,50,00,000) Equity Shares of Rs. 10/- each				
Issued, Subscribed & Paid-up		12,60,03,780		12,00,03,780
1,26,00,378 (2008-09: 1,20,00,378) Equity Shares of Rs. 10/- each				
Of the above Equity Shares:-				
a) 9,00,000 Shares were allotted in 1995-96 as fully paid-up Equity Shares pursuant to a contract without payment being received in cash				
b) 17,95,714 Shares were allotted as fully paid-up Bonus Share by capitalisation of Rs. 1,79,57,140/- from General Reserve.		12,60,03,780		12,00,03,780
SCHEDULE - 2				
RESERVES AND SURPLUS				
Securities Premium Account As per last account	76,45,94,166		76,45,94,166	
Add: Received during the year	7,50,00,000	83,95,94,166	-	76,45,94,166
General Reserve as per last account	30,12,58,995		20,12,58,995	
Add : Transfer from Profit & Loss Account	10,00,00,000	40,12,58,955	10,00,00,000	30,12,58,995
Foreign Currency Translation Reserve Adjustment for Exchange		(4,49,70,194)		-
Profit & loss account balance carried forward		47,30,21,421		19,45,69,009
		1,66,89,04,388		1,26,04,22,170

SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET & PROFIT AND LOSS ACCOUNT

SCHEDULE - 3

SECURED LOANS

Cash Credit from Banks

Short-term Loan

Secured by hypothecation of stocks, stores, work-in-progress & book-debts as also by charge of certain moveable plant & machinery ranking pari passu with the Banks and by personal guarantees of Managing Director and a Director of the Company

Term Loan From Uco Bank

(Secured by exclusive first charge on parking system at Rawdon Street

FCNR Loan

Buyers Credit

Foreign Currency Loans & Buyer's Credit Facility availed in Foreign currency from International banks and overseas branches of Indian Bank are secured by letter of undertakings/earnmarkings by working capital bankers, which in turn are secured as recited above.

Term Loan From Banks

Other Term Loan

Secured by hypothecation of specific assets comprising Plant & Machinery, Contract Equipment and Vehicles acquired out of term loan

As At 31st March, 2010	As At 31st March, 2009
Rs.	Rs.
51,79,59,345	73,70,63,186
25,15,92,466	-
-	44,40,578
4,66,00,000	-
8,72,10,480	-
6,27,42,183	11,50,31,535
2,11,81,467	64,35,796
98,72,85,941	86,29,71,095
15,00,00,000	-
50,00,00,000	-
3,60,00,000	5,95,00,000
1,92,51,000	1,97,51,000
16,76,045	18,95,173
70,69,27,045	8,11,46,173

SCHEDULE - 4

UNSECURED LOANS

Short term loan from Bank

Commercial Paper

Inter Corporate Deposits

Fixed Deposit

Interest accrued and due

SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET & PROFIT AND LOSS ACCOUNT

SCHEDULE - 5

FIXED ASSETS

Particulars	Original Cost upto 01.04.2009 Rs.	Additions during the period Rs.	Disposal during the period Rs.	Original cost as at 31.03.2010 Rs.	Depreciation as at 01.04.2009 Rs.	Depreciation for the period Rs.	Depreciation on Assets disposed Rs.	Depreciation as at 31.03.2010 Rs.	Net Balance 31.03.2010 Rs.	Net Balance 31.03.2009 Rs.
PLANT & MACHINERY										
PLANT & MACHINERY	12,74,54,842	23,07,49,515	-	35,82,04,357	2,54,11,769	1,74,48,813	-	4,28,60,582	31,53,43,775	1,02,04,373
CRANES	86,13,307	52,19,161	-	1,38,32,468	6,90,569	6,44,581	-	13,35,150	1,24,97,318	7,92,730
AIR CONDITIONER	-	15,63,524	-	15,63,524	-	17,858	-	17,858	15,45,666	-
WINCH & ENGINE	2,27,63,028	-	-	2,27,63,028	57,02,332	10,81,250	-	67,83,582	1,59,79,447	1,70,60,696
PILEFRAME	69,435,416	4,63,440	-	69,898,856	1,00,36,011	3,305,370	-	1,33,41,381	5,65,57,475	5,93,99,404
OTHER PLANTS	45,92,55,792	15,51,05,433	-	61,43,61,225	4,72,22,032	2,49,41,630	-	7,21,63,662	54,21,97,567	41,20,33,760
TOOLS & IMPLEMENTS	98,99,063	20,03,362	-	1,19,02,425	26,98,937	4,96,547	-	31,95,484	87,06,940	72,00,126
BUILDING AND STRUCTURE	10,35,72,724	-	-	10,35,72,724	2,19,77,154	51,78,636	-	2,71,55,790	7,64,16,934	8,15,95,570
ELECTRICAL INSTALLATIONS	53,16,578	-	-	53,16,578	8,14,400	2,69,448	-	10,83,848	42,32,730	45,02,178
TRUCKS & TIPPERS	79,21,188	4,48,99,575	-	5,28,20,763	23,55,405	31,42,701	-	54,98,106	4,73,22,657	55,65,782
MOTORVEHICLES	2,22,01,435	1,47,23,091	6,93,661	3,62,30,865	44,87,147	27,54,925	1,35,226	71,06,846	2,91,24,021	1,77,14,283
TWO WHEELERS	3,38,927	38,185	-	3,77,112	1,89,845	34,552	-	2,24,397	1,52,713	1,49,082
COMPUTER	1,02,07,988	83,40,239	-	1,85,48,227	40,49,127	19,61,391	-	60,10,518	1,25,37,709	61,58,861
FURNITURE & FIXTURES	1,29,26,749	1,54,24,112	2,34,779	2,81,16,082	11,12,078	17,29,309	6,142	28,35,245	2,52,80,837	1,18,14,672
OFFICE EQUIPMENT	29,84,334	23,95,610	-	53,79,944	5,17,142	2,21,857	-	7,38,999	46,40,945	24,67,192
TOTAL	86,28,91,371	48,09,25,247	9,28,440	1,34,28,88,178	12,72,63,948	6,32,28,868	1,41,368	1,90,35,14,48	1,15,25,36,731	73,56,27,423
AS AT 31.03.2009	61,04,96,607	25,29,52,209	5,57,445	86,28,91,371	9,00,37,545	3,74,82,670	2,56,267	12,72,63,948	73,56,27,423	52,04,59,962

NOTE: 1. Original cost of Fixed Assets as on 31st March, 2010, includes Rs 18,93,35,390/-, acquired under Hire Purchase Schemes, out of which Rs 8,99,23,650/- is outstanding as on 31st March, 2010, which has been shown under the head 'Secured Loan'.

SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET & PROFIT AND LOSS ACCOUNT

SCHEDULE - 6
INVESTMENTS
LONG TERM INVESTMENTS
 (Other than trade - At Cost)

Government Securities

7 Years National Savings Certificates
 (Lodged as Security Deposit)
 5.1/2 Years Kishan Vikash Patra
 (Lodged as Security Deposit)

Unquoted

Investment in the capital of Partnership firm
 out side India (refer to note 21 of schedule 12)
 15,000 Ordinary Shares of Geo.miller & Co. Ltd. 10/-
 5,000 Equity Shares of
 Simplexprojects Road & Highway Constrn. Pvt.Ltd. 10/-

Quoted

4,000 Equity Shares of Uco Bank 10/-
 2,000 Equity Shares of Vijaya Bank 10/-
 100 Equity Shares of Indraprasth Gas Ltd. 10/-
 58 Equity Shares of Tata Consultancy Services Ltd. 1/-
 251 Equity Shares of NTPC LTD. 10/-

Total Long Term Investments

CURRENT INVESTMENTS

(Unquoted, Other than trade)

1,60,525.58 Units of Mutual Funds 10/-

Total Investment

Aggregate Value of Quoted Investments
 Aggregate Value of Unquoted Investments
 Market value of quoted Investment

Face Value
 Rs.

As At 31st March, 2010	As At 31st March, 2009
Rs.	Rs.
70,500	70,500
1,07,000	1,07,000
13,52,597	13,52,597
1,05,000	1,05,000
50,000	50,000
48,000	48,000
48,000	48,000
4,800	4,800
24,650	24,650
<u>15,562</u>	<u>15,562</u>
18,26,109	18,26,109
<u>7,62,413</u>	<u>17,68,940</u>
7,62,413	17,68,940
25,88,522	<u>35,95,049</u>
1,41,012	1,41,012
15,07,597	15,07,597
4,67,798	2,30,193

Units of Mutual Fund Sold During the year

Name of the Fund

Reliance Liquidity Fund
 ICICI Prudential Institutional Liquid Fund

Number of Units

86916.962
 1621.229

SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET & PROFIT AND LOSS ACCOUNT

	As At 31st March, 2010		As At 31st March, 2009	
	Rs.	Rs.	Rs.	Rs.
SCHEDULE - 7				
CURRENT ASSETS, LOANS & ADVANCES				
A : INVENTORIES				
(As certified & valued by the management)				
(i) Materials:				
(At lower of cost or net realizable value)				
At Sites	25,67,33,712		16,98,48,765	
At Stores	45,59,789		10,29,430	
(ii) Construction Contract Work-in-Progress				
(At estimated cost)	89,88,85,532		46,57,39,102	
(iii) Project Development Work-in-progress				
(At estimated cost)	55,06,09,052		35,28,41,941	
(iv) Parking Systems awaiting Installation				
At lower of cost or net realizable value)	2,08,70,095		2,04,86,052	
		1,73,16,58,180		1,00,99,45,290
B : SUNDRY DEBTORS				
(Unsecured, considered good)				
Debts Outstanding for a period exceeding				
Six months	28,48,59,835		22,59,52,365	
Other Debts	1,30,55,35,493		92,48,89,487	
		1,59,03,95,328		1,15,08,41,852
C : CASH AND BANK BALANCE				
Cash in hand	2,86,55,419		-	
Cheque in hand	3,21,15,941		19,580	
Balance with Scheduled Banks				
Current Accounts	30,36,68,832		2,18,66,907	
Fixed Deposits	77,70,16,673		18,64,76,880	
Balance with Other Banks	21,03,18,056		51,95,981	
		1,35,17,74,921		21,35,59,348
D : LOANS AND ADVANCES				
(Unsecured, Considered good)				
LOANS				
ADVANCES (recoverable in cash or in kind or				
or for value to be received, considered good):				
Advance against Projects				
Income Tax Advance	2,62,66,595		7,41,92,748	
Advance Fringe Benefit Tax	26,66,489		6,15,322	
Advance to Joint Venture	78,87,415		78,87,415	
Staff Advance	1,54,84,434		1,99,81,213	
Other Advances	9,71,23,749		8,51,17,854	
Deposits	9,66,97,372		10,47,08,295	
Interest Receivable	1,92,03,387		53,92,304	
Advances	36,84,300	26,90,13,741	-	29,78,92,151
		4,94,2842,170		2,67,27,38,641

SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET & PROFIT AND LOSS ACCOUNT

SCHEDULE - 8

A. CURRENT LIABILITIES

Acceptances	10,84,71,861
Sundry Creditors	38,32,57,364
Advance from Clients	1,44,94,36,439
Advances Against Contract	78,01,884
Advances Against Lease Premium	29,61,985
Other Liabilities	61,65,03,283

B. PROVISIONS

Provision for Income Tax	68,77,500
Proposed Dividend	1,89,00,567
Tax on Dividend	31,39,147
Fringe Benefit Tax	26,37,400
Employee Benefits	1,19,61,819

As At 31st March, 2010		As At 31st March, 2009	
Rs.	Rs.	Rs.	Rs.
		6,28,29,980	
		33,24,53,677	
		40,27,77,505	
		1,88,221	
		17,36,605	
	2,56,84,32,816	27,09,24,072	1,07,09,10,060
		68,56,200	
		1,80,00,567	
		30,59,197	
		26,37,400	
		44,03,455	3,49,56,819
	4,35,16,433		1,10,58,66,879
	2,61,19,49,249		

SCHEDULE - 9

WORK DONE

Construction Contract Works :

Gross Billing	5,57,04,37,699
Add : Closing Work-in-Progress	89,88,85,532
	6,46,93,23,231
Less : Opening Work-in-Progress	46,57,39,102

Project Development Works

Closing Work-in-Progress	40,42,49,049
Less : Opening Work-in-Progress	34,73,59,562

Year ended 31st March, 2010		Year ended 31st March, 2009	
Rs.	Rs.	Rs.	Rs.
		2,93,97,46,203	
		46,57,39,102	
		3,40,54,85,305	
	6,00,35,84,129	33,82,27,262	3,06,72,58,043
		34,73,59,562	
	5,68,89,487	24,84,37,180	9,89,22,382
	6,06,04,73,616		3,16,61,80,425
		61,49,984	
	3,02,00,200	1,69,402	63,19,386
	3,16,46,271		
	10,08,18,591		-
	62,618		65,203
	68,965		1,58,000
	1,16,702		1,09,918
	19,71,768		14,93,300
	13,46,84,915		81,45,807

SCHEDULE - 10

OTHER INCOME

Interest on	
Fixed Deposit with Bank	3,02,00,200
(TDS: Rs.28,13,811/-, Previous year-Rs.15,94,853/-)	
Other Deposits (TDS: Rs.1,54,344/- Previous year - Rs.30,425/-)	14,46,071
Profit on Forward Contract	10,08,18,591
Dividend received	62,618
Excess Provision Written Off	68,965
Liabilities no longer required (Net)	1,16,702
Miscellaneous Receipt	19,71,768

SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET & PROFIT AND LOSS ACCOUNT

	Year ended 31st March, 2010		Year ended 31st March, 2009	
	Rs.	Rs.	Rs.	Rs.
SCHEDULE - 11				
SITE COST AND OTHER ADMINISTRATIVE EXPENSES				
Expenses for Executing Contract work		5,26,61,38,556		2,61,21,38,653
Expenses for Executing Project Development		5,68,97,921		9,89,22,382
Revenue Shared With KMC		4,58,725		4,11,275
Salaries and other benefits to employees				
Salaries, Wages & Bonus	4,14,05,324		2,27,49,426	
Contribution to Provident Fund & Other Fund	1,38,69,893		47,89,452	
Staff welfare expenses	5,76,608	5,58,51,825	6,09,578	2,81,48,456
Rent		1,10,24,664		83,59,744
Rates & Taxes		61,79,554		1,81,44,128
Repairs & Renewals				
Plant and machinery	15,75,210		3,82,147	
Others	26,52,351	42,27,561	8,22,305	12,04,452
Security & Attendant Services				9,34,308
Telephone & Telex Expenses		39,63,407		36,98,362
Electricity & Water Charges		12,13,546		10,57,622
Motor Vehicle Expenses		16,34,943		23,18,346
Travelling & Conveyance		1,10,80,790		93,67,887
Insurance Charges		16,45,173		14,28,012
Printing & Stationary Expenses		17,66,715		12,36,217
Stores & Godown Expenses		75,21,060		53,80,248
Advertisements		10,64,632		30,83,208
Membership & Subscription		7,35,167		11,86,133
Legal & Professional charges		1,47,86,515		67,95,174
Bank Charges		7,19,54,033		2,30,72,590
Commission & Finance Charges		11,62,353		12,62,474
Consultancy Charges		2,65,078		5,82,790
Auditors' Remuneration:				
Audit Fee	1,70,965		150,590	
Tax Audit Fee	44,120		38,605	
Other matters	1,65,449	3,80,534	93,899	2,83,094
Loss on disposal of Fixed Assets		1,93,435		1,91,178
Brokerage		13,81,542		11,18,092
Filing Fee		21,438		11,000
Donation and Charity		39,42,900		13,81,100
Sales & Promotional Expenses		5,00,786		49,500
Miscellaneous Expenses		44,33,208		41,79,681
Bad-Debts/Advances written off		1,08,666		-
		5,53,05,34,727		2,83,59,46,107

SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET & PROFIT AND LOSS ACCOUNT

SCHEDULE 12

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

1.0 DISCLOSURE OF SIGNIFICANT ACCOUNTING POLICIES.

1.1 Basis of Preparation of Financial Statements

- a) The consolidated Financial Statements have been prepared on accrual basis of accounting in conformity with the generally accepted accounting principles generally accepted in India (GAAP) and comply with Accounting Standards prescribed by the Companies (Accounting Standard) Rules, 2006 and the relevant provisions of the Companies Act, 1956.
- b) As far as possible, the Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the companies separate financial statements.

1.2 Principles of Consolidation

The Consolidated Financial Statements are related to Simplex Projects limited (The Company) and its wholly owned subsidiary Simpark Infrastructure Private Limited and are drawn up to the same reporting date as of the company.

The consolidated Financial Statements have been prepared on the following basis:

- a) The Financial Statements of the Company and its Subsidiary company have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. Inter-company balances and transactions and unrealized profits or losses have been fully eliminated.
- b) The excess of cost to the Company of its investments in its Subsidiary company over its share of the Equity of the Subsidiary company at the dates, on which the investments in the Subsidiary companies are made, is recognized as Goodwill being an asset in the consolidated Financial Statements.
- c) In terms of Accounting Standard-21 no minority interest has been computed as the subsidiary is wholly owned by the Company.
- d) The subsidiary Company considered in the Consolidated financial statement is as under:

Name of the Company	Country of Incorporation	Percentage of Shareholding as on 31st March, 2010	Percentage of Shareholding as on 31st March, 2009
Simpark Infrastructure Pvt. Ltd.	India	100%	100%

1.3 Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

1.4 Fixed Assets

Fixed assets are valued at cost of acquisition less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Assets acquired under Hire Purchase arrangements are recorded at their cash values and the finance charges are charged to Profit and Loss Account as accrued.

SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET & PROFIT AND LOSS ACCOUNT

1.5 Depreciation

Depreciation on Fixed Assets is provided as per Schedule XIV of the Companies Act, 1956 under straight line method. Assets constructed on land not owned by the company were amortized over a period of the rights given under the concession agreement.

Assets deployed at foreign branches is provided as per the provisions of local laws at the following rates:

Description of the Assets	Rate of Depreciation
Plant and Machinery	15 %
Trucks	10 %
Motor Vehicles	20 %
Computers	20 %
Furniture and Fixtures	10 %
Office Equipments	10 %

1.6 Cost of Construction/ development

Cost of construction / development incurred in the subsidiary is charged to the Profit & Loss account proportionate to project area sold. Adjustment, if required, is made in project work in progress. The estimated saleable area cost of the project as determined, is based on management's estimate of the cost expected to be incurred till the final completion of the project and includes material, services and other related overheads. The effect of such changes to estimates is recognized in the period such changes are determined.

1.7 Impairment of Assets

The carrying cost of assets is reviewed at each Balance Sheet date to determine whether there is any indication of impairment of assets. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use.

1.8 Inventories

Inventories are valued at cost under FIFO method or net realizable value, whichever is lower.

1.9 Investments

Long term Investments are valued at cost. Current investments are stated lower of cost or fair market value. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary.

1.10 Revenue Recognition

- Revenue is accounted for following "Percentage of Completion" method of accounting in respect of the Construction Contracts.
- Share of Profit/Loss from joint ventures is accounted for in respect of the financial year of the venture, ending on the balance sheet date, on the basis of their audited / un-audited accounts.
- Price escalation claims and additional claims including those under arbitration are recognized as revenue when they are realized or receipts thereof are mutually settled or reasonably ascertained.
- Site start up expenses is charged off in the year these are incurred.

SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET & PROFIT AND LOSS ACCOUNT

- e) Liabilities on account of Service Tax to the extent not reimbursable by the Clients have been charged off to the profit & loss account.
- f) Fee collections from users of facility are accounted for when the amount is due and recovery is certain.
- g) Fee for amenities are accounted for on accrual basis and are net of Service tax, if any. Fee for consulting are recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measure.
- h) Revenue from Commercial Real estate (received as lease premium) is recognized on making the initial agreement with the parties and receipt of substantial amount of total lease premium value.
 - i) The management revises the estimates of saleable area and costs periodically. The effect of such changes to estimates is recognized in the period such changes are determined.
 - j) Revenue from sale of parking systems are recongised upon delivery and erection, which is when the title passes to the customer.
- k) Interest income is recognized on a time proportion basis taking into the amount outstanding and the rate applicable.

1.11 Borrowing Cost

Borrowing costs, attributable to acquisition and construction of qualifying assets, are capitalized as a part of the cost of such asset upto the date when such assets are ready for its intended use. Other borrowing costs are charged to the profit and loss account.

1.12 Employee Benefits

The company has adopted the Revised Accounting Standard 15- Employee benefits prescribed by Companies (Accounting Standards) Rules, 2006 with effect from 1st April 2007.

- i) Short term benefits
Short terms employee benefits are charged off at the undiscounted amount in the year in which the related service is rendered.
- ii) Post employment benefits
Post employment benefits are charged off in the year in which the employee has rendered services. The amount charged off is recognized at the present value of the amounts payable determined using actuarial valuation technique. Actuarial gains and losses in respect of post employment benefits are charged to profit and loss account.

1.13 Foreign Currency transactions

Transactions in foreign currencies are recognized in the reporting currency at the prevailing exchange rates on the transaction dates. Foreign currency monetary items are reported using the closing rate. Exchange difference arising on the settlement of monetary items or on reporting monetary items of the Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or expenses in the year in which they arises. Transactions completed during the year are accounted for at the then ruling rate.

Financial Statements of foreign branches are treated as non-integral operation. In translating the financial statement of foreign branches, the assets and liabilities, both monetary and non monetary, has been translated at the closing rate and income and expense items are translated at the average rate for the period. The resultant exchange differences are

SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET & PROFIT AND LOSS ACCOUNT

accumulated in Foreign Currency Translation Reserve Account. Exchange differences arising on monetary items that are receivable from or payable to non-integral operation for which settlement is neither planned nor likely to occur in the foreseeable future forms part of net investment in non-integral foreign operations and are also accumulated in Foreign Currency Translation Reserve Account.

Financial derivatives and hedging contracts are accounted on the date of their settlement and realized gain/ loss in respect of settled contracts is recognised in the profit & loss account along with the underlying transactions.

1.14 Taxation

Current tax is determined as the amount of tax payable in respect of taxable income for the year. Deferred Tax liability is recognized being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

1.15 Earnings per share

Earnings per shares are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

1.16 Provisions and Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Contingent assets are neither recognized nor disclosed in the financial statements.

1.17 Cash and cash equivalents

Cash and cash equivalents as indicated in the Cash Flow Statement comprise cash at bank and in hand and highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

1.18 Event occurring after the Balance Sheet Date

Material events occurring after Balance Sheet date are taken into cognizance.

NOTES ON ACCOUNTS

2 The break-up of year end net deferred tax liability as at March 31, 2010 comprises

Particulars	March 31, 2010	March 31, 2009
Timing difference on account of depreciation as per books and Tax Laws.	5,57,91,962	1,93,64,462
Net Deferred Tax Liability	5,57,91,962	1,93,64,462

3 Decline, if any, in the market value of long term quoted investments, considered by management not of permanent nature, has not been provided for.

4 a) Payment against supplies from small scale and ancillary undertakings are made in accordance with the agreed credit terms and to the extent ascertained from available information, there was no amount overdue as on 31.03.2010.

SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET & PROFIT AND LOSS ACCOUNT

b) Based on the available information with the Company relating to the registration status of suppliers under the Micro, Small and Medium Enterprises Development Act, 2006, there are no dues to micro and small enterprises.

5 As regard Contract expenses for executing work it has not been possible for the Company to bifurcate the expenses into different heads of account as per Part II of the Schedule.

6 Balance with other banks comprise of the following:

Name of the Bank	Bank Balance as on 31st March, 2010	Bank Balance as on 31st March, 2009	Maximum balance outstanding	
			2009-10	2008-09
First Gulf Libyan Bank	19,70,15,141	51,95,981	131,58,19,574	51,95,981
Bank for Commerce and Development, Libya	24,02,053	-	95,83,409	-
Sahara Bank, Libya	7,46,468	-	7,46,468	-
First Gulf Bank, Dubai	1,01,54,394	-	1,01,56,500	-

7 Investments in National Savings Certificate and Kisan Vikas Patra amounting to Rs.1,77,500/- (Previous Year – Rs.1,77,500/-) have matured in earlier years and hence no interest has been taken into accounts. These investments along with Fixed Deposit with banks amounting to Rs. 50,37,62,142/- (Previous Year – Rs.17,36,72,212/-) are not in possession of the company as they have been lodged as security deposit with clients / Banks.

8 Sundry Debtors and Work-in-progress include overdue amount aggregating to Rs. 2,44,50,493/- (Previous Year - Rs. 1,51,70,197/-) and Rs. 2,38,81,498/- (Previous Year - Rs. 1,09,28,668/-) that 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.

9 A sum of Rs.13,31,550 /- (Previous Year Rs. 15,97,950/-) is lying unpaid in the escrow refund account of the company with its refund banker, which is shown under the head 'Other Current Liabilities'. The corresponding balance has been included in the balances with schedule banks.

10 The Company is yet to receive the Balance confirmations in respect of certain Bank Balances, Sundry Creditors, Sundry Debtors and advances. The balances are, therefore, as per the books of account only.

11 Salaries and Other benefits to employees include payments to the Managing Director and other Wholetime Directors in accordance with the provisions of section 198 of the Companies Act, 1956. Sitting Fee paid to Independent Directors has been charged off to Profit & Loss account under Miscellaneous Expenses

(In Rupees)

	Year ended 31st March, 2010	Year ended 31st March, 2009
Salaries & Perquisites	64,04,746	46,29,672
Contribution to Provident and other Funds	5,44,896	3,91,428
Sitting Fee	90,060	1,00,567
Total	70,39,702	51,21,667

The employee-wise break-up of liability on account of Gratuity and Leave Encashment, based on actuarial valuation, is not ascertainable. The amounts relatable to the Directors are, therefore, not considered above.

- 12 Capital Work-in-progress includes an unfinished commercial outlet purchased by the Company from its subsidiary for which the lease deed is yet to be executed.

13 Segment information for the year ended 31st March, 2010

The Company's business activity falls mainly within a single primary segment i.e. construction business and hence there is no separate reportable business segment under primary segment reporting. However, as the Company is engaged in execution of work in overseas, the secondary segment reporting is prepared based on Geographical Segments.

Geographical Segment	Revenue		Assets		Capital Expenditure	
	Year Ended 31st March, 2010 (Rs.)	Year Ended 31st March 2009 (Rs.)	Year Ended 31st March 2010 (Rs.)	Year Ended 31st March 2009 (Rs.)	Year ended 31st March 2010 (Rs.)	Year Ended 31st March 2009 (Rs.)
India	399,08,91,136	-	412,18,23,999	-	15,08,04,393	-
Outside India	206,95,82,480	-	198,67,72,334	-	30,73,63,522	-
Total	606,04,73,616	-	610,85,96,333	-	45,81,67,915	-

14 C.I.F. Value of Imports

Particulars	Year Ended 31st March, 2010 (Rs.)	Year Ended 31st March, 2009 (Rs.)
Capital Goods	19,62,552	-
Raw Materials	1,89,70,289	2,21,55,786
Total	2,09,32,841	2,21,55,786

15 Expenditure in Foreign Currency

Particulars	Year Ended 31st March, 2010 (Rs.)	Year Ended 31st March, 2009 (Rs.)
Membership & Subscription	-	2,06,883
Travelling	22,91,467	75,41,890
Contract Expenses (Overseas Branch)	1,80,97,39,600	-
Other Administrative Expenses	9,58,302	-

SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET & PROFIT AND LOSS ACCOUNT

16 Earnings in Foreign Currency

	Year ended 31st March, 2010 (Rs.)	Year ended 31st March, 2009 (Rs.)
Sale of Parking System (Advance)	-	22,33,173
On Contract Work (Gross Billing) (Overseas Branch)	2,06,95,82,480	-

17. Stores Consumed :

Particulars	Year ended 31st March, 2010		Year ended 31st March, 2009	
	Value	% of total Consumption	Value	% of total Consumption
Imported (Into India)	1,89,70,289	1.17	2,21,55,786	1.65
Indigenous	160,91,61,195	98.83	1,31,65,70,713	98.35
TOTAL	162,81,31,484	100.00	1,33,87,26,499	100.00

18 Contingent Liability

- a) There are outstanding guarantees amounting to Rs. 868,40,26,870/- (Previous Year - Rs.159,59,94,544/-) and outstanding letters of credit amounting to Rs. 97,34,08,255/- (Previous Year - Rs. 6,28,29,980/-) given on behalf of the Company by Banks and an outstanding guarantee amounting to Rs.NIL /- (Previous Year – Rs.1,77,00,000/-) given on behalf of the subsidiary of the company by earmarking the limits of the company by the Banks, which are secured by the securities as specified in Schedule 3 of the accounts. The receipts of term deposits are also held by Banks towards margin money against the guarantees/letters of credit given by them on Company's behalf, besides the counter indemnity by the Company for such guarantees/letters of credit. The company has also given its corporate guarantee to a bank for financial assistance in foreign currency extend to its Associates amounting to Rs 2,88,26,560/- (Previous Year Rs 3,22,03,200/-)
- b) The Companies claims of certain deduction under the provisions of the Income Tax Act 1961 for the Assessment Year 2007-08 was disallowed by the Income Tax Authority, for which the company has preferred an appeal with the appellate Tribunal. The Company has also challenged the issue of claiming the said deduction in respect of assessment years 2005-06 to 2009-10 by a writ petition before the Hon'ble Calcutta High Court and obtained interim stay order from the said High Court restraining the Tax Authority from enforcing any demand against the Company. The impact of tax in case of an adverse decision is estimated at Rs. 4,81,45,128.
- c) Disputed Sales Tax / VAT under appeal with appropriate forum – Rs. 49,13,264 (Previous Year – Nil.)
- 19 The Company has during the year formed a co-operative incorporated under the laws of Netherland, by the name of Simplex Projects (Netherlands) Cooperatie U.A., in partnership with M/s Simplex fiscal Holdings Pvt. Ltd. The profit and

SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET & PROFIT AND LOSS ACCOUNT

loss sharing of the co-operative between the company and its partner is in the ratio of 99:1. As the co-operative is yet to commence its business, the entire expenses have been taken as pre-operative expenses.

20 Disclosure in respect of Joint Venture

a) List of Joint Ventures

Name of the Joint venture	Description of Interest	Proportion of ownership	Country of incorporation	Method of Accounting
Triveni Engicons Pvt. Ltd. Simplex Projects Limited (JV)	Joint Venture	98%	India	Percentage of Completion

b) Financial Interest in the Jointly Controlled entity

(In Rupees)

	Year ended 31st March, 2010	Year ended 31st March, 2009
Assets	18,32,98,554	25,05,45,914
Liabilities	18,32,98,554	25,05,45,914
Income	23,70,31,723	49,84,17,727
Expenditure	23,70,45,752	49,84,17,727

In respect of Joint Venture the Company alongwith the JV partner is jointly & severally responsible for performance of the contract.

The amount of Rs. **3,35,45,499/-** (Previous Year – Rs.19,85,90,768/-) due from the joint venture have been included in Sundry Debtors. The investment in joint venture amounting to **Rs.20,000/-** (Previous Year – Rs.20,000/-) are included under the head Other Advances.

21 Information of Simplex Projects Limited in accordance with the requirements of revised Accounting Standards – 7 on Construction Contracts prescribed by the Companies (Accounting Standard) Rules, 2006:

Particulars	Year ended 31st March, 2010 (Rs.)	Year ended 31st March, 2009 (Rs.)
Contract revenue recognized for the year ended 31st March, 2010	606,04,73,616	3,16,61,80,426
Aggregate amount of contracts costs incurred and recognized profits (less recognised losses) up to 31st March, 2010 for all the Contracts in progress	10,63,38,85,564	5,32,90,89,027
The amount of Customers advances outstanding for contracts in progress as at 31st March, 2010	1,36,52,11,534	34,68,24,677
The amount of retention due from customers for Contracts in progress as at 31st March, 2010	28,40,68,700	14,06,89,143
Gross amount due from customers for Contracts in progress as at 31st March, 2010 (including work-in- progress of Rs.64,08,93,443/-)	1,67,28,45,971	1,00,29,18,364
Gross amount due to customers for contracts in progress as at 31st March, 2010 (including work-in- progress of Rs.1,69,76,040/-)	8,89,15,625	5,32,98,697

SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET & PROFIT AND LOSS ACCOUNT

22 Related Party Disclosures pursuant to Accounting Standard (AS) – 18 issued by the Institute of Chartered Accountants of India.

I Related parties and their relationships

Name of Related Parties	Nature of Relationships
Mr. B.K. Mundhra	Key Management Personnel
Mr. J.K. Bagri	Key Management Personnel
Mr. R.D. Mundhra	Key Management Personnel
Mr. S.D. Mundhra	Key Management Personnel
Mrs. Krishna Devi Mundhra	Relative of Key Management personnel
Mrs. Pushpa Mundhra	Relative of Key Management personnel
Simpark Infrastructure Pvt. Ltd.	Subsidiary
Simplex Projects (Netherlands) co-operative UA	Jointly controlled Entity / Joint Venture
Triveni Engicons Pvt. Ltd – Simplex Projects Ltd (JV)	Jointly controlled Entity / Joint Venture
Bharat Gypsum Pvt. Ltd.	Other related party (Entities in which Key Management Personnel or Relatives of Key Management Personnel have control or significant influence).
SPL International BV	
Pioneer Engineering Co. Pvt. Ltd.	
Simplex Fiscal Holdings Pvt. Ltd.	
Kirti Vinimay Pvt. Ltd.	
Datson Exports Ltd.	
Prozen Merchants Pvt. Ltd.	
Simplex Foundation	
Vasudha Vanijya Pvt Ltd.	

II Material Transactions with Related Parties during year ended 31st March, 2010.

Nature of transaction	Description of relationship	Related party	March 31, 2010	March 31, 2009
Transactions during the year				
Director's Remuneration	Key management personnel	Mr. B. K. Mundhra	24,25,920	17,61,655
		Mr. J. K. Bagri	16,68,786	12,38,486
		Mr. R. D. Mundhra	14,52,806	10,35,844
		Mr. S. D. Mundhra	14,02,130	9,85,115
Dividend Paid	Other related party	Kirti Vinimay Pvt. Ltd.	8,52,857	8,52,857
		Pioneer Engineering Co. Pvt. Ltd.	7,20,215	7,20,215
		Bharat Gypsum Pvt. Ltd.	10,37,144	10,37,144
		Datson Export Ltd.	2,25,644	2,25,644
		Simplex Fiscal Holdings Pvt. Ltd.	25,85,357	25,85,357
		Vasudha Vanijya Pvt. Ltd.	5,35,715	5,35,715
		Prozen Merchants Pvt. Ltd.	35,91,401	35,91,401

SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET & PROFIT AND LOSS ACCOUNT

II Material Transactions with Related Parties during year ended 31st March, 2010 (Contd.)

Nature of transaction	Description of relationship	Related party	March 31, 2010	March 31, 2009
Dividend Paid (Contd.)	Key management personnel	Mr. B. K. Mundhra	5,75,594	5,18,786
		Mr. S. D. Mundhra	1,28,786	1,28,786
		Mr. R. D. Mundhra	1,28,571	1,28,571
	Relative of Key Management personnel	Mrs. Krishna Devi Mundhra	215	215
		Mrs. Pushpa Mundhra	1,15,715	1,15,715
Purchase of Assets / Material	Subsidiary	Simpark Infrastructure Pvt.	-	5,84,13,691
	Other related party	Datson Export Ltd	-	16,12,000
Rent Paid	Other related party	Kirti Vinimay Pvt. Ltd.	12,00,000	12,00,000
		Datson Export Ltd	67,164	67,164
		Mundhra Estate	46,080	46,080
Rendering of Service	Jointly controlled entity / Joint venture	Triveni Engicons Pvt. Ltd. Simplex Projects Ltd. (JV)	23,70,31,723	48,84,49,372
	Other related party	Pioneer engineering Co. Pvt Ltd	5,49,744	5,44,389
Interest paid	Other related party	Datson Export Ltd	-	26,328
Leasing and Hire purchase arrangement	Other related party	Datson Export Ltd	-	1,72,178
Loans and Advance given	Subsidiary	Simpark Infrastructure Pvt. Ltd	14,61,56,146	20,27,50,000
	Jointly controlled entity / Joint venture	Simplex Projects (Netherlands) Co-operative UA	5,48,90,240	78,87,415
	Jointly controlled entity / Joint venture	Triveni Engicons Pvt. Ltd. Simplex Projects Ltd. (JV)	-	10,000
	Other related party	Pioneer engineering Co. Pvt Ltd	-	1,59,00,000
		Simplex Fiscal Holdings Pvt Ltd	-	29,749
		Kirti Vinimay Pvt. Ltd.	38,00,000	3,27,50,000
Loans and Advances Taken	Other related party	Kirti Vinimay Pvt. Ltd.	-	-
		Prozen Merchants Pvt Ltd	-	32,00,000

SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET & PROFIT AND LOSS ACCOUNT

II Material Transactions with Related Parties during year ended 31st March, 2010 (Contd.)

Nature of transaction	Description	Related party	March 31, 2010	March 31, 2009
Balance outstanding at the year end				
Loans and Advance given (Contd.)	Subsidiary	Simpark Infrastructure Pvt. Ltd	31,83,00,000	18,98,36,309
	Jointly controlled entity / Joint venture	Simplex Projects (Netherlands) Co-operative UA	6,27,77,655	78,87,415
	Other related party	Kirti Vinimay Pvt. Ltd.	-	15,00,000
Sundry Debtors	Subsidiary	Simpark Infrastructure Pvt. Ltd	-	2,09,50,014
	Jointly controlled entity / Joint venture	Triveni Engicons Pvt. Ltd. – Simplex Projects Ltd. (JV)	3,35,45,499	19,85,90,768
Other Current Assets	Subsidiary	Simpark Infrastructure Pvt. Ltd	-	70,61,698
	Jointly controlled entity / Joint venture	Triveni Engicons Pvt. Ltd. – Simplex Projects Ltd. (JV)	20,000	20,000
	Other related party	Pioneer engineering Co. Pvt Ltd	-	1,54,25,000
		Datson Export Ltd	-	1,42,349
		Simplex Fisical Holdings Pvt. Ltd.	-	29,749
		Kirti Vinimay Pvt. Ltd.	2,42,12,036	2,55,98,234
Current Liabilities	Other related party	Pioneer engineering Co. Pvt Ltd	-	5,42,146
		Prozen Merchants Pvt Ltd	-	11,700
		Datson Export Ltd	-	2,63,673
		Mundhra Estate	11,520	1,22,880

* Figures in brackets relate to previous year.

23 The disclosures required under Accounting Standard 15 “Employee Benefits” notified in the Companies (Accounting Standards) Rules 2006, are given bellow :

Defined Contribution Plan

Contribution to Defined Contribution Plan, recognized are charged off for the year are as under :

	(In Rupees)
Employer's Contribution to Provident Fund	30,58,612
Employer's Contribution to Superannuation Fund	-
Employer's Contribution to Pension Scheme	18,31,496

SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET & PROFIT AND LOSS ACCOUNT

Defined Benefit Plan

The employees' gratuity fund scheme managed by Life Insurance Corporation of India is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognized in the same manner as gratuity.

(In Rupees)

	Year ended 31st March, 2010		Year ended 31st March, 2009	
	Gratuity (Funded)	Leave (unfunded) (unfunded)	Gratuity (Funded)	Leave encashment (unfunded)
a. Reconciliation of opening and Closing balances of Defined benefit obligation				
Defined Benefit obligation at beginning of the year	62,45,241	19,86,092	41,79,461	31,20,073
Current Service Cost	13,20,238	6,87,588	12,53,179	4,50,482
Interest Cost	4,94,154	1,58,887	3,11,465	2,34,004
Actuarial gain/(loss)	12,42,423	(36,206)	5,54,319	(18,18,467)
Benefits paid	1,36,601	-	53,149	-
Defined Benefit obligation at year end	91,65,457	27,96,362	62,45,241	19,86,092
b. Reconciliation of opening and Closing balances of fair value of plan assets.				
Fair value of plan assets at beginning of the year	38,27,878	-	35,14,423	-
Expected return on plan assets	3,06,230	-	2,81,153	-
Actuarial gain/(loss)	1,45,506	-	38,956	-
Employer contribution	19,00,089	-	46,494	-
Benefits paid	1,36,601	-	53,149	-
Fair value of plan assets at year end	60,43,103	-	38,27,878	-
Actual return on plan assets	-	-	-	-
c. Reconciliation of fair value of assets and obligations				
Fair value of plan assets as at 31st March, 2010	60,43,103	-	38,27,878	-
Present value of obligation as at 31st March, 2010	89,80,428	-	61,12,660	-
Amount recognized in balance Sheet	(29,37,325)	-	(22,84,782)	-
d. Expenses recognized during the year				
Current Service Cost	13,20,238	6,87,588	12,53,179	4,50,482
Interest Cost	4,94,154	1,58,884	3,11,465	2,34,004
Expected return on plan assets	3,06,230	-	2,81,153	-
Actuarial gain / (loss)	10,96,916	(36,206)	5,15,362	(18,18,467)
Net Cost	26,05,080	8,10,270	17,98,819	(11,33,981)
e. Investment Details	% invested as at 31st March, 2010		% invested as at 31st March, 2009	
L.I.C, Group Gratuity (Cash Accumulation) Policy		100		100

SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET & PROFIT AND LOSS ACCOUNT

	Year ended 31st March, 2010		Year ended 31st March, 2009	
	Gratuity (Funded)	Leave (unfunded) (unfunded)	Gratuity (Funded)	Leave encashment (unfunded)
f. Actuarial assumptions				
Mortality Table (L. I. C.)	LICI 1994-1996		LICI 1994-1995	
Discount rate (per annum)	8%	8%	7.5%	7.5%
Expected rate of return on plan assets (per annum)	8%	8%	8%	8%
Rate of escalation in salary (per annum)	5%	5%	5%	5%
Formula used	Projected		Projected	
	Unit Credit Method		Unit Credit Method	

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary. This being the first year of implementation, previous year figures have not been given.

24 Information pursuant to clause 32 of the listing agreements with Stock Exchange.

The company has given an interest free advance to Simpark Infrastructure Pvt. Ltd., a wholly-owned subsidiary of the company, having no repayment schedule and outstanding balance is **Rs.31,83,00,000/-** (Previous year Rs. 18,98,36,309).

25 Earnings Per Share :

Sl No.	Particulars	Year ended 31st March, 2010	Year ended 31st March, 2009
a)	Net Profit after tax available for equity shareholder	Rs. 36,15,23,537	Rs. 14,11,74,984
b)	Weighted Average number of equity shares for Basic EPS (No.)	1,23,91,611	1,20,00,378
c)	Weighted Average number of equity shares for Diluted EPS (Number)	1,23,91,611	1,20,00,378
d)	Basic EPS	Rs. 29.17	Rs. 11.76
e)	Diluted EPS	Rs. 29.17	Rs. 11.76

26 During the year the company has issued 6,00,000 equity shares of face value of Rs. 10 each on preferential basis at a price of Rs. 135/-. The proceeds of the issue have been utilized for the purpose of working capital requirements.

27 Cost of completed Projects of the subsidiary amounting to Rs. 3,89,68,589/- relating to earlier years have been adjusted on consolidation of accounts during the year.

28 Previous year's figures have been re-arranged/ regrouped wherever considered necessary.

**SIGNATURES TO SCHEDULES
" 1 TO 12"**

For and on behalf of
CHATURVEDI & COMPANY
Firm Registration No. 302137E
Chartered Accountants
Nilima Joshi
Partner
Membership No.52122
Kolkata,
Dated: 26th May, 2010

B. K. Mundhra
Chairman & Managing Director

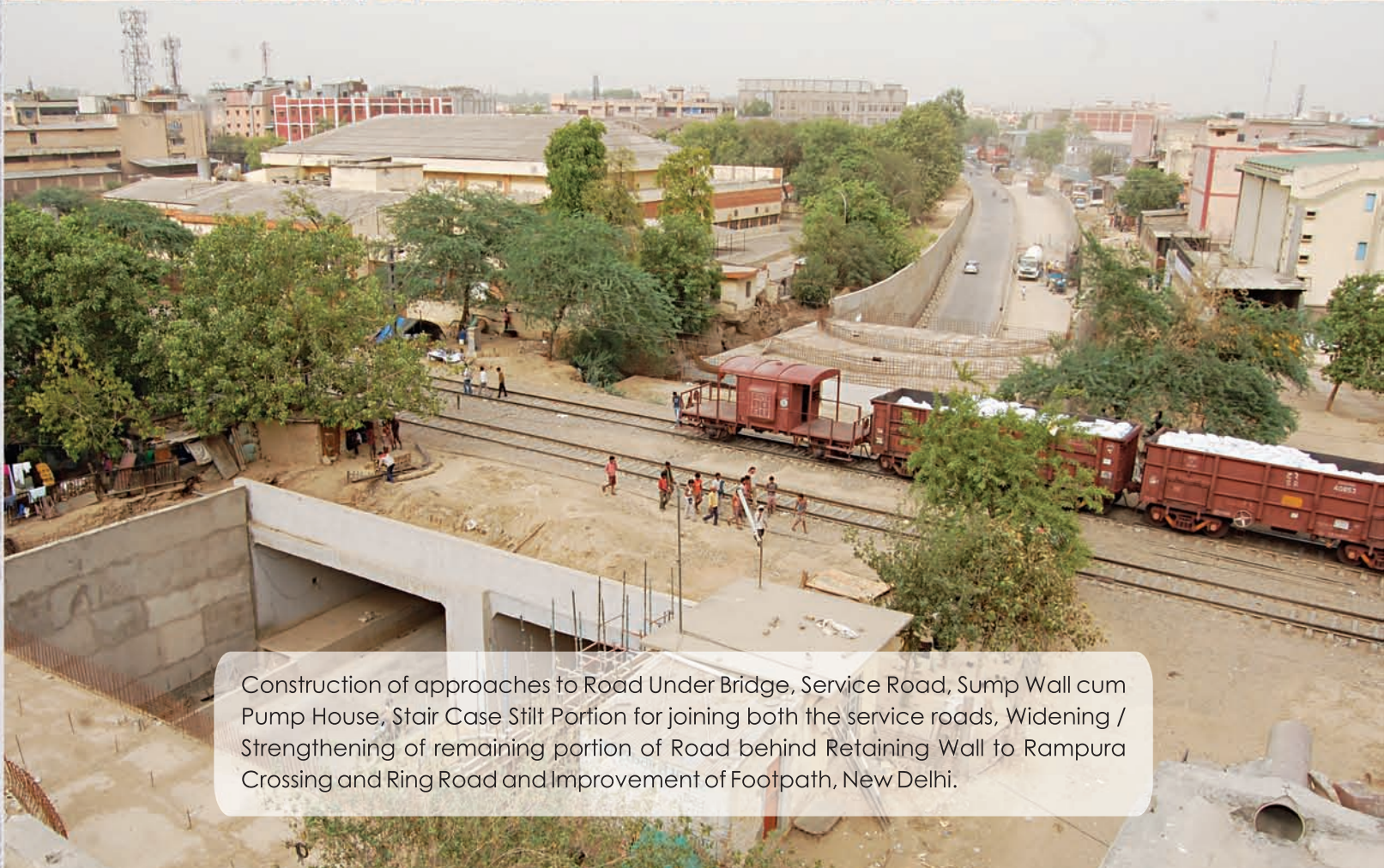
Anand Chopra
Director

J. K. Bagri
Director

B. K. Dash
Company Secretary



Upgradation of Shivaji Stadium, New Delhi, Construction of Sports Facility Block, Hockey Stadium, Warm-up pitch with two level basement for parking including Electrical, Fire-fighting & protection, HVAC, Lifts etc. complete as a composite work (JV. M/S China Railway Shisiju Group Corporation).



Construction of approaches to Road Under Bridge, Service Road, Sump Wall cum Pump House, Stair Case Stilt Portion for joining both the service roads, Widening / Strengthening of remaining portion of Road behind Retaining Wall to Rampura Crossing and Ring Road and Improvement of Footpath, New Delhi.

