



AN ISO 9001 : 2015
certified company

SIMPLEX INFRASTRUCTURES LIMITED

REGD. OFFICE :

'SIMPLEX HOUSE', 27, SHAKESPEARE SARANI, KOLKATA-700 017 (INDIA)
PHONES : +91 33 2301-1600, FAX : +91 33 2283-5964 / 5965 / 5966
E-mail : simplexkolkata@simplexinfra.com, Website : www.simplexinfrastructures.com
CIN No. L45209 WB 1924 PLC 004969

01/CS/SE/001/93829

Date: 31st May, 2019

The Secretary
National Stock Exchange of India Limited
Exchange Plaza
Bandra Kurla Complex
Bandra East
Mumbai – 400 051

The Secretary
The Calcutta Stock Exchange Ltd
7, Lyons Range
Kolkata – 700 001

The Secretary
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400 001

Sub: Statement of Impact of Audit Qualification for Financial Year 2018-19

Dear Sir/ Madam,


Pursuant to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations), enclosed please find the following:

1. Statement of Impact of Audit Qualification (Standalone & Consolidated) for the Financial Year 2018-19 on the Audit Report issued by one of the Joint Auditors.
2. Declaration of Unmodified Audit Report for the Audit Report issued by one of the Joint Auditors.

The same was inadvertently not submitted yesterday.

We request you to take the above on record.

Yours faithfully,
For **SIMPLEX INFRASTRUCTURES LIMITED**


B. L. BAJORIA
Sr. VICE PRESIDENT & COMPANY SECRETARY

Enclosed: As above

SIMPLEX INFRASTRUCTURES LIMITED

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

PHONES : +91 33 2301-1600, FAX :+91 33 2283-5964/5965/5966

E-mail : simplexkolkata@simplexinfra.com, Website : www.simplexinfra.com

CIN No. L45209 WB 1924 PLC 004969

**Statement on Impact of Audit Qualification (for Audit Report of M/s. S. R. Batliboi & Co. LLP)
for the Financial Year ended 31st March, 2019 (Standalone)**

I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) (Rs. In Lakhs)	Adjusted Figures (audited figures after adjusting for qualifications) (Rs. In Lakhs)
	1.	Turnover / Total income	615,337	Not Applicable Refer Item II (d) below
	2.	Total Expenditure	596,971	
	3.	Net Profit/(Loss)	12,256	
	4.	Earnings Per Share (In Rupees)	22.01	
	5.	Total Assets	952,573	
	6.	Total Liabilities	747,638	
	7.	Net Worth *	204,935	
	8.	Any other financial item(s) (as felt appropriate by the management)		
		*Represents Total Equity as per Balance Sheet		

II. Audit Qualification (each audit qualification separately):

a. Details of Audit Qualification:	<p>M/s. S. R. Batliboi & Co. LLP, Chartered Accountants, one of the Joint Statutory Independent Auditors have qualified their audit opinion in their Report dated May 30, 2019 on the Standalone Financial Statements of the Company for the year ended 31st March, 2019.</p> <p>Relevant excerpts from the Independent Auditors' Report on the said Standalone Financial Statements are given below:</p> <p>“3. We draw your attention to the following:</p> <p>a) Note 1, 2 and 3 regarding certain old balances of unbilled revenues, loan/ advances, trade receivables, retention monies, inventories at project sites and claims recoverable aggregating Rs. 68,924 lacs, Rs. 28,548 lacs, Rs. 15,583 lacs, Rs. 5,354 lacs, Rs. 2,854 lacs and Rs. 6,909 lacs respectively, in respect of which, we have been informed that the management is in regular discussion with the concerned customers for completion of necessary certifications and/or recovery thereof. Based on the information and explanations provided to us, we are unable to comment upon the extent of recoverability of Rs. 128,172 lacs out of the aforesaid amounts and classification of the aforesaid amounts aggregating Rs. 117,772 lacs as current, the likely period for collection of these balances considered by the</p>
---	--

	<p>Company for determination of their fair values and any other consequential impact that may arise in this regard.</p> <p>b) Note 4 in respect of current assets which includes certain balances of trade receivables, retention monies, unbilled revenues, statutory advances pending assessment by relevant authorities and other balances including those subject to arbitration aggregating to Rs. 11,963 lacs, Rs. 3,373 lacs, Rs. 29,405 lacs, Rs. 24,162 lacs and Rs. 18,586 lacs respectively which in our opinion should have been classified as non-current assets. We are further unable to comment on any other consequential impact that may arise in this regard.</p>
b. Type of Audit Qualification:	Qualified Opinion
c. Frequency of qualification:	Qualification no. 3 (a) & 3(b) are appearing from financial year ended 31 st March, 2018
d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Not Applicable
e. For Audit Qualification(s) where the impact is not quantified by the auditor:	Impact of Qualification no. 3(a) & 3 (b) of the Auditors' Report have not been quantified by the Auditor
(i) Management's estimation on the impact of audit qualification:	Not ascertainable
(ii) If management is unable to estimate the impact, reasons for the same:	<p>1. Management's views to Audit Qualification 3 (a) of the Audit Report:</p> <p>Certification of unbilled revenue by customers and acceptance of final bills by customers often takes significant period of time and varies from project to project. At this stage, based on discussion with concerned customers, the management believes that unbilled revenue of Rs. 68,924 lacs as on 31st March, 2019 will be billed and realised in due course. The aforesaid amounts have been considered as current based on management's expectation of realisation of these amounts in normal operating cycle.</p> <p>Further on this issue, one of the joint auditors is in agreement with the views of the management. The above reason explains the qualification of one of the joint auditors on this issue in their audit report on the Company's financial results for the year ended 31st March, 2019.</p> <p>Loans and Advances amounting to Rs. 28,548 lacs have been considered as current and out of which for Rs. 18,148 lacs, the Company is in active pursuit and confident of recovery/ settlement of these advances within a reasonable period of time. On this issue, one of the joint auditors is in agreement with the views of the management. The above reason explains the qualification of one of the joint auditors on this issue in their audit report on the Company's financial results for the year ended 31st March,</p>

2019.

As on 31st March, 2019 in respect of trade receivables of Rs.15,583 lacs and claims recoverable of Rs.6,909 lacs from customers in respect of various project sites are outstanding for a long period of time. At this stage, based on discussions and correspondences with customers, the management believes the above balances are good and recoverable.

Retention monies due from customers are receivable only after clearance of final bill by customers and after expiry of defect liability period after execution of contracts. In the opinion of the management, such retention amounts aggregating Rs.5,354 lacs of certain completed contracts as on 31st March, 2019 are good and recoverable.

Inventories aggregating Rs.2,854 lacs as on 31st March, 2019 pertaining to certain completed project sites are readily usable.

The classification of the aforesaid amounts aggregating Rs. 117,772 lacs as current is based on management's expectation of realisation of these amounts in normal operating cycle.

On this issue, one of the Joint Auditors is in agreement with the views of the management. The above reasons explain the qualification of one of the joint auditors on this issue in their audit report on the Company's financial results for the year ended 31st March, 2019.




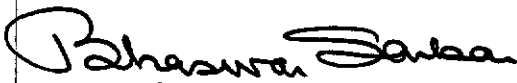
2.Management's views to Audit Qualification 3 (b) of the Audit Report

In respect of classification of certain current assets into non-current assets, the Company provides Expected Credit Loss (ECL) on these current assets. The Company considers an average normal operating cycle for its operations though the operating cycle for all the projects are not uniform, the Company has classified certain trade receivables, retention monies, unbilled revenue, statutory advances pending assessment by relevant authorities and other balances including those subject to arbitrations, amounting to Rs. 11,963 lacs, Rs. 3,373 lacs, Rs. 29,405 lacs, Rs. 24,162 lacs and Rs. 18,586 lacs respectively as current assets. On this issue, one of the Joint Auditors is in agreement with the views of the management.

The above reason explain the qualification by one of the Joint Auditor's on this issue in their Audit report on the Company's financial results for the year ended 31st March, 2019.

(iii) Auditors' Comments on (i) or (ii) above:

No comment further to "Details of Audit Qualification" in Item II (a) above

III	Signatories:	
	• CEO / Managing Director	 A.N. Basu Whole-time Director
	• CFO	 Sukumar Dutta Whole-time Director & CFO
	• Audit Committee Chairman	 Asutosh Sen Audit Committee Chairman
	• Statutory Auditor	For S.R. Batliboi & Co. LLP, Chartered Accountants Firm Registration Number 301003E/E300005  Bhaswar Sarkar Partner Membership No. 55596

Place: Kolkata
Date: May 30, 2019

SIMPLEX INFRASTRUCTURES LIMITED

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

PHONES : +91 33 2301-1600, FAX :+91 33 2283-5964/5965/5966

E-mail : simplexkolkata@simplexinfra.com, Website : www.simplexinfra.com

CIN No. L45209 WB 1924 PLC 004969

Statement on Impact of Audit Qualification (for Audit Report of M/s. S. R. Batliboi & Co. LLP) for the Financial Year ended 31st March, 2019 (Consolidated)

I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) (Rs. In Lakhs)	Adjusted Figures (audited figures after adjusting for qualifications) (Rs. In Lakhs)
	1.	Turnover / Total income	622,918	Not Applicable
	2.	Total Expenditure	604,698	Refer Item II (d) below
	3.	Net Profit/(Loss)	12,198	
	4.	Earnings Per Share (In Rupees)	21.97	
	5.	Total Assets	959,376	
	6.	Total Liabilities	755,178	
	7.	Net Worth *	204,198	
	8.	Any other financial item(s) (as felt appropriate by the management)		
		*Represents Total Equity as per Balance Sheet		
II. Audit Qualification (each audit qualification separately):				
	a. Details of Audit Qualification:	<p>M/s.S. R. Batliboi & Co. LLP, Chartered Accountants, one of the Joint Statutory Independent Auditors have qualified their audit opinion in their Report dated May 30, 2019 on the Consolidated Financial Statements of the Company for the year ended 31st March, 2019.</p> <p>Relevant excerpts from the Independent Auditors' Report on the said Consolidated Financial Statements are given below:</p> <p>“3. We draw your attention to the following:</p> <p>a) Note 1, 2 and 3 regarding certain old balances of unbilled revenues, loan/ advances, trade receivables, retention monies, inventories at project sites and claims recoverable aggregating Rs. 68,924 lacs, Rs. 28,548 lacs, Rs. 15,583 lacs, Rs. 5,354 lacs, Rs. 2,854 lacs and Rs. 6,909 lacs respectively, in respect of which, we have been informed that the management is in regular discussion with the concerned customers for completion of necessary certifications and/or recovery thereof. Based on the information and explanations provided to us, we are unable to comment upon the extent of recoverability of Rs. 128,172 lacs out of the aforesaid amounts and classification of the aforesaid amounts aggregating Rs. 117,772 lacs as current, the likely period for collection of these balances considered by the Company for determination of their fair values and any other consequential impact that may arise in this regard.</p>		

	<p>b) Note 4 in respect of current assets which includes certain balances of trade receivables, retention monies, unbilled revenues, statutory advances pending assessment by relevant authorities and other balances including those subject to arbitration aggregating to Rs. 11,963 lacs, Rs. 3,373 lacs, Rs. 29,405 lacs, Rs. 24,162 lacs and Rs. 18,586 lacs respectively which in our opinion should have been classified as non-current assets. We are further unable to comment on any other consequential impact that may arise in this regard.</p>
b. Type of Audit Qualification:	Qualified Opinion
c. Frequency of qualification:	Qualification no. 3 (a) & 3(b) are appearing from financial year ended 31 st March, 2018
d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Not Applicable
e. For Audit Qualification(s) where the impact is not quantified by the auditor:	Impact of Qualification no. 3(a) & 3 (b) of the Auditors' Report have not been quantified by the Auditor
(i) Management's estimation on the impact of audit qualification:	Not ascertainable
(ii) If management is unable to estimate the impact, reasons for the same:	<p>1. Management's views to Audit Qualification 3 (a) of the Audit Report:</p> <p>Certification of unbilled revenue by customers and acceptance of final bills by customers often takes significant period of time and varies from project to project. At this stage, based on discussion with concerned customers, the management believes that unbilled revenue of Rs. 68,924 lacs as on 31st March, 2019 will be billed and realised in due course. The aforesaid amounts have been considered as current based on management's expectation of realisation of these amounts in normal operating cycle.</p> <p>Further on this issue, one of the joint auditors is in agreement with the views of the management. The above reason explains the qualification of one of the joint auditors on this issue in their audit report on the Company's financial results for the year ended 31st March, 2019.</p> <p>Loans and Advances amounting to Rs. 28,548 lacs have been considered as current and out of which for Rs. 18,148 lacs, the Company is in active pursuit and confident of recovery/ settlement of these advances within a reasonable period of time. On this issue, one of the joint auditors is in agreement with the views of the management. The above reason explains the qualification of one of the joint auditors on this issue in their audit report on the Company's financial results for the year ended 31st March, 2019.</p> <p>As on 31st March, 2019 in respect of trade receivables of Rs.15,583 lacs</p>

and claims recoverable of Rs.6,909 lacs from customers in respect of various project sites are outstanding for a long period of time. At this stage, based on discussions and correspondences with customers, the management believes the above balances are good and recoverable.

Retention monies due from customers are receivable only after clearance of final bill by customers and after expiry of defect liability period after execution of contracts. In the opinion of the management, such retention amounts aggregating Rs.5,354 lacs of certain completed contracts as on 31st March, 2019 are good and recoverable.

Inventories aggregating Rs.2,854 lacs as on 31st March, 2019 pertaining to certain completed project sites are readily usable.

The classification of the aforesaid amounts aggregating Rs. 117,772 lacs as current is based on management's expectation of realisation of these amounts in normal operating cycle.

On this issue, one of the Joint Auditors is in agreement with the views of the management. The above reasons explain the qualification of one of the joint auditors on this issue in their audit report on the Company's financial results for the year ended 31st March, 2019.




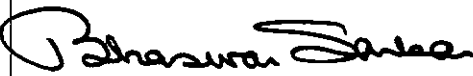
2.Management's views to Audit Qualification 3 (b) of the Audit Report

In respect of classification of certain current assets into non-current assets, the Company provides Expected Credit Loss (ECL) on these current assets. The Company considers an average normal operating cycle for its operations though the operating cycle for all the projects are not uniform, the Company has classified certain trade receivables, retention monies, unbilled revenue, statutory advances pending assessment by relevant authorities and other balances including those subject to arbitrations, amounting to Rs. 11,963 lacs, Rs. 3,373 lacs, Rs. 29,405 lacs, Rs. 24,162 lacs and Rs. 18,586 lacs respectively as current assets. On this issue, one of the Joint Auditors is in agreement with the views of the management.

The above reason explain the qualification by one of the Joint Auditor's on this issue in their Audit report on the Company's financial results for the year ended 31st March, 2019.

(iii) Auditors' Comments on (i) or (ii) above:

No comment further to "Details of Audit Qualification" in Item II (a) above

III	Signatories:	
	• CEO / Managing Director	 A.N. Basu Whole-time Director
	• CFO	 Sukumar Dutta Whole-time Director & CFO
	• Audit Committee Chairman	 Asutosh Sen Audit Committee Chairman
	• Statutory Auditor	For S.R. Batliboi & Co. LLP, Chartered Accountants Firm Registration Number 301003E/E300005  Bhaswar Sarkar Partner Membership No. 55596

Place: Kolkata
Date: May 30, 2019



AN ISO 9001 : 2015
certified company

SIMPLEX INFRASTRUCTURES LIMITED

REGD. OFFICE :

'SIMPLEX HOUSE', 27, SHAKESPEARE SARANI, KOLKATA-700 017 (INDIA)
PHONES : +91 33 2301-1600, FAX : +91 33 2283-5964 / 5965 / 5966
E-mail : simplexkolkata@simplexinfra.com, Website : www.simplexinfrastructures.com
CIN No. L45209 WB 1924 PLC 004969

01/CS/SE/001/93828

Date: 30th May, 2019

The Secretary
National Stock Exchange of India Limited
Exchange Plaza
Bandra Kurla Complex
Bandra East
Mumbai – 400 051

The Secretary
The Calcutta Stock Exchange Ltd
7, Lyons Range
Kolkata – 700 001

The Secretary
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400 001


Sub: Declaration for Unmodified Opinion

Dear Sir,

In pursuance to the second proviso to Regulation 33(3)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby confirm that M/s. H. S. Bhattacharjee & Co., Chartered Accountants, one of the Joint Auditors of the Company have issued Audit Reports with unmodified opinion on the Audited Financial Statements of the Company (Standalone & Consolidated) for the financial year ended March 31, 2019.

We request you to take the above on record.

Yours faithfully,
For SIMPLEX INFRASTRUCTURES LIMITED


S. Dutta
Whole-time Director &
Chief Financial Officer