

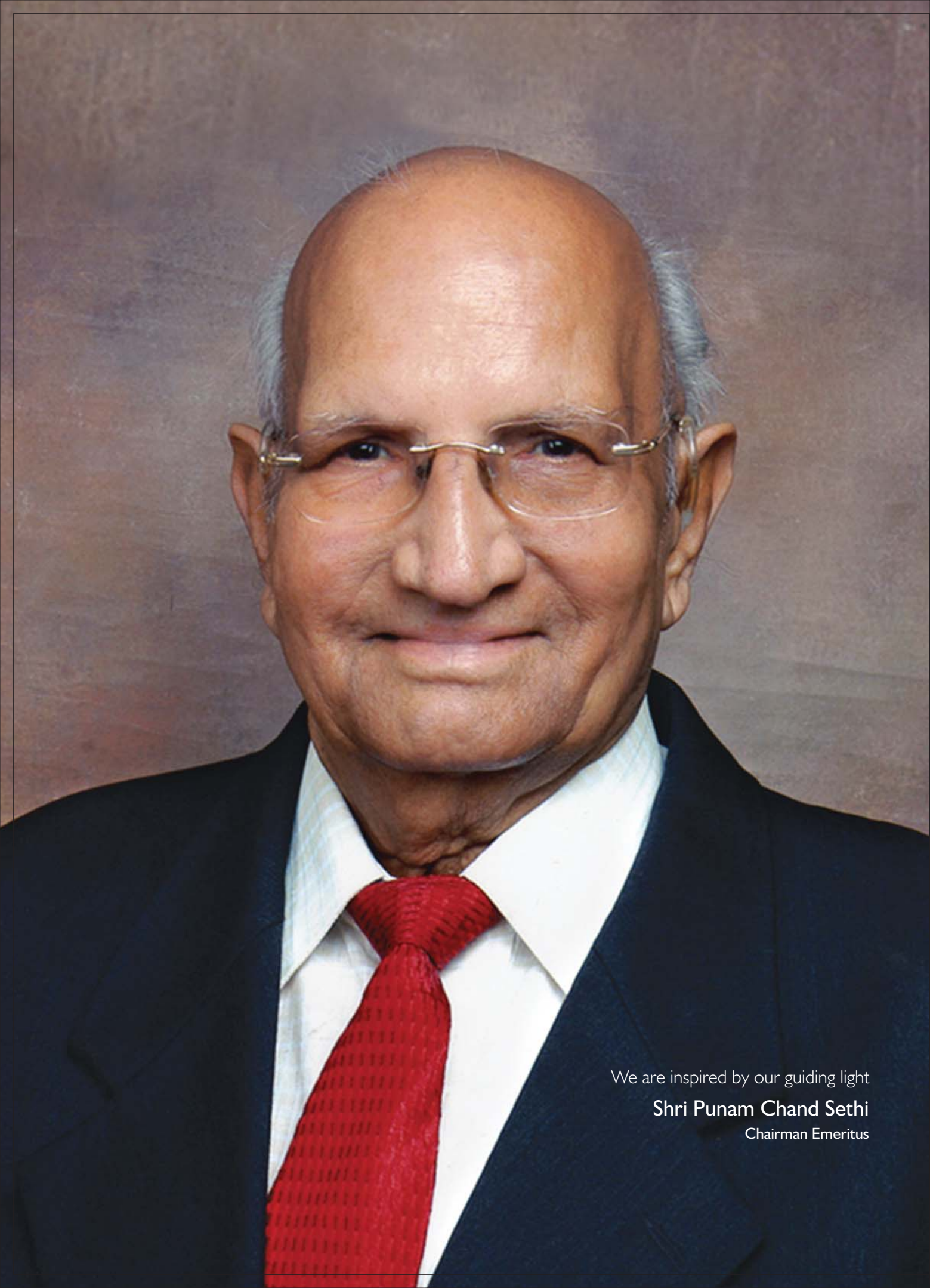
Scaling new heights



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SPML, creating a green footprint for mankind





We are inspired by our guiding light

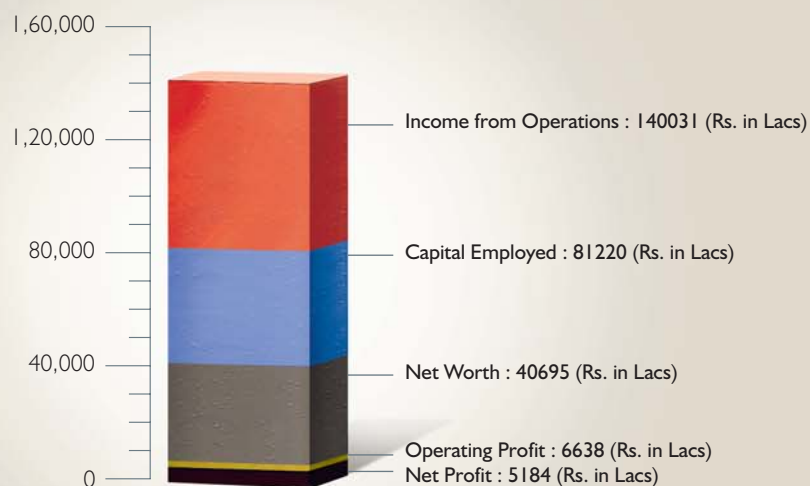
**Shri Punam Chand Sethi**

Chairman Emeritus

## Credentials and recognition

- ▶ Outstanding Entrepreneur Award - Asia Pacific  
**Enterprise Asia, 2009**
- ▶ Rank 1 - Fastest Growing Company of the year in the Large Category  
**Construction World, 2009**
- ▶ Rank 104 - Best Performing 500 Mid-Sized Companies in India  
**Inc. India, 2009**
- ▶ Chairman, SPML, empanelled as eminent citizen with the NREGA  
**Mahatma Gandhi National Rural Employment Guarantee Act**
- ▶ Rank 189 in the Top Business Companies List  
**Business India, 2008-09**
- ▶ Kabini Mini-Hydel (20 MW capacity) plant accorded Enertia Award Excellence in Project Management in Hydro Power Sector by  
**Enertia Publications, Falcon Media 2008 -09**
- ▶ Rank 272 amongst India's 1000 corporate giants  
**Business Standard, 2008 -09**
- ▶ Rank 308 in the FE500 - top 500 companies in India based on composite ranking  
**Financial Express, 2008-09**
- ▶ Rank 335 amongst the Top 500 Indian Companies  
**Economic Times 500 survey, 2008-09**
- ▶ One of the top 500 companies in India  
**Dun & Bradstreet & The Financial Express, 2007-08**

## Financial Highlights 2009-10



## SPML, the 'growth connect' !



WATER



ENVIRONMENT

**SPML Infra Limited** (formerly Subhash Projects and Marketing Limited) is a leading infrastructure development company with nearly three decades of multi-disciplinary experience in Water, Power, Environment, Infrastructure, Manufacturing and Technology. Promoted by the Sethi family, the company that was incorporated in 1981 and was converted as a public limited company in August 1983. An ISO 9001:2000 certified company, SPML has executed more than 400 projects across India.

Our current book order is at over **INR 37,000 million (EPC)** including Joint Ventures orders. We are also in the process of developing Infrastructure Projects

with investments worth over **INR 150 Billion** on **BOOT/PPP** basis.

Having established its leadership in the contracting business, SPML has proven business capabilities in the Water Energy, Environment and Infrastructure domain, on a Public Private Partnership (PPP) & Build-Own-Operate-Transfer (BOOT) basis.

SPML's vision to become a force in the global infrastructure sector is supported by its core strength - pan India presence, 20 offices across the country, 29 years of experience in turnkey projects, innovative in-house

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### OUR VISION

Build world class infrastructure with passion and innovation to make human life comfortable

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ENERGY



INFRASTRUCTURE

designs and engineering solutions, highly skilled team of over 1500 professionals - engineers and domain experts; complimented by its focus on innovation and cutting edge technology.

We've facilitated several technology and process enablers which accelerate the process of 'growth connect' with the new era. We've already implemented SAP-ERP across the organization and project sites. We have established a Center of Excellence of Engineering Design. We have also implemented Best-in-class HR practices. The focus of our HRD team is to develop the organization as an "Employer of choice".



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Customer orientation, Wealth creation,  
Employee empowerment, System & processes,  
Teamwork and cooperation, Proactiveness and innovation

OUR CORE VALUES

# Total Water Solutions Provider



Cauvery Water Supply Project



Tertiary Sewage Treatment Plant, Yelahanka



Rajiv Gandhi Lift Irrigation Canal, Rajasthan



Twin Pipeline System, Santhaldih



Lakshmanpur Water Supply Scheme



Water Intake & Plant Water System, Bakreswar TPP



Sewer Rehabilitation Implementation



Water Pumping Station, Dharnasar in Rajasthan



## Our Areas of Operation

### EPC

#### Engineering Procurement and Construction

##### An Overview

SPML Infra Limited is a leading Infrastructure Development company with nearly 3 decades of experience in the public as well as private sector.

SPML is a single source solution provider for various multi disciplinary engineering and infrastructure services from conceptualization to maintenance in Water, Power, Environment and Infrastructure projects. SPML has a cutting edge owing to its conceptualizing ability – visionary thinking and the capability to execute the vision in real time.

SPML **Engineering, Procurement & Contracting** initiatives – touching the entire spectrum:

- ▶ Over **2500 kms. of pipeline** laid across cities and towns of India
- ▶ Over **two lakh rural households** across the country have benefited through SPML's Power Generation, Transmission and Distribution initiatives
- ▶ Connecting people and businesses - Development of **roads, bridges, flyovers, highways, industrial infrastructure** and **tunnels** across India
- ▶ Environment protection, sustenance and growth by providing **Integrated End-to-end waste management solutions**

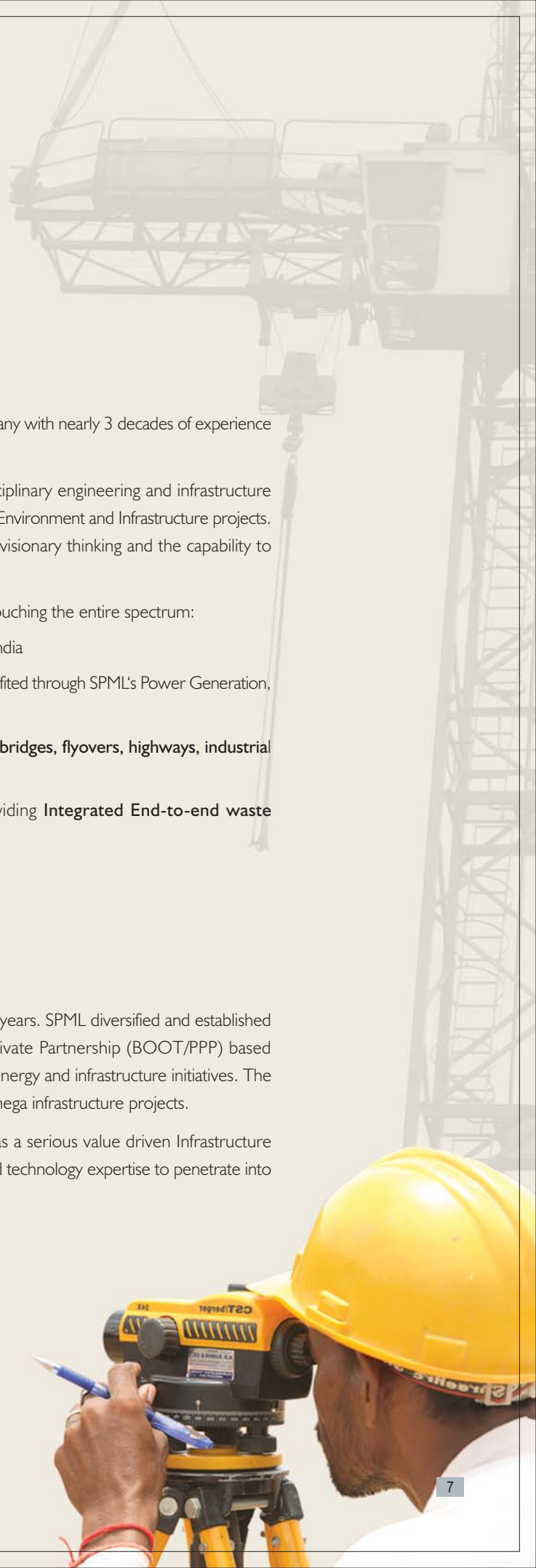
### BOOT / PPP

#### Build Own Operate Transfer / Public Private Partnership

##### An Overview

Having consolidated its presence in the EPC business, over the years. SPML diversified and established its leadership in the Build-Own-Operate-Transfer / Public-Private Partnership (BOOT/PPP) based businesses. The group has been a pioneer in high value water, energy and infrastructure initiatives. The group has successfully forayed into Ports, SEZs and large scale mega infrastructure projects.

The business diversification has consolidated SPML's position as a serious value driven Infrastructure Development Company, while leveraging its proven domain and technology expertise to penetrate into new areas of growth.



## Our subsidiaries, associates and joint ventures



### SPML Group Companies in Water Sector

**SPML Utilities Limited (formerly SPML Water Infra Limited)** : This holding company spearhead and leads activities pertaining to Projects in Water, Environment, Technology and other utilities through Public Private Partnership (PPP) and Build-Own-Operate-Transfer (BOOT) basis.

**Latur Water Supply Management Company Limited** : This Special Purpose Vehicle (SPV) leads the activities of the Latur water supply scheme project - Management Contract for 24x7 water supply to Latur City. The companies a Joint Venture (JV) between SPML, UPL and Hydro Comp Enterprises, Cyprus.

**Hydro-Comp Enterprises (India) Private Limited** : The company leads the activities of consulting, implementing and managing integrated water supply and management initiatives in the country. Currently, it is leading a prestigious initiative as the Operator Consultant for the Implementation of 24x7 Continuous Water Supply Project under the JNNURM Scheme for Madurai Municipal Corporation. The company is a JV between SPML & Hydro-Comp Enterprises, Cyprus.

**SPML Bhiwandi Water Supply Infra Limited** : This SPV leads the integrated Bulk Water supply & water management project for Bhiwandi-Nizampur City Municipal Corporation under PPP scheme.

**SPML Bhiwandi Water Supply Management Limited** : This SPV leads the water management for Bhiwandi-Nizampur Municipal Corporation, which comprise the implementation of integrated information system consisting of customer information, operation & maintenance, demand management and network asset management system under PPP.

### SPML Group Companies in Energy Sector

**SPML Energy Limited** : This holding company is managing and

executing high value projects under Public Private Partnership (PPP) & Build Own Operate Transfer (BOOT) basis. The company leads the activities of developing, constructing and managing Hydro Power projects in various states across India.

**Subhash Kabini Power Corporation Limited (SKPCL)** : The company leads the development and management of Kabini Hydro Power Project; the 2nd largest private sector mini hydel scheme in Karnataka, with an aggregate capacity of 20 MW and annual generation of approx. 65 MU.

- ▶ **Awa Power Company Private Limited**
- ▶ **Binwa Power Company Private Limited**
- ▶ **Iqu Power Company Private Limited**
- ▶ **Luni Power Company Private Limited**
- ▶ **Neogal Power Company Private Limited**

The above mentioned SPV's individually lead the development and management of 4.5 MW Mini Hydel Power Generation projects each, under Build Own Operate Transfer (BOOT) basis, across the state of Himachal Pradesh.

- ▶ **Uttarkashi Tons Hydropower Private Limited**
- ▶ **Tons Valley Power Company Limited**
- ▶ **Rupin Tons Power Private Limited**

The above mentioned SPV's lead the development and management of Mini-Hydel Power Generation projects (Aggregate Capacity of 42 MW) under Build Own Operate (BOO) & Design, Construction, Operation (DCO) basis, in the state of Uttarakhand.

### SPML Group Companies in Infrastructure Sector

**SPML Infrastructure Limited** : This holding company spearheads, develops & manages infrastructure projects like Ports, SEZs, Integrated Industrial Townships, Urban Infrastructure, Automated

Car Parking solutions, Toll/Link Roads amongst other mega infrastructure projects. It has the following Companies at present under its fold.

**Pondicherry Port Limited** : The company has envisaged a world class deep water port at Puducherry to augment the economic demand meets the opportunities available in the region. After completion of the port, it will handle containers, cars, general cargo, edible oil and general passengers. It is a JV between SPML & Om Metals Infraprojects Limited (OMIL).

**Sanmati Infradevelopers Private Limited** : This is a holding company for Pondicherry SEZ and other mega integrated townships and stand-alone infrastructure development initiatives across India. It is a JV between SPML, OMIL & Urban Ventures.

**Pondicherry SEZ Company Limited** : The company is developing a Multi-Product Special Economic Zone - an exclusive integrated industrial and residential township, christened as SEZ DE PONDY. The entire project is master planned by internationally acclaimed "Jurong Consultants Pte", Singapore with a well planned development schedule. It will ensure that the "City within City" develops in a planned and phased manner. It is a JV with Pondicherry Industrial Promotion Development and Investment Corporation Limited (PIPDIC).

**Jaora-Nayagaon Toll Road Company Private Limited** : The company leads the activity of developing a four lane 127 Kms highway between Jaora-Nayagaon for the Madhya Pradesh Road Development Corporation (MPRDC). The project comprises Design, Construction, Finance, Operation and Maintenance on BOOT basis. It is a JV between SPML, SREI Infrastructure Finance Ltd, VIVA Infrastructure Pvt. Ltd & PNC Constructions Co. Ltd.

### SPML Group Companies in Environment Sector

**SPML Urban Enviro Ltd.** : SPML Urban Enviro Limited is into collection, segregation and disposal of waste from Airports of Delhi and Hyderabad.

**Madurai Municipal Waste Processing Co. Pvt. Ltd.** : This SPV is responsible for Survey, Design, Supply and Construction of waste processing and disposal facility of 350 tonnes of waste per day of Madurai, for Madurai Municipal Corporation. It is also responsible to manage an anticipated increase of approx. 1000 tonnes of solid waste per day by the term end of the 20 years concession period.

**Delhi Waste Management Ltd.** : This SPV is one of India's leading waste management companies, handling Solid Waste Management in Delhi for Municipal Corporation of Delhi. It is responsible for providing services of waste collection, segregation, transportation and waste to resource services to over 5 million

people and thousands of business establishments in Delhi. DWM manages 778 waste storage depots, around 80 hydraulic vehicles including compactors, dumper placers and hook loaders and handles approximately 5,40,000 Tons of solid waste annually.

**Allahabad Waste Processing Company Private Limited** : This SPV has commenced work towards the development of Integrated Solid Waste Management Facilities for Allahabad Municipal Corporation, UP on Public Private Partnership (PPP) basis.

**Mathura Nagar Waste Processing Company Private Ltd.** : This will carry out the project towards development of Integrated Solid Waste Management Facilities for Mathura Nagar Palika Parishad, UP on Public Private Partnership (PPP) basis.

**Insituform Pipeline Rehabilitation Pvt. Ltd.** : The company is a JV between SPML and Insituform Technology Inc. USA. It is executing 5 mega-projects for Delhi Jal Board, to rehabilitate medium and large-diameter sewer pipelines with CIPP (Cured In Place Pipe) and other trenchless and non-trenchless technique.

### Technology

**SPML Technologies Limited** : The company is a pioneer in e-payment empowerment solutions. One of its proven solution is the unique multi-functional Anytime/Anywhere Payment Systems / Kiosks (24 hrs x 365 days) for collecting utility payments at user convenience through Cash / Cheque / Demand Draft / Credit / Debit Cards. The company takes care of the complete installation and management of these information touch-point kiosks. Spread over 6 states, the clientele includes Utility providers in the electricity, communication (telephone / broadband), transport / travel (railways / air-travel) and financial / insurance sectors.

### Manufacturing

**SPML Industries Limited** : To meet the growing demand of water supply and irrigation sector, the company ventured into the manufacture of Pre-Stressed Concrete (PSC), Mild Steel (MS) Pipes, Reinforced Cement Concrete (RCC) Poles, Pre-stressed Cement Concrete (PSC) Poles and allied products. It is an ISO 9001-2000 & ISI (product) certified company.

### SPML International Alliances

This proposed vertical leader will have all the envisaged foreign ventures under its fold.

#### International Alliances / Ventures

- ▶ SPM Holdings Pte. Limited, Singapore
- ▶ Hydro Comp Enterprises, Cyprus
- ▶ Insituform Technologies Inc., USA

## Chairman's Message

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### Dear Stakeholders,

As you are aware, we have traversed a challenging journey over the last year, which probably was the case with most organizations owing to the market dynamics, slowdown and negative sentiments. At SPML, we leveraged this period to

introspect and re-align our business priorities, focus areas and consolidate our strengths, with emphasis on optimization, efficiency and effectiveness in all our functions.

I am extremely happy to inform that we have emerged successful through this period and our focus is back on capacity building and renewed approach to our traditional engineering - contracting business and growth impetus of the emerging Public Private Partnership (PPP) and the Build-Own-Operate-Transfer (BOOT) opportunities ahead of us.

We are poised for the next phase of our growth - SPML is an organization of opportunities and promise, but we understand that our pursuit of excellence on all fronts is complimented with a need for "change". Therefore, we have embraced "Change"... a change for the better in all our initiatives and a change to compete with the best and above all with ourselves, to set new benchmarks.

Therefore, this thought has also resulted in a change in name of the organization to be closer than ever before with our stakeholders and esteemed clients. We are extremely happy having announced our new name SPML Infra Limited.

From a business perspective, it has been a bright period. We are happy to share that in last 12 months, we won consolidated orders to the tune of Rs. 2000 Crores, to name a few :

- ▶ SPML along with Om Metals was awarded the prestigious contract for construction of Kalisindh Gravity Dam on

Turnkey basis by the Water Resources Department, Rajasthan Government, at a value of Rs. 457 crore.

- ▶ A Prestigious Water Supply project at a value of Rs. 440 crore in JV, from Bangalore Water Supply and Sewerage Board was another significant win.
- ▶ A 1500 mini water supply schemes project for 26 drought affected districts of Bihar, awarded by Public Health Engineering, Dept., Government of Bihar, at value of Rs. 220 crore.
- ▶ Development of two lane from Jaipur to Bhilwara - a road infrastructure order of Rs. 250 crore from Govt. of Rajasthan.

SPML has established itself as a preferred Infrastructure development partner and also built its rightful credential as a Total Water Solutions Provider participating in water supply, distribution and management projects, and in waste water/effluent treatment plants at the other end of the spectrum. As a company we have also created our niche in domains such as Balance of Plant works, Municipal Waste Management and Road/Highways Projects.

We are venturing into and managing businesses and projects that add value to our portfolio, make a difference in the lives of people they touch and ensure profitability to our stakeholders.

I would like to take this opportunity to thank all our revered stakeholders - clients, shareholders, banks, financial institutions, supply chain, contractors and most importantly our people, for their relentless support over the years.

We are at the threshold of the most opportune moment in the history of the organization as we accelerate our growth trajectory and build marvels of infrastructure to meet the nation's development aspirations.

We believe, together, we can.

**Anil Sethi**

Chairman

**SPML Infra Limited**

(formerly Subhash Projects And Marketing Limited)

## Board of Directors

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**Mr. Anil Kr. Sethi**  
Chairman



**Mr. Subhash Ch. Sethi**  
Vice Chairman & Managing Director



**Mr. Sushil Kr. Sethi**  
Managing Director



**Mr. Deepak Sethi**  
Director



**Mr. T. S. Siva Shankar**  
Director



**Mr. K. Mukhopadhyaya**  
Director



**Mr. Sarthak Behuria**  
Director



**Mr. R.L. Gaggar**  
Director



**Mr. A. Bhattacharjee**  
Director

# Corporate Information

Executive Vice-President (Finance) And Company Secretary

**B.N.Choudhary**

## Head Office

SPML House, Plot No. 65, Sector - 32, Institutional Area, Gurgaon - 122 001, Haryana

Tel: +91-124-4204601, Fax : +91-124-4269139

## Registered Office

F-27/2, Okhla Industrial Area, Phase - II, New Delhi - 110 020

Tel: +91-11-26387091, Fax: +91-11-26386003

## Regional Offices

Bangalore : Mfar Silverline Tech Park, 2nd Floor, Plot No. 180, EPIP 2nd Phase

Whitefield, Bangalore - 560066, Tel: +91-80-40520200, Fax: +91-80-40956701

Kolkata : 22, Camac Street, Block A, 3rd Floor, Kolkata - 700016

Tel: +91-33-40091200, Fax: +91-33-40091303

Mumbai : 206, Marthanda Building, Dr. A.B. Road, Worli Naka, Mumbai - 400018

Tel: +91-22-24944537, Fax: +91-22-24944536

## Bankers

- ▶ Andhra Bank
- ▶ Bank of Baroda
- ▶ Canara Bank
- ▶ IDBI Bank
- ▶ ICICI Bank
- ▶ Oriental Bank of Commerce
- ▶ Punjab National Bank
- ▶ State Bank of India
- ▶ State Bank of Travancore
- ▶ State Bank of Hyderabad
- ▶ State Bank of Mysore
- ▶ State Bank of Bikaner & Jaipur
- ▶ Syndicate Bank
- ▶ Union Bank of India
- ▶ Yes Bank Ltd.

## Auditors

### **S.R. Batliboi & Co.**

Chartered Accountants

22, Camac Street, Block C, 3rd floor, Kolkata - 700 016

### **Sunil Kumar Gupta & Co.**

Chartered Accountants

B-2, Magnum House -I, Karampura Commercial Complex, New Delhi - 110 015

## Registrar & Share Transfer Agents

Maheshwari Datamatics (P) Ltd., 6, Mangoe Lane, 2nd floor, Kolkata - 700 001

## DIRECTORS' REPORT

Dear Shareholders,

Your Directors present their 29th Annual Report on your Company's operations and performance 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 March 31, 2010 is summarized below :

(Rs. in Lacs)

PARTICULARS	For the year ended 31.03.2010		For the year ended 31.03.2009	
Gross Operating Revenue & Others Income		<b>141373.37</b>		<b>128323.31</b>
Profit before Interest and Depreciation		<b>16608.04</b>		<b>18816.21</b>
Less :- Interest and Financial Charges		9969.59		11317.60
Less :- Depreciation		1109.78		860.63
Profit Before Tax		<b>5528.67</b>		<b>6637.98</b>
Provision for Taxation	737.00		1117.20	
Fringe Benefit Tax	(39.56)		126.32	
Provision for Deferred Tax	(354.00)		77.59	1321.11
Profit After Tax		<b>5185.23</b>		<b>5316.87</b>
Add : Balance brought forward from previous year		14453.97		11151.64
Profit available for Appropriation		<b>19639.20</b>		<b>16468.51</b>
Appropriations :-				
Proposed Dividend	293.20		439.80	
Tax on Distributed Profits	48.70	341.90	74.74	514.54
Transfer to General Reserve		1000.00		1500.00
Surplus carried to Balance Sheet		18297.30		14453.97
<b>Total :</b>		<b>19639.20</b>		<b>16468.51</b>

### Operating Results

You will be glad to note that your company achieved a turnover of Rs. 1400.32 Crores as against Rs.1257.22 Crores achieved in the previous year, registering a growth of 11.40%. The company earned a gross profit of Rs. 166.08 Crores before interest and depreciation as against Rs. 188.18 Crores in the previous year. After deducting interest of Rs.99.70 Crores, providing a sum of Rs. 11.10 Crores towards depreciation, tax provision of Rs.3.43 Crores, the operations resulted in a net profit of Rs. 51.85 Crores as against Rs.53.17 Crores in the previous year.

Management Discussion and Analysis of Financial condition and Operational Performance of the Company for the year under review, as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges in India, is given as a separate statement in the Annual Report.

### Dividend

Your Directors have recommended a dividend of 40% (last year 60%) on 36650276 Equity Shares of Rs. 2/- each for the financial year ended

March 31, 2010. The total dividend, including tax, amounts to Rs.341.90 Lakhs as against Rs.514.54 Lakhs during the previous year.

The dividend payout for the year under review has been formulated in accordance with the Company's policy of striving to pay stable dividend linked to long term performance and growth plans.

### Change of name of the Company

The name of the Company has been changed to "SPML Infra Limited" vide fresh certificate of Incorporation dated 12.04.2010 issued by the Registrar of Companies, New Delhi.

### Subsidiary Companies

Your Company has the following Subsidiary Companies:

1. Neogal Power Company Private Ltd.
2. Awa Power Company Private Ltd.
3. Luni Power Company Private Ltd.

4. IQU Power Company Private Ltd.
5. Binwa Power Company Private Ltd.
6. Tons Valley Power Company Private Ltd.
7. Rupin Tons Power Private Ltd.
8. Uttarkashi Tons Hydro Power Private Ltd.
9. SPML Energy Limited
10. Subhash Kabini Power Corporation Ltd
11. Delhi Waste Management Ltd.
12. SPML Industries Limited
13. SPML Technologies Limited,
14. SPML Infrastructure Limited,
15. SPM Holdings Pte. Limited , Singapore
16. Madurai Municipal Waste Processing Co. Pvt. Ltd.
17. SPML Urban Enviro Limited.
18. SPML Utilities Limited.
19. SPML Bhiwandi Water Supply Infra Ltd.
20. SPML Bhiwandi Water Supply Management Limited
21. Mathura Nagar Waste Processing Co. Pvt. Ltd.
22. Allahabad Waste Processing Co. Pvt. Ltd.

Companies under Serial Nos. 1 to 5 are engaged in development of 4.5 MW Hydro Power Projects each, under Build Own Operate and Transfer (BOOT) basis, in the state of Himachal Pradesh. Out of these the projects under items (i) to (iv), are scheduled to be commissioned in phases by March, 2011 and item No.(v) is slated to be commissioned in April, 2012.

Construction of Uttaranchal Hydro Projects under Serial Nos. (vi) to (viii) are awaiting requisite approvals from the Government and Statutory Authorities.

SPML Energy Limited has invested into the shares of Hydro Power Companies.

Subhash Kabini Power Corporation Ltd. runs a 20 MW Hydro Power Plant in the State of Karnataka.

Delhi Waste Management Ltd. is engaged in collection, segregation and disposal of Waste from South, Central and City Zones of Delhi.

SPML Industries Limited is into manufacturing of pre stressed concrete pipes.

SPML Technologies Limited is into providing business solutions to utility companies.

SPML Infrastructure Limited is undertaking Port, SEZ and other infrastructure projects.

SPM Holdings Pte Limited, Singapore is a step down subsidiary (subsidiary of Subhash Kabini Power Corporation Limited) and is in the business of general wholesale trade (including imports & exports).

Madurai Municipal Waste Processing Company Private Limited is into processing and disposal of Solid Waste for Madurai Municipal Corporation.

SPML Urban Enviro Limited at present, is into collection, segregation and disposal of waste from Airports of Delhi and Hyderabad.

SPML Utilities Limited has invested into shares of Water Utility Projects undertaken on private public partnership (PPP) and Build - Own - Operate - Transfer (BOOT) basis.

Company under Serial No. 19 leads the integrated bulk water supply project for Bhiwandi - Nizampur City Municipal Corporation under PPP Scheme.

Company under Serial No. 20 leads the water management for Bhiwandi-Nizampur Municipal Corporation under PPP scheme.

Companies under Serial No.21 & 22 are engaged into collection, processing and disposal of Waste from Mathura and Allahabad Cities.

A statement pursuant to Section 212 of the Companies Act, 1956 containing the details of the subsidiaries of the Company, forms part of the Annual Report.

The Company has received approval under Section 212(8) of the Companies Act, 1956, from Ministry of Corporate Affairs, Government of India exempting the Company from attaching the annual accounts of the subsidiary companies for the year ended March 31, 2010 with that of your Company.

A statement pursuant to Section 212 (8) of the Companies Act, 1956, containing the details of the subsidiaries of the Company forms part of the Annual Report.

#### **Consolidated Financial Statements**

In accordance with the Accounting Standard AS-21 on Consolidated Financial Statements read with Accounting Standard AS-23 on Accounting for Investments in associates, your Directors provide the audited Consolidated Financial Statements for the financial year ended 31st March, 2010 forming part of the Annual Report and Accounts.

The Company will make available the annual accounts of the aforesaid subsidiaries upon request by any member/investor of the company/subsidiary company. Further, the annual accounts of the subsidiary companies will also be kept open for inspection by any member/investor at the company's registered office and that of the subsidiaries concerned.

#### **Directors**

Shri R. L. Gaggar & Shri Amalendu Bhattacharjee retire by rotation and being eligible, offer themselves for reappointment at the ensuing annual General Meeting.



Shri Sarthak Behuria was appointed as an Additional Director of the Company w.e.f. 12.08.2010 and his appointment will be regularized in the ensuing Annual General Meeting of the Company.

#### **Auditors and Auditors' Report**

The joint statutory auditors of the Company, M/s. S. R. Batliboi & Company, Chartered Accountants and M/s. Sunil Kr. Gupta & Company, Chartered Accountants, retire at the conclusion of the 29th Annual General Meeting and being eligible have offered themselves for reappointment to hold office from the conclusion of the 29th Annual General Meeting upto the conclusion of the 30th Annual General Meeting.

The Notes on Accounts referred to in the Auditors' Report are self explanatory and therefore do not call for any further comments.

#### **Deposits**

During the year under review the Company has not accepted any public deposits.

#### **Particulars of Energy Conservation, etc.**

Your Company is not covered by schedule, which requires furnishing of details in Form A & B as per 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, 1968.

#### **Foreign Exchange Earnings and Outgo**

The information is contained in Schedule 20B, Item Nos.12 & 13 in Significant Accounting Policies and Notes on Accounts.

#### **Particulars of Employees**

Details in respect of remuneration paid to the employees as required under Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975, as amended forms part of the Report. However, in pursuance of the provisions of section 219(1)(b)(iv) of the Companies Act, 1956, this Report is being sent to all the members of the Company excluding the aforesaid information and the said details are made available at the registered office of the Company. The members interested in obtaining such details may write to the Company Secretary at the registered office of the Company.

#### **Employee Stock Option Scheme (ESOS)**

No options were granted during the financial year ended 31st March, 2010.

#### **Quality Management System**

The Company has maintained strict Quality Management System in all aspects of EPC Contracts and has ISO 9001 certificate.

#### **Transfer of Unpaid / Unclaimed amounts to IEPF**

Pursuant to the provisions of Section 205A(5) of the Companies Act, 1956, the declared dividends which remained unpaid / unclaimed for a period of 7 years have been transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 205C of the said Act.

#### **Corporate Governance**

In pursuance of Clause 49 of the Listing Agreement entered into with the Stock Exchanges, a separate section on Corporate Governance has been incorporated in the Annual Report for the information of the Shareholders. A certificate from the auditors of the company regarding compliance of the condition of Corporate Governance as stipulated under the said Clause 49 also forms part of the Annual Report.

#### **Employees Relations**

The relations with the Employees have been cordial throughout the year under review. Your Directors place on record their sincere appreciation in respect of the services rendered by the Employees of the Company at all levels.

#### **Directors' Responsibility Statement**

Pursuant to requirement under Section 217(2AA) of the Companies Act, 1956, your Directors confirm that:

- (i) in preparation of the annual accounts, the applicable accounting standards have been duly 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 and of the profit or loss of the Company for that period;
- (iii) the Directors had taken proper and sufficient care for the maintenance of adequate records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the Directors had prepared the annual accounts on a 'going concern' basis.

#### **Acknowledgement**

Your Directors wish to place on record their sincere appreciation and thanks for the valuable cooperation and support received from the Company's Bankers, Financial Institutions, Central and State Government Authorities, Joint Venture Partners, Clients, Consultants, Suppliers and Members of the Company and look forward for the same in greater measure in the coming years.

On behalf of the Board

Anil Kr. Sethi  
Chairman

Place : New Delhi

Date : 12th August, 2010

## MANAGEMENT DISCUSSION & ANALYSIS

### ECONOMIC AND BUSINESS OVERVIEW

India's GDP grew by 7.40% in 2009-10 compared to 6.7% in the preceding fiscal, which is commendable in comparison to other countries. For 2010-11 the growth is pegged at 8.50%.

The Indian construction industry grew by 6.5% in the last fiscal against 5.9% growth in 2008-09. The construction sector is set to grow at a 15 per cent growth rate.

### RESULTS OF OPERATIONS

#### Income from Operations

During the year under review, the Company has achieved a turnover of Rs. 1400.31 Crores, registering a growth of 11.40 % over last year's turnover of Rs.1257.22 Crores.

#### Gross Profit

The Gross Profit of the Company for the year under review works out to Rs. 166.08 Crores as against Rs. 188.16 Crores in 2008-09. This is mainly due to rise in the sub-contractor expenses.

#### Profit After Tax

The Company's operations during the year under review have resulted in a net profit of Rs.51.85 Crores as against Rs.53.17 Crores in 2008-09. The decline in net profit is due to competitive pricing pressure, volatile commodity prices and increase in sub-contractor costs.

#### Direct Cost

The direct cost for the year under review works out to 80.70 % of the turnover as against 78.80% last year.

#### Overheads

Overheads, comprising salaries and administrative expenses, work out to Rs.115.72 Crores for the last year under review as against Rs.102.06 Crores in the previous year.

#### Interest and Finance Cost

During the year under review, there was a decrease in the Interest and Finance cost from Rs.113.18 Crores to Rs.99.70 Crores.

#### Depreciation

Depreciation for the year was Rs.11.09 Crores as against Rs.8.61 Crores in the previous year.

#### Provision for Taxation

The Company provided for net Income Tax of Rs.3.43 crores during the year.

#### Dividend

The Board of Directors have recommended a dividend of 40 % (previous year 60%) and the total payout works out to Rs 293.80 Lacs (previous year Rs 439.80 Lacs).

### FINANCIAL CONDITION

#### Reserves & Surplus

The Reserves & Surplus of the Company has increased to Rs.398.76 Crores as on 31st March 2010 from Rs.350.32 Crores at the end of the previous year.

#### Loan Funds

Secured loans as on 31st March 2010 stood at Rs.259.31 Crores as compared to Rs. 290.65 Crores at the end of the previous year.

#### Fixed Assets

The Company's fixed assets (gross block) increased by Rs 6.57 Crores in 2009-10 to Rs.152.25 Crores, mainly on account of additional machinery purchased for the Company's civil infrastructure projects.

#### Investments

Total investments as on 31st March 2010 stood at Rs 107.87 Crores as compared to Rs 71.28 Crores at the end of the previous year.

#### Inventories

Inventories have decreased by Rs.37.94 Crs. to Rs.106.42 Crs. as on 31st March, 2010 as compared to Rs. 144.36 Crores at the end of the previous year. The inventories are 7.60% of the revenues at the end of the financial year representing an Inventory Holding Period of 28 days as compared to 11.50% of the revenues at the end of preceding year representing a Stock Holding Period of 42 days.

#### Sundry Debtors

Sundry Debtors as on 31st March 2010 stood at Rs 456.64 Crs. (including Debtors over six months) as compared to Rs. 545.72 Crs. (including Debtors over six months), thereby showing a decrease of Rs 89.08 Crs. over the previous year. The debtors of the Company are all Government Departments/Undertakings and public Sector organizations.

The Debtors are 32.61 % of the revenues of the current year representing an Outstanding period of 119 days as compared to 43.40% of the revenues for the previous year representing an Outstanding period of 158 days.

#### Loans and Advances

Loans and Advances decreased to Rs 178.83 Crores from Rs 244.83 Crores during the year under review.

#### Net Worth

The Company's net worth increased from Rs 358.52 Crs. to Rs 406.95 Crs. primarily due to internal generation of profits.

### CONTINGENT LIABILITIES

A major part of contingent liabilities of SPML is the performance & advance bank guarantees given by the bankers to the clients under the terms of contract. These are issued on the strength of counter-indemnities of SPML. Keeping in view the track record of SPML in meeting its contractual performance, the chances of contingent liabilities becoming real liabilities are remote. The bank guarantee alongwith the Letters of Credit utilization with Banks has increased from Rs 1091.34 Crores to Rs 1180.43 Crores during the year.

### OPPORTUNITIES AND FUTURE OUTLOOK

The company at present has verticals comprising of water, environment, electrical, and civil infrastructure works. We, thus, have a diversified business portfolio which helps us in mitigating the risk of slow down in any one particular segment. During the last 29 years, we have executed various infrastructure projects all over the country. The client list of the company includes most of the State Govts, public sector undertakings and government organizations. It is well recognized for quality consciousness and timely completion of the projects without cost over run. The track record of the company and proven skills of its employees at various levels will be useful in further improving the performance of the company in the years to come.

During the year under review, the company has bagged new orders valued at Rs.1500 Crores approx.

## Major Orders Awarded

- i) Rs. 209.56 Crores from Rajasthan Rajya Vidyut Utpadan Nigam Limited, Jaipur for execution of 160MW gas based combined cycle power project- Stage III of RRVUNL at Ramgarh, Dist: Jaisalmer, Rajasthan.
- ii) Rs. 439.35 Crores in Joint Venture with M/S Kirloskar Brothers Limited from Bangalore Water Supply and Sewerage Board, Bangalore for execution of Bangalore Water Supply and Sewerage Project (II) - Contract W3- civil and electromechanical works for pumping stations and reservoirs T.K.Halli, Harohalli and Tataguni.
- iii) Rs. 211.95 Crs. from U. P. Jal Nigam for their 130 Km long Sewerage network including Sewage Pumping Stations and Sewage Treatment Plants.
- iv) Rs. 150.71 Crores Bangalore Water Supply and Sewerage Board, Bangalore for construction of fabrication and laying of clear Water Main from T K Halli to J K Doddi.
- v) Rs. 127.00 Crores from Delhi Jal Board, New Delhi for construction of 53.5 MGD Sewage Pumping Station, rising main & other related associated/allied appurtenant works on Design, Build and operate basis at Preet Vihar at New Delhi.
- vi) Rs. 105.00 Crores from NTPC Limited for execution of work for Simhadri Super Thermal Power Project.

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

## INTERNAL CONTROLS & ADEQUACY

SPML has adequate systems of internal controls to ensure that all the assets are secure, safeguarded and productive. Checks and balances are in place and are reviewed in regular intervals to ensure that transactions are properly authorized and accounted for correctly. The internal control systems are reviewed at regular intervals by the Audit Committee and top management in consultation with the internal auditors and corrective action(s) are initiated, wherever deemed necessary.

## HUMAN RESOURCES

Human resources are continued to be one of the biggest assets of the Company. The management has been paying special attention to various aspects like training, welfare and safety thereby further strengthening the human resources. Relations with the employees at all project sites remained cordial throughout the year. The total employee strength as of 31st March, 2010 stood around 1500.

## RISKS, CONCERNS AND THREATS

SPML follows a process of risk management that comprises risk identification, risk analysis and measures for mitigation. The risks are discussed hereunder,

### Industry Risk

Impact-Adeceleration in the general economic conditions can adversely affect the company's business and its earnings.

Mitigation-Governments want to continue economic reforms, encourage large investments in infrastructure and construction industries, which bodes well for the company. Besides, SPML has diversified interests across several verticals, reducing its excessive dependence on any single sector.

### Strategy Risk

Impact-Skewed business strategy may result in lost opportunities.

Mitigation-A continuous top line growth over the last 5 years depicts company's clear vision and mission. Annual business plans and the long term business strategy are discussed thoroughly before vetting by the Board of Directors.

### Competition Risk

Impact-Increasing competition from domestic and international companies affecting market share and profitability.

Mitigation-By use of newer technologies, forging alliances with large domestic and international players in bidding for large projects.

### Liquidity Risk

Impact-Delays in recovery of dues has a direct impact on the liquidity position which will affect the operations and earnings of the company.

Mitigation-Effective measures are taken to collect the dues from clients to ensure smooth flow of funds. Short term gaps are bridged by working capital facilities from Banks.

### Government policy Risk

Impact-Uncertainties with government policies can significantly affect operations.

Mitigation-The Government has been giving priorities to infrastructure investments, limiting the inherent policy risk. The residual risk is managed by proactive actions to control costs to limit the adverse policy changes.

### Operational Risk

Impact-Competency gaps affecting company's operations

Mitigation-SPML provides adequate training to all of its staff on operating procedures and policies. Crisis management teams have been established at all project sites to manage any eventuality.

### Price Inflation Risk

Impact-Volatility in prices of inputs may cause cost overruns affecting the profitability.

Mitigation-Most of the contracts have inbuilt escalation clauses, which ensure to compensate the increases in input costs. In case of non escalation contracts, the bid estimate process is being carried out in such a way, to insulate the possible increase in the inputs of the contracts. Further, the company has implemented adequate procurement procedures that include long term contracts to cover price volatilities.

## SHAREHOLDER VALUE

Our aspiration is to be the "THE MOST PREFERRED ORGANISATION TO BE ASSOCIATED WITH" by our stakeholders. The creation of shareholder value is one of the prime objectives of the management. Towards this end all efforts are made to enhance the value through measures such as continuous cost control, improving company's position in strategic markets and strengthening its brand equity to improve the return to shareholders.

## CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis describing the company's objectives, projections, estimates and expectations may be 'forward looking statements within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied. Important developments that could alter the company's operations include a downtrend in the infrastructure sector, significant changes in the political and economic environment in India, exchange rate fluctuations, tax laws, litigation, labour relations and interest costs.

## REPORT ON CORPORATE GOVERNANCE

In terms of regulations of Clause 49 of the Listing Agreement entered into with Stock Exchanges, the Company hereby submits a report on the matters as mentioned in the said clause and practices followed by the Company..

The Company believes that good Corporate Governance is essential to achieve long term corporate goals and enhance stakeholders' value. The Company is committed to achieve good standard of Corporate Governance on continuous basis in such a way as to create value that can be sustained over the long term for all its stakeholders, including shareholders, employees, customers, government and the lenders.

### I. BOARD OF DIRECTORS

#### Composition

The business of the Company is managed by the Board of Directors. The SPML Board is a balance Board comprising of Executive & Non-Executive Directors. The Non Executive Directors include independent professionals. The Chairman, Vice Chairman and Managing Director along with the senior executives manage the day to day operations of the Company.

The Board's policy is to maintain optimum combination of Executive, Non-Executive and Independent Directors. The Chairman is an Executive Director. The Board consists of 8 Directors, out of which 3 are Independent Directors. In order to meet the stipulated requirements of clause 49 of the Listing Agreements with the Stock Exchanges, the Company is in the process of appointing two Independent Directors shortly. The Board consists of eminent persons with varied expertise. The composition and membership on other boards/committees of Directors is given here under:

#### No. of Directorships and Committee Memberships / Chairmanships

Sl. No	Name of the Directors	Category	Other Directorship	Committee Memberships	Committee Chairmanships
1.	Mr. Anil Kr. Sethi	Director & Chairman- Executive Director	13	1	
2.	Mr. Subhash Chand Sethi	Vice Chairman & Managing Director- Executive Director	12	1	
3	Mr. Sushil Kumar Sethi	Managing Director- Executive Director	14		
4	Mr. Deepak Sethi	Non-Executive Director	14	2	1
5	Mr. R. L. Gaggar	Non-Executive & Independent Director	13	4	
6.	Mr. Amalendu Bhattacharjee	Non-Executive & Independent Director	1	1	
7	Mr. Kalidas Mukhopadhyay	Non-Executive & Independent Director	–	2	1
8	Mr. B. B. Chakraborty *	Non-Executive & Independent Director	–	–	–
9	Mr. Vivek Chhachhi *	Non-Executive Director	–	–	–
10	Mr. T.S.Shiv Shankar **	Non-Executive Director	1		

\* Mr. Vivek Chhachhi resigned w.e.f 01.06.2009 & Mr. B.B.Chakraborty resigned w.e.f 03.08.2009

\*\* Mr. T.S.Shiv Shankar was appointed as an additional Director w.e.f. 01.06.2009 and the same was approved at the Annual General Meeting held on 30.09.2009.

#### Notes:

- The information provided above pertains to the following committees in accordance with the provisions of clause 49 of the Listing Agreement.
  - Audit Committee
  - Shareholders'/investors' grievances committee.
- Membership of committees includes chairmanship, if any.
- No. of Directorship in other Companies excludes Private Limited Companies,
- No Director holds membership of more than 10 committees of Boards nor any Director is a Chairman of more than 5 committees of boards.

## Meetings & Attendance

Six (6) Board Meetings were held during the year. The Board Meetings were held on the following dates:

(i) 30.05.2009, (ii) 30.06.2009, (iii) 31.07.2009, (iv) 28.08.2009, (v) 06.11.2009 and (vi) 30.01.2010. The maximum time gap between two meetings was not more than four calendar months.

The Annual General Meeting was held on 30th September, 2009.

Attendance of Directors at Board Meetings and at the last Annual General Meeting:

Sl. No.	Name of the Directors	Category	No. of Board Meetings attended	Whether attended the AGM
1	Mr. Anil Kr. Sethi	Director & Chairman- Executive Director	3	No
2	Mr.Subhash Chand Sethi	Vice Chairman & Managing Director- Executive Director	5	No
3	Mr. Sushil Kr. Sethi	Managing Director- Executive Director	2	Yes
4	Mr. Deepak Sethi	Non- Executive Director	2	Yes
5	Mr. R. L. Gaggar	Non-Executive & Independent Director	5	No
6	Mr.Kalidas Mukhopadhyay	Non-Executive & Independent Director	5	Yes
7	Mr.B.B.Chakraborty *	Non-Executive & Independent Director	3	No
8	Mr. Amalendu Bhattacharjee	Non-Executive & Independent Director	5	No
9	Mr. Vivek Chhachhi *	Non- Executive Director	-	No
10	Mr. T.S. Shiv Shankar **	Non- Executive Director	5	No

\* Mr. Vivek Chhachhi resigned w.e.f 01.06.2009 & Mr. B.B.Chakraborty resigned w.e.f 03.08.2009

\*\* Mr. T.S.Shiv Shankar was appointed as an additional Director w.e.f. 01.06.2009 and the same was approved at the Annual General Meeting held on 30.09.2009.

### Notes:

- None of the Directors excepting Anil Kumar Sethi, Subhash Chand Sethi, Sushil Kumar Sethi and Deepak Sethi is related to any other Director.
- During the year, the Company did not have any material pecuniary relationship or transaction with its non executive/independent directors other than payment of fees for attending meeting of the Board and /or its Committee(s).

## 2. COMMITTEES OF THE BOARD

There are six committees of the Board - the Audit Committee, Shares Transfer / Investors' Grievance Committee., the Remuneration Committee, the Compensation Committee, Selection Committee and Committee for regular Banking Operational Matters.

### (i) Audit Committee

Terms of reference of the Audit Committee are as per the guidelines set out in the Listing Agreements with the Stock Exchanges that inter alia include the overview of the Company's financial reporting processes and review of the quarterly, half-yearly and annual financial statements, the adequacy of internal control systems, the financial and risk management policies and the significant findings and adequacy of internal audit function etc. in terms of the clause 49 of the Listing Agreement with the Stock Exchanges within the stipulated time.

### Composition and Attendance

During the year, the Audit Committee met six times. The Audit Committee Meetings were held on (i) 30.05.2009, (ii) 30.06.2009, (iii) 31.07.2009, (iv) 28.08.2009, (v) 31.10.2009 and (vi) 30.01.2010. Mr. B.N. Choudhary, Executive Vice President (Finance) & Secretary acts as Secretary of the Committee.

Sl.No.	Name of the Director	No. of Meetings attended
1	Mr. Kalidas Mukhopadhyay, Chairman	6
2	Mr. A. Bhattacharjee	6
3	Mr. B. B. Chakraborty (Resigned w.e.f 03.08.2009)	3
4	Mr. Deepak Sethi	3

## (ii) Share Transfer / Investors' Grievance Committee

Terms of reference of the Share Transfer / Investors' Grievance Committee are as per guidelines set out in the listing agreements with the Stock Exchanges and pursuant to Articles of Association of the Company. The Committee inter alia approves issue of duplicate certificates and registration of transfers / transmissions of Equity Shares of the Company. The Committee also looks into redressal of shareholders' / investors' complaints related to transfer of shares, non-receipt of declared dividends, etc. The Committee oversees performance of the Registrars and Transfer Agents of the Company, and recommends measures for overall improvement in the quality of investor services.

### Composition and Attendance

During the year ended 31.03.2010, 10 Nos. of Share Transfer Committee meetings were held.

Sl.No.	Name of the Member	No. of Meetings attended
1.	Mr. Deepak Sethi - Chairman	10
2.	Mr. Anil Kumar Sethi	4
3.	Mr. Subhash Chand Sethi	9
4.	Mr. Kalidas Mukhopadhyay	-

The Company attends to the investors' grievances / correspondence expeditiously, except in the cases that are constrained by disputes or legal impediments.

(a)	No. of shareholders complaints received during the year.	11
(b)	No. of complaints not resolved to the satisfaction of the shareholders.	Nil
(c)	No. of pending complaints as on 31.03.2010	Nil

Mr. B. N. Choudhary, Executive Vice President (Finance) & Secretary is the Compliance Officer of the Company.

## (iii) Remuneration Committee

The Committee consists of three Non - Executive Independent Directors, namely, Mr. Kalidas Mukhopadhyay, Mr. B. B. Chakraborty (Resigned w.e.f 03.08.2009) and Mr. A. Bhattacharjee. The Chairman of the Committee is Mr. Kalidas Mukhopadhyay. The broad terms of reference of the Committee remain unchanged. The terms of reference are reviewing remuneration package, details of fixed components and performance linked incentives, service contracts, notice period, severance fees etc. One Meeting was held on 30.06.2009 during the year under review. Mr. B.N.Choudhary, Executive Vice President ( Finance) & Secretary acts as Secretary of the Committee.

Sl.No.	Name of the Member	No. of Meetings attended
1.	Mr. Kalidas Mukhopadhyay	1
2.	Mr. Amalendu Bhattacharjee	1
3.	Mr. B.B.Chakraborty ( Resigned w.e.f 03.08.2009)	1

## (iv) Compensation Committee

The Committee comprises of three Directors namely Mr. Subhash Chand Sethi, Mr. Amalendu Bhattacharjee and Mr. B.B. Chakraborty (resigned w.e.f 03.08.2009). The Chairman of the Committee is Mr. Amalendu Bhattacharjee, a Non-Executive Independent Director. There was no meeting held during the year under review. Mr. B.N. Choudhary, Executive Vice President (Finance) & Secretary acts as Secretary of the Committee.

## (v) Selection Committee

The Committee was constituted with three Non-Executive Independent Directors and one Practicing Consultant for recommendation for appointment of a relative(s) of Directors, for holding office of profit .The Committee comprised of three Directors namely Mr. Kalidas Mukhopadhyay, Mr. Amalendu Bhattacharjee, Mr. R.L.Gaggar and a Consultant Mr. S.M.Lakhotia.. One Meeting was held on 28.08.2009 during the year under review. Mr. B.N.Choudhary, Executive Vice President ( Finance) & Secretary acts as Secretary of the Committee.

Sl.No.	Name of the Member	No. of Meetings attended
1.	Mr. Kalidas Mukhopadhyay - Chairman	1
2.	Mr. Amalendu Bhattacharjee	1
3.	Mr. R.L.Gaggar	1
4.	Mr. S.M.Lakhotia - Consultant	1

(vi) **Committee for regular Banking Operational Matters**

The Committee comprises five Directors namely Mr. Anil Kumar Sethi, Subhash Chand Sethi, Mr. Deepak Sethi, Mr. B.B.Chakraborty and Mr. Amalendu Bhattacharjee under the Chairmanship of Mr. Subhash Chand Sethi.. Nine nos. of Committee meetings were held.

Sl.No.	Name of the Member	No. of Meetings attended
1.	Mr.Subhash Chand Sethi - Chairman	9
2.	Mr. Amalendu Bhattacharjee	6
3.	Mr. B.B.Chakraborty (Resigned w.e.f 03.08.2009)	3
4.	Mr. Anil Kumar Sethi	9
5.	Mr. Deepak Sethi	3

**3. REMUNERATION OF DIRECTORS**

Details of Remuneration paid to the Whole-time Directors for the period from 01.04.2009 to 31.03.2010:

Name of the Director	Salary (Rs.)	Commission (Rs.)	Perquisites (Rs.)	Contribution to Provident Fund (Rs.)	Terms of Appointment
Mr. Anil Sethi	72,00,000	57,00,000	8,44,000	1,44,000	5 years from 01.04.2006
Mr. Subhash Sethi	75,84,167	57,00,000	5,34,000	1,44,000	5 years from 01.01.2010
Mr. Sushil Sethi	75,71,667	57,00,000	3,92,000	1,44,000	5 years from 01.01.2010

**NOTES:**

1. Above excludes liability for personal accident, insurance premium and the liability for gratuity and en-cashable leave.
2. The company does not have a stock option scheme.
3. There is no notice period for severance of any of the executive directors and no severance fees are payable to any of the directors.

Details of sitting fees paid to Non-Executive Directors for 2009-10.

Sl. No.	Director	Board Meeting (Rs.)	Committee Meetings (Rs.)	Total (Rs.)
1	Mr. A. Bhattacharjee	25,000	14,000	39,000
2	Mr. R. L. Gaggar	25,000	–	25,000
3	Mr. B. B. Chakraborty	15,000	8,000	23,000
4	Mr. K. Mukhopadhyay	25,000	14,000	39,000

**4. DISCLOSURES**

(i) **Equity shares held by Non -Executive Directors**

Except Mr. Deepak Sethi who held 582250 equity shares and Mr. B.B.Chakraborty who held 1005 equity shares, no other independent Director of the Company held any equity shares of the Company.

(ii) **Related Party Transactions**

The Company has not entered into any transactions of a material nature with any of the related parties that may have potential conflict with the interests of the Company.

(iii) **Compliances by the Company**

There has been no instance of non-compliance by the Company with the requirements of the Stock Exchanges, Securities and Exchange Board of India and other statutory authorities on matters related to Capital Markets during the last three years.

The Company has adopted and complied with all the mandatory requirements under clause 49 of the listing agreement other than those disclosed elsewhere in the Corporate Governance.

(iv) The Company has adopted non-mandatory requirement under clause 49 of the listing agreement to the extent relating to setting up of Remuneration Committee. Please refer details provided under section "Remuneration Committee" of this report.

## 5. MEANS OF COMMUNICATION

- (a) Quarterly results are published in Economic Times (English), as well as Nava Bharat Times (Hindi) daily in Delhi. The information of Quarterly Results is sent to stock exchanges to enable them to post it on their websites.
- (b) The Management Discussion and Analysis Report forms part of the Directors' Report.

## 6. GENERAL BODY MEETINGS

Location and time of the last three Annual General Body Meetings held:

Year	Venue	Date	Time	Special Resolution passed
2008-2009	PHD chamber of Commerce, PHD House, 4/2 Siri Institutional Area, August Kranti Marg, New Delhi - 110 016	30th September, 09	11.30AM	Yes
2007-2008	PHD chamber of Commerce, PHD House, 4/2 Siri Institutional Area, August Kranti Marg, New Delhi - 110 016	30th September, 08	11.30 AM	Yes
2006-2007	PHD chamber of Commerce, PHD House, 4/2 Siri Institutional Area, August Kranti Marg, New Delhi - 110 016	28th September, 07	11.30 AM	Yes

Location and the time of Extraordinary General Body Meetings held:

Year	Venue	Date	Time	Special Resolution passed
2008	F-27/2, Okhla Industrial Area, Phase - II, New Delhi- 110 020	8th February, 08	3.00 PM	Yes
2007	F-27/2, Okhla Industrial Area, Phase - II, New Delhi- 110 020	28th July, 07	12 Noon	Yes
2010	Postal Ballot	31st March, 2010	NA	Yes

The following special resolutions were passed:

### A) Annual General Meeting held on 30th September, 2009

- ◆ Approval for revision of remuneration payable to Mr. Anil Kumar Sethi, Chairman, Mr. Subhash Chand Sethi, Vice- Chairman & Managing Director and Mr. Sushil Kumar Sethi, Managing Director.
- ◆ Special Resolution for re-appointment of Whole time Directors namely; Mr. Subhash Chand Sethi, Vice- Chairman & Managing Director and Mr. Sushil Kumar Sethi, Managing Director and fix their remuneration.
- ◆ Approval for appointment of Chief Operating Officer ( Corporate Planning) pursuant to the provisions of Section 314(1B) of the Companies Act, 1956.
- ◆ Special Resolution for Change of name of the Company to "SPML Limited".
- ◆ Special Resolution for alteration of Memorandum of Association with regard to name clause.
- ◆ Special Resolution for alteration of Articles of Association with regard to change of name of the Company.

### B) Annual General Meeting held on 30th September, 2008

- ◆ Approval for appointment of Chief Operating Officer ( Corporate Planning) pursuant to the provisions of Section 314(1B) of the Companies Act, 1956.

### C) Annual General Meeting held on 28th September 2007

- ◆ Approval for appointment of Chief Executive Officer pursuant to the provision of Section 314(1B) of the Companies Act, 1956.
- ◆ Approval for Employees Stock Option Scheme.
- ◆ Approval for extension of benefits of the Employees Stock Option Scheme
- ◆ Special Resolution for revision in the remuneration payable to Mr. Anil Kumar Sethi, Chairman, Mr. Subhash Chand Sethi, Vice- Chairman & Managing Director and Mr. Sushil Kumar Sethi, Managing Director.
- ◆ Approval for incorporation of capital clause contained in the Articles of Association.
- ◆ Approval for de-listing of shares from the Calcutta Stock Exchange Association.



- D) Extra-Ordinary General Meeting held on 28th July,2007.
- ◆ Approval for issue of allotment of Equity shares and Warrants on preferential basis to select investors.
- E) Extra - Ordinary General Meeting held on 8th February,2008.
- ◆ Approval for appointment of M/S Sunil Kumar Gupta & Co., Chartered Accountants as Joint Auditor
- F) Postal Ballot dated 31st March,2010.
- ◆ Special Resolution for Change of name of the Company to "SPML Infra Limited".
  - ◆ Special Resolution for alteration of Memorandum of Association with regard to change in name clause.
  - ◆ Special Resolution for alteration of Articles of Association with regard to change of name of the Company..

## 7. SHAREHOLDER INFORMATION

- (i) 29th Annual General Meeting : 30th September 2010 at 11.30 A.M.  
PHD Chamber of Commerce, PHD House,  
4/2, Siri Institutional Area, August Kranti Marg, New Delhi - 110016
- (ii) Financial Calendar : Financial Year April 1 to March 31  
Adoption of Results  
(a) For the Quarter Ending June 30, 2010 - Second week of August,2010  
(b) For the Quarter Ending September 30, 2010 - Second week of November, 2010  
(c) For the Quarter Ending December 31, 2010 - Second week of February, 2010  
(d) For the Quarter Ending March 31, 2011 (Audited) - Fourth week of May, 2011  
Annual General Meeting - End of September, 2011
- (iii) Book Closure Date : 29th September to 30th September, 2010  
(Both days inclusive)
- (iv) Dividend Payment Date : On or before 29th October 2010.
- (v) Listing on Stock Exchanges : The Bombay Stock Exchange Limited (BSE),  
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001  
National Stock Exchange of India Ltd. (NSE), Exchange Plaza,  
Bandra Kurla Complex, Bandra (E), Mumbai - 400051  
The annual listing fee for the year 2010-2011 has been paid to the Stock Exchanges.  
Confirmation of delisting from Guwahati / Kolkata Stock Exchanges are awaited.
- (vi) Stock Code : Stock Code - BSE '500402'  
Trading Symbol - NSE  
'SPMLINFRA'
- (vii) Registrar & Transfer Agents : Maheshwari Datamatics Pvt Ltd.  
6, Mangoe Lane, 2nd Floor, Kolkata - 700 001  
Phone: +91-033-2248 2248

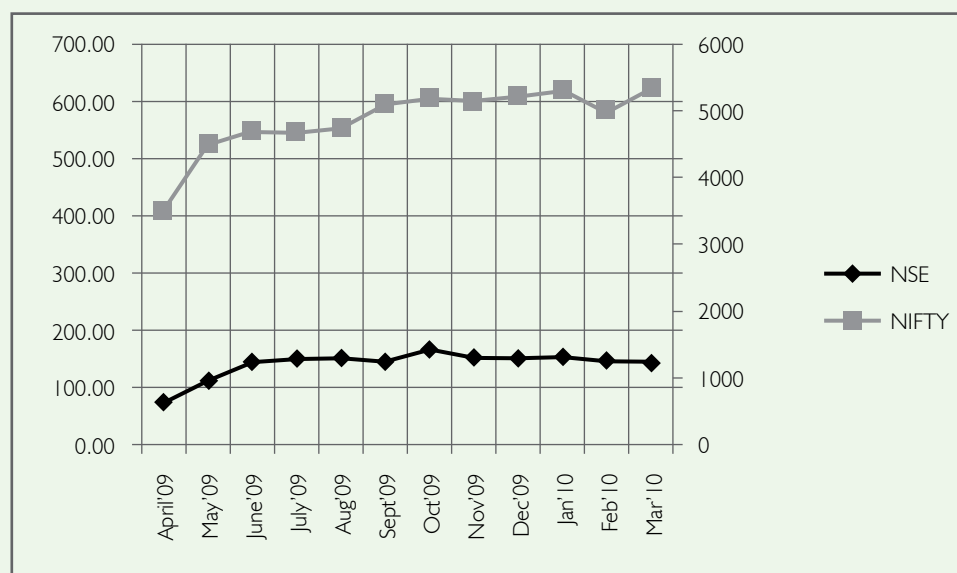
(viii) Stock Prices data and performance of Company's share prices vis-à-vis NSE;

a) Share Price data

(Rs. Per share)

Month	National Stock Exchange		Bombay Stock Exchange	
	High	Low	High	Low
April, 2009	76.10	50.00	79.95	45.80
May, 2009	112.10	70.50	111.85	67.25
June, 2009	145.70	117.00	146.80	112.10
July, 2009	151.00	126.40	152.00	117.00
August, 2009	151.00	127.50	157.85	121.10
September, 2009	145.80	134.35	154.00	130.05
October, 2009	166.40	142.40	171.20	135.00
November, 2009	153.00	139.75	158.20	125.55
December, 2009	151.00	140.00	152.40	137.00
January, 2010	154.80	142.90	167.80	138.05
February, 2010	147.00	134.70	152.50	128.60
March, 2010	143.00	140.95	146.00	136.00

b) Performance of Company's share prices (monthly high) vis-vis NSE Nifty



(ix) Share Transfer System

The Board has constituted the Share Transfer Committee and delegated the power of transfer to the Committee. The Committee holds its meeting every fortnight to consider all matters concerning transfer and transaction of shares. The Company's shares are in compulsory Demat Mode. The shares received for transfer in physical mode by the Company are transferred expeditiously and the share certificates, duly transferred, are sent to the transferee(s).

The Company obtains from a Company Secretary in practice, half yearly certificate of compliance with the share transfer formalities as required under Clause 47(c) of the Listing agreement with Stock exchanges and files a copy of the certificate with the Stock Exchanges.

(x) Dematerialization of Shares

The Company's shares are available for trading in the depository systems of both the National Securities Depository Ltd. (NSDL) and the Central Depository Services (India) Ltd. (CDSL). As on 31st March, 2010 Equity Shares of the Company, forming 98.88% of total shareholding stand dematerialized. Company's ISIN No. is 'INE 937A01023'.

(xi) Liquidity of Shares

The Equity Shares of the Company have been included in the Sensex and are traded in the B2 Group at the Mumbai Stock Exchange. Its shares are also traded at the Stock Exchanges of Kolkata and National Stock Exchange.

(xii) Share Ownership Pattern as on March 31, 2010

Category	No. of Shares held	% shareholding
Promoters	21460960	58.5561
Mutual Funds	3093796	8.4415
Non-resident Indians	79247	0.2162
Banks & Financial Institutions	3200	0.0087
Foreign Institutional Investors	142180	0.3879
Corporate Bodies	9103953	24.8401
Public	2766940	7.5495
Total :	36650276	100.0000

(xiii) Distribution of Shareholding by size as on March 31, 2010

Shares held		Shareholders		Shares	
From	To	Number	% of Total Share Holders	Number	% of Shares
I	500	7657	88.3670	1015228	2.7700
501	1000	478	5.5164	404087	1.1025
1001	2000	229	2.6428	346920	0.9466
2001	3000	79	0.9117	207676	0.5666
3001	4000	37	0.4270	136023	0.3711
4001	5000	30	0.3462	140922	0.3845
5001	10000	56	0.6463	407370	1.1115
10001	Above	99	1.1426	33992050	92.7472
	Total	8665	100.0000	36650276	100.0000

(xiv) Outstanding Warrant

There was no outstanding warrants.

(xv) Address for Correspondence

The Shareholders may address their communication / suggestion / grievances / other queries to:

The Company Secretary  
SPML Infra Ltd.  
22, Camac Street, Block 'A', 3rd Floor, Kolkata - 700 016  
Phone: (033) 4009 1202 / 1234, Fax: (033) 4009 1303  
E-mail: info@spml.co.in , Website: www.spml.co.in

## 8. CODE OF CONDUCT

The SPML Code of Business Conduct and Ethics, as adopted by the Board of Directors is a comprehensive Code applicable to all Directors, Executive as well as Non-Executive and also members of Senior Management. A copy of the Code has been put on the Company's website [www.spml.co.in](http://www.spml.co.in)

The Code has been circulated to all members of the Board and Senior Management and the compliance of the same has been affirmed by them.

## 9. CEO / CFO CERTIFICATION

The CEO and CFO certification of the financial statements for the year has been submitted to the Board of Directors as required by the Listing Agreement .

## AUDITORS' CERTIFICATE

To

The Members of

SPML Infra Limited

(formerly Subhash Projects and Marketing Limited)

We have examined the compliance of conditions of Corporate Governance by SPML Infra Limited for the year ended on March 31, 2010, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange(s).

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

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement *except that the Board of Directors of the Company consists of three independent directors as against the minimum requirement of five independent directors as per the current constituent of the Board and that the appointment of an independent director has not been made within a period of 180 days from the date of resignation of an independent director.*

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

**For S. R. BATLIBOI & COMPANY**

Firm Registration No.301003E

Chartered Accountants

**Per R. K. Agrawal**

a Partner

Membership No.16667

Kolkata

Date : 29 May 2010

**For Sunil Kumar Gupta & Co.**

Firm Registration No.003645N

Chartered Accountants

**per S. K. Gupta**

a Partner

Membership No.82486

Kolkata

Date : 29 May 2010

## AUDITORS' REPORT

To

The Members of

SPML INFRA LIMITED (formerly Subhash Projects and Marketing Limited)

1. We have audited the attached Balance Sheet of SPML Infra Limited (Formerly Subhash Projects & Marketing Limited) ('the Company') as at March 31, 2010 and also the Profit and Loss Account and the cash flow statement for the year ended on that date, annexed thereto. 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 the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (as amended) issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. (a) *Attention is drawn to Note No. 26 on Schedule 20B regarding non-provision of tax liability of Rs.561,400 thousands (including Rs.183,900 thousands for the year) arising on account of the recent amendment to Section 80IA of the Income Tax Act, 1961 in the Finance Act, 2009. The Company has already filed a writ with the Hon'ble High Court at Calcutta which has been admitted as well, challenging the validity of the above retrospective amendment which as per legal opinion obtained, is ultra vires to the main section the above Act. Till the matter is decided by the Hon'ble High Court, the liability, if any, in this regard is unascertainable. We are unable to comment on the impact of the above non-provision of tax on the Company's profit for the year and net worth at the year end.*  
  
(b) *Attention is drawn to Note No 8. on Schedule 20B regarding accounting of share of profit from joint ventures amounting to Rs.9,576 thousands on the basis of unaudited financial statements as certified by the management. Adjustment, if any, on this account is presently not ascertainable.*
5. Further to our comments in the Annexure referred to 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 purposes 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 and 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 and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
  - (v) On the basis of the written representations received from the directors, as on March 31, 2010, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 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, *subject to the impact of the matters given in para 4*, the said accounts 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 Balance Sheet, of the state of affairs of the Company as at March 31, 2010,
    - b. in the case of Profit and Loss Account, of the profit of the Company for the year ended on that date; and
    - c. in the case of Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

**For S.R. BATLIBOI & CO.**

Firm Registration No.: 301003E

Chartered Accountants

**Per R.K.Agrawal**

Partner

Membership No.: 16667

Place: Kolkata

Date: May 29, 2010

**For SUNIL KUMAR GUPTA & CO.**

Firm Registration No.: 003645N

Chartered Accountants

**S. K. Gupta**

Partner

Membership No.: 82486

Place: Kolkata

Date: May 29, 2010

## ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 3 of our report of even date)

Re: SPML INFRA LIMITED (formerly Subhash Projects and Marketing Limited)

- (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 and no material discrepancies were noticed on such verification.
- (c) There was no substantial disposal of fixed assets during the year.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year except for materials lying with third parties, a major part of which has however, been confirmed by the respective parties at the year end.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) (a) The Company has granted loan to three parties covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 170,443 thousands and the year end balances of loans granted to such parties was Rs. 150,284 thousands.
- (b) In our opinion and according to the information and explanations given to us, the rate of interest and the terms and conditions for the above loans are not prima facie prejudicial to the interest of the Company.
- (c) The above loans are stated to be repayable on demand. As informed, since the Company has not demanded repayment of the above loans during the year, there has been no default on the part of parties to whom the monies have been lent by the Company. The payment of interest with respect to such loan has been generally regular.
- (d) In view of the above loans being repayable by the parties on demand, there is no overdue amount of loans granted to such parties.
- (e) The Company has taken loan from four companies covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 383,710 thousands and the year-end balance was Rs. 373,901 thousands.
- (f) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions for such loans are not prima facie prejudicial to the interest of the Company.
- (g) The above loans taken are stated to be re-payable by the Company on demand. As informed, since the lenders have not demanded repayment of the above loans during the year, there has been no default on the part of the Company. The payment of interest with respect to such loans has been generally regular.
- (iv) In our opinion and according to the information and explanations given to us, having regard to the explanation that some of the items purchased are of special nature and suitable alternative sources do not exist for obtaining comparable quotations thereof, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.
- (v) (a) According to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 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 such contracts or arrangements exceeding the value of Rupees Five lakhs have been entered into during the financial year at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) As informed, the Company has not accepted any deposits from the public during the year.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(viii) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956, in respect of wind power and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.

- (ix) (a) Undisputed statutory dues of provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, cess, etc. have generally been regularly deposited with the appropriate authorities although there have been certain cases of delays in deposit during the year. Further, since the Central Government has till date not prescribed the amount of cess payable under section 441 A of the Companies Act, 1956, we are not in a position to comment upon the regularity or otherwise of the company in depositing the same.
- (b) According to the information and explanations given to us, undisputed dues in respect of income-tax, wealth-tax, sales tax, customs duty, excise duty, cess and other statutory dues which were outstanding at the year end for a period of more than six months from the date they became payable, are as follows:

Name of the statute	Nature of the dues	Amount (Rs in thousands)	Period to which the amount relates
Sale Tax Act for various States	Sales Tax on sale of goods	7,073	2003-04 to 2008-09
	Works Contract Tax deducted while payment to contractors	7,381	2002-03 and 2006-07 to 2008-09
Income Tax Act, 1961	Tax Deducted at Source	255	2006-07
The Finance Act, 1994	Service Tax on construction contracts	1,503	2009-10

- (c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty and cess on account of any dispute, are as follows:

Name of the Statute	Nature of The Dues	Amount (Rs. in thousands)	Period to which the amount relates	Forum where Dispute is pending
West Bengal CST Act	Non-submission of 'C' Forms	10,510	2005-06	Deputy Commissioner (Commercial Taxes), Kolkata
	Tax liability determined at full rate pending submission of documents	75,000	2006-07	Sen. Joint Commissioner of Commercial Taxes
West Bengal Vat Act	Tax liability determined at full rate pending submission of documents	1,58,950	2006-07	Sen. Joint Commissioner of Commercial Taxes
MP General Sales Tax Act	Demand due to entry tax liability	3,467	2004-05	Joint Commissioner (Appeal), Bhopal
Delhi Sales Tax Act	Non-submission of 'C' Forms	1,704	1991-92, 1999-00, 1998-99	Deputy Commissioner (Commercial Tax) Asst. STO, Delhi
Kerala VAT Act	Demand on advances received	7,134	2007-08	CTO - WC - Ernakulam
Andhra Pradesh VAT Act	Demand due to differential rates	4,229	2008-09	Commercial Tax (Appeal)

- (x) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- (xi) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that, the Company during the year have defaulted in repayment of dues including working capital facilities to certain banks to the extent of Rs.3,959,484 thousands of which Rs.3,580,951 thousands was paid during the year and the balance Rs.378,533 thousands was overdue as on 31st March 2010 has since been fully paid. The Company has no outstanding dues in respect of a financial institution or debenture holders.

- (xii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted 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 Order are not applicable.
- (xiv) In our opinion, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable.
- (xv) According to the information and explanations given to us, the Company has given guarantee for loans taken by others from bank or financial institutions, the terms and conditions whereof in our opinion are not prima-facie prejudicial to the interest of the Company.
- (xvi) Based on the information and explanations given to us by the management, term loans were applied for the purpose for which these were obtained.
- (xvii) According to the information 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) The Company has not made any preferential allotment of shares during the year to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) The Company did not have any outstanding debentures during the year.
- (xx) The Company has not raised any money by public issue during the year.
- (xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

**For S.R. BATLIBOI & CO.**

Firm Registration No.: 301003E  
Chartered Accountants

**Per R.K.Agrawal**

Partner  
Membership No.: 16667

Place: Kolkata

Date: May 29, 2010

**For SUNIL KUMAR GUPTA & CO.**

Firm Registration No.: 003645N  
Chartered Accountants

**S. K. Gupta**

Partner  
Membership No.: 82486

Place: Kolkata

Date: May 29, 2010



SPML INFRA LIMITED (formerly Subhash Projects and Marketing Limited)

BALANCE SHEET AS AT 31st MARCH, 2010

	SCHEDULE	31st March 2010 (Rs in '000)	31st March 2009 (Rs in '000)
<b>SOURCES OF FUNDS</b>			
<b>SHAREHOLDERS' FUNDS</b>			
a. Share Capital	1	81,945	81,945
b. Reserves & Surplus	2	3,987,588	3,503,255
		<b>4,069,533</b>	<b>3,585,200</b>
<b>LOAN FUNDS</b>			
a. Secured Loans	3	2,593,148	2,906,565
b. Unsecured Loans	4	1,317,169	1,146,994
		<b>3,910,317</b>	<b>4,053,559</b>
<b>DEFERRED TAX LIABILITY (NET)</b>		142,115	177,515
<b>TOTAL</b>		<b>8,121,965</b>	<b>7,816,274</b>
<b>APPLICATION OF FUNDS</b>			
<b>FIXED ASSETS</b>			
a. Gross Block	5A	1,522,486	1,456,786
b. Less : Accumulated Depreciation/Amortisation		599,112	619,009
c. Net Block		923,374	837,777
d. Capital work in progress (including capital advances)	5B	178,967	195,510
		<b>1,102,341</b>	<b>1,033,287</b>
<b>INVESTMENTS</b>	6	<b>1,078,745</b>	<b>712,813</b>
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>			
a. Inventories	7	1,064,271	1,443,614
b. Sundry Debtors	8	4,566,385	5,457,255
c. Cash & Bank Balances	9	665,344	785,410
d. Other Current Assets	10	3,260,458	2,453,804
e. Loans and Advances	11	1,783,286	2,448,282
		<b>11,339,744</b>	<b>12,588,365</b>
<b>Less: CURRENT LIABILITIES &amp; PROVISIONS</b>	12		
a. Current Liabilities		5,329,196	6,425,505
b. Provisions		69,669	92,686
		<b>5,398,865</b>	<b>6,518,191</b>
<b>NET CURRENT ASSETS</b>		<b>5,940,879</b>	<b>6,070,174</b>
<b>TOTAL</b>		<b>8,121,965</b>	<b>7,816,274</b>
<b>SIGNIFICANT ACCOUNTING POLICIES</b>	20A		
<b>NOTES TO ACCOUNTS</b>	20B		

Schedules 1 to 12 and 20A & 20B referred to above form an integral part of the Balance Sheet.

As per our report of even date.

**For S. R. BATLIBOI & CO.**  
Firm Registration No. 301003E  
Chartered Accountants

**Per R. K. AGRAWAL**  
Partner  
Membership No 16667  
Place: Kolkata  
Date: May 29, 2010

**For SUNIL KUMAR GUPTA & CO**  
Firm Registration No. 003645N  
Chartered Accountants

**Per S. K. GUPTA**  
Partner  
Membership No 82486  
Place: Kolkata  
Date: May 29, 2010

**As approved**  
**For and behalf of the Board of Directors**

**Anil Kr Sethi**  
Chairman

**Subhash Ch. Sethi**  
Vice Chairman and Managing Director

**Sushil Kr. Sethi**  
Managing Director

**B. N. Choudhary**  
Executive Vice President (Finance) &  
Company Secretary

**SPML INFRA LIMITED (formerly Subhash Projects and Marketing Limited)**  
**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2010**

	SCHEDULE	2009-10 (Rs in '000)	2008-09 (Rs in '000)
<b>INCOME</b>			
Sales and Services	13	14,003,150	12,572,212
Other Income	14	134,187	260,119
<b>TOTAL</b>		<b>14,137,337</b>	<b>12,832,331</b>
<b>EXPENDITURE</b>			
Purchase of Trading Goods		542,919	33,257
Materials Consumed & Direct Expenses	15	10,642,059	9,964,151
(Increase)/Decrease in Work in Progress	16	114,836	(90,740)
Personnel Expenses	17	600,361	489,395
Administration, Selling & Other Expenses	18	556,863	531,234
Interest & Finance Expenses	19	996,959	1,131,760
Depreciation / Amortisation		110,978	86,063
<b>TOTAL</b>		<b>13,564,975</b>	<b>12,145,120</b>
<b>PROFIT BEFORE PRIOR PERIOD ITEMS &amp; TAX</b>		<b>572,362</b>	<b>687,211</b>
Prior Period Items (Net) (Refer Note No 25 on Schedule 20B )		19,495	23,413
<b>PROFIT BEFORE TAXATION</b>		<b>552,867</b>	<b>663,798</b>
Provision for Taxation			
Current tax			
- For the Year		94,000	90,450
- For earlier years		(20,300)	21,270
Deferred Tax		(35,400)	7,759
Fringe Benefit Tax [After adjusting Rs.3,956 thousands (Rs.4,431 thousands charge) being excess provision for earlier years written back]		(3,956)	12,632
<b>PROFIT AFTER TAXATION</b>		<b>518,523</b>	<b>531,687</b>
Profit Brought Forward From Previous Year		1,445,397	1,115,164
<b>PROFIT AVAILABLE FOR APPROPRIATION</b>		<b>1,963,920</b>	<b>1,646,851</b>
<b>APPROPRIATIONS</b>			
General Reserve		100,000	150,000
Proposed Dividend		29,320	43,980
Tax on Dividend		4,870	7,474
Balance carried to Balance Sheet		1,829,730	1,445,397
		<b>1,963,920</b>	<b>1,646,851</b>
Basic and Diluted earning per share (Face Value of Rs 2. each)		14.15	14.51
<b>SIGNIFICANT ACCOUNTING POLICIES</b>	20A		
<b>NOTES TO ACCOUNTS</b>	20B		

Schedules 13 to 20A & 20B referred to above form an integral part of the Profit & Loss Account As per our report of even date.

**For S. R. BATLIBOI & CO.**  
Firm Registration No. 301003E  
Chartered Accountants

**Per R. K. AGRAWAL**  
Partner  
Membership No 16667  
Place: Kolkata  
Date: May 29, 2010

**For SUNIL KUMAR GUPTA & CO**  
Firm Registration No. 003645N  
Chartered Accountants

**Per S. K. GUPTA**  
Partner  
Membership No 82486  
Place: Kolkata  
Date: May 29, 2010

**As approved**  
**For and behalf of the Board of Directors**  
**Anil Kr Sethi**  
Chairman  
**Subhash Ch. Sethi**  
Vice Chairman and Managing Director  
**Sushil Kr. Sethi**  
Managing Director  
**B. N. Choudhary**  
Executive Vice President (Finance) &  
Company Secretary

SPML INFRA LIMITED (formerly Subhash Projects and Marketing Limited)

SCHEDULES FORMING PART OF THE BALANCE SHEET

	31st March 2010 (Rs in '000)	31st March 2009 (Rs in '000)
<b>SCHEDULE 1 : SHARE CAPITAL</b>		
<b>AUTHORIZED</b>		
200,000,000 Equity Share of Rs. 2/- each	400,000	400,000
100,000,000 Preference Shares of Rs. 100/- each	100,000	100,000
	<b>500,000</b>	<b>500,000</b>
<b>ISSUED, SUBSCRIBED &amp; FULLY PAID-UP</b>		
36,650,276 Equity Share of Rs. 2/- each	73,301	73,301
Add : Forfeited Shares	8,644	8,644
(Amount originally paid up)		
	<b>81,945</b>	<b>81,945</b>

<b>SCHEDULE 2 : RESERVES &amp; SURPLUS</b>		
<b>a) CAPITAL RESERVE</b>		
As per Last Account	88,573	48,573
Add: Amount arisen on forfeiture of Equity Warrants	–	40,000
	88,573	88,573
<b>b) SECURITIES PREMIUM ACCOUNT</b>		
As per last Account	1,526,380	1,526,380
	1,526,380	1,526,380
<b>c) GENERAL RESERVE</b>		
As per last Account	442,905	292,905
Add : Transfer From Profit & Loss Account	100,000	150,000
	542,905	442,905
<b>d) PROFIT &amp; LOSS ACCOUNT BALANCE</b>	1,829,730	1,445,397
	<b>3,987,588</b>	<b>3,503,255</b>

SPML INFRA LIMITED (formerly Subhash Projects and Marketing Limited)

SCHEDULES FORMING PART OF THE BALANCE SHEET

	31st March 2010 (Rs in '000)	31st March 2009 (Rs in '000)
<b>SCHEDULE 3 : SECURED LOANS</b>		
<b>A) TERM LOANS</b>		
(i) From Rural Electrification Corporation Limited (Secured by way of hypothecation of 11 Nos. Wind Electric Generating Sets of 4.51 MW capacity with accessories and personal guarantees of three Promoter Directors of the Company) Interest Accrued & due on above	– –	89,968 79,820
(ii) From Scheduled Banks (Rs 157,673 thousands (Rs.181,276 thousands) secured against hypothecation of construction equipments purchased against such loans and personal guarantee of three promoter directors of the Company. Of the above, Rs 67,500 Thousands (Rs.59,900 thousands) are falling due for payment within one year - Rs 20,873 thousands (Rs.20,921 thousands) secured by exclusive charge over movable fixed assets and current assets (including receivables) of the car parking project being implemented by the company in Sector 17, Chandigarh and further secured by Second Pari passu charges over current assets and movable fixed assets of the company. Interest Accrued & due on above	178,546 1,690	202,197 2,063
(iii) Deferred Payment Credits From Banks From Others (Secured against hypothecation of Vehicles / Construction equipments purchased against such loans. Of the above, Rs 27,948 thousands (Rs 58,426 thousands) are falling due for payment within one year)	35,429 9,612	41,869 54,788
(iv) Others (Short Term) From Banks (Secured by hypothecation of stock and book debts of the Company and also by hypothecation of plant and machinery, furniture & fixtures & office equipments. These loans are additionally secured by the guarantees of three promoter directors of the Company and corporate guarantee of SPM Engineers Ltd.)	236,379	150,000
	<b>461,656</b>	<b>620,705</b>
<b>B) OTHER LOANS</b>		
(i) From Banks on Cash Credit Account (Secured by hypothecation of stock and book debts of the Company and also by hypothecation of plant and machinery, furniture & fixtures & office equipments. These loans are additionally secured by the guarantees of three promoter directors of the Company and corporate guarantee of SPM Engineers Ltd.)	2,131,492	2,285,860
	<b>2,131,492</b>	<b>2,285,860</b>
	<b>2,593,148</b>	<b>2,906,565</b>
<b>SCHEDULE 4 : UNSECURED LOANS</b>		
(i) From Banks (Short Term) (Secured by the personal guarantee of three Promoter Directors of the Company) Interest Accrued & Due on above	304,733 663	937,128 –
(ii) From Bodies Corporate (Short Term) Interest Accrued & Due on above	1,011,198 575	206,208 3,658
	<b>1,317,169</b>	<b>1,146,994</b>

SPML INFRA LIMITED (formerly Subhash Projects and Marketing Limited)  
SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE 5A : FIXED ASSETS

(Rs. in '000')

Description	Gross Block			Depreciation / Amortisation			Net Block		
	As at 01.04.2009	Additions	Sales / Adjustments	As at 31.03.2010	As at 01.04.2009	For the Year	Less: On Sales/ Adjustments	As at 31.03.2010	As at 01.04.2009
<b>TANGIBLES</b>									
FREE HOLD LAND	21,193	–	591	20,602	–	–	–	20,602	21,193
BUILDINGS	57,696	16,500	–	74,196	7,317	1,416	–	65,463	50,379
PLANT & MACHINERY	833,327	125,503	166,463	792,367	305,273	67,540	130,365	549,918	528,053
FURNITURE & FITTINGS	159,279	5,010	–	164,289	23,400	10,942	–	129,948	135,880
VEHICLES	69,056	9,279	511	77,824	34,068	5,321	511	38,946	34,988
SITE/OFFICE EQUIPMENTS	104,989	22,894	–	127,883	41,722	14,129	–	72,032	63,267
TEMPORARY SITE SHED & SHUTTERING MATERIALS	211,246	16,733	–	227,979	207,230	4,301	–	16,447	4,017
<b>INTANGIBLE</b>									
SOFTWARE	–	37,346	–	37,346	–	7,329	–	30,017	–
<b>PREVIOUS YEAR'S TOTAL</b>	<b>1,456,786</b>	<b>233,265</b>	<b>167,565</b>	<b>1,522,486</b>	<b>619,009</b>	<b>110,978</b>	<b>130,876</b>	<b>923,374</b>	<b>837,777</b>
	<b>1,156,183</b>	<b>320,099</b>	<b>19,496</b>	<b>1,456,786</b>	<b>538,184</b>	<b>86,063</b>	<b>5,238</b>	<b>837,777</b>	

SPML INFRA LIMITED (formerly Subhash Projects and Marketing Limited)

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE 5B : CAPITAL WORK IN PROGRESS (INCLUDING CAPITAL ADVANCES)

(Rs. in '000)

Description	"As at 01.04.2009"	Additions	Adjustments *	"As at 31.03.2010"	"As at 31.03.2009"
LAND	25,125	–	–	25,125	25,125
BUILDINGS	131,416	29,934	16,500	144,850	131,416
FURNITURE & FITTINGS	–	1,768	1,768	–	–
SITE/OFFICE EQUIPMENTS	–	30	30	–	–
PLANT & MACHINERY	2,612	8,992	2,612	8,992	2,612
SOFTWARE	36,357	1,109	37,466	–	36,357
<b>TOTAL</b>	<b>195,510</b>	<b>41,833</b>	<b>58,376</b>	<b>178,967 **</b>	<b>195,510</b>
<b>PREVIOUS YEAR'S TOTAL</b>	<b>92,545</b>	<b>190,892</b>	<b>87,927</b>	<b>195,510</b>	

\* Represents amounts capitalised during the year

\*\* Includes advances against capital goods Rs.22,955 thousands(Rs.27,738) thousands

SCHEDULE 6 : INVESTMENTS

	No. of Shares/Units/ Debentures	Face Value Per Share/Unit/ Debentures (Rs.)	31st MARCH 2010 (Rs in "000")	31st MARCH 2009 (Rs in "000")
<b>Long Term (at cost)</b>				
<b>(A) Other than Trade</b>				
<b>Quoted</b>				
<b>(a) Equity Shares (Fully Paid-up)</b>				
Arihant Leasing & Holding Limited	24,000	10	75	75
Indian Arcylics Limited	100	10	1	1
Petrochem Industries Limited	500	10	14	14
Best & Crompton Engineering Limited	200	10	10	10
SPML India Limited	10,000	10	150	150
Malanpur Steels Limited	15	10	1	1
Hindustan Engineering & Industries Limited (Bonus Shares)	4	10	–	–
<b>(b) Debentures (Fully Paid-up)</b>				
Escorts Tractors Limited	25		1	1
Hindustan Engineering & Industries Limited	110		6	6
			<b>258</b>	<b>258</b>
Less Provision for Diminution in Value of investments			<b>256</b>	<b>256</b>
Net Quoted Investments			<b>2</b>	<b>2</b>
<b>(B) Trade</b>				
<b>Unquoted</b>				
<b>Equity Shares (Fully Paid-up)</b>				
Bharat Hydro Power Corporation Limited	3,294,150	10	21,185	21,185
(Company under the same management)				
Pondicherry Port Limited	100	10	1	–
	(–)			
<b>In Associate Company</b>				
Insituform Pipelines Rehabilitation Pvt Ltd	7,849,717	10	78,497	98
	(9,802)			
			<b>99,683</b>	<b>21,283</b>
<b>Equity Shares in Subsidiary Companies (Fully Paid-up)</b>				
Neogal Power Co. (P) Limited	4,201,060	1	60,482	41,765
	(3,031,250)			

SPML INFRA LIMITED (formerly Subhash Projects and Marketing Limited)

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE 6 : INVESTMENTS (Contd...)

	No. of Shares/Units/ Debentures	Face Value Per Share/Unit/ Debentures (Rs.)	31st MARCH 2010 (Rs in "000")	31st MARCH 2009 (Rs in "000")
Awa Power Company (P) Limited	4,382,810 (2,779,500)	1	63,390	37,737
Luni Power Company (P) Limited	3,955,495 (2,852,625)	1	56,553	38,907
IQU Power Company (P) Limited	4,261,750 (2,744,500)	1	61,453	37,177
Subhash Kabini Power Corporation Limited *	13,586,300	10	135,863	135,863
SPML Industries Limited	1,243,618	10	21,182	21,182
Binwa Power Company (P) Limited	2,948,340	1	43,609	43,609
SPML Technologies (P) Limited	– (3,990,000)	10	–	39,900
SPML Energy Limited	99,550,000	1	99,550	99,550
SPML Infrastructure Limited	524,700	1	525	525
Delhi Waste Management Limited	573,750	10	5,738	5,738
Madurai Municipal Waste Processing Co Pvt Limited	– (10,000)	10	–	100
SPML Urban Enviro Ltd	499,700	1	500	500
SPML Utilities Limited	199,999,700 (499,700)	1	200,000	500
(Formerly SPML Water Infra Ltd)				
SPML Bhiwandi Water Supply Infra Limited	50,000 (–)	10	500	–
SPML Bhiwandi Water Supply Management Limited	50,000 (–)	10	500	–
Mathura Nagar Waste Processing Co. Pvt. Ltd	255,000 (–)	1	255	–
Allahabad Waste Processing Co. Pvt. Ltd	255,000 (–)	1	255	–
			<b>750,355</b>	<b>503,053</b>
<b>Investment in Joint Ventures</b>				
Om Metal Consortium JV			130,024	124,423
SPML - CISC JV			41,132	29,397
SPML - Degroment - JV			1,483	2,355
Subhash Simplex JV			9,273	11,717
Insituform - SPML JV			40,296	17,484
Siddharth- Mahavir- SPML JV			5,494	2,112
			<b>227,702</b>	<b>187,488</b>
National Saving Certificate			497	482
Indira Vikas Patra			6	5
Units of PNB Mutual Fund	50,000	10	500	500
			<b>1,003</b>	<b>987</b>
<b>Total</b>			<b>1,078,745</b>	<b>712,813</b>
<b>Aggregate Value of Investments</b>				
(I) Quoted (net of provision)			2	2
(II) Unquoted			1,078,743	712,811
Market Value of Quoted Investments			2	2

\* 13,273,800 No. of Shares are pledged with IDBI Bank against loan obtained by the investee Company. The Company has also given an undertaking to the bank not to sell its above share holding till the full repayment of the loan.

SPML INFRA LIMITED (formerly Subhash Projects and Marketing Limited)

SCHEDULES FORMING PART OF THE BALANCE SHEET

	31st March 2010 (Rs in '000)	31st March 2009 (Rs in '000)
<b>SCHEDULE 7 : INVENTORIES</b>		
(Refer Note No. 8 on Schedule 20A)		
Raw Materials, Components etc.	640,566	902,037
Stores & Spares	39	3,075
Work-in-Progress	423,666	538,502
	<b>1,064,271</b>	<b>1,443,614</b>

<b>SCHEDULE 8 : SUNDRY DEBTORS</b>		
(Unsecured)		
Debts outstanding for a period exceeding six months		
- Considered Good	2,714,537	2,939,054
- Considered Doubtful	24,503	24,503
	2,739,040	2,963,557
Other Debts - Considered Good	1,851,848	2,518,201
	4,590,888	5,481,758
Less: Provision for Doubtful Debts	24,503	24,503
	<b>4,566,385 *</b>	<b>5,457,255 *</b>
* includes retention deposits Rs 1,626,144 thousands (Rs 1,940,882 thousands)		

<b>SCHEDULE 9 : CASH &amp; BANK BALANCES</b>		
Cash-on-hand [including in transit Rs Nil Thousands (Rs. 1,341 thousands)]	27,866	47,532
Cheques on Hand	-	89,223
<b>Balances with Scheduled Banks on :</b>		
Current Accounts	42,021	105,261
Fixed Deposit Accounts (Receipts lying with banks as security against Letters of Credits and Guarantees issued by them and with clients)	594,806	543,068
Unpaid Dividend Account	651	326
	<b>665,344</b>	<b>785,410</b>

<b>SCHEDULE 10 : OTHER CURRENT ASSETS</b>		
(Unsecured, Considered Good)		
Unbilled Revenue on Construction Contracts	3,221,066	2,424,723
Accrued interest on Deposits	39,392	29,081
	<b>3,260,458</b>	<b>2,453,804</b>



SPML INFRA LIMITED (formerly Subhash Projects and Marketing Limited)

SCHEDULES FORMING PART OF THE BALANCE SHEET

	31st March 2010 (Rs in '000)	31st March 2009 (Rs in '000)
<b>SCHEDULE 11 : LOANS AND ADVANCES</b>		
(Unsecured, Considered good )		
Loans (including Interest)		
- to Subsidiaries	27,973	625,370
- to Others	123,501	57,520
Advances Recoverable in Cash or in Kind or for Value to be received	404,159	672,895
Advance Tax [net of provisions Rs. 315,035 (Rs. 242,117 thousands)]	349,229	150,320
Balance with Excise, Customs, Port Trust and other		
Government Authorities	44,146	157,181
Trade & Other Deposits	195,315	239,687
VAT Credit Input Receivable	224,941	165,201
Advance towards Share Application Money		
(a) Subsidiaries	369,370	301,709
(b) Other Companies	44,652	78,399
(Refer Note No. 23 on Schedule 20B for amount due from Companies under the same management)		
	<b>1,783,286</b>	<b>2,448,282</b>

<b>SCHEDULE 12 : CURRENT LIABILITIES &amp; PROVISIONS</b>		
<b>CURRENT LIABILITIES</b>		
Acceptances	704,768	1,947,103
Sundry Creditors for Goods, Services, Expenses etc.		
- Dues to Micro and Small Enterprises (Refer Note No. 10 on Schedule 20B)	14,111	7,188
- Dues to Other Creditors [including Rs. 16,825 thousands (Rs 9,030 thousands) due to a subsidiary]	2,392,894	2,149,104
Advance against sale of Fixed Assets (Refer note no. 22 on Schedule 20B)	99,000	103,421
Mobilisation advance from Customers [including Rs.249,441 thousands (Rs.122,603 thousands) due to subsidiaries] (Partly bearing interest)	1,799,403	2,074,068
Other Liabilities	267,078	111,072
Investor Education and Protection Fund:		
Unpaid Dividend (Payable when due)	651	326
Temporary Book Overdraft in Current Accounts with banks	41,475	33,223
Interest Accrued but not Due on Loans	9,816	-
	<b>5,329,196</b>	<b>6,425,505</b>
<b>PROVISIONS</b>		
Fringe Benefit Tax [Net of Advance Tax Rs. Nil (Rs.6,390 thousands)]	-	9,062
Gratuity	27,815	21,322
Earned Leave	7,664	10,848
Proposed Dividend	29,320	43,980
Tax on Proposed Dividend	4,870	7,474
	69,669	92,686
	<b>5,398,865</b>	<b>6,518,191</b>

SPML INFRA LIMITED (formerly Subhash Projects and Marketing Limited)

SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT

	31st March 2010 (Rs in '000)	31st March 2009 (Rs in '000)
<b>SCHEDULE 13 : SALES &amp; SERVICES</b>		
SALES		
- Construction Contracts	13,295,904	12,314,275
- Trading	546,728	33,257
- Power Generation	16,317	15,120
Services- Operation & Maintenance	144,201	209,560
	<b>14,003,150</b>	<b>12,572,212</b>
<b>SCHEDULE 14 : OTHER INCOME</b>		
Dividend Received on Long Term Investments (Trade)	574	-
Interest Received (Gross)	67,396	152,146
[Tax Deducted at Source Rs 7,392 thousands (Rs 9,458 thousands)]		
Company's share in profit of Joint Ventures	14,534	19,495
Sundry Balances/Liabilities written back	2,102	46,891
Insurance Claim received	25,758	32,603
Miscellaneous Receipts	23,823	8,984
	<b>134,187</b>	<b>260,119</b>
<b>SCHEDULE 15 : MATERIALS CONSUMED &amp; DIRECT EXPENSES</b>		
<b>Raw Materials &amp; Components Consumed</b>		
Opening Stock	902,037	1,920,219
Add: Purchases	4,067,821	6,157,018
Less : Closing Stock	640,566	902,037
	<b>4,329,292</b>	<b>7,175,200</b>
<b>Direct Expenses:</b>		
Stores & Spares Consumed	13,797	22,718
Subcontractor Expenses	5,983,623	2,619,708
Drawing & Designing	36,797	1,134
Equipment Hire and Running Charges	180,710	33,633
Other Direct Expenses	97,840	111,758
	6,312,767	2,788,951
	<b>10,642,059</b>	<b>9,964,151</b>
<b>SCHEDULE 16 : (Increase) / Decrease in Work-in-Progress</b>		
- Opening Work in Progress	538,502	447,762
- Closing Work in Progress	(423,666)	(538,502)
	<b>114,836</b>	<b>(90,740)</b>
<b>SCHEDULE 17 : PERSONNEL EXPENSES</b>		
Salaries, Wages and Allowances	507,413	403,821
Director's Remuneration*	39,582	35,629
Contribution to Provident & Other Funds	29,871	25,492
Gratuity	8,233	7,908
Staff Welfare Expenses	15,262	16,545
	<b>600,361</b>	<b>489,395</b>
* Including Directors' Sitting Fees	126	146

SPML INFRA LIMITED (formerly Subhash Projects and Marketing Limited)

SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT

	31st March 2010 (Rs in '000)	31st March 2009 (Rs in '000)
<b>SCHEDULE 18 : ADMINISTRATION, SELLING &amp; OTHER EXPENSES</b>		
Rent	80,307	65,036
Rates and Taxes	11,032	16,258
Repairs and Maintenance		
- Building	4,596	6,952
- Plant & Machinery	11,627	4,133
- Others	11,229	10,296
Insurance	50,767	48,736
Advertisement expenses	7,131	12,220
Professional Charges & Consultancy Fees	85,447	75,775
Vehicle Running and Maintenance	59,895	57,929
Travelling & Conveyance (Including Rs. 5,047 Thousands ( Rs 4,427 thousands) for Directors)	52,366	43,124
Communication Expenses	21,498	17,143
Power and Fuel	17,839	14,876
Charity & Donations	2,701	4,563
Auditor's Remuneration		
- Audit Fee	3,250	3,050
- Limited Review Fee	2,250	2,100
- Tax Audit Fee [including Rs Nil (Rs 850 thousands) for earlier years]	450	1,300
- Other Services	1,000	-
- Out of Pocket Expenses	306	289
Selling Expenses	39,361	22,811
Provision for Diminution in value of Investments	-	17
Exchange Difference (Net)	8,021	19,834
Loss on Sale/Discard of Fixed Assets (net)	3,010	667
Provision for Doubtful Debts	-	24,503
Bad Debts Written Off	6,527	4,543
Sundry Balances Written Off	9,509	5,297
Miscellaneous Expenses	66,744	69,782
	<b>556,863</b>	<b>531,234</b>
<b>SCHEDULE 19 : INTEREST &amp; FINANCE EXPENSES (NET)</b>		
Interest on		
- Term Loans		
Banks	127,831	261,277
Others	10,420	291,056
- Other Loans, Mobilisation Advances etc		
Banks	470,040	254,993
Others	154,354	141,314
	<b>762,645</b>	<b>948,640</b>
Bank Charges	234,314	183,120
	<b>996,959</b>	<b>1,131,760</b>

## SPML INFRA LIMITED (formerly Subhash Projects and Marketing Limited)

### SCHEDULES FORMING PART OF THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT

#### Schedule 20 : Significant Accounting Policies and Notes to Accounts

##### A. Significant Accounting Policies

###### 1. Basis of preparation

The financial statements have been prepared to comply in all material respects with the accounting standards notified by the Companies Accounting Standards Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis except in respect of insurance claims which on the ground of prudence or uncertainty in realization, are accounted for on acceptance / actual receipt basis. Except for the changes specifically mentioned in note 3 below, the accounting policies applied by the Company are consistent with those used in the previous year.

###### 2. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon the management's best knowledge of current events and actions, actual results could differ from these estimates.

###### 3. Changes in Accounting Policies

Inventory of materials and consumables at certain sites as at March 31, 2010 have been valued at weighted average method which were hitherto valued on First in First out (FIFO) method. In the opinion of the management, the impact of the above change on the profit for the year although not presently ascertainable, is not likely to be material.

###### 4. Fixed Assets

- (a) Fixed assets are stated at cost of acquisition inclusive of duties (net of CENVAT / VAT), taxes, incidental expenses, erection/commissioning expenses upto the date the asset is ready to be put to use.
- (b) Machinery spares which can be used only in connection with an item of fixed assets and whose use as per technical assessment is expected to be non-regular are capitalized and depreciated prospectively over the useful life of the respective assets.
- (c) The carrying amount of assets is reviewed at each balance sheet date to determine if there is any indication of impairment thereof based on external/internal factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount, which represents the greater of the net selling price of assets and their 'value in use'. The estimated future cash flows are discounted to their present value at appropriate rate arrived at after considering the prevailing interest rates and weighted average cost of capital.

###### 5. Depreciation / Amortisation

Depreciation on fixed assets is provided using the Straight Line Method at the rates prescribed under Schedule XIV of the Companies Act, 1956.

In case of impairment, if any, depreciation is provided on the revised carrying amount of the assets over their remaining useful life.

Assets costing Rs.7,500 or less are depreciated @100% in the year of purchase.

Intangible assets (specialised software) are amortised using the straight line method over a period of five years.

###### 6. Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets, are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss account on a straight-line basis over the lease term.

###### 7. Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on individual investment basis. Long term investments are considered at cost, unless there is an "other than temporary" decline in value thereof, in which case, adequate provision for diminution is made in the accounts.

###### 8. Inventories

Raw Materials, components, stores and spares to be used in contracts are valued at cost which is ascertained on First in First out (FIFO) / weighted average basis. Components and stores and spares at wind farms are valued at lower of cost and net realizable value.

Work-in-progress is valued at cost. However, in case of jobs where losses are likely to occur, the stock is considered at net realisable value. Costs include materials, labour and appropriate portion of construction overheads.

## SPML INFRA LIMITED (formerly Subhash Projects and Marketing Limited)

### SCHEDULES FORMING PART OF THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT

#### 9. Revenue recognition

##### (a) Construction contracts

Revenue on contracts is recognised on percentage completion method based on the stage of completion of the contract. The stage of completion is determined as a proportion that contract costs incurred for work performed upto the reporting date bear to the estimated total costs. When it is probable that the total contract cost will exceed the total contract revenue, the expected loss is recognized immediately. For this purpose, total contract costs are ascertained on the basis of actual costs incurred and costs to completion of contracts in progress, which is arrived at by the management based on current technical data, forecasts and estimate of expenditure to be incurred in future including contingencies, which being technical matters have been relied on by the auditors. Revisions in projected profit or loss arising from change in estimates are reflected in each accounting period which however cannot be disclosed separately in the financial statements as the effect thereof cannot be accurately determined.

Overhead expenses representing indirect costs that cannot be directly aligned with the jobs are distributed over the various contracts on a pro-rata basis.

Disputed claims towards extra work, damages etc. are accounted for on settlement of the arbitration proceedings / legal cases.

##### (b) Sale of Goods

Revenue from sale of goods is recognized on passage of title thereof to the customers, which generally coincides with delivery. Sales are net of returns, claims, trade discounts etc.

##### (c) Income from Services

Revenues from operation and maintenance contracts are recognised on rendering of services as per the terms of contract.

##### (d) Interest

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

#### 10. Liquidated damages

No provision is made for liquidated damages deducted by the customers, wherever these have been refuted by the Company and it expects to settle them without any loss. Pending settlement of these claims, the relative sundry debtors are shown in the accounts as fully recoverable and the corresponding amounts are reflected as contingent liability in terms of the provisions contained in Accounting Standard – 29.

#### 11. Foreign currency translations

##### Initial Recognition

Foreign currency transactions are recorded in the reporting currency by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

##### Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

##### Exchange Differences

Exchange differences arising on the settlement/conversion of monetary items are recognized as income or expenses in the year in which they arise.

##### Forward Exchange Contracts

The premium or discount arising at the inception of forward exchange contracts is amortized as expenses or income over the life of the respective contracts. Exchange differences on such contracts are recognized in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or expense for the year.

#### 12. Retirement and other employee benefits

Retirement benefits in the form of Provident Fund being a defined contribution scheme are charged to Profit and Loss Account of the year when the contributions to the funds are due. There are no obligations other than the contribution payable to the fund.

Gratuity being a defined benefit obligation is provided for based on actuarial valuation made at the end of each financial year using the projected unit credit method.

## SPML INFRA LIMITED (formerly Subhash Projects and Marketing Limited)

### SCHEDULES FORMING PART OF THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT

Short term compensated absences are provided for based on accrual basis. Long term compensated absences are provided for based on actuarial valuation made at the end of each financial year, which is done as per the projected unit credit method.

Actuarial gain and losses are recognized immediately in the statement of Profit & Loss Account as income or expenses.

#### 13. Income taxes

Tax expense comprises of current and deferred income tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company have unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits. Deferred tax in respect of timing differences which reverse during the tax holiday period are not recognised to the extent the Company's gross total income is subject to the deduction during the tax holiday period as per the requirement of the Act.

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the Minimum Alternative tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT Credit Entitlement. The Company review the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period.

#### 14. Segment Reporting

##### Identification of Segments

The Company has identified that its business segments are the primary segments. The Company's businesses are organized and managed separately according to the nature of activity, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

The Company at present primarily operates in India and therefore the analysis of geographical segments is not applicable.

##### Allocation of common costs

Common allocable costs are allocated to each segment on case to case basis applying the ratio, appropriate to each relevant case. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segment on a reasonable basis, have been included under the head "Unallocated - Common".

#### 15. Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

#### 16. Provisions

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

Provisions made in terms of Accounting Standard 29 are not discounted to its present value and are determined based on management estimates required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

#### 17. Cash and Cash Equivalents

Cash and cash equivalents as indicated in the Cash Flow Statements comprise cash at bank and in hand and short term investments with an original maturity of three months or less.

**SPML INFRA LIMITED (formerly Subhash Projects and Marketing Limited)**

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

**18. Contingent liabilities**

Liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty are treated as contingent and disclosed by way of notes to the accounts.

**19. Accounting for interests in joint ventures**

In respect of joint ventures entered into with other parties in the form of 'integrated joint ventures', the accounting treatment is done as below in terms of Accounting Standard 27 notified by the Companies Accounting Standards Rules, 2006 (as amended):

- (a) Company's share in profits and losses is accounted on determination of profits or losses by the Joint Ventures;
- (b) Investments are carried at cost, net of the Company's share of profits or losses recognized in the accounts.

**B. Notes on accounts**

**1. Contingent liabilities not provided for in respect of**

(Rs. in '000)

	As at 31st March, 2010	As at 31st March, 2009
Claims against the Company not acknowledged as debts	27,156	11,887
Claims towards liquidated damages not acknowledged as debts by the Company*. Against the above, debts of the like amount are withheld by the customers. However, the Company expect no liability to accrue on account of these claims.	725,199	580,647
Outstanding bank guarantees and letters of credit (including Rs. 437,589 thousands (Rs.473,409 thousands) for joint ventures)	11,948,213	11,804,268
Disputed Income Tax, Service Tax and sales tax demands under appeal	295,341	129,741
Corporate guarantees given for Subsidiaries and other body corporate (including Rs. 80,000 thousands (Rs. 80,000 thousands) for joint ventures)	2,727,300	2,035,800

\* Includes Rs. 90,000 thousands (Rs. 90,000 thousands) in relation to which the original title deeds of the property situated at 8/2, ulsoor Road, Bangalore is lying with Guahati High Court as security on behalf of Bharat Hydro Corporation Limited.

(Rs. in '000)

2. Estimated amount of contracts remaining to be executed on Capital Account and not provided for [Net of Advances]	579,176	16,823
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3. The Company has operating leases for office premises that are renewable on a periodic basis and are cancelable by giving a notice period ranging from one month to three months. There is no escalation clause in the lease agreement. There are no restrictions imposed by lease arrangements. There are no subleases.

The amount of rent expenses included in Profit and Loss Account towards operating Leases aggregate to Rs 80,307 thousands (Rs. 65,036 thousands).

4. In terms of Accounting Standard - 22, net deferred tax liability (DTL) of Rs. 142,115 thousands (after adjusting Rs. 35,400 thousands during the year) has been recognized in the accounts up to 31st March 2010.

The break-up of DTL is as follows:

(Rs. in '000)

Particulars	As at 31st March 2010	As at 31st March 2009
<b>Deferred Tax Liability</b>		
On timing differences of depreciable assets	75,068	79,089
On retentions by the customers	121,378	154,927
<b>Deferred Tax Assets</b>		
Expenses allowable against taxable income in future years	54,331	56,501
<b>Deferred Tax Liability (Net)</b>	142,115	177,515

**SPML INFRA LIMITED (formerly Subhash Projects and Marketing Limited)**

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

5. The break up of Earnings per share (EPS) in terms of Accounting Standard 20 is as follows:

	2009-10	2008-09
Profit after tax (Rs. '000)	5,18,523	531,687
Weighted average number of equity shares outstanding during the year	36,650,276	36,650,276
Nominal value per share (Rs.)	2	2
Basic and Diluted EPS (Rs.)	14.15	14.51

6. Segment information

**Business Segment:** The business segments have been identified on the basis of the activities undertaken by the Company. Accordingly, the Company has identified 'Construction' and 'Wind Power' as the business segments.

Construction – Consists of execution of turnkey projects

Wind Power – Consists of electricity generated from wind farms

Others – includes immaterial operating segments of the company.

**Geographical Segment:** The Company primarily operates in India and therefore the analysis of geographical segments is not applicable to the Company. The particulars of segment information are as follows:

(Rs. in '000)

	CONSTRUCTION		WIND POWER		OTHERS		TOTAL	
	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09
(a) Revenue								
External sales	1,34,40,105	12,523,825	16,317	15,120	546,728	33,267	1,40,03,150	1,25,72,212
Inter Segment Sales	–	–	–	–	–	–	–	–
<b>Total Revenue</b>	<b>1,34,40,105</b>	<b>12,523,825</b>	<b>16,317</b>	<b>15,120</b>	<b>546,728</b>	<b>33,267</b>	<b>1,40,03,150</b>	<b>1,25,72,212</b>
(b) Results								
Segment Results	1,516,927	1,687,575	(11,900)	(5,532)	3,333	–	1,508,360	1,682,043
Unallocated expenses (Net of unallocated income)							25,930	38,631
Operating Profit							1,482,430	1,643,412
Interest & Finance Expenses							929,563	979,614
Profit before tax							552,867	663,798
Provision for Taxation (Current Tax, Deferred Tax, Fringe Benefit Tax and adjustments on account of Previous years)							34,344	132,111
Profit after tax							518,523	531,687
<b>OTHER INFORMATION</b>								
(a) <b>Total Assets</b>								
Segment Assets	10,788,493	11,664,912	81,116	117,665	22,902	53,282	10,892,511	11,835,859
Unallocated Corporate/ other Assets							2,628,319	2,498,606
<b>Total</b>							<b>13,520,830</b>	<b>14,334,465</b>
(b) <b>Total Liabilities</b>								
Segment Liabilities	3,357,243	4,414,801	102,441	109,765	15,044	51,106	3,474,728	4,575,672
Unallocated Corporate/other Liabilities							5,976,569	6,173,593
<b>Total</b>							<b>9,451,297</b>	<b>10,749,265</b>
(c) Capital Expenditure	216,722	401,381	–	21,683	–	–	216,722	423,064
(d) Depreciation / Amortisation	96,447	67,741	14,531	18,322	–	–	110,978	86,063
(e) <b>Non cash expenses other than depreciation included in segment expenses for arriving at Segment Results</b>	<b>11,208</b>	<b>24,52</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>11,208</b>	<b>24,520</b>



SPML INFRA LIMITED (formerly Subhash Projects and Marketing Limited)

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

7. Related Parties

(a) Particulars of related parties where control exists

Subsidiary Companies	Subhash Kabini Power Corporation Limited
	SPML Industries Limited
	SPML Energy Limited
	SPML Technologies Ltd
	SPML Infrastructure Limited
	SPM Holdings Pte. Ltd.
	Binwa Power Corporation (P) Limited
	Awa Power Company (P) Limited
	IQU Power Company (P) Limited
	Neogal Power Company (P) Limited.
	Luni Power Company (P) Limited
	Tons Valley Power Company (P) Limited
	Rupin Tons Power Company (P) Limited
	Uttarkashi Tons Hydro Power (P) Limited
	Delhi Waste Management Limited
	Madurai Municipal Waste Processing Co. (P) Ltd.
	SPML Urban Enviro Ltd.
	SPML Utilities Ltd.
	SPML Bhiwandi Water Supply Infra Ltd.
	SPML Bhiwandi Water Supply Management Ltd.
Allahabad Waste Processing Co. Pvt. Ltd. (w.e.f. Jan 21, 2010)	
Mathura Nagar Waste Processing Co. Pvt. Ltd. (w.e.f Jan 12, 2010)	

(b) Other Related Parties with whom transactions have taken place during the year

Associate companies	Pondicherry Port Limited
	Pondicherry SEZ Limited
	HYDRO Comp Enterprises (India) Limited
	Instituform Pipeline Rehabilitation (P) Ltd. (IRPL) (w.e.f. Aug 9, 2009)
Joint Ventures	Om Metal Consortium
	SPML - CISC JV
	SPML - Simplex JV
	SPML - Degroment JV
	Insituform - SPML JV
	SPML - HCIL JV
	Siddharth Mahavir SPML JV
Key Management Personnel (KMP)	Mr. Anil Kumar Sethi - Chairman,
	Mr. Subhash Chand Sethi - Vice Chairman and Managing Director
	Mr. Sushil Kumar Sethi - Managing Director,
	Mr. Deepak Sethi - Director

SPML INFRA LIMITED (formerly Subhash Projects and Marketing Limited)

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

<b>Relatives of Key Management Personnel</b>	
Mr. P. C. Sethi	Father of Chairman, Vice Chariman and Managing Director
Mrs. Maina Devi Sethi	Mother of Chairman, Vice Chariman and Managing Director
Mrs. Preeti Devi Sethi	Wife of Chairman
Mrs. Vineetha Sethi	Wife of Director
Mrs. Suman Sethi	Wife of Vice Chairman and Managing Director
Mr. Harshavardhan Sethi	Son of Vice Chairman and Managing Director
Mr. Abhinandan Sethi	Son of Vice Chairman and Managing Director
Mrs. Sandhya Rani Sethi	Wife of Managing Director
Mr. Rishabh Sethi	Son of Managing Director
Enterprises owned by KMPs or their relatives	Arihant Leasing and Holdings Ltd.
	Rishabh Commercial Pvt. Ltd.
	Abhinandan Enterprise Pvt. Ltd.
	Subhash Systems Pvt. Ltd.
	Bharat Hydro Power Corporation Ltd.
	International Constructions Ltd.
	SPM Engineers Ltd.
	Zoom Industrial Services Ltd.
	20th Century Engineering Ltd.
	Subhash Power Company Ltd.
	SPML India Ltd.
	Subhash International Pvt. Ltd.
	Sanmati Power Co. Pvt. Ltd.
	SPML Reality Ltd.
	SPML Keerthi Hole Power Co. Ltd.
	Sonal Agencies Pvt Ltd.
	Sanmati Homes Ltd.
	SPML Semitech India Pvt. Ltd.
	Vidya Edutech Pvt. Ltd.
	SPML Industrial Park (Tamilnadu) Limited
	Sushil Kumar Sethi (HUF)

**SPML INFRA LIMITED (formerly Subhash Projects and Marketing Limited)**  
**SCHEDULES FORMING PART OF THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT**

**Related party disclosure:**

(c) Aggregated Related Party Disclosures as at and for the year ended 31st March 2010 (Transactions have taken place on arm's length basis)

(Rs. in '000)

	Subsidiaries	Joint Ventures	Associate Companies	Key Management Personnel (KMP)	Relatives of KMP	Enterprises owned by KMP or their relatives	Total
<b>Sale of Goods &amp; services</b>							
SPML HCIL JV	-	373,443	-	-	-	-	373,443
	(-)	(867,482)	(-)	(-)	(-)	(-)	(867,482)
Insituform - SPML (IV)	-	74,324	-	-	-	-	74,324
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Siddharth Mahavir-SPML JV	-	-	-	-	-	-	-
	(-)	(101,147)	(-)	(-)	(-)	(-)	(101,147)
Others	128,808	521	3,975	-	-	9,450	142,754
	(499,347)	(33,889)	(-)	(-)	(-)	(-)	(533,236)
<b>Total</b>	<b>128,808</b>	<b>448,288</b>	<b>3,975</b>	-	-	<b>9,450</b>	<b>590,521</b>
	(499,347)	(1,002,518)	(-)	(-)	(-)	(-)	(1,501,865)
<b>Dividend Paid</b>							
Mr. Anil Kumar Sethi	-	-	-	2,685	-	-	2,685
	(-)	(-)	(-)	(2,685)	(-)	(-)	(2,685)
Zoom Industrial Services Ltd.	-	-	-	-	-	3,688	3,688
	(-)	(-)	(-)	(-)	(-)	(3,688)	(3,688)
SPML India Ltd.	-	-	-	-	-	2,803	2,803
	(-)	(-)	(-)	(-)	(-)	(2,803)	(2,803)
Others	1	-	-	4,822	5,232	6,523	16,578
	(2)	(-)	(-)	(4,822)	(5,232)	(6,523)	(16,579)
<b>Total</b>	<b>1</b>	-	-	<b>7,507</b>	<b>5,232</b>	<b>13,014</b>	<b>25,754</b>
	(2)	(-)	(-)	(7,507)	(5,232)	(13,014)	(25,755)
Dividend Received							
Delhi Waste Management Ltd.	574	-	-	-	-	-	574
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
<b>Total</b>	<b>574</b>	-	-	-	-	-	<b>574</b>
	(-)	(-)	(-)	(-)	(-)	(-)	(-)

SPML INFRA LIMITED (formerly Subhash Projects and Marketing Limited)

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Related party disclosure:

(c) Aggregated Related Party Disclosures as at and for the year ended 31st March 2010 (Transactions have taken place on arm's length basis) (Contd...)

(Rs. In '000)

	Subsidiaries	Joint Ventures	Associate Companies	Key Management Personnel (KMP)	Relatives of KMP	Enterprises owned by KMP or their relatives	Total
<b>Purchase of Goods &amp; Services</b>							
SPML Industries Ltd	21,527	-	-	-	-	-	21,527
	(91,135)	(-)	(-)	(-)	(-)	(-)	(91,135)
Insituform Pipeline Rehabilitation Pvt. Ltd	-	-	45,752	-	-	-	45,752
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
SPML Technologies Ltd	64,192	-	-	-	-	-	64,192
	(50,358)	(-)	(-)	(-)	(-)	(-)	(50,358)
Others	1,366	-	-	-	-	-	1,366
	(1,800)	(-)	(-)	(-)	(-)	(6,701)	(8,501)
<b>Total</b>	<b>87,085</b>	-	<b>45,752</b>	-	-	-	<b>132,837</b>
	(143,293)	(-)	(-)	(-)	(-)	(6,701)	(149,994)
<b>Interest Income</b>							
Subhash Power Company Ltd.	-	-	-	-	-	958	958
	(-)	(-)	(-)	(-)	(-)	(884)	(884)
Subhash Kabini Power Corporation Ltd	1,969	-	-	-	-	-	1,969
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
SPML Semitech (India) P Ltd	-	-	-	-	-	1,177	1,177
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Others	-	-	-	-	-	-	-
	(6,854)	(-)	(-)	(-)	(-)	(1,890)	(8,744)
<b>Total</b>	<b>1,969</b>	-	-	-	-	<b>2,135</b>	<b>4,104</b>
	(6,854)	(-)	(-)	(-)	(-)	(2,774)	(9,628)
<b>Interest Paid</b>							
International Construction Ltd	-	-	-	-	-	7,350	7,350
	(-)	(-)	(-)	(-)	(-)	(-773)	(-773)

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(c) Aggregated Related Party Disclosures as at and for the year ended 31st March 2010 (Transactions have taken place on arm's length basis) (Contd...)

(Rs. In '000)

	Subsidiaries	Joint Ventures	Associate Companies	Key Management Personnel (KMP)	Relatives of KMP	Enterprises owned by KMP or their relatives	Total
Bharat Hydro Power Corporation Ltd.	-	-	-	-	-	5,235	5,235
	( - )	( - )	( - )	( - )	( - )	(943)	(943)
Delhi Waste Management Ltd.	3,078	-	-	-	-	-	3,078
	( - )	( - )	( - )	( - )	( - )	( - )	( - )
Vidya Eduitech Pvt Ltd	-	-	-	-	-	213	213
	( - )	( - )	( - )	( - )	( - )	( - )	( - )
SPML India Ltd	-	-	-	-	-	-	-
	( - )	( - )	( - )	( - )	( - )	(111)	(111)
Subhash Kabini Power Corporation Ltd.	-	-	-	-	-	-	-
	(80,121)	( - )	( - )	( - )	( - )	( - )	(80,121)
<b>Total</b>	<b>3,078</b>	-	-	-	-	<b>12,798</b>	<b>15,876</b>
	(80,121)	( - )	( - )	( - )	( - )	(281)	(80,402)
<b>Rent Paid</b>							
Spml Keerthi Hole Power C Ltd	-	-	-	-	-	23,937	23,937
	( - )	( - )	( - )	( - )	( - )	(25,514)	(25,514)
Others	-	-	-	6,155	8,448	5,043	19,646
	( - )	( - )	( - )	(6,155)	(8,578)	(5,844)	(20,577)
<b>Total</b>	-	-	-	6,155	8,448	28,980	43,583
	( - )	( - )	( - )	<b>(6,155)</b>	<b>(8,578)</b>	<b>(31,358)</b>	<b>(46,091)</b>
<b>Investments in JV</b>							
Insituform - SPML JV	-	22,812	-	-	-	-	22,812
	( - )	(7,886)	( - )	( - )	( - )	( - )	(7,886)
SPML - GISC JV	-	11,735	-	-	-	-	11,735
	( - )	(1104)	( - )	( - )	( - )	( - )	(1104)
Om metal Consortium	-	5,600	-	-	-	-	5,600
	( - )	(17,239)	( - )	( - )	( - )	( - )	(17,239)

SPML INFRA LIMITED (formerly Subhash Projects and Marketing Limited)

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Related party disclosure:

(c) Aggregated Related Party Disclosures as at and for the year ended 31st March 2010 (Transactions have taken place on arm's length basis) (Contd...)

(Rs. In '000)

	Subsidiaries	Joint Ventures	Associate Companies	Key Management Personnel (KMP)	Relatives of KMP	Enterprises owned by KMP or their relatives	Total
Others	-	67	-	-	-	-	67
	(-)	(2,072)	(-)	(-)	(-)	(-)	(2,072)
<b>Total</b>	-	<b>40,214</b>	-	-	-	-	<b>40,214</b>
	(-)	(26,093)	(-)	(-)	(-)	(-)	(26,093)
<b>Purchase of Investments</b>							
Spml Utilities Ltd	199,500	-	-	-	-	-	199,500
	(500)	(-)	(-)	(-)	(-)	(-)	(500)
Awa Power Company P Ltd	25,653	-	-	-	-	-	25,653
	(9,830)	(-)	(-)	(-)	(-)	(-)	(9,830)
Binwa Power Company P Ltd	-	-	-	-	-	-	-
	(7,922)	(-)	(-)	(-)	(-)	(-)	(7,922)
IQU Power Company (P) Ltd.	24,276	-	-	-	-	-	24,276
	(8,766)	(-)	(-)	(-)	(-)	(-)	(8,766)
Luni Power Company P Ltd	17,646	-	-	-	-	-	17,646
	(20,778)	(-)	(-)	(-)	(-)	(-)	(20,778)
Neogal Power Company P Ltd	18,717	-	-	-	-	-	18,717
	(12,118)	(-)	(-)	(-)	(-)	(-)	(12,118)
Others	1,510	-	-	-	-	-	1,510
	(600)	(-)	(-)	(-)	(-)	(-)	(600)
<b>Total</b>	<b>287,302</b>	-	<b>1</b>	-	-	-	<b>287,303</b>
	(60,514)	(-)	(-)	(-)	(-)	(-)	(60,514)
<b>Sale of Investments</b>							
SPML Technologies Ltd	39,900	-	-	-	-	-	39,900
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Sonal Agencies Pvt. Ltd.	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(100)	(100)
Zoom Industrial Services Ltd.	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(92)	(92)

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(c) Aggregated Related Party Disclosures as at and for the year ended 31st March 2010 (Transactions have taken place on arm's length basis) (Contd...)

(Rs. In '000)

	Subsidiaries	Joint Ventures	Associate Companies	Key Management Personnel (KMP)	Relatives of KMP	Enterprises owned by KMP or their relatives	Total
SpmI Infrastructure Ltd.	-	-	-	-	-	-	-
	(250)	(-)	(-)	(-)	(-)	(-)	(250)
SpmI Utilities Ltd	-	-	-	-	-	-	-
	(50)	(-)	(-)	(-)	(-)	(-)	(50)
Others	100	-	-	-	-	-	100
	(-)	(-)	(-)	(-)	(75)	(45)	(120)
<b>Total</b>	<b>40,000</b>	-	-	-	-	-	<b>40,000</b>
	(300)	(-)	(-)	(-)	(75)	(237)	(612)
<b>Loans &amp; Advances Taken</b>							
Bharat Hydro Power Corporation Ltd.	-	-	-	-	-	43,650	43,650
	(-)	(-)	(-)	(-)	(-)	(21,894)	(21,894)
International constructions Ltd.	-	-	-	-	-	253,514	253,514
	(-)	(-)	(-)	(-)	(-)	(226,604)	(226,604)
Subhash Kabini Power Corporation Ltd	107,672	-	-	-	-	-	107,672
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Iqu Power Company P Ltd	-	-	-	-	-	-	-
	(48,192)	(-)	(-)	(-)	(-)	(-)	(48,192)
Others	-	-	-	-	-	10,000	10,000
	(67,351)	(-)	(-)	(-)	(-)	(31,200)	(98,551)
<b>Total</b>	<b>107,672</b>	-	-	-	-	<b>307,164</b>	<b>414,836</b>
	(115,543)	(-)	(-)	(-)	(-)	(279,698)	(395,241)
<b>Supply Advance Taken</b>							
Neogal Power Company Pvt Ltd	33,382	-	-	-	-	-	33,382
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Luni Power Company Pvt Ltd	64,922	-	-	-	-	-	64,922
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
IQU Power Company Pvt Ltd	49,390	-	-	-	-	-	49,390
	(-)	(-)	(-)	(-)	(-)	(-)	(-)

SPML INFRA LIMITED (formerly Subhash Projects and Marketing Limited)

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

Related party disclosure:

(c) Aggregated Related Party Disclosures as at and for the year ended 31st March 2010 (Transactions have taken place on arm's length basis) (Contd...)

(Rs. In '000)

	Subsidiaries	Joint Ventures	Associate Companies	Key Management Personnel (KMP)	Relatives of KMP	Enterprises owned by KMP or their relatives	Total
<b>Total</b>	<b>147,694</b>	-	-	-	-	-	<b>147,694</b>
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
<b>Supply Advances Repaid</b>							
Awa Power Company Pvt. Ltd	18,800	-	-	-	-	-	18,800
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Others	2,056	-	-	-	-	-	2,056
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
<b>Total</b>	<b>20,856</b>	-	-	-	-	-	<b>20,856</b>
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
<b>Loans &amp; Advances Given (including share application money)</b>							
Spml Infrastructure Ltd	152,044	-	-	-	-	-	152,044
	(100,921)	(-)	(-)	(-)	(-)	(-)	(100,921)
International Construction Ltd	-	-	-	-	-	115,300	115,300
	(-)	(-)	(-)	(-)	(-)	(6,500)	(6,500)
SPML Industries Ltd	11,246	-	-	-	-	-	11,246
	(125,858)	(-)	(-)	(-)	(-)	(-)	(125,858)
Subhash Kabini Power Corporation Ltd	-	-	-	-	-	-	-
	(216,417)	(-)	(-)	(-)	(-)	(-)	(216,417)
Others	45,197	-	25,000	-	1,300	13,817	85,314
	(296,008)	(26,898)	(2,258)	(-)	(-)	(71,456)	(396,620)
<b>Total</b>	<b>208,487</b>	-	<b>25,000</b>	-	<b>1,300</b>	<b>129,117</b>	<b>363,904</b>
	(739,204)	(26,898)	(2,258)	(-)	(-)	(77,956)	(846,316)
<b>Loans &amp; Advances Given Refunded</b>							
Subhash Kabini Power Corporation Ltd	612,023	-	-	-	-	-	612,023
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Others	45,084	951	-	-	-	935	46,970
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
<b>Total</b>	<b>657,107</b>	<b>951</b>	-	-	-	<b>935</b>	<b>658,993</b>
	(-)	(-)	(-)	(-)	(-)	(-)	(-)



**SPML INFRA LIMITED (formerly Subhash Projects and Marketing Limited)**  
**SCHEDULES FORMING PART OF THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT**

**Related party disclosure:**

(c) Aggregated Related Party Disclosures as at and for the year ended 31st March 2010 (Transactions have taken place on arm's length basis) (Contd...)

(Rs. In '000)

	Subsidiaries	Joint Ventures	Associate Companies	Key Management Personnel (KMP)	Relatives of KMP	Enterprises owned by KMP or their relatives	Total
<b>Outstanding Guarantees</b>							
SPM Holdings Pte Ltd, Singapore	1,354,200	-	-	-	-	-	1,354,200
	(1,507,500)	(-)	(-)	(-)	(-)	(-)	(1,507,500)
Others	1,299,100	437,589	-	-	-	90,000	1,826,689
	(455,800)	(473,409)	(-)	(-)	(-)	(90,000)	(1,019,209)
<b>Total</b>	<b>2,653,300</b>	<b>437,589</b>	-	-	-	<b>90,000</b>	<b>3,180,889</b>
	(1,963,300)	(473,409)	(-)	(-)	(-)	(90,000)	(2,526,709)
<b>Share in profit/loss of JV</b>							
SPML - CISC	-	(11,340)	-	-	-	-	(11,340)
	(-)	(-10,638)	(-)	(-)	(-)	(-)	(-10,638)
SPML - Simplex	-	4,957	-	-	-	-	4,957
	(-)	(-43)	(-)	(-)	(-)	(-)	(-43)
SPML - HCIL	-	(7)	-	-	-	-	(7)
	(-)	(-90)	(-)	(-)	(-)	(-)	(-90)
Insituform - SPML JV	-	8,805	-	-	-	-	8,805
	(-)	(17,484)	(-)	(-)	(-)	(-)	(17,520)
SPML Degroment	-	97	-	-	-	-	97
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Siddharth Mahavir - SPML	-	4,830	-	-	-	-	4,830
	(-)	(2,111)	(-)	(-)	(-)	(-)	(2,111)
<b>Total</b>	-	<b>7,342</b>	-	-	-	-	<b>7,342</b>
	(-)	(8,824)	(-)	(-)	(-)	(-)	(8,824)
<b>Remuneration</b>							
Anil Kumar Sethi	-	-	-	13,888	-	-	13,888
	(-)	(-)	(-)	(12,811)	(-)	(-)	(12,811)
Subhash Chand Sethi	-	-	-	14,354	-	-	14,354
	(-)	(-)	(-)	(12,144)	(-)	(-)	(12,144)
Sushil Kumar Sethi	-	-	-	13,416	-	-	13,416

SPML INFRA LIMITED (formerly Subhash Projects and Marketing Limited)

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

Related party disclosure:

(c) Aggregated Related Party Disclosures as at and for the year ended 31st March 2010 (Transactions have taken place on arm's length basis) (Contd...)

(Rs. In '000)

	Subsidiaries	Joint Ventures	Associate Companies	Key Management Personnel (KMP)	Relatives of KMP	Enterprises owned by KMP or their relatives	Total
Others	(-)	(-)	(-)	(11,972)	(-)	(-)	(11,972)
	-	-	-	-	300	-	300
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
<b>Total</b>	-	-	-	<b>41,658</b>	<b>300</b>	-	<b>41,958</b>
	(-)	(-)	(-)	(36,927)	(-)	(-)	(36,927)
<b>Balance Outstanding as at the year end - Debit</b>							
SPML Energy Ltd	75,084	-	-	-	-	-	75,084
	(58,260)	(-)	(-)	(-)	(-)	(-)	(58,260)
SPML Infrastructure Ltd	288,598	-	-	-	-	-	288,598
	(136,871)	(-)	(-)	(-)	(-)	(-)	(136,871)
SPML Instituform JV	-	74,324	-	-	-	-	74,324
	(-)	(-178)	(-)	(-)	(-)	(-)	(-178)
Others	33,761	-	28,975	-	1,346	89,899	153,981
	(195,131)	(6,957)	(-)	(-)	(-)	(137,426)	(339,514)
<b>Total</b>	<b>397,443</b>	<b>74,324</b>	<b>28,975</b>	-	<b>1,346</b>	<b>89,899</b>	<b>591,987</b>
	(390,262)	(6,779)	(-)	(-)	(-)	(137,426)	(534,467)
<b>Balance Outstanding as at the year end - Credit</b>							
International Constructions Ltd.	-	-	-	-	-	103,014	103,014
	(-)	(-)	(-)	(-)	(-)	(-52,766)	(-52,766)
Delhi Waste Management Ltd.	81,902	-	-	-	-	-	81,902
	(19,592)	(-)	(-)	(-)	(-)	(-)	(19,592)
Subhash Kabini Power Corpn Ltd	107,672	-	-	-	-	-	107,672
	(-612,023)	(-)	(-)	(-)	(-)	(-)	(-612,023)
Others	270,658	36,202	-	13,187	3,232	94,842	418,121
	(1,622,294)	(-14,653)	(-)	(22,039)	(-136)	(44,706)	(1,674,250)
<b>Total</b>	<b>460,232</b>	<b>36,202</b>	-	<b>13,187</b>	<b>3,232</b>	<b>197,856</b>	<b>710,709</b>
	(1,029,863)	(-14,653)	(-)	(22,039)	(-136)	(-8,060)	(1,029,053)

Also refer Schedule 3 & 4 as regards loans and other funded facilities personally guaranteed by promoter directors of the company

SPML INFRA LIMITED (formerly Subhash Projects and Marketing Limited)

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

8. Interest in Joint Ventures :

Particulars of the Company's interest in integrated Jointly Controlled Entities are as below:

Name of Joint Venture	Proportion of Ownership	Country of	
		Incorporation	Residence
SPML – CISC JV	50%	India	India
SPML – Simplex JV	50%	India	India
SPML – HCIL JV	33%	India	India
SPML JV - Instituform	50%	India	India
SPML – Degroment JV	95%	India	India
Siddharth – Mahavir – SPML JV	10%	India	India
Om Metal Consortium	10%	India	India

The Company's share of assets, liabilities, income and expenses in the jointly controlled entities as at and for the year ended 31st March, 2010 is as follows :-

(Rs. in '000)

Name of the joint venture	Company's share in				
	Assets	Liabilities	Income	Expenses	Profit / Loss (-) after tax
SPML – CISC **	43,729	15,114	16,079	20,228	-11,340*
	(53,719)	(25,339)	(57,387)	(57,354)	(-10,638)
SPML – Simplex	28,477	19,204	100,871	95,914	4,957
	(18,486)	(6,769)	(-)	(43)	(-43)
SPML – HCIL **	51,650	51,658	126,631	126,638	-7
	(70,227)	(37,189)	(26,734)	(26,824)	(-90)
SPML JV – Instituform **	522,728	496,471	456,537	447,732	8,805
	(372,463)	(354,979)	(228,317)	(210,833)	(17,484)
SPML – Degroment JV **	1,465	52	972	875	97
	(2,262)	(26)	(-)	(-)	(-)
Siddharth – Mahavir – SPML JV **	81,204	75,710	162,127	157,297	4,830
	(35,979)	(33,867)	(60,242)	(58,131)	(2,111)
Om Metal Consortium **	114,124	334	-	-	-
	(112,642)	(5,774)	(-)	(-)	(-)
Total	843,377	658,543	863,217	848,684	7342
	(665,778)	(463,943)	(372,680)	(353,185)	(8,824)
Share of Net Assets / Profit after tax	184,834		7,342		
	(201,835)		(8,824)		

\* Include loss of Rs.7, 191 thousands (Rs. 10,671 thousands) pertaining to earlier years and considered as prior period items in the accounts.

\*\* Based on provisional Balance Sheet as certified and furnished by the management.

Capital Expenditure Commitments and Contingent Liabilities of the Joint Ventures – Rs. NIL (NIL)

**SPML INFRA LIMITED (formerly Subhash Projects and Marketing Limited)**

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

**9. Managerial remuneration**

(a) Details of managerial remuneration for managing director, other whole time directors and non whole time directors are as follows:

(Rs. in '000)

	2009-10	2008-09
Salary	22,356	14,400
Contribution to provident fund	432	432
Commission	17,100	21,083
Perquisites	1,770	2,012
Directors' Sitting fees	126	146
Total	41,784	38,073

Note: As the future liability for gratuity and long term compensated absences is provided on an actuarial basis for the Company as a whole, the amount pertaining to the directors are not included above.

(b) Computation of net profit under Section 349 of the Companies Act, 1956 for calculation of commission payable to directors

(Rs. in '000)

	2009-10	2008-09
Profit before taxation as per Profit & Loss Account	552,867	663,798
Add: Remuneration to Directors	41,784	38,073
Wealth Tax	–	213
Loss on sale/discard of Fixed Assets	3,010	667
Net Profit for the purpose of Director's Commission	597,661	702,751
Directors' remuneration subject to 3% of net profits as calculated above	17,100	21,083

10. Based on the information / documents available with the Company, information as per the requirement of Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006 are as under:

(Rs. in'000)

	2009-10	2008-09
(i) Principal amount remaining unpaid to suppliers at the end of accounting year	14,111	7,188
(ii) Interest due on above	224	67
Total of (i) & (ii)	14,335	7,255
(iii) Amount of interest paid by the Company to the suppliers	Nil	Nil
(iv) Amounts paid to the suppliers beyond the respective due date	12,655	21,694
(v) Amount of interest due and payable for the period of delay in payments (which have been paid beyond the due date during the year) but without adding the interest specified under the Act	1,004	1,300
(vi) Amount of interest accrued and remaining unpaid at the end of accounting year	4,379	3,151
(vii) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro Small and Medium Enterprise Development Act,2006	1,228	1,367

SPML INFRA LIMITED (formerly Subhash Projects and Marketing Limited)

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

11. Derivatives outstanding as at Balance Sheet date

(Rs. In '000)

Particulars	Currency	Amount in Foreign Currency	
		As at March 31	
		2010	2009
Forward Contracts ( Payable)	USD	5,000	–
	EURO	880	–

Note: All the above contracts are for hedging purpose and not for speculation

12. Earnings in foreign currency (Accrual basis)

(Rs. in '000)

	2009-10	2008-09
F.O.B. Value of exports	Nil	Nil

13. Expenditure in foreign currency (Accrual basis)

(Rs. in '000)

	2009-10	2008-09
Travelling	2,351	1,232
Business Promotion	1,132	Nil
Consultancy Charges	Nil	1,872
	<b>3,483</b>	<b>3,104</b>

14. Value of imports calculated on CIF basis

(Rs. in '000)

	2009-10	2008-09
Materials	8,417	92,319
Capital Goods	58,740	51,607
Total	<b>67,157</b>	<b>143,926</b>

15. Net dividend remitted in foreign exchange

Nil

Nil

16. Quantitative information in respect of installed capacity, licensed capacity and goods manufactured and sold in relation to wind power

	2009-10		2008-09	
	Units in '000	Rs. in '000	Units in '000	Rs. in '000
Installed Capacity	69,730	Not Applicable	69,730	Not Applicable
Power generated	5,635	Not Applicable	9,302	Not Applicable
Power sold	5,635	16,317	9,302	15,120

17. According to the Company, construction activity is a service activity and therefore, in terms of para 3(ii)(c) of Part II of Schedule VI to the Companies Act, 1956, the gross income determined from construction activity has been given in the schedule.

SPML INFRA LIMITED (formerly Subhash Projects and Marketing Limited)

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

18. (a) Imported and indigenous raw materials and components consumed

	2009-10		2008-09	
	Percentage of total consumption	Value (Rs. In '000)	Percentage of total consumption	Value (Rs. in '000)
Imported	0.20%	8,471	1.60%	114,661
Indigenous	99.80%	4,320,821	98.40%	7,060,539
Total	100.00%	4,329,292	100.00%	71,75,200

(b) Imported and indigenous stores and spares consumed

	2009-10		2008-09	
	Percentage of total consumption	Value (Rs. In '000)	Percentage of total consumption	Value (Rs. in '000)
Imported	0.00%	–	0.00%	–
Indigenous	100.00%	13,797	100.00%	22,718
Total	100.00%	13,797	100.00%	22,718

19. Trading Goods

	2009-10		2008-09	
	Quantity (MT)	Value (Rs. In '000)	Quantity (MT)	Value (Rs. in '000)
Steel products				
Opening Stock	–	–	–	–
Purchases	20,354	5,42,919	752	33,257
Sales	20,354	5,46,728	752	33,257
Closing stock	–	–	–	–

20. Construction contracts disclosure

Information relating to Construction contracts as per Accounting Standard 7 (Revised) notified by the Companies Accounting Standards Rules, 2006 (as amended) are given below:

(Rs. in '000)

	2009-10	2008-09
Contract income recognized as revenue during the year	13,241,147	12,314,275
Aggregate amount of costs incurred and recognized profits (less recognized losses) till date	46,257,074	33,267,605
Advances received (unadjusted)	1,783,445	2,074,068
Retention amount	1,569,952	1,940,882
Gross amount due from customers for contract work	4,804,978	4,191,541
Gross amount due to customers for contract work	373,601	292,292

21. The Company is in the process of obtaining confirmations with respect to debtors, creditors, loans and advances. Adjustments, if any, arising out of such confirmations will be considered in subsequent period.
22. The Company had entered into an agreement in the past to sell 15nos. of Windmills and an advance of Rs.99000 thousands was received there against. Since the above assets are hypothecated with a nationalised bank against loans obtained from them, the Company could not transfer these assets to the buyer. Accordingly, no adjustment has been made in the accounts for the above sale of assets and the same would be carried out in due course. The income and expenses in relation to these assets continue to be accounted for in the Company's Books.

SPML INFRA LIMITED (formerly Subhash Projects and Marketing Limited)

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

23. (a) Loans & Advances include the following (including advance given towards share application money):

(i) Amounts due from Subsidiaries / Associates

(Rs. In 000)

Name	31 March 2010		31 March 2009	
	Balance Outstanding	Maximum Amount Outstanding during the year	Balance Outstanding	Maximum Amount Outstanding during the year
<b>Subsidiaries</b>				
SPML Infrastructure Limited	288,598	288,652	136,871	136,871
IQU Power Company (P) Limited	–	10,446	10,446	12,101
Luni Power Company (P) Limited	–	16,940	16,940	16,940
SPML Industries Limited	–	37,283	37,283	1,37,741
Subhash Kabini Power Corporation Limited	–	612,023	612,023	612,023
Awa Power Company (P) Ltd	–	7,625	7,625	8,401
Neogal Power Company (P) Ltd	–	18,711	18,711	18,711
SPML Energy Limited	75,084	75,084	58,260	1,24,608
SPML Utilities Limited	5,288	195,499	52,107	75,798
SPML Technologies Limited	–	2,800	2,800	2,800
SPML Urban Enviro Limited	400	400	–	576
Madurai Municipal Waste Processing Co.(P) Ltd.	27,973	27,973	–	3,555
<b>Associates</b>				
Instituform Pipeline Rehabilitation (P) Ltd.	25,000	25,000	–	–

(ii) Amounts due from companies under the same management

Rs. In 000

Name	31-Mar-10		31-Mar-09	
	Balance Outstanding	Maximum Amount Outstanding during the year	Balance Outstanding	Maximum Amount Outstanding during the year
Abhinandan Enterprises (P) Ltd	–	60	9	25
International Construction Ltd	110,790	215,671	52,766	82,321
Rishabh Commercial (P) Ltd	–	195	195	195
Sonal Agencies (P) Ltd	–	500	500	1,434
Subhash International(P) Ltd	47,906	103,411	102,706	112,285
Subhash Power Co Ltd	11,240	11,240	72	72
Arihant Leasing & Holding Ltd	350	350	–	1,232
Subhash System Private Limited	137	137	–	–
SPML Keerthi Hole Power Co. Ltd	–	17,735	17,735	17,735
SPML Semitech (India) Pvt. Ltd.	15,316	15,316	6,550	6,550

**SPML INFRA LIMITED (formerly Subhash Projects and Marketing Limited)**

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

(iii) Amounts due from officers of the Company Rs. 1,515 thousands (Rs. Nil)

Maximum amount outstanding due at any time during the year – Rs. 1,999 thousands (Rs. 13 thousands)

(b) Disclosures of outstanding loans and advances given and investments made by the Company together with maximum amount thereof as required under clause 32 of the Listing Agreement are as below:

(Rs. in '000)

Particulars	Amount outstanding at year end	Maximum outstanding during the year
Loans and advances in the nature of loans to subsidiaries and associate by name and amount (including advances given towards share application money)	As given in 23(a)(i) above	
Loans and advances in the nature of loans where there is		
(i) no repayment schedule or repayment beyond seven years	Advances to parties given in 24 (a)(i) and 24 (a) (ii) above are repayable on demand	
(ii) no interest or interest below section 372A of Companies Act by name and amount	Nil	
Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount	As given in 23(a)(ii) above	

**24. (a) Gratuity plans (AS 15 Revised)**

The Company have a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to Gratuity on terms not less favorable than the provisions of The Payment of Gratuity Act, 1972. The scheme is unfunded.

The following tables summaries the components of net benefit expenses recognized in the profit & loss account and amounts recognized in the balance sheet:

(Rs. in '000)

	2009-10	2008-09
(i) <b>Net employee benefit expense (recognised in Employee Cost)</b>		
Current service cost	6,629	6,090
Interest cost on benefit obligation	1,966	1,818
Net Actuarial (gains) / losses recognised in the year	(362)	(9,247)
Total employer expense recognised in Profit and Loss Account	8233	(1,339)
(ii) <b>Actual return on plan assets</b>	Not Applicable	Not Applicable
(iii) <b>Benefit Asset / (Liability)</b>		
Defined benefit obligation	(27,815)	(21,322)
Benefit Asset / (Liability)	(27,815)	(21,322)
(iv) <b>Movement in benefit liability</b>		
Opening defined benefit obligation	21,322	24,130
Interest cost	1,966	1,818
Current service cost	6,629	6,090
Benefit paid	(1,740)	(1,469)
Actuarial (gains)/losses on obligation	(362)	(9,247)
Closing benefit obligation	27,815	21,322
(v) <b>Movement in fair value of plan assets</b>	Not Applicable	Not Applicable
(vi) <b>The major categories of plan assets as a percentage of the fair value of total plan assets</b>	Not Applicable	Not Applicable



SPML INFRA LIMITED (formerly Subhash Projects and Marketing Limited)

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

The Principal actuarial assumptions are as follows:

Discount rate	8%	7.50%
Withdrawal Rate	Varying between 2% per annum and 1% per annum depending on duration and age of employees	Varying between 2% per annum and 1% per annum depending on duration and age of employees
Expected rate of return on Plan assets	Not Applicable	Not Applicable
Expected Average remaining working lives of employees (years)	23.32	23.72
Experience Adjustments on Plan Liabilities	Not Available	Not Available

(b) Amount incurred as expense for defined contribution plans

(Rs. in '000)

	2009-10	2008-09
Contribution to Provident Fund	26,626	24,235

Notes:

- The estimate of future salary increase considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
- The gratuity liabilities are unfunded. Accordingly, information regarding planned assets are not applicable.

c. Amounts for the current and previous two periods are as follows:

(Rs. in '000)

Description	March 31, 2010	March 31, 2009	March 31, 2008
Defined Benefit Obligation	27,815	21,322	10,848
Assets/ ( Liability)	(27,815)	(21,322)	(10,848)

The information in respect of defined benefit obligation for years prior to 2007-08 are not available and hence not furnished

25. Prior period items as included in the Profit & Loss Account comprise of the following:

(Rs in '000)

Particulars	2009-10	2008-09
<b>Debit:</b>		
Share of Loss from SPML CISC JV	7,191	10,671
Materials Consumed	–	31,973
Direct Expenses	20,930	
Interest on Mobilization Advance	457	23,777
Others	238	1246
<b>Total (A)</b>	<b>28,816</b>	<b>67,667</b>
<b>Credit</b>		
Purchase/Expenses wrongly recorded in earlier years now written back	9,321	44,254
<b>Total (B)</b>	<b>9,321</b>	<b>44,254</b>
<b>Net (A-B)</b>	<b>19,495</b>	<b>23,413</b>

**SPML INFRA LIMITED (formerly Subhash Projects and Marketing Limited)**

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

26. The Company has claimed 80IA benefits of Rs.2,052,698 thousands (Rs. 1,235,414 thousands) approx. having tax impact of Rs. 561,400 thousands including Rs.183,900 thousands for the year, approx. under Income Tax Act, 1961 on construction contracts for certain infrastructure projects executed on behalf of various departments / agencies of different State Governments during the financial years 2003-04 onwards. The tax assessments for the financial years upto 2007-08 are already completed and the above claims have been fully allowed by the Tax Authorities. However, in-view of the recent amendment in the Finance Act '2010, the company has filed a writ with the Honorable Calcutta High Court, which has been admitted as well, challenging the validity of above retrospective amendment which as per legal opinion obtained, is ultra vires to the main section of the Act. The Company does not expect any tax liability in this regard and thus no provision thereof, has been made in these accounts.
27. Previous year's figures including those given in brackets, have been regrouped/ rearranged wherever considered necessary.

As per our report of even date

**For S. R. BATLIBOI & CO.**

Firm Registration No. 301003E

Chartered Accountants

**Per R. K. AGRAWAL**

Partner

Membership No 16667

Place: Kolkata

Date: May 29, 2010

**For SUNIL KUMAR GUPTA & CO**

Firm Registration No. 003645N

Chartered Accountants

**Per S. K. GUPTA**

Partner

Membership No 82486

Place: Kolkata

Date: May 29, 2010

For and behalf of the Board of Directors

**Anil Kr Sethi**

Chairman

**Subhash Ch. Sethi**

Vice Chairman and Managing Director

**Sushil Kr. Sethi**

Managing Director

**B. N. Choudhary**

Executive Vice President (Finance) &

Company Secretary

SPML INFRA LIMITED (formerly Subhash Projects and Marketing Limited)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2010

	2009-10 Rs in "000"	2008-09 Rs in "000"
<b>A. Cash flow from operating activities</b>		
Net profit before taxation	552,867	663,798
<b>Adjustments for:</b>		
Depreciation/Amortisation	110,978	86,063
Loss on sale of fixed assets	3,010	667
Interest Expenses	762,645	948,640
Interest Income	(67,396)	(152,146)
Bad Debts/Sundry balances Written off	16,036	9,840
Provision for Doubtful Debts	–	24,503
Sundry balances Written back	(2,102)	(46,891)
Dividend income	(574)	–
Diminution in Value of investments	–	17
	<b>822,597</b>	<b>870,693</b>
<b>Operating profit before working capital changes</b>	<b>1,375,464</b>	<b>1,534,491</b>
Movements in working capital :		
Decrease / (Increase) in sundry debtors	874,834	(587,712)
Decrease / (Increase) in inventories	379,343	924,510
Decrease / (Increase) loans and advances	(429,940)	(1,819,273)
Increase / (Decrease) in current liabilities	(1,104,348)	(223,491)
Increase / (Decrease) in provisions	3,310	(5,834)
	<b>(276,801)</b>	<b>(1,711,800)</b>
Cash generated from / (used in) operations	<b>1,098,663</b>	<b>(177,309)</b>
Direct taxes paid (net of refunds)	(272,609)	(204,328)
Fringe Benefit Tax Paid	(5,106)	(4,064)
<b>Net cash from / (used in) operating activities</b>	<b>820,948</b>	<b>(385,701)</b>
<b>B. Cash flows from investing activities</b>		
Purchase of fixed assets	(216,722)	(423,064)
Proceeds from sale of fixed assets	33,679	13,591
Purchase of investments (Net)		
Subsidiaries	(247,302)	(60,523)
Others	(118,630)	(25,579)
Loans received ( given) /Advance toward Share Application Money	497,502	(203,557)
Interest received	57,086	155,294
Dividends received	574	–
Investment in Bank Fixed Deposit	(51,738)	(5,148)
<b>Net cash from / (used in) investing activities</b>	<b>(45,551)</b>	<b>(548,986)</b>

SPML INFRA LIMITED (formerly Subhash Projects and Marketing Limited)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2010 (Contd...)

	2009-10 Rs in "000"	2008-09 Rs in "000"
<b>C. Cash flows from financing activities</b>		
Repayment of long term loan	(208,294)	(70,279)
Proceeds from long term loan	29,439	140,858
Proceeds from Short term loan (net)	118,226	1,702,108
Interest paid	(835,442)	(863,099)
Dividend paid ( including corporate dividend tax)	(51,130)	(51,665)
<b>Net cash from financing activities</b>	<b>(947,201)</b>	<b>857,923</b>
<b>Net increase in cash and cash equivalents (A + B + C)</b>	<b>(171,804)</b>	<b>(76,763)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>242,342</b>	<b>319,105</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>70,538</b>	<b>242,342</b>
<b>Components of Cash &amp; Cash Equivalents*</b>		
Cash-on-hand	27,866	47,532
Cheques on Hand	–	89,223
<b>Balances with Scheduled Banks on :</b>		
Current Accounts	42,021	105,261
Unpaid Dividend Account	651	326
	<b>70,538</b>	<b>242,342</b>
<b>Details of restricted cash</b>		
Unpaid Dividend Account	651	326
*Excluding fixed deposits with banks having maturity of more than three month	594,806	543,068

As per our report of even date

**For S. R. BATLIBOI & CO.**

Firm Registration No. 301003E

Chartered Accountants

**Per R. K. AGRAWAL**

Partner

Membership No 16667

Place: Kolkata

Date: May 29, 2010

**For SUNIL KUMAR GUPTA & CO**

Firm Registration No. 003645N

Chartered Accountants

**Per S. K. GUPTA**

Partner

Membership No 82486

Place: Kolkata

Date: May 29, 2010

For and behalf of the Board of Directors

**Anil Kr Sethi**

Chairman

**Subhash Ch. Sethi**

Vice Chairman and Managing Director

**Sushil Kr. Sethi**

Managing Director

**B. N. Choudhary**

Executive Vice President (Finance) &  
Company Secretary

**SPML INFRA LIMITED (formerly Subhash Projects and Marketing Limited)**

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

**I. Registration Details**

Registration No.	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> 1 2 2 2 8	State Code	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> 5 5
Balance Sheet Date	<input type="text"/> 3 1 <input type="text"/> 0 3 <input type="text"/> 2 0 1 0		

**II. Capital raised during the year (Amount in Thousand)**

Public Right Issue	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> N I L	Bonus Issue	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> N I L
Private Placement	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> N I L		

**III. Position of Mobilisation and Deployment of Funds (Amount in Thousand)**

Total Liabilities	<input type="text"/> 8 1 2 1 9 6 5	Total Assets	<input type="text"/> 8 1 2 1 9 6 5
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**Sources of Funds**

Paid-up Share Capital	<input type="text"/> <input type="text"/> <input type="text"/> 8 1 9 4 5	Reserve & Surplus	<input type="text"/> 3 9 8 7 5 8 8
Secured Loans	<input type="text"/> 2 5 9 3 1 4 8	Unsecured Loans	<input type="text"/> 1 3 1 7 1 6 9
Deferred Tax	<input type="text"/> <input type="text"/> 1 4 2 1 1 5		

**Application of Funds**

Net Fixed Assets	<input type="text"/> 1 1 0 2 3 4 1	Investment	<input type="text"/> 1 0 7 8 7 4 5
Net Current Assets	<input type="text"/> 5 9 4 0 8 7 9	Miscellaneous Expenditure	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> 0

**IV. Performance of Company**

Turnover	<input type="text"/> 1 4 1 3 7 3 3 7	Total Expenditure	<input type="text"/> 1 3 5 6 4 9 7 5
Profit/Loss before tax	<input type="text"/> <input type="text"/> 5 5 2 8 6 7	Profit/Loss after tax	<input type="text"/> <input type="text"/> 5 1 8 5 2 3
Earning per Share (in Rs.)	<input type="text"/> <input type="text"/> <input type="text"/> 1 4 1 5	Dividend Rate (%)	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> 4 0

**V. Generic Names of three principle Product/Services of Company (As per monetary terms)**

Item Code No. (ITC Code)	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> N I L
Product Description	<input type="text"/> "Engineering, General procurement, Construction & Wind Power Generation"

SPML INFRA LIMITED (formerly Subhash Projects and Marketing Limited)

Statement pursuant to Section 212 of the Companies Act, 1956 relating to Subsidiary Companies

1	Name of the Subsidiary Company	Awa Power Co. Pvt. Ltd.	Iqu Power Co. Pvt. Ltd.	Luni Power Co. Pvt. Ltd.,	Neegal Power Co. Pvt. Ltd.	Binwa Power Co. Pvt. Ltd.	SPML Energy Ltd.	Tons Valley Power Co. Pvt. Ltd.	Rupitons Power Co. Pvt. Ltd.	Uttarkashi Tons Hydro Power Co. Pvt. Ltd.	SPML Ind. Ltd. (Formerly Subhash Pipes Ltd.)
2	Financial Year of the Subsidiary Company	March 31, 2010	March 31, 2010	March 31, 2010	March 31, 2010	March 31, 2010	March 31, 2010	March 31, 2010	March 31, 2010	March 31, 2010	March 31, 2010
3	a) Number of Shares held in Subsidiary Company on the above date	43,82,810 equity shares of Re.1 each	42,61,750 equity shares of Re.1 each	39,55,495 equity shares of Re.1 each	42,01,060 equity shares of Re.1 each	29,48,340 equity shares of Re.1 each	9,95,50,000 equity shares of Re.1 each	NIL	NIL	NIL	12,43,618 equity shares of Re.10 each
	b) Extent of Holding										
4	The net aggregate of profit/losses of the subsidiary company so far as it concerns the members of the Holding Company's										
	1) Not dealt with in the Holding Company's Accounts.										
	a) For the financial year of the Subsidiary(Rs.)										
	b) for the previous Financial Years, since it become the Holding company's Subsidiary	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
	2) Dealt with in the Holding Company's Accounts										
	a) For the financial year of the Subsidiary	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	b) for the previous Financial Years, since it become the Holding Company's Subsidiary	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
5	Capital	8,593,750	8,356,250	7,756,250	8,237,500	5,781,250	1,000,000,000	1,000,000	1,000,000	1,000,000	24,384,670
6	Reserves	121,406,250	117,843,750	108,843,750	116,062,500	79,218,750	-	-	-	-	103,047,977
7	Total Assets	304,271,490	300,359,905	293,270,061	310,729,490	85,000,000	1,000,000,000	1,000,000	1,000,000	1,000,000	145,646,707
8	Total Liabilities	304,271,490	300,359,905	293,270,061	310,729,490	85,000,000	1,000,000,000	1,000,000	1,000,000	1,000,000	145,646,707
9	Details of investment (except investment in Subsidiaries)	-	-	-	-	-	-	-	-	-	-
10	Turnover	-	-	-	-	-	-	-	-	-	32,316,690
11	Profit Before Taxation	(186,699)	(145,324)	(141,738)	(142,935)	(238,142)	(847,842)	(133,156)	(130,664)	(131,134)	(11,542,226)
12	Provision for Taxation	-	-	-	-	-	-	-	-	-	3,004,543
13	Profit after Taxation	(186,699)	(145,324)	(141,738)	(142,935)	(238,142)	(847,842)	(133,156)	(130,664)	(131,134)	(8,537,683)
14	Proposed Dividend	-	-	-	-	-	-	-	-	-	-

Delhi Waste Management Ltd.	SPML Technologies Ltd.	Sushash Kabini Power Corpn. Ltd.	SPML Infrastructure Ltd	SPML Holdings Pte. Ltd.	Madurai Municipal Waste Processing Co Pvc. Ltd	SPML Urban Enviro. Ltd.	SPML Utilities Ltd.	SPML Bhiwandi Water Supply Infra Ltd.	SPML Bhiwandi Water Supply Management Ltd	Mathuranagar Waste Processing Co. Pvc. Ltd	Alahabad Waste Processing Co. Pvt. Ltd
March 31, 2010	March 31, 2010	March 31, 2010	March 31, 2010	March 31, 2010	March 31, 2010	March 31, 2010	March 31, 2010	March 31, 2010	March 31, 2010	March 31, 2010	March 31, 2010
5,73,750 equity shares of Rs.10 each	NIL	1,35,86,300 equity shares of Rs.10 each	5,25,000 equity shares of Re.1 each	NIL	NIL	5,00,000 equity shares of Re.1 each	20,00,00,000 equity shares of Re.1 each	5,00,000 equity shares of Re.1 each	5,00,000 equity shares of Re.1 each	255000 equity shares of Rs.1 each	255000 equity shares of Rs.1 each
						NIL	NIL	NIL	NIL	NIL	NIL
NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
15,000,000	40,750,000	437,400,000	525,000	4,800,730	104,400,000	500,000	200,000,000	500,000	500,000	500,000	500,000
351,668,105	3,613,980	587,962,478	-	(49,709)	164,230,637	-	-	-	-	-	-
468,311,891	96,754,271	1,311,872,923	525,000	29,703,342	363,085,973	500,178	200,000,000	500,000	500,000	500,000	500,000
468,311,891	96,754,271	1,311,872,923	525,000	29,703,342	363,085,973	500,178	200,000,000	500,000	500,000	500,000	500,000
-	-	-	238,643,250	594,339.98	-	-	2,296,265	-	-	-	-
414,256,828	363,410,343	206,392,016	-	-	-	-	-	-	-	-	-
85,506,962	7,852,537	93,092,972	(419,853)	(3,219,234)	(719,406)	(1,199,402)	(1,169,784)	(908,990)	(117,310)	(18,524)	(18,524)
7,830,124	2,705,114	2,253,979	-	-	-	(8,408)	-	-	-	-	-
77,676,838	5,147,423	90,838,993	(419,853)	(3,219,234)	(719,406)	(1,207,811)	(1,169,784)	(908,990)	(117,310)	(18,524)	(18,524)
1,500,000											

## AUDITORS' REPORT

To

Board of Directors

SPML Infra Limited (formerly Subhash Projects and Marketing Limited)

1. We have audited the attached Consolidated Balance Sheet of SPML Infra Limited (Formerly Subhash Projects and Marketing Limited), its subsidiaries and joint ventures as at 31st March 2010 and also the Consolidated Profit and Loss Account and Consolidated Cash Flow Statement for the year then ended, annexed thereto and prepared in accordance with the accounting principles generally accepted in India. These consolidated financial statements are the responsibility of SPML Infra Limited'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. These standards require that we plan and perform the audit to obtain reasonable assurance 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 the management, as well as evaluating the overall financial statements. We believe that our audit provides a reasonable basis for our opinion.
3. *Attention is drawn to Note No. 15 on Schedule 20B regarding non-provision of tax liability of Rs.561,400 thousands (including Rs.183,900 thousands for the year) arising on account of the recent amendment to Section 80IA of the Income Tax Act, 1961 in the Finance Act, 2009. The Company has already filed a writ with the Hon'ble High Court at Calcutta which has been admitted as well, challenging the validity of the above retrospective amendment which as per legal opinion obtained, is ultra vires to the main section of the above Act. Till the matter is decided by the Hon'ble High Court, the liability, if any, in this regard is unascertainable. We are unable to comment on the impact of the above non-provision of tax on the Company's profit for the year and net worth at the year end.*
4. (a) The financial statements of subsidiaries and joint ventures of the Company, whose financial statements reflect total assets of Rs. 3,333,329 thousands as at 31st March 2010 and total revenue of Rs. 512,860 thousands and net cash flows of Rs. 60,934 thousands for the year then ended, have been audited by one of the joint auditors and other auditors, whose reports have been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of these subsidiaries and joint ventures, is based solely on these reports, *except that the audited financial statements of certain subsidiaries and joint ventures as detailed in Note No. 1(l) on Schedule 20A to the financial statements which reflect total assets, total revenue and net cash flows of Rs. 879,553 thousands, Rs. 1,002,358 thousands and Rs. 142,010 thousand respectively, have not been received and these have been incorporated in the accounts on the basis of unaudited financial statements produced to us.*  
  
(b) *The audited financial statements in respect of the associates as detailed in Note No. 1(l) on schedule 20A, whose financial statements reflect the Company's share of loss of Rs. 21,806 thousands for the year ended March 31, 2010, have not been received and these have been incorporated in the accounts on the basis of unaudited financial statements produced to us.*
5. We report that the consolidated financial statements have been prepared by SPML Infra Limited's management in accordance with the requirements of Accounting Standard (AS) 21, "Consolidated Financial Statements", Accounting Standard (AS) 23, "Accounting for Investments in Associates in Consolidated Financial Statements" and Accounting Standard (AS) 27, "Financial Reporting of Interests in Joint Ventures" notified by companies (Accounting Standards) Rules, 2006 (as amended).
6. On the basis of information and explanations given to us and on consideration of the separate audit reports on individual audited financial statements of SPML Infra Limited and its subsidiaries and joint ventures, *subject to the impact of the matters given in Para 3 and 4 above*, we are of the opinion that the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
  - a. in the case of consolidated balance sheet, of the state of affairs of SPML Infra Limited, its subsidiaries and joint ventures as at 31st March 2010;
  - b. in the case of consolidated profit and loss account, of the profit of SPML Infra Limited, its subsidiaries and joint ventures for the year ended on that date; and
  - c. in the case of consolidated cash flow statement, of the cash flows of SPML Infra Limited, its subsidiaries and joint ventures for the year ended on that date.

**S.R. BATLIBOI & CO.**

Firm Registration No.: 301003E

Chartered Accountants

**Per R. K. Agrawal**

a Partner

Membership No.: 16667

Place: Kolkata

Date: 31st July, 2010

**SUNIL KUMAR GUPTA & CO.**

Firm Registration No.: 003645N

Chartered Accountants

**S. K. Gupta**

Partner

Membership No.: 82486

Place: Kolkata

Date: 31st July, 2010



SPML INFRA LIMITED (formerly Subhash Projects and Marketing Limited)

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2010

	SCHEDULES	31st March 2010 (Rs. In "000")	31st March 2009 (Rs. In "000")
<b>SOURCES OF FUNDS</b>			
<b>SHAREHOLDERS' FUNDS</b>			
a. Share Capital	1	81,945	81,945
b. Reserves & Surplus	2	4,366,079	3,959,849
		<b>4,448,024</b>	<b>4,041,794</b>
<b>Minority Interest</b>		725,423	720,090
<b>LOAN FUNDS</b>			
a. Secured Loans	3	5,082,623	3,746,028
b. Unsecured Loans	4	1,340,409	1,285,069
		<b>6,423,032</b>	<b>5,031,097</b>
<b>DEFERRED TAX LIABILITY (NET)</b>		130,176	168,355
<b>TOTAL</b>		<b>11,726,655</b>	<b>9,961,336</b>
<b>APPLICATION OF FUNDS</b>			
<b>FIXED ASSETS</b>	5A		
a. Gross Block		3,245,128	3,052,814
b. Less : Accumulated Depreciation / Amortization		1,149,656	1,038,391
c. Net Block		2,095,472	2,014,423
d. Capital work in progress (including capital advances)	5B	1,559,223	1,174,819
		<b>3,654,695</b>	<b>3,189,242</b>
<b>INVESTMENTS</b>	6	350,690	150,782
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>			
a. Inventories	7	1,160,050	1,589,613
b. Sundry Debtors	8	5,179,541	5,610,245
c. Cash & Bank Balances	9	918,120	875,359
d. Other Current Assets	10	3,482,631	2,575,007
e. Loans and Advances	11	2,987,987	2,740,674
		<b>13,728,329</b>	<b>13,390,898</b>
<b>LESS : CURRENT LIABILITIES &amp; PROVISIONS</b>	12		
a. Current Liabilities		5,911,665	6,667,784
b. Provisions		95,392	101,800
		<b>6,007,057</b>	<b>6,769,584</b>
<b>NET CURRENT ASSETS</b>		<b>7,721,272</b>	<b>6,621,314</b>
<b>TOTAL</b>		<b>11,726,655</b>	<b>9,961,336</b>
<b>SIGNIFICANT ACCOUNTING POLICIES</b>	20A		
<b>NOTES TO ACCOUNTS</b>	20B		

Schedules 1 to 12 and 20A & 20B referred to above form an integral part of the Balance Sheet.

As per our report of even date.

**For S. R. BATLIBOI & CO.**  
Firm Registration No. 301003E  
Chartered Accountants

**Per R. K. AGRAWAL**  
Partner  
Membership No 16667  
Place: Kolkata  
Date: July 31, 2010

**For SUNIL KUMAR GUPTA & CO**  
Firm Registration No. 003645N  
Chartered Accountants

**Per S. K. GUPTA**  
Partner  
Membership No 82486  
Place: Kolkata  
Date: July 31, 2010

**As approved**  
**For and behalf of the Board of Directors**

**Anil Kr Sethi**  
Chairman

**Subhash Ch. Sethi**  
Vice Chairman and Managing Director

**Sushil Kr. Sethi**  
Managing Director

**B. N. Choudhary**  
Executive Vice President (Finance) &  
Company Secretary

SPML INFRA LIMITED (formerly Subhash Projects and Marketing Limited)

CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2010

	SCHEDULES	2009-10 (Rs. In "000")	2008-09 (Rs. In "000")
<b>INCOME</b>			
Sales and Services	13	15,518,368	13,252,355
Other Income	14	136,666	303,433
<b>TOTAL</b>		<b>15,655,034</b>	<b>13,555,788</b>
<b>EXPENDITURE</b>			
Purchase of Trading Goods		542,919	33,257
Material Consumed & Direct Expenses	15	11,553,479	10,033,873
(Increase) / Decrease in Stocks	16	142,629	(24,874)
Personnel Expenses	17	687,948	595,616
Administration, Selling & Other Expenses	18	701,414	685,986
Interest & Finance Expenses	19	1,231,614	1,201,969
Depreciation / Amortisation		247,792	206,649
Less: Transfer from Revaluation Reserve		(443)	(443)
<b>TOTAL</b>		<b>15,107,352</b>	<b>12,732,033</b>
<b>Profit Before Prior Period Items &amp; Tax</b>		<b>547,682</b>	<b>823,755</b>
Prior Period Items (Net) (Refer Note no 14 on Schedule 20B)		22,700	23,531
<b>PROFIT BEFORE TAXATION</b>		<b>524,982</b>	<b>800,224</b>
Provision for Taxation			
Current tax For the year (Includes proportionate share in Joint Ventures Rs. 12,675 thousands (Rs. 8,976 thousands))		135,512	119,740
For earlier year		(20,300)	21,804
MAT Credit Entitlement		(15,855)	(9,115)
Deferred Tax		(38,179)	2,811
Fringe Benefit Tax [After adjusting Rs 3,956 Thousands (Rs 4,431 Thousands charge) being excess provision for earlier year written back and includes Proportionate Share in Joint Ventures Rs. Nil (Rs.365 thousands)]		(3,956)	14,388
		<b>57,222</b>	<b>149,628</b>

SPML INFRA LIMITED (formerly Subhash Projects and Marketing Limited)

CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2010 (Contd...)

	SCHEDULES	2009-10 (Rs. In "000")	2008-09 (Rs. In "000")
<b>Profit after Tax but before share of Associates and Minority Interest</b>		<b>467,760</b>	<b>650,596</b>
Add: Share in Net profit/(loss) of Associates		(21,806)	584
		<b>445,954</b>	<b>651,180</b>
Less : Minority Interest		(16,435)	86,793
<b>Net Profit</b>		<b>462,389</b>	<b>564,387</b>
Profit Brought Forward From Previous Year		1,753,913	1,390,980
<b>Profit Available For Appropriation</b>		<b>2,216,302</b>	<b>1,955,367</b>
<b>APPROPRIATIONS</b>			
General Reserve		100,000	150,000
Proposed Dividend		29,320	43,980
Dividend Tax		5,101	7,474
Balance carried to Balance Sheet		2,081,881	1,753,913
		<b>2,216,302</b>	<b>1,955,367</b>
Basic and Diluted earning per share (Face value of Rs.2 each ) (Refer Note No. 5 on Schedule 20 B)		<b>12.62</b>	<b>15.40</b>
<b>SIGNIFICANT ACCOUNTING POLICIES</b>	20A		
NOTES TO ACCOUNTS	20B		

Schedules 13 to 20A and 20 B referred to above form an integral part of the Profit & Loss Account  
As per our report of even date.

**For S. R. BATLIBOI & CO.**

Firm Registration No. 301003E  
Chartered Accountants

**Per R. K. AGRAWAL**

Partner  
Membership No 16667  
Place: Kolkata  
Date: July 31, 2010

**For SUNIL KUMAR GUPTA & CO**

Firm Registration No. 003645N  
Chartered Accountants

**Per S. K. GUPTA**

Partner  
Membership No 82486  
Place: Kolkata  
Date: July 31, 2010

**As approved**

**For and behalf of the Board of Directors**

**Anil Kr Sethi**

Chairman

**Subhash Ch. Sethi**

Vice Chairman and Managing Director

**Sushil Kr. Sethi**

Managing Director

**B. N. Choudhary**

Executive Vice President (Finance) &  
Company Secretary

SPML INFRA LIMITED (formerly Subhash Projects and Marketing Limited)  
SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

	31st March 2010 (Rs. In "000")	31st March 2009 (Rs. In "000")
<b>SCHEDULE 1 : SHARE CAPITAL</b>		
<b>AUTHORIZED</b>		
200,000,000 Equity Shares of Rs. 2/- each	400,000	400,000
1,000,000 Preference Shares of Rs. 100/- each	100,000	100,000
	<b>500,000</b>	<b>500,000</b>
<b>ISSUED, SUBSCRIBED &amp; FULLY PAID-UP</b>		
36,650,276 Equity Shares of Rs.2 each	73,301	73,301
Add : Forfeited Shares	8,644	8,644
(Amount originally paid up)		
	<b>81,945</b>	<b>81,945</b>
<b>SCHEDULE 2 : RESERVES &amp; SURPLUS</b>		
<b>a) CAPITAL RESERVE</b>		
As per Last Account	88,573	48,573
Add : Amount arisen on forfeiture of Equity Warrants	–	40,000
	<b>88,573</b>	<b>88,573</b>
<b>CAPITAL RESERVE ON CONSOLIDATION</b>		
As per Last Account	41,317	42,777
Add (Less) : Arisen on acquisition / change in ownership interest in Subsidiaries	(431)	(1,460)
	<b>40,886</b>	<b>41,317</b>
	<b>129,459</b>	<b>129,890</b>
<b>b) SECURITIES PREMIUM ACCOUNT</b>		
As per Last Account	1,526,380	1,526,380
	<b>1,526,380</b>	<b>1,526,380</b>
<b>c) GENERAL RESERVE</b>		
As per Last Account	444,114	294,114
Add : Transfer from Profit & Loss Account	100,000	150,000
	<b>544,114</b>	<b>444,114</b>
<b>d) FOREIGN CURRENCY TRANSLATION RESERVE</b>		
As per Last Account	27,661	(3,431)
Arisen on consolidation during the year	(20,864)	31,092
(Refer Note No. 1 (d) of Schedule 20A)		
	<b>6,797</b>	<b>27,661</b>
<b>e) REVALUATION RESERVE</b>		
As per Last Account	77,891	78,334
Less : Transfer to Profit & Loss Account	(443)	(443)
	<b>77,448</b>	<b>77,891</b>
<b>f) PROFIT &amp; LOSS ACCOUNT BALANCE</b>		
	2,081,881	1,753,913
	<b>2,081,881</b>	<b>1,753,913</b>
	<b>4,366,079</b>	<b>3,959,849</b>

SPML INFRA LIMITED (formerly Subhash Projects and Marketing Limited)

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

	31st March 2010 (Rs. In "000")	31st March 2009 (Rs. In "000")
<b>SCHEDULE 3 : SECURED LOANS</b>		
<b>A) TERM LOANS</b>		
(i) From Rural Electrification Corporation Limited (Secured by way of hypothecation of 11 Nos. Wind Electric Generating Sets of 4.51 MW capacity with accessories and personal guarantees of three Promoter Directors of the Company)	–	89,968
Interest Accrued but not due on above		79,820
(ii) From Scheduled Banks (Refer Note below) Of the above, Rs 3,70,885 thousands (Rs. 179,715 thousands) are falling due for payment within one year)	2,545,061	922,758
Interest Accrued & due on above	1,997	2,063
(iii) Deferred Payment Credits		
From Banks	69,799	46,088
From Others [Secured against hypothecation of Vehicles / Construction equipments purchased against such loans. Of the above, Rs.14 746 thousands (Rs.64,947 thousands) are falling due for payment within one year]	12,835	60,915
(iv) Others Short Term Loans		
From Banks (Secured by a subservient charge on current assets and movable fixed assets of the company and personal guarantees of a Promoter Director of the Company. )	236,379	150,000
<b>Total</b>	<b>2,866,071</b>	<b>1,351,612</b>
<b>B) OTHER LOANS</b>		
(i) From Banks on Cash Credit Account (Secured by hypothecation of stock and book debts of the Company and also by hypothecation of plant and machinery, furniture & fixtures and office equipments. These loans are additionally secured by the guarantees of three promoter directors of the Company and corporate guarantee of SPM Engineers Ltd..)	2,200,879	2,356,286
	<b>2,200,879</b>	<b>2,356,286</b>
	<b>5,066,950</b>	<b>3,707,898</b>
Add : Proportionate Share in Joint Ventures	15,673	38,130
	<b>5,082,623</b>	<b>3,746,028</b>
Note:		
<b>Details of Securities offered for Term Loans from Scheduled Banks:</b>		
- Rs 1,57,673 thousands ( Rs.181,276 thousands) secured against hypothecation of Construction equipments purchased against such loans and personal guarantee of three promoter directors of the Company.		
- Rs 20,872 thousands ( Rs 20,921) secured by an exclusive charge over movable fixed assets and current assets (including receivables) of the car parking project being implemented by the company in Sector 17, Chandigarh and further secured by the second pari passu charges over current assets and movable fixed assets of the Company.		
- Rs 23,66,516 thousands (Rs. 720,561 thousands) secured by First Charge over all the moveable and immovable assets, present & future assignment of all project contracts and a charge on all future receivable as well as guarantees of the promoter directors of the respective subsidiary Companies.		
<b>SCHEDULE 4 : UNSECURED LOANS</b>		
(i) From Banks (Short Term) (Secured by personal guarantee of three Promoter Directors of the Company )	304,733	937,128
Interest accrued and due on above	663	–
(ii) From Bodies Corporate (Short Term)	911,202	243,912
Interest accrued and due on above	575	3,658
	1,217,173	1,184,698
Add: Proportionate Share in Joint Ventures	123,236	100,371
	<b>1,340,409</b>	<b>1,285,069</b>

**SPML INFRA LIMITED (formerly Subhash Projects and Marketing Limited)**  
**SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET**

**SCHEDULE 5 A : FIXED ASSETS**

(Rs. in 000)

Description	Gross Block			Depreciation / Amortization			Net Block		
	As at 1/4/2009	Additions	Sales / Adjustments	As at 3/3/2010	As at 1/4/2009	For the year	On sales / Adjustments	As at 3/3/2010	As at 3/3/2009
<b>TANGIBLE ASSETS</b>									
FREE HOLD LAND	103,797	308 (b)	2,633	101,471	—	—	—	101,471	103,797
BUILDINGS	307,094	51,299 (b)	8,840	349,553	48,643	33,145	1,178	268,943	258,451
PLANT & MACHINERY	1,907,305	154,774	177,103	1,884,976	656,689	149,976	132,185	1,210,496	1,250,616
FURNITURE & FIXTURES	165,676	6,061	77	171,661	24,903	11,682	14	135,090	140,773
VEHICLES	74,369	36,970	1,071	110,268	36,207	7,244	592	67,408	38,162
OFFICE & OTHER EQUIPMENTS	124,976	27,768	665	152,080	48,855	19,538	240	83,927	76,121
TEMPORARY SITE HEADS & SHUTTERING MATERIALS	211,249	16,733	—	227,982	207,230	4,301	—	16,451	4,019
<b>INTANGIBLE ASSETS</b>									
SOFTWARE	3,195	37,346	3,150	37,391	2,393	8,100	3,137	30,035	803
GOODWILL ON CONSOLIDATION	70,323	35,068	—	105,391	—	—	—	77,751	70,323
Add: Proportionate Share in Joint Ventures	2,967,985	366,327	193,539	3,140,773	1,024,920	233,986 (a)	137,346	1,991,572	1,943,065
TOTAL	84,829	19,526	—	104,355	13,471	14,625	—	76,259	71,358
PREVIOUS YEAR'S TOTAL	3,052,814	385,853	193,539	3,245,128	1,038,391	248,611	137,346	2,067,831	2,014,422
	2,501,109	572,993	21,288	3,052,814	837,191	206,997	5,797	2,014,422	

Note:

(a) Includes Rs. 819 thousands (Rs. 348 thousands ) Charged to Capital Work in Progress during the year

(b) Freehold land and Buildings, in case of certain subsidiaries, were revalued on net replacement cost basis on March 2,2007 and the surplus arising thereon were transferred to Revaluation Reserve

SPML INFRA LIMITED (formerly Subhash Projects and Marketing Limited)  
SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

SCHEDULE 5B : CAPITAL WORK IN PROGRESS (INDCLUDING CAPITAL ADVANCES)

(Rs. in 000)

Description	As at 01.04.2009	Additions	Adjustments	As at 31.03.2010	As at 31.03.2009
Land	25,125	–	–	25,125	25,125
Buildings	544,086	277,556(c)	23,757	797,886	544,086
Plant & Machineries	348,287	65,052	2,612	410,727	348,287
Furniture, Fixtures & Fittings	–	1,768	1,768	–	–
Office Equipment	–	30	30	–	–
Specialized Software	36,357	1,109	37,466	–	36,357
<b>TOTAL</b>	<b>953,855</b>	<b>345,515</b>	<b>65,633</b>	<b>1,233,738</b>	<b>953,855</b>
Project Development Expenditure (Refer Note No. 17 of Schedule 20B)	107,970	103,834	–	211,804	107,970
Add: Proportionate Share in Joint Venture	112,994	687	–	113,681	112,994
	1,174,819	450,036	65,633(a)	1,559,223(b)	1,174,819
<b>PREVIOUS YEAR'S TOTAL</b>	<b>547,816</b>	<b>715,842</b>	<b>88,839</b>	<b>1,174,819</b>	<b>–</b>

Notes:

- RepresentS amount capitalised during the year
- Includes advances against capital goods Rs.22,955 thousands (Rs.27,738) thousands
- After adjusting capital subsidy of Rs 1,49,659 thousands (Rs.14,571) thousands

SCHEDULE 6 : INVESTMENTS

	No. of Shares	Face Value per share / unit Rs.	31st MARCH 2010 (Rs. in "000")	31st MARCH 2009 (Rs. in "000")
<b>LongTerm(atcost)</b>				
<b>A) Other than Trade</b>				
<b>Quoted</b>				
<b>(a) Equity Shares (Fully Paid - up)</b>				
Arihant Leasing & Holding Limited	24,000	10	75	75
Indian Arcylics Limited	100	10	1	1
Petrochem Industries Limited	500	10	14	14
Best & Crompton Engineering Limited	200	10	10	10
SPML India Limited	10,000	10	150	150
Malanpur Steels Limited	15	10	1	1
<b>(b) Debentures (Fully Paid - up)</b>				
Escorts Tractors Limited	25		1	1
Hindustan Engineering & Industries Limited	110		6	6
			<b>258</b>	<b>258</b>
<b>Less: Provision for Diminution in Value of investments</b>			<b>256</b>	<b>256</b>
<b>Net Quoted Investments</b>			<b>2</b>	<b>2</b>
<b>B) Trade</b>				
<b>Unquoted</b>				
<b>Equity Shares ( Fully paid up)</b>				
<b>Associate Companies</b>				
Pondicherry Port Limited	24,996	10	250	250
Add/Less : Share in Profit/(loss) of the Associate Company			(250)	
			–	250

SPML INFRA LIMITED (formerly Subhash Projects and Marketing Limited)  
SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

SCHEDULE 6 : INVESTMENTS (Contd...)

	No. of Shares	Face Value per share / unit Rs.	31st MARCH 2010 (Rs. in "000")	31st MARCH 2009 (Rs. in "000")
HYDRO Comp Enterprises (India) Limited (Includes Rs. 1,087 thousands towards Goodwill)	2,296,265	1	2,296	2,296
Add/Less : Share in Profit/(loss) of the Associate Company			(1,847)	304
			<b>449</b>	2,601
Sanmati Infra Developers Private Limited (Includes Rs. 16 thousands towards Goodwill)	500,000	10	5,000	5,000
Add/Less : Share in Profit/(loss) of the Associate Company			(2,354)	
			<b>2,646</b>	5,000
P T Vardhaman Mining Services (Includes Rs. 4,507 thousands towards Goodwill)	457	USD1	23,259	23,259
Add/Less : Share in Profit/(loss) of the Associate Company			(10,294)	(25)
			<b>12,965</b>	23,234
PT Vardhman Logistics (Includes Rs. 1,013 thousands towards Goodwill)	130,000	USD1	6,624	6,624
Add/Less : Share in Profit/(loss) of the Associate Company			(295)	398
			<b>6,329</b>	<b>7,022</b>
Rabaan (S) Pte. Ltd. (Includes Rs. 377 thousands towards Goodwill)	11,413	SGDI	399	399
Add/Less : Share in Profit/(loss) of the Associate Company			(278)	(93)
			<b>121</b>	<b>306</b>
Insituform Pipelines Rehabilitation Pvt Ltd (Includes Rs. 12 thousands towards Goodwill)	7,849,717 (9,802)	10	78,497	98
Add/Less : Share in Profit/(loss) of the Associate Company			(5,903)	
			<b>72,594</b>	<b>98</b>
<b>Others</b>				
Rishabh Commercial (P) Limited	20	100	2	2
Bharat Hydro Power Corporation Limited	3,294,150	10	21,185	21,185
Jarora Nayagaon Toll Road Company Pvt. Ltd. *	22,889,425 (8,559,500)	10	228,894	85,595
<b>In Share Warrants</b>				
Sanmati Infra Developers Private Limited	450,000 (450,000)	10	4,500	4,500
			<b>254,581</b>	<b>111,282</b>
National Savings Certificates			497	482
Indira Vikas Patra			6	5
Units of PNB Mutual Fund	50,000	10	500	500
			<b>1,003</b>	<b>987</b>
<b>TOTAL</b>			<b>350,690</b>	<b>150,782</b>
<b>AGGREGATE VALUE OF INVESTMENTS</b>				
(I) QUOTED (Net of Provision)			2	2
(II) UNQUOTED			350,688	150,780
Market Value of Quoted Investments			2	2

\*Share are Pledged with IDBI Trusteeship Services Limited against loan taken by the investee Company.



SPML INFRA LIMITED (formerly Subhash Projects and Marketing Limited)

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

	31st March 2010 (Rs. In "000")	31st March 2009 (Rs. In "000")
<b>SCHEDULE 7 : INVENTORIES</b>		
(Refer Note No. 8 on Schedule 20 A)		
Stores, Consumables etc.	17,827	17,927
Raw Materials, Components etc	641,343	907,695
Finished Goods	1,457	1,457
Work-in-Progress	431,018	545,990
	1,091,645	1,473,069
Add : Proportionate Share in Joint Ventures	68,405	116,544
	<b>1,160,050</b>	<b>1,589,613</b>

<b>SCHEDULE 8 : SUNDRY DEBTORS</b>		
(Unsecured)		
Debts outstanding for a period exceeding six months		
- Considered Good	2,786,638	2,206,531
- Considered Doubtful	24,503	24,503
	2,811,141	2,231,034
Other Debts - Considered Good	2,230,932	3,165,851
	5,042,073	5,396,885
Less : Provision for doubtful Debts	24,503	24,503
	<b>5,017,570</b>	5,372,382
Add : Proportionate Share in Joint Ventures	161,971	237,863
	<b>5,179,541 *</b>	5,610,245 *

\* Includes retention deposits Rs. 16,26,144 thousands (Rs. 1,940,882 thousands)

<b>SCHEDULE 9 : CASH AND BANK BALANCES</b>		
Cash-on-hand [Including in transit Rs. Nil (Rs. 1341 thousands)]	36,682	53,870
Cheques on Hand	41,894	139,372
Balances with Scheduled Banks on :		
Current Accounts	168,589	125,375
"Fixed Deposit Accounts ( includes Receipts of Rs 5,94,806 thousands ( Rs 543,068 thousands) lying with Bank as security against Letters of Guarantees issued by them and with clients) "	644,638	552,374
Unpaid Dividend Account	651	326
	<b>892,454</b>	<b>871,317</b>
Add : Proportionate Share in Joint Ventures	25,666	4,042
	<b>918,120</b>	<b>875,359</b>

<b>SCHEDULE 10 : OTHER CURRENT ASSETS</b>		
(Unsecured, Considered Good)		
Un billed Revenue on Construction Contracts	3,221,066	2,425,192
Accrued interest on Deposits	39,392	29,081
	<b>3,260,458</b>	<b>2,454,273</b>
Add : Proportionate Share in Joint Ventures	222,173	120,734
	<b>3,482,631</b>	<b>2,575,007</b>

**SPML INFRA LIMITED (formerly Subhash Projects and Marketing Limited)**  
**SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET**

	<b>31st March 2010 (Rs. In "000")</b>	<b>31st March 2009 (Rs. In "000")</b>
<b>SCHEDULE II : LOANS AND ADVANCES</b>		
(Unsecured, Considered good)		
Loans (including Interest)	1,267,765	979,439
Advances recoverable in cash or in kind or for Value to be received	569,840	843,936
Balance with Excise, Customs, Port Trust and other government authorities	45,197	157,181
Advance Tax (net of provisions)	358,223	149,870
Trade & Other Deposits	195,867	255,379
VAT Credit Input Receivable	224,941	169,767
Advance towards Share Application Money	137,593	163,919
	<b>2,799,426</b>	<b>2,719,491</b>
Add : Proportionate Share in Joint Ventures	188,561	21,183
	<b>2,987,987</b>	<b>2,740,674</b>
<b>SCHEDULE I2 : CURRENT LIABILITIES &amp; PROVISIONS</b>		
<b>CURRENT LIABILITIES</b>		
Acceptances	704,768	1,947,103
Sundry Creditors for Goods, Services, Expenses etc.		
- Dues to Micro, Small and Medium Enterprises (Refer Note No. 8 on Schedule 20B)	15,439	8,160
- Dues to Other Creditors	2,688,541	2,178,407
"Advance against sale of Fixed Assets (Refer note no 11 on Schedule 20B)"	99,000	103,421
Mobilisation advance from Customers (Partly bearing interest)	1,555,547	1,875,345
Other Liabilities	307,670	182,672
Investor Education and Protection Fund:		
Unpaid Dividend (Payable when due)	651	326
Temporary Book Overdraft in current account with banks	41,475	33,223
Interest Accrued but Not Due on loans	9,816	-
	<b>5,422,907</b>	<b>6,328,657</b>
Add : Proportionate Share in Joint Ventures	488,758	339,127
	<b>5,911,665</b>	<b>6,667,784</b>
<b>PROVISIONS</b>		
Gratuity	32,380	26,408
Earned Leave	9,142	12,738
Proposed Dividend	29,320	43,980
Tax on Proposed Dividend	5,101	7,474
	<b>75,943</b>	<b>90,600</b>
Add : Proportionate Share in Joint Ventures	19,449	11,200
	<b>95,392</b>	<b>101,800</b>
	<b>6,007,057</b>	<b>6,769,584</b>

SPML INFRA LIMITED (formerly Subhash Projects and Marketing Limited)

SCHEDULES FORMING PART OF THE CONSOLIDATED PROFIT & LOSS ACCOUNT

	2009-10 (Rs. In "000")	2008-09 (Rs. In "000")
<b>SCHEDULE 13: SALES &amp; SERVICES</b>		
<b>SALES</b>		
Construction Contracts	13,079,166	11,143,297
Power Generation	222,709	214,723
Trading	550,888	34,686
<b>SERVICES</b>		
Operation & Maintenance	563,539	629,859
	14,416,302	12,022,565
Add : Proportionate Share in Joint Ventures	1,102,066	1,229,790
	<b>15,518,368</b>	<b>13,252,355</b>

<b>SCHEDULE 14 : OTHER INCOME</b>		
Interest Received	77,049	61,708
Insurance Claim Received	25,758	32,603
Sundry Balances / Liabilities written back	2,102	46,891
Miscellaneous Receipts	23,824	22,974
Exchange Differences (Net)	–	138,800
	<b>128,733</b>	<b>302,976</b>
Add: Proportionate Share in Joint Ventures	7,933	457
	<b>136,666</b>	<b>303,433</b>

<b>SCHEDULE 15 : MATERIALS CONSUMED &amp; DIRECT EXPENSES</b>		
<b>Materials Consumed :</b>		
Opening Stock :	907,695	1,961,187
Add : Purchases	4,257,783	5,803,464
Less : Closing Stock :	641,343	907,695
	<b>4,524,174</b>	<b>6,856,956</b>
<b>Direct Expenses :</b>		
Stores, Spares and tools Consumed	16,436	4,655
Sub-contracting Expenses	6,109,931	2,661,532
Drawing & Designing	36,797	1,134
Equipment Hire and Running Charges	180,710	40,876
Other Direct Expenses	139,848	187,079
	<b>6,483,722</b>	<b>2,895,276</b>
	<b>11,007,896</b>	<b>9,752,232</b>
Add: Proportionate Share in Joint Ventures	545,583	281,641
	<b>11,553,479</b>	<b>10,033,873</b>

SPML INFRA LIMITED (formerly Subhash Projects and Marketing Limited)

SCHEDULES FORMING PART OF THE CONSOLIDATED PROFIT & LOSS ACCOUNT

	2009-10 (Rs. In "000")	2008-09 (Rs. In "000")
<b>SCHEDULE 16 : (INCREASE) / DECREASE IN STOCKS</b>		
<b>a) Work In Progress</b>		
- Opening	545,990	613,877
- Closing	(431,018)	(545,990)
	114,972	67,887
<b>b) Finished Goods</b>		
- Opening	1,457	2,347
- Closing	1,457	(1,457)
	-	<b>890</b>
Add: Proportionate Share in Joint Ventures	27,657*	(93,651)*
	<b>142,629</b>	<b>(24,874)</b>

\* Net of Rs 20,482 thousands (Rs 19,788 thousands) being the impact of Prior Year Adjustments arising due to Non consideration of stock in a joint venture.

<b>SCHEDULE 17: PERSONNEL EXPENSES</b>		
Salaries, Wages and Allowances	566,766	471,993
Director's Remuneration	49,311	44,737
Contribution to Provident & Other Funds	33,491	26,579
Gratuity	9,474	11,131
Staff Welfare Expenses	17,673	18,787
	<b>676,715</b>	<b>573,227</b>
Add : Proportionate Share in Joint Ventures	11,233	22,389
	<b>687,948</b>	<b>595,616</b>

<b>SCHEDULE 18 : ADMINISTRATION, SELLING &amp; OTHER EXPENSES</b>		
Power and Fuel	17,839	17,446
Rent	84,386	70,880
Rates and Taxes	15,481	18,312
Insurance	54,760	57,288
Repairs and Maintenance		
- Buildings	4,921	6,952
- Plant and Machinery	11,627	4,133
- Others	12,454	12,395
Vehicle Running and Maintenance	63,414	61,131
Travelling & Conveyance	56,646	49,319
Professional Charges & Consultancy Fess	91,440	94,671
Communication Expenses	23,632	20,255
Advertisement expenses	7,326	13,703
Charity & Donations	4,925	8,391
Loss on sale/ discard of fixed assets (net)	14,379	711
Loss on sale of Current Investments	1,950	-
Auditor's Remuneration		
- Audit Fee	4,429	4,314
- Limited Review Fee	2,250	2,100

SPML INFRA LIMITED (formerly Subhash Projects and Marketing Limited)

SCHEDULES FORMING PART OF THE CONSOLIDATED PROFIT & LOSS ACCOUNT

	2009-10 (Rs. In "000")	2008-09 (Rs. In "000")
<b>SCHEDULE 18 : ADMINISTRATION, SELLING &amp; OTHER EXPENSES (Contd...)</b>		
- Tax Audit Fee [includes Nil (Rs. 850 thousands) for earlier years]	470	1,348
- In other Capacity (for company law matters)	1,000	-
- Out of Pocket Expenses	320	301
Selling Expenses	39,361	22,811
Bad Debts Written off	-	4,543
Sundry Balances Written Off	9,505	5,297
Exchange Differences (net)	28,608	-
Provision for Diminution in value of Investments	-	17
Provision for Doubtful debts	6,527	24,503
Miscellaneous Expenses	77,262	109,295
	<b>634,912</b>	<b>610,116</b>
Add: Proportionate Share in Joint Ventures	66,502	75,870
	<b>701,414</b>	<b>685,986</b>

<b>SCHEDULE 19 : INTEREST &amp; FINANCE EXPENSES</b>		
Interest on:		
Term Loans		
- Banks	258,219	320,560
- Others	11,035	291,056
Others Loans, Mobilisation Advances etc		
- Banks	472,675	254,993
- Others	151,546	141,314
	<b>893,475</b>	<b>1,007,923</b>
Bank Charges	329,007	186,235
	<b>1,222,482</b>	<b>1,194,158</b>
Add: Proportionate Share in Joint Ventures	9,132	7,811
	<b>1,231,614</b>	<b>1,201,969</b>

**SPML INFRA LIMITED & ITS SUBSIDIARIES (formerly Subhash Projects and Marketing Limited)**

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

**Schedule 20 A**

**A. Significant Accounting Policies**

**I. Principles of Consolidation**

The Consolidated Financial Statements which relate to SPML Infra Limited (formerly Subhash Projects and Marketing Limited), (the Company) and its Subsidiaries, Associates and Joint Ventures have been prepared in accordance with the applicable Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006 (as amended) on the following basis:

- (a) The financial statements of the Company and its subsidiaries have been consolidated, in terms of Accounting Standard (AS) 21 'Consolidated Financial Statements', on a line-by-line basis by adding together the book value of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances, intra-group transactions and any unrealized profits/losses. The excess/shortfall of cost to the Company of its investments in the Subsidiary Companies as on the date of investment is recognised in the financial statements as Goodwill/Capital Reserve as the case may be.

The subsidiary companies considered in the financial statements are as follows:

Name of the Subsidiary	Country of Incorporation	Proportion of Ownership Interest	
		31st March, 2010	31st March, 2009
Subhash Kabini Power Corporation Limited	India	56.10%	56.70%
SPML Industries Limited	India	51.00%	51.00%
SPML Energy Limited	India	99.55%	99.55%
SPML Technologies Ltd.	India	97.91%	97.91%
Binwa Power Corporation (P) Limited	India	83.74%	83.97%
Awa Power Company (P) Limited	India	80.93%	81.18%
IQU Power Company (P) Limited	India	81.21%	81.46%
Neogal Power Company (P) Limited.	India	81.50%	81.74%
Luni Power Company (P) Limited	India	87.23%	87.40%
Rupin Tons Power Company (P) Limited	India	59.72%	59.99%
Tons Valley Power Company (P) Limited	India	59.72%	59.99%
Uttarkashi Tons Hydro Power (P) Limited	India	59.72%	59.99%
Delhi Waste Management Limited	India	56.21%	56.28%
SPML Infrastructure Limited	India	100.00%	100.00%
SPM Holdings Pte. Ltd	Singapore	56.10%	56.70%
SPML Utilities Limited ( Formerly SPML Water Infra Limited)	India	100.00%	100.00%
SPML Urban Enviro Limited	India	100.00%	100.00%
Madurai Municipal Waste Processing Company Private Limited	India	99.90%	99.90%
SPML Bhiwandi Water Supply Management Limited	India	100.00%	99.94%
SPML Bhiwandi Water Supply Infra Limited	India	100.00%	99.94%
Allahabad Waste Processing Company Private Limited	India	51.00%	—*
Mathura Nagar Waste Processing Private Limited	India	51.00%	—*

\* No previous year's figures given since these Companies became Subsidiaries during the year.

**SPML INFRA LIMITED & ITS SUBSIDIARIES (formerly Subhash Projects and Marketing Limited)**

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

- (b) Minorities' interest in net profit/loss of subsidiaries consolidated during the year has been identified and adjusted against the income in order to arrive at the net income attributable to the shareholders of the Company. Their share of net assets has been identified and presented in the Consolidated Balance Sheet separately.
- (c) The financial statements of SPM Holdings Pte. Ltd. have been prepared in accordance with Singapore Financial Reporting Standard (SFRS). The impact on account of any differences due to adoption of different accounting standards as stated above, in comparison to the Indian Generally Accepted Accounting Principles (IGAAP) is not material.
- (d) In translating the financial statements of the non-integral foreign subsidiary for incorporation in the consolidated financial statements, the assets and liabilities, both monetary and non-monetary are translated at the closing exchange rate, while income and expenses are translated at average exchange rate and all resulting exchange differences are accumulated in Foreign Currency Translation Reserve in Schedule 2.
- (e) The effect of acquisition of stakes in subsidiary companies on the financial statements are as follows: (Rs. '000)

Name of Subsidiary	Effect on Consolidated Profit for the year (after Minority Interest)	Effect on Net Assets as at March 31, 2010
Allahabad Waste Processing Company Private Limited	(9.08)	4.81
Mathura Nagar Waste Processing Private Limited	(9.08)	4.81

- (f) Investments in Associates have been accounted for using the equity method in accordance with Accounting Standard (AS) 23 'Accounting for Investments in Associates in Consolidated Financial Statements' notified by the Companies (Accounting Standards) Rules, 2006 (as amended).
- (g) The Company accounts for its share in the change in the net assets of the associate, post acquisition, after eliminating unrealised profit and losses resulting from the transactions between the Company and its associate to the extent of its share, through its Profit & Loss Account to the extent such change is attributable to the associate's Profit & Loss Account and the same is added to/deducted from the cost of investments in the respective associate Companies. The difference between the cost of investment in the associate and the share of net assets at the time of acquisition of shares in associate is identified in the financial statements as Goodwill or Capital Reserve, as the case may be, and the same remain included in the carrying values of investments in associates.
- (h) The associate companies considered in the financial statements are as follows:

Name of the Associates	Country of Incorporation	Proportion of Ownership Interest	
		31st March, 2010	31st March, 2009
Pondicherry Port Limited	India	49.99%	49.99%
Sanmati Infra Developers Pvt. Limited	India	25.00%	25.00%
Hydro Comp Enterprises ( India ) Limited	India	50.00%	50.00%
Instituform Pipeline Rehabilitation (P) Ltd.	India	41.75%	—*
PT Vardhman Mining Services	Indonesia	45.65%	45.65%
PT Vardhman Logistics	Indonesia	26.00%	26.00%
Rabaan (S) Pte Limited	Singapore	45.65%	45.65%

\* No previous year's figures given since the company became associate during the year.

- (i) In terms of Accounting Standard (AS) 27 'Financial Reporting of Interests in Joint Venture' notified by the Companies (Accounting Standards) Rules, 2006 (as amended), the Company's proportionate interests in the Joint Ventures are consolidated as separate line items in the financial statements along with the book values of assets, liabilities, income and expenses, after eliminating intra-group balances/transactions and unrealized profit and losses resulting from the transactions between the Company and the joint ventures.

**SPML INFRA LIMITED & ITS SUBSIDIARIES (formerly Subhash Projects and Marketing Limited)**

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

(j) Particulars of interest in joint ventures:

Name of Joint Venture	Country of Incorporation	Proportion of Ownership	
		31st March, 2010	31st March, 2009
Om Metal Consortium	India	10%	10%
SPML – CISC	India	50%	50%
SPML – Simplex	India	50%	50%
SPML – HCIL	India	33%	33%
SPML JV - Instituform	India	50%	50%
SPML - Degroment JV	India	95%	95%
Siddhartha - Mahavir – SPML (JV)	India	10%	10%

(k) The consolidated financial statements have been prepared using uniform accounting policies for like transactions and are presented, to the extent possible, in the same manner as the Company's separate financial statements.

(l) The Consolidated Financial Statements are based on the audited Financial Statements of subsidiaries and joint venture except in the following cases where figures have been incorporated based on unaudited financial statements

	31st March, 2010
<b>Subsidiaries</b>	SPM Holdings Pte. Ltd.
	Allahabad Waste Processing Company Private Limited
	Mathura Nagar Waste Processing Private Limited
<b>Associates</b>	Pondicherry Port Limited
	Sanmati Infra Developers Pvt. Limited
	P.T. Vardhman Mining Services
	P.T. Vardhman Logistics
	Rabaaan (S) Pte Ltd
	Hydro Comp Enterprises India P Ltd
	Instituform Pipeline Rehabilitation (P) Ltd.
<b>Joint Ventures</b>	Om metal Consortium
	SPML - Degroment JV
	SPML JV – Instituform
	SPML – CISC
	SPML – HCIL
	Siddharth – Mahavir – SPML JV

**2. Basis of Preparation**

The financial statements have been prepared to comply in all material respects with the accounting standards notified by the Companies Accounting Standards Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis except in respect of insurance claims which on the ground of prudence or uncertainty in realisation, are accounted for on acceptance / actual receipt basis and assets for which revaluation is carried out. Except for the changes specifically mentioned in note 4 below, the accounting policies applied by the Company are consistent with those used in the previous year.



## SPML INFRA LIMITED & ITS SUBSIDIARIES (formerly Subhash Projects and Marketing Limited)

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

#### 3. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon the management's best knowledge of current events and actions, actual results could differ from these estimates.

#### 4. Changes in Accounting Policies

Inventory of materials and consumables at certain sites as at March 31, 2010 have been valued at weighted average method which were hitherto valued on First in First out (FIFO) method. In the opinion of the management, the impact of the above change on the profit for the year although not presently ascertainable, is not likely to be material.

#### 5. Fixed Assets

- (a) Fixed assets are stated at cost of acquisition inclusive of duties (net of CENVAT / VAT), taxes, incidental expenses, erection/commissioning expenses upto the date the asset is ready to be put to use. In case of revaluation of fixed assets, the original cost as written up by the valuer is considered in the accounts and the differential amount is transferred to revaluation reserve.
- (b) Machinery spares which can be used only in connection with an item of fixed assets and whose use as per technical assessment is expected to be non-regular are capitalized and depreciated prospectively over the useful life of the respective assets.
- (c) The carrying amount of assets is reviewed at each balance sheet date to determine if there is any indication of impairment thereof based on external/internal factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount, which represents the greater of the net selling price of assets and their 'value in use'. The estimated future cash flows are discounted to their present value at appropriate rate arrived at after considering the prevailing interest rates and weighted average cost of capital.

#### 6. Depreciation / Amortisation

Depreciation on fixed assets is provided using the Straight Line Method at the rates prescribed under Schedule XIV of the Companies Act, 1956, except in case of Delhi Waste Management Limited, a subsidiary, where depreciation is provided using Straight Line Method over a period of nine years being the concession period as per the Concession Agreement with the Principal.

In case of Fixed Assets which are revalued, the provision for depreciation is based on the revalued amount on the estimate of the remaining useful life of such assets.

In case of impairment, if any, depreciation is provided on the revised carrying amount of the assets over their remaining useful life.

Assets costing Rs.7,500 or less are depreciated @100% in the year of purchase.

Intangible assets (specialised software) are amortised using the straight line method over a period of five years.

Goodwill arising on consolidation is stated at cost and impairment, if any, is recognised.

#### 7. Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets, are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss account on a straight-line basis over the lease term.

#### 8. Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on individual investment basis. Long term investments are considered at cost, unless there is an "other than temporary" decline in value thereof, in which case, adequate provision for diminution is made in the accounts.

#### 9. Inventories

Raw Materials, components, stores and spares to be used in contracts are valued at cost which is ascertained on First in First out (FIFO) / weighted average basis. Materials, components and stores and spares at wind farms and other manufacturing activities are valued at lower of cost and net realisable value.

Stock of finished goods and goods under process are valued at estimated cost (inclusive of excise duty on purchase) or net realisable value, whichever is lower.

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Work-in-progress is valued at cost. However, in case of jobs where losses are likely to occur, the stock is considered at net realisable value. Costs include materials, labour and appropriate portion of construction overheads.

#### 10. Revenue recognition

##### (a) Construction contracts

Revenue on contracts is recognised on percentage completion method based on the stage of completion of the contract. The stage of completion is determined as a proportion that contract costs incurred for work performed upto the reporting date bear to the estimated total costs. When it is probable that the total contract cost will exceed the total contract revenue, the expected loss is recognized immediately. For this purpose, total contract costs are ascertained on the basis of actual costs incurred and costs to be incurred for completion of contracts in progress, which is arrived at by the management based on current technical data, forecasts and estimate of expenditure to be incurred in future including contingencies, which being technical matters have been relied on by the auditors. Revisions in projected profit or loss arising from change in estimates are reflected in each accounting period which however cannot be disclosed separately in the financial statements as the effect thereof cannot be accurately determined.

Overhead expenses representing indirect costs that cannot be directly aligned with the jobs, are distributed over the various contracts on a pro-rata basis.

Disputed claims towards extra work, damages etc. are accounted for on settlement of the arbitration proceedings / legal cases.

##### (b) Sale of Goods

Revenue from sale of goods is recognized on passage of title thereof to the customers, which generally coincides with delivery. Sales are net of returns, claims, trade discounts etc.

##### (c) Income from Services

Revenues from operation and maintenance contracts are recognised on rendering of services as per the terms of contract.

##### (d) Interest

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

#### 11. Liquidated damages

No provision is made for liquidated damages deducted by the customers, wherever these have been refuted by the Company and it expects to settle them without any loss. Pending settlement of these claims, the relative sundry debtors are shown in the accounts as fully recoverable and the corresponding amounts are reflected as contingent liability in terms of the provisions contained in Accounting Standard – 29.

#### 12. Foreign currency translations

##### Initial Recognition

Foreign currency transactions are recorded in the reporting currency by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

##### Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

##### Exchange Differences

Exchange differences arising on the settlement/conversion of monetary items are recognized as income or expenses in the year in which they arise.

##### Forward Exchange Contracts

The premium or discount arising at the inception of forward exchange contracts is amortized as expenses or income over the life of the respective contracts. Exchange differences on such contracts are recognized in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or expense for the year.

## SPML INFRA LIMITED & ITS SUBSIDIARIES (formerly Subhash Projects and Marketing Limited)

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

#### Foreign Operations

Financial statements of overseas non-integral operations are translated as under:

- (i) Assets and Liabilities at the rate prevailing at the end of the year.
- (ii) Revenues and expenses at yearly average exchange rates prevailing during the year.

Exchange differences arising on translation of non-integral foreign operations are accumulated in the Foreign Currency Translation Reserve until the disposal of such operations.

#### 13. Retirement and other employee benefits

Retirement benefits in the form of Provident Fund being a defined contribution scheme are charged to Profit and Loss Account of the year when the contributions to the funds are due. There are no obligations other than the contribution payable to the fund.

Gratuity being a defined benefit obligation is provided for based on actuarial valuation made at the end of each financial year using the projected unit credit method.

Short term compensated absences are provided for based on accrual basis. Long term compensated absences are provided for based on actuarial valuation made at the end of each financial year, which is done as per the projected unit credit method.

Actuarial gain and losses are recognized immediately in the statement of Profit & Loss Account as income or expenses.

#### 14. Income Taxes

Tax expense comprises of current and deferred income tax . Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company have unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits. Deferred tax in respect of timing differences which reverse during the tax holiday period are not recognised to the extent the Company's gross total income is subject to the deduction during the tax holiday period as per the requirement of the Act.

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the Minimum Alternative tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT Credit Entitlement. The Company review the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period.

#### 15. Segment Reporting

##### Identification of Segments

The Company has identified that its business segments are the primary segments. The Company's businesses are organized and managed separately according to the nature of activity, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

The Company at present, primarily operates in India and therefore the analysis of geographical segments is not applicable to the Company.

##### Allocation of common costs

Common allocable costs are allocated to each segment on case to case basis applying the ratio, appropriate to each relevant case. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segment on a reasonable basis, have been included under the head "Unallocated - Common".

**SPML INFRA LIMITED & ITS SUBSIDIARIES (formerly Subhash Projects and Marketing Limited)**

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**16. Earning Per Share**

Basic earning per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earning per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**17. Provisions**

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

Provisions made in terms of Accounting Standard 29 are not discounted to its present value and are determined based on management estimates required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and appropriately adjusted to reflect the current management estimates.

**18. Cash and Cash Equivalents**

Cash and cash equivalents as indicated in the Cash Flow Statements comprise cash at bank and in hand and short term investments with an original maturity of three months or less.

**19. Contingent liabilities**

Liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty are treated as contingent and disclosed by way of notes to the accounts.

**B. Notes on accounts**

1. Contingent Liabilities not provided for in respect of

(Rs. '000)

	As at 31st March, 2010	As at 31st March, 2009
Claims against the Company not acknowledged as debts	16,355	11,887
Claims towards liquidated damages not acknowledged as debts by the Company*. Against the above, debts of the like amount are withheld by the customers. However, the Company expects no liability to accrue on account of these claims.	725,199	5,80,647
Outstanding bank guarantees and Letters of Credit (including Rs. 437,589 thousands (Rs. 473,409) for Joint Ventures)	8,785,977	11,891,793
Corporate guarantees given for subsidiaries and other body corporates* (including Rs. 80,000 thousands (Rs. 80,000 thousands) for Joint Ventures)	2,727,300	2,045,800
Disputed Income Tax, Service Tax and Sales Tax demands under appeal	316,819	157,585
Share in Joint Venture	Nil	Nil

\* Includes Rs.90,000 thousands (Rs.90,000 thousands) in relation to which the original title deeds of the property situated at 8/2, Ulsoor Road, Bangalore are lying with Guwahati High Court as security on behalf of Bharat Hydro Corporation Limited.

(Rs. '000)

2. Estimated amount of contracts remaining to be executed on Capital Account and not provided for [Net of Advances] [Share in Joint Venture – Rs. Nil (Rs. Nil)]	673,173	566,448
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**SPML INFRA LIMITED & ITS SUBSIDIARIES (formerly Subhash Projects and Marketing Limited)**

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3. The Company has operating leases for office premises that are renewable on a periodic basis and are cancelable by giving a notice period ranging from one month to three months. There is no escalation clause in the lease agreement. There are no restrictions imposed by lease arrangements. There are no subleases.

The amount of rent expenses included in Profit and Loss Account towards operating Leases aggregate to Rs. 84,386 thousands (Rs. 70,880 thousands).

4. In terms of Accounting Standard - 22, net deferred tax liability (DTL) of Rs. 130,176 thousands (after adjusting Rs. 38,179 thousands during the year) has been recognized in the accounts up to 31st March 2010.

The break-up of DTL is as follows:

(Rs.'000)

Particulars	As at 31st March 2010	As at 31st March 2009
<b>Deferred Tax Liability</b>		
On timing differences of depreciable assets	67,764	80,861
On retentions by the customers	110,649	154,927
<b>Deferred Tax Assets</b>		
Carry forward of Losses	3,645	8
Expenses allowable against taxable income in future years	44,592	67,425
<b>Deferred Tax Liability (Net)</b>	<b>130,176</b>	<b>168,355</b>

5. The break up of Earnings per Share (EPS) in terms Accounting Standard 20 is as follows:

Rs. ('000)

Particulars	2009-10	2008-09
Profit after Minority Interest		
	462,389	564,387
Weighted average number of equity shares outstanding during the period	36,650,276	36,650,276
Nominal value per share (Rs.)	2.00	2.00
Basic and Diluted EPS (Rs.)	12.62	15.40

6. In compliance with Accounting Standard - 17 - 'Segment Information' notified pursuant to the Companies (Accounting Standards) Rules, 2006 (as amended) in respect of Business Segment are as follows:

**Business segment :** The business segments have been identified on the basis of the activities undertaken by the company. Accordingly, the company has identified the following business segments.

Construction – Consists of execution of turnkey projects

Wind Power – Consists of electricity generated from wind farms.

Hydro Power Generation – Consists of electricity generated from hydel projects and buying energy from seller/surplus power producers and selling to buyer/deficit state utilities.

Others – Consist of manufacturing of pipes, management of waste, other utility management and trading activities.

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**Geographical Segment :** The Company primarily operates in India and therefore the analysis of geographical segments is not applicable to the company.

(Rs. '000)

	CONSTRUCTION		WIND POWER		HYDRO POWER		OTHERS		TOTAL	
	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09
(a) Revenue	14,181,232	12,373,087	16,317	15,120	206,392	199,602	1,114,427	664,546	15,518,368	13,252,355
External Sales										
Intersegment Sales	-	-	-	-	-	-	-	-	-	-
Total Sales	14,181,232	12,373,087	16,317	15,120	206,392	199,602	1,114,427	664,546	15,518,368	13,252,355
(b) Results	1,531,553	1,639,133	(11,900)	(5,332)	140,777	122,362	88,556	83,739	1,748,986	1,839,902
Segment Results										
Unallocated Income / (Expenses (net of unallocated Expenses / Income)									(69,439)	100,583
Operating Profit									1,679,547	1,940,485
Interest & Finance Expenses (net)									1,154,565	1,140,261
Profit before tax									524,982	800,224
Provision for taxation (Current tax, Deferred tax, Fringe benefit tax and adjustments on account of previous years)									57,222	149,628
Profit after tax									467,760	650,596
Share of Net Profit / (loss) from Associates										
Profit after Taxation before Minority Interest									(21,806)	584
									445,954	651,180

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(Rs.'000)

OTHER INFORMATION	CONSTRUCTION		WIND POWER		HYDRO POWER		OTHERS		TOTAL	
	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09
(a) Total Assets	<b>11,456,678</b>	12,355,106	<b>81,116</b>	117,665	<b>2,067,879</b>	1,773,708	<b>1,285,230</b>	859,992	<b>14,890,903</b>	15,106,471
Segment Assets										
Less: Elimination									<b>249,442</b>	492,520
									<b>14,641,461</b>	14,613,951
Unallocated Corporate / Other Assets									<b>3,092,251</b>	2,116,969
(b) Total Liabilities									<b>17,733,712</b>	16,730,920
Segment Liabilities	<b>3,784,335</b>	4,762,331	<b>102,411</b>	109,765	<b>54,550</b>	192,751	<b>408,086</b>	157,752	<b>4,349,382</b>	5,222,599
Less: Elimination									<b>98,727</b>	492,520
									<b>4,250,655</b>	4,730,079
Unallocated Corporate / Other Liabilities									<b>8,309,610</b>	7,238,957
(c) Capital Expenditure	<b>236,247</b>	476,688	–	–	<b>402,366</b>	450,110	<b>246,235</b>	261,713	<b>884,848</b>	1,188,511
(d) Depreciation / Amortisation	<b>111,072</b>	78,653	<b>14,531</b>	18,322	<b>46,563</b>	46,572	<b>75,183</b>	62,659	<b>247,349</b>	206,206
(e) Non cash expenses other than Depreciation included in segment expenses for arriving at Segment Results	<b>16,032</b>	29,817	–	–	–	–	–	–	<b>16,032</b>	29,817

**SPML INFRA LIMITED & ITS SUBSIDIARIES (formerly Subhash Projects and Marketing Limited)**

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

**7. Related Parties**

(a) Other Related Parties with whom transactions have taken place during the year

Associate companies	Pondicherry Port Limited (PPL)
	Pondicherry SEZ Ltd. (Up to 19-07-2007)
	Sanmati Infra Developers Private Limited (SIDL)
	Hydro Comp Enterprises (India) Limited (HYDRO)
	P.T. Vardhman Mining Service
	P.T. Vardhman Logistics
	Rabaan (S) Pte Ltd.
	Instituform Pipeline Rehabilitation (P) Ltd. (IRPL) (w.e.f. Aug 9, 2009)
Joint Ventures	SPML – CISC JV
	SPML – Degroment JV
	SPML JV - Insituform
	SPML – HCIL JV
	Siddharth Mahavir SPMI JV
Key Management Personnel (KMP)	Mr. Anil Kumar Sethi – Chairman,
	Mr. Subhash Chand Sethi – Vice Chairman and Managing Director
	Mr. Sushil Kumar Sethi – Managing Director,
	Mr. Deepak Sethi – Director
Relatives of Key Management Personnel	
Mr. P. C. Sethi	Father of Chairman, Vice Chariman and Managing Director
Mrs. Maina Devi Sethi	Mother of Chairman, Vice Chariman and Managing Director
Mrs. Preeti Devi Sethi	Wife of Chairman
Mrs. Suman Sethi	Wife of Vice Chairman and Managing Director
Mrs. Sandhya Rani Sethi	Wife of Managing Director
Mr. Rishabh Sethi	Son of Managing Director
Mr. Harshavardhan Sethi	Son of Vice Chairman and Managing Director
Mr. Abhinandan Sethi	Son of Vice Chairman and Managing Director
Enterprises owned by KMPs or their relatives	Arihant Leasing and Holdings Ltd.
	Rishabh Commercial Pvt. Ltd.
	Abhinandan Enterprise Pvt. Ltd.
	Bharat Hydro Power Corporation Ltd.
	International Constructions Ltd.
	SPM Engineers Ltd.
	Zoom Industrial Services Ltd.
	Subhash Power Company Ltd.
	SPML India Ltd.
	Subhash International Pvt. Ltd.
	SPML Reality Ltd.
	SPML Keerthi Hole Power Co. Ltd.
	Sonal Agencies Pvt Ltd.
	SPML Semitech India Pvt. Ltd.
	Vidya Edutech Pvt. Ltd.
	Latur Water Supply Management Pvt. Ltd.
	20th Century Engineering Ltd.
	Sanmati Homes Ltd.
	Sanmati Power Co. Pvt. Ltd.
	SPML Industrial Park (Tamil Nadu) Ltd.



SPML INFRA LIMITED & ITS SUBSIDIARIES (formerly Subhash Projects and Marketing Limited)

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

Related party disclosure:

(b) Aggregated Related Party Disclosures as at and for the year ended 31st March 2010 (Transactions have taken place on arm's length basis)

(Rs. In '000)

	Joint Ventures	Associate Companies	Key Management Personnel (KMP)	Relatives of KMP	Enterprises owned by KMP or their relatives	Total
<b>Sale of Goods &amp; services</b>						
Insituform - SPML (JV)	37,162	-	-	-	-	37,162
	(-)	(-)	(-)	(-)	(-)	(-)
SPML Keerthi Hole Power Co Ltd	-	-	-	-	9,450	9,450
	(-)	(-)	(-)	(-)	(-)	(-)
Siddharth Mahavir-SPML JV	-	-	-	-	-	-
	(91,032)	(-)	(-)	(-)	(-)	(91,032)
Others	260	3,975	-	-	-	4,235
	(16,945)	(988)	(-)	(-)	(27,600)	(45,533)
<b>Total</b>	<b>37,422</b>	<b>3,975</b>	<b>-</b>	<b>-</b>	<b>9,450</b>	<b>50,847</b>
	(107,977)	(988)	(-)	(-)	(27,600)	(136,565)
<b>Dividend Paid</b>						
Mr. Anil Kumar Sethi	-	-	2,685	-	-	2,685
	(-)	(-)	(2,685)	(-)	(-)	(2,685)
Zoom Industrial Services Ltd.	-	-	-	-	3,688	3,688
	(-)	(-)	(-)	(-)	(3,688)	(3,688)
SPML India Ltd.	-	-	-	-	2,803	2,803
	(-)	(-)	(-)	(-)	(2,803)	(2,803)
Others	-	-	4,822	5,232	6,523	16,577
	(-)	(-)	(4,822)	(5,232)	(6,523)	(16,577)
<b>Total</b>	<b>-</b>	<b>-</b>	<b>7,507</b>	<b>5,232</b>	<b>13,014</b>	<b>25,753</b>
	(-)	(-)	(7,507)	(5,232)	(13,014)	(25,753)
<b>Purchase of Goods &amp; Services</b>						
Insituform Pipeline Rehabilitation Pvt. Ltd	-	45,752	-	-	-	45,752
	(-)	(-)	(-)	(-)	(-)	(-)
Zoom Industrial Services Ltd.	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(3,536)	(3,536)
SPM Engineers Ltd.	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(3,165)	(3,165)
<b>Total</b>	<b>-</b>	<b>45,752</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>45,752</b>
	(-)	(-)	(-)	(-)	(6,701)	(6,701)
<b>Interest Income</b>						
Subhash Power Company Ltd.	-	-	-	-	958	958
	(-)	(-)	(-)	(-)	(884)	(884)

SPML INFRA LIMITED & ITS SUBSIDIARIES (formerly Subhash Projects and Marketing Limited)

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

(Rs. In '000)

	Joint Ventures	Associate Companies	Key Management Personnel (KMP)	Relatives of KMP	Enterprises owned by KMP or their relatives	Total
SPML Semitech (India) P Ltd	-	-	-	-	1,177	1,177
	(-)	(-)	(-)	(-)	(-)	(-)
Others	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(1,890)	(1,890)
<b>Total</b>	-	-	-	-	<b>2,135</b>	<b>2,135</b>
	(-)	(-)	(-)	(-)	(2,774)	(2,774)
<b>Interest Paid</b>						
International Construction Ltd	-	-	-	-	3,660	3,660
	(-)	(-)	(-)	(-)	(-4520)	(-4520)
Bharat Hydro Power Corporation Ltd.	-	-	-	-	5,235	5,235
	(-)	(-)	(-)	(-)	(943)	(943)
Others	-	-	-	-	213	213
	(-)	(-)	(-)	(-)	(111)	(111)
<b>Total</b>	-	-	-	-	<b>9,108</b>	<b>9,108</b>
	(-)	(-)	(-)	(-)	(-3466)	(-3466)
<b>Rent Paid</b>						
Spml Keerthi Hole Power C Ltd	-	-	-	-	23,937	23,937
	(-)	(-)	(-)	(-)	(25,514)	(25,514)
Others	-	-	6,155	8,449	6,609	21,213
	(-)	(-)	(6,155)	(8,578)	(6,236)	(20,969)
<b>Total</b>	-	-	<b>6,155</b>	<b>8,449</b>	<b>30,546</b>	<b>45,150</b>
	(-)	(-)	(6,155)	(8,578)	(31,750)	(46,483)
<b>Investments in Share Warrants</b>						
Sanmati Infra Developers Pvt Ltd	-	4,500	-	-	-	4,500
	(-)	(4,500)	(-)	(-)	(-)	(4,500)
<b>Total</b>	-	<b>4,500</b>	-	-	-	<b>4,500</b>
	(-)	(4,500)	(-)	(-)	(-)	(4,500)
<b>Purchase of Investments</b>						
Pondicherry Port Limited	-	1	-	-	-	1
	(-)	(-)	(-)	(-)	(-)	(-)
Sanmati Infra Developers Pvt Ltd	-	-	-	-	-	-
	(-)	(9,500)	(-)	(-)	(-)	(9,500)
PT Vardhman Mining Services	-	-	-	-	-	-
	(-)	(23,259)	(-)	(-)	(-)	(23,259)
PT Vardhman Logistics	-	-	-	-	-	-
	(-)	(6,624)	(-)	(-)	(-)	(6,624)

SPML INFRA LIMITED & ITS SUBSIDIARIES (formerly Subhash Projects and Marketing Limited)

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

(Rs. In '000)

	Joint Ventures	Associate Companies	Key Management Personnel (KMP)	Relatives of KMP	Enterprises owned by KMP or their relatives	Total
Others	-	-	-	-	-	-
	(-)	(2,645)	(-)	(-)	(2)	(2,645)
<b>Total</b>	-	1	-	-	-	1
	(-)	(42,028)	(-)	(-)	(2)	(42,028)
<b>Sale of Investments</b>						
Sonal Agencies Pvt. Ltd.	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(100)	(100)
Arihant Leasing and Holdings Ltd.	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(45)	(45)
Zoom Industrial Services Ltd.	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(92)	(92)
Punam Chand Sethi	-	-	-	-	-	-
	(-)	(-)	(-)	(75)	(-)	(75)
<b>Total</b>	-	-	-	-	-	-
	(-)	(-)	(-)	(75)	(237)	(312)
<b>Issue of Share Capital</b>						
Deepak Sethi	-	-	-	-	-	-
	(-)	(-)	(50)	(-)	(-)	(50)
Preeti Devi Sethi	-	-	-	-	-	-
	(-)	(-)	(-)	(100)	(-)	(100)
Anil Kumar Sethi	-	-	-	-	-	-
	(-)	(-)	(100)	(-)	(-)	(100)
<b>Total</b>	-	-	-	-	-	-
	(-)	(-)	(150)	(100)	(-)	(250)
<b>Loans &amp; Advances Taken</b>						
Bharat Hydro Power Corporation Ltd.	-	-	-	-	43,650	43,650
	(-)	(-)	(-)	(-)	(21,894)	(21,894)
International constructions Ltd.	-	-	-	-	253,554	253,554
	(-)	(-)	(-)	(-)	(226,604)	(226,604)
Spml Realty Ltd	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(31,200)	(31,200)
Others	-	-	-	-	10,000	10,000
	(-)	(-)	(-)	(-)	(-)	(-)
<b>Total</b>	-	-	-	-	307,204	307,204
	(-)	(-)	(-)	(-)	(279,698)	(279,698)

SPML INFRA LIMITED & ITS SUBSIDIARIES (formerly Subhash Projects and Marketing Limited)

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

(Rs. In '000)

	Joint Ventures	Associate Companies	Key Management Personnel (KMP)	Relatives of KMP	Enterprises owned by KMP or their relatives	Total
<b>Loans &amp; Advances Given (including share application money)</b>						
Subhash International Pvt. Ltd	-	-	-	-	48,700	48,700
	(-)	(-)	(-)	(-)	(767)	(767)
International Construction Ltd	-	-	-	-	146,061	146,061
	(-)	(-)	(-)	(-)	(173,396)	(173,396)
PT Vardhman Mining Services	-	70,700	-	-	-	70,700
	(-)	(-)	(-)	(-)	(-)	(-)
Instituform Pipeline Rehabilitation (P) Ltd.	-	25,000	-	-	-	25,000
	(-)	(-)	(-)	(-)	(-)	-
Rabaan (S) Pte. Ltd.	-	-	-	-	-	-
	(-)	(196,518)	(-)	(-)	(-)	(196,518)
Others	-	19,508	-	1,300	13,844	34,652
	(18,704)	(24,745)	(-)	(-)	(70,689)	(114,138)
<b>Total</b>	<b>-</b>	<b>115,208</b>	<b>-</b>	<b>1,300</b>	<b>208,605</b>	<b>325,113</b>
	(18,704)	(221,263)	(-)	(-)	(244,852)	(484,819)
<b>Loans &amp; Advances Given Refunded</b>						
Spml Keerthi Hole Power Co Ltd	-	-	-	-	935	935
	(-)	(-)	(-)	(-)	(-)	(-)
Spml Degroment	48	-	-	-	-	48
	(-)	(-)	(-)	(-)	(-)	(-)
PT Vardhman Logistics		6,398				6,398
		(-)				(-)
Rabaan (S) Pte Ltd.		22,120				22,120
		(-)				(-)
Sanmati Infra Developers Pvt. Ltd.		9,500				9,500
		(-)				(-)
Others	48	-	-	-	-	48
	(-)	(-)	(-)	(-)	(-)	(-)
<b>Total</b>	<b>48</b>	<b>38,018</b>	<b>-</b>	<b>-</b>	<b>935</b>	<b>39,001</b>
	(-)	(-)	(-)	(-)	(-)	(-)
<b>Share Application Money Received</b>						
Pondicherry Port Limited	-	18,573	-	-	-	18,573
	(-)	(-)	(-)	(-)	(-)	(-)
<b>Total</b>	<b>-</b>	<b>18,573</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18,573</b>
	(-)	(-)	(-)	(-)	(-)	(-)

SPML INFRA LIMITED & ITS SUBSIDIARIES (formerly Subhash Projects and Marketing Limited)

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

(Rs. In '000)

	Joint Ventures	Associate Companies	Key Management Personnel (KMP)	Relatives of KMP	Enterprises owned by KMP or their relatives	Total
<b>Outstanding Guarantees</b>						
Instituform SPML JV	80,000	-	-	-	-	80,000
	(80,000)	(-)	(-)	(-)	(-)	(80,000)
SPML-CISC JV	56,121	-	-	-	-	56,121
	(42,091)	(-)	(-)	(-)	(-)	(42,091)
SPML HCIL JV	301,468	-	-	-	-	301,468
	(350,995)	(-)	(-)	(-)	(-)	(350,995)
Bharat Hydro Power Corporation Ltd.	-	-	-	-	90,000	90,000
	(-)	(-)	(-)	(-)	(90,000)	(90,000)
Others	-	-	-	-	-	-
	(323)	(-)	(-)	(-)	(-)	(323)
<b>Total</b>	<b>437,589</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>90,000</b>	<b>527,589</b>
	(473,409)	(-)	(-)	(-)	(90,000)	(563,409)
<b>Remuneration</b>						
Anil Kumar Sethi	-	-	13,888	-	-	13,888
	(-)	(-)	(12,811)	(-)	(-)	(12,811)
Subhash Chand Sethi	-	-	14,354	-	-	14,354
	(-)	(-)	(12,144)	(-)	(-)	(12,144)
Sushil Kumar Sethi	-	-	13,416	-	-	13,416
	(-)	(-)	(11,972)	(-)	(-)	(11,972)
Deepak Sethi	-	-	7,020	-	-	7,020
	(-)	(-)	(-)	(-)	(-)	(-)
Rishabh Sethi	-	-	-	300	-	300
	(-)	(-)	(-)	(-)	(-)	(-)
Others	-	-	-	300	-	300
	(-)	(-)	(-)	(-)	(-)	(-)
<b>Total</b>	<b>-</b>	<b>-</b>	<b>48,678</b>	<b>300</b>	<b>-</b>	<b>48,978</b>
	(-)	(-)	(36,927)	(-)	(-)	(36,927)
<b>Balance Outstanding as at the year end - Debit</b>						
Subhash International (P) Ltd.	-	-	-	-	95,019	95,019
	(-)	(-)	(-)	(-)	(102,403)	(102,403)
Instituform Pipeline Rehabilitation (P) Ltd.	-	28,975	-	-	-	28,975
	(-)	(-)	(-)	(-)	(-)	-
SPML Instituform JV	37,162	-	-	-	-	37,162
	(-89)	(-)	(-)	(-)	(-)	-

SPML INFRA LIMITED & ITS SUBSIDIARIES (formerly Subhash Projects and Marketing Limited)

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

(Rs. In '000)

	Joint Ventures	Associate Companies	Key Management Personnel (KMP)	Relatives of KMP	Enterprises owned by KMP or their relatives	Total
Pondicherry Port Ltd.	–	53,446	–	–	–	53,446
	(–)	(34,872)	(–)	(–)	(–)	(34,872)
PT Vardhman Mining Services	–	93,959	–	–	–	93,959
	(–)	(23,259)	(–)	(–)	(–)	(23,259)
HYDRO Comp Enterprises ( India) Ltd.	–	12,745	–	–	–	12,745
	(–)	(11,811)	(–)	(–)	(–)	(11,811)
Rabaan (S) Pte Ltd.	–	174,437	–	–	–	174,437
	(–)	(196,557)	(–)	(–)	(–)	(196,557)
Sanmati Infra Developers Pvt. Ld.	–	–	–	–	–	–
	(–)	(9,500)	(–)	(–)	(–)	(9,500)
Others	37,162	41,720	–	1,346	42,020	122,248
	(3,479)	(21,311)	(–)	(–)	(62,320)	(87,110)
<b>Total</b>	<b>37,162</b>	<b>363,562</b>	<b>–</b>	<b>1,346</b>	<b>137,039</b>	<b>539,109</b>
	(3,479)	(275,999)	(–)	(–)	(164,723)	(444,201)
<b>Balance Outstanding as at the year end - Credit</b>						
International Constructions Ltd.	–	–	–	–	103,054	103,054
	(–)	(–)	(–)	(–)	(–83,527)	(–83,527)
Bharat Hydro Power Corporation Ltd.	–	–	–	–	64,210	64,210
	(–)	(–)	(–)	(–)	(16,070)	(16,070)
SPML - HCIL JV	24,255	–	–	–	–	24,255
	(–9,818)	(–)	(–)	(–)	(–)	(–9,818)
Vidya Edutech Pvt Ltd	–	–	–	–	191	191
	(–)	(–)	(–)	(–)	(–)	(–)
Rishabh Commercial (P) Ltd.	–	–	–	–	18	18
	(–)	(–)	(–)	(–)	(–195)	(–195)
Abhinandan Enterprises (P) Ltd.	–	–	–	–	30	30
	(–)	(–)	(–)	(–)	(–9)	(–9)
Arihant Leasing and Holdings Ltd.	–	–	–	–	83	83
	(–)	(–)	(–)	(–)	(–)	(–)
Sonal Agencies (P) Ltd.	–	–	–	–	951	951
	(–)	(–)	(–)	(–)	(–500)	(–500)
SPM Engineers Ltd.	–	–	–	–	4,063	4,063
	(–)	(–)	(–)	(–)	(7,665)	(7,665)
SPML India Ltd	–	–	–	–	6,040	6,040
	(–)	(–)	(–)	(–)	(3,740)	(3,740)

SPML INFRA LIMITED & ITS SUBSIDIARIES (formerly Subhash Projects and Marketing Limited)

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

(Rs. In '000)

	Joint Ventures	Associate Companies	Key Management Personnel (KMP)	Relatives of KMP	Enterprises owned by KMP or their relatives	Total
Zoom Industrial Services Ltd.	–	–	–	–	9,120	9,120
	(–)	(–)	(–)	(–)	(7,545)	(7,545)
Subhash Chand Sethi	–	–	3,263	–	–	3,263
	(–)	(–)	(7,346)	(–)	(–)	(7,346)
Sushil Kumar Sethi	–	–	4,674	–	–	4,674
	(–)	(–)	(7,549)	(–)	(–)	(7,549)
Anil Kumar Sethi	–	–	6,300	–	–	6,300
	(–)	(–)	(7,144)	(–)	(–)	(7,144)
Rishabh Sethi	–	–	–	31	–	31
	(–)	(–)	(–)	(272)	(–)	(272)
Deepak Sethi	–	–	–	1,142	–	1,142
	(–)	(–)	(–)	(–)	(–)	(–)
Maina Devi Sethi	–	–	–	120	–	120
	(–)	(–)	(–)	(–)	(–)	(–)
Preeti Devi Sethi	–	–	–	1,033	–	1,033
	(–)	(–)	(–)	(–135)	(–)	(–135)
Sandhya Rani sethi	–	–	–	1,222	–	1,222
	(–)	(–)	(–)	(–138)	(–)	(–138)
Suman Sethi	–	–	–	737	–	737
	(–)	(–)	(–)	(–135)	(–)	(–135)
Punam Chand Sethi	–	–	–	157	–	157
	(–)	(–)	(–)	(–)	(–)	(–)
Harshvardhan Sethi	–	–	–	32	–	32
	(–)	(–)	(–)	(–)	(–)	(–)
PT Vardhman Logistics	–	226	–	–	–	226
	(–)	(–6,624)	(–)	(–)	(–)	(–6,624)
Others	–	–	14,237	4,473	30,633	49,343
	(–)	(–)	(22,039)	(–136)	(28,636)	(50,675)
<b>Total</b>	<b>24,255</b>	<b>226</b>	<b>14,237</b>	<b>4,473</b>	<b>197,897</b>	<b>241,088</b>
	(–9,818)	(–6,624)	(22,039)	(–136)	(–38,821)	(–26,736)

Also refer Schedule 3 & 4 as regards loans and other funded facilities personally guaranteed by promoter directors of the company

**SPML INFRA LIMITED & ITS SUBSIDIARIES (formerly Subhash Projects and Marketing Limited)**

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

8. Based on the information / documents available with the Company, information as per the requirement of Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006 are as under:

(Rs.'000)

		2009-10	2008-09
(i)	Principal amount remaining unpaid to suppliers at the end of accounting year	15,439	8,160
(ii)	Interest due on above	224	67
	Total of (i) & (ii)	15,663	8,227
(iii)	Amount of interest paid by the Company to the suppliers	Nil	Nil
(iv)	Amounts paid to the suppliers beyond the respective due date	12,655	21,694
(v)	Amount of interest due and payable for the period of delay in payments (which have been paid beyond the due date during the year) but without adding the interest specified under the Act.	1,004	1,300
(vi)	Amount of interest accrued and remaining unpaid at the end of accounting year	4,379	3,151
(vii)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	1,228	1,367

9. Derivatives outstanding as at Balance Sheet date

(In '000)

Particulars	Currency	Amount in Foreign Currency	
		As at March 31	
		2010	2009
Forward Contracts (Payable)	USD	5,000	-
	EURO	880	-

Note: All the above contracts are for hedging and not for speculation

10. Construction contracts disclosure

Information relating to Construction contracts as per Accounting Standard 7 (Revised) issued by The Institute of Chartered Accountants of India are given below:

(Rs. in '000)

	2009-10	2008-09
Contract income recognized as revenue during the year	13,241,147	12,314,275
Aggregate amount of costs incurred and recognized profits (less recognized losses) till date	46,257,074	33,267,605
Advances received (unadjusted)	1,555,547	1,875,345
Retention amount	1,569,952	1,940,882
Gross amount due from customers for contract work	4,804,978	4,191,541
Gross amount due to customers for contract work	373,601	292,292

11. The Company had entered into an agreement in the past to sell 15 nos. of Windmills and an advance of Rs.99000 thousands was received there against. Since the above assets are hypothecated with a nationalised bank against loans obtained from them, the Company could not transfer these assets to the buyer. Accordingly, no adjustment has been made in the accounts for the above sale of assets and the same would be carried out in due course. The income and expenses in relation to these assets continue to be accounted for in the Company's Books.
12. The Company and certain subsidiaries are in the process of obtaining confirmations with respect to its debtors, creditors and advances. Adjustments, if any, arising out of such confirmations will be considered in subsequent period.



**SPML INFRA LIMITED & ITS SUBSIDIARIES (formerly Subhash Projects and Marketing Limited)**

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

13. (a) Gratuity plans (AS 15 Revised)

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to Gratuity on terms not less favorable than the provisions of The Payment of Gratuity Act, 1972. The scheme is unfunded.

The following tables summarise the components of net benefit expenses recognized in the profit & loss account and amounts recognized in the balance sheet for the respective plans.

(Rs. in '000)

		2009-10	2008-09
		Gratuity	Gratuity
(i)	<b>Net employee benefit expense (recognised in Employee Cost)</b>		
	Current service cost	7,101	9,220
	Interest cost on benefit obligation	2,316	1,911
	Net Actuarial (gain) / loss recognised in the year	57	(9,247)
	Total employer expense recognised in Profit and Loss Account	9,474	1,884
(ii)	<b>Actual return on plan assets</b>	Not Applicable	Not Applicable
(iii)	<b>Benefit Asset / (Liability)</b>		
	Defined benefit obligation	(32,380)	(26,408)
	Benefit Asset / (Liability)	(32,380)	(26,408)
(iv)	<b>Movement in benefit liability</b>		
	Opening defined benefit obligation	26,408	26,289
	Interest cost	2,316	1,911
	Current service cost	7,101	9,220
	Benefit paid	(3,502)	(1,765)
	Actuarial (gains)/losses on obligation	57	(9,247)
	Closing benefit obligation	32,380	26,408
(v)	<b>Movement in fair value of plan assets</b>	Not Applicable	Not Applicable
(vi)	<b>The major categories of plan assets as a percentage of the fair value of total plan assets</b>	Not Applicable	Not Applicable

The Principal assumptions used in determining gratuity benefit obligation for the Company's plan are shown below:

Discount rate	8%	7.50%
Withdrawal Rate	Varying between 2% per annum and 1% per annum depending on duration and age of employees	Varying between 2% per annum and 1% per annum depending on duration and age of employees
Expected rate of return on Plan assets	Not Applicable	Not Applicable
Expected Average remaining working lives of employees (years)	23.32	23.72
Experience Adjustments on Plan Liabilities	Not Available	Not Available

(b) Amount incurred as expense for defined contribution plans

(Rs. in '000)

	2009 - 10	2008 - 09
Contribution to Provident Fund	29,285	25,322

**SPML INFRA LIMITED & ITS SUBSIDIARIES (formerly Subhash Projects and Marketing Limited)**

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

Note:

- The estimates of future salary increase considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
- The gratuity liability is unfunded. Accordingly, information regarding planned assets are not applicable.
- Amounts for the current and previous two periods are as follows:

(Rs. in '000)

Description	March 31, 2010	March 31, 2009	March 31, 2008
Defined Benefit Obligation	32,380	26,408	26,289
Assets/ ( Liability)	(32,380)	(26,408)	(26,289)

The information in respect of defined benefit obligation for years prior to 2007-08 are not available and hence not furnished.

14. Prior period items as indicated in the Profit & Loss Account comprise of the following:

(Rs. in '000)

Particulars	2009-10	2008-09
<b>Debit:</b>		
Share of Loss from SPML CISC JV	7,191	10,671
Materials consumed	-	31,973
Direct Expenses	20,930	-
Interest on Mobilisation advance	457	23,777
Others	3,443	1,364
<b>Total (A)</b>	<b>32,021</b>	<b>67,785</b>
<b>Credit:</b>		
Purchase/Expenses wrongly recorded in earlier years now written back	9,321	44,254
<b>Total (B)</b>	<b>9,321</b>	<b>44,254</b>
<b>Net (A-B)</b>	<b>22,700</b>	<b>23,531</b>

15. The Company has claimed 80IA benefits of Rs.2,052,698 thousands (Rs. 1,235,414 thousands) approx. having tax impact of Rs. 561,400 thousands including Rs.183,900 thousands for the year, approx. under Income Tax Act, 1961 on construction contracts for certain infrastructure projects executed on behalf of various departments / agencies of different State Governments during the financial years 2003-04 onwards. The tax assessments for the financial years upto 2007-08 are already completed and the above claims have been fully allowed by the Tax Authorities. However, in-view of the recent amendment in the Finance Act '2010, the company has filed a writ with the Honorable Calcutta High Court, which has been admitted as well, challenging the validity of above retrospective amendment which as per legal opinion obtained, is ultra vires to the main section of the Act. The Company does not expect any tax liability in this regard and thus no provision thereof, has been made in these accounts.
16. Pursuant to resolution passed at the meeting of the Board of Directors of the Company held on February 27, 2010, the Company has decided to dispose/sell its 'Cement Pole' manufacturing unit situated at Tumkur in Karnataka and accordingly sold the said unit to the buyer for a lump sum consideration of Rs. 6,515 thousands.

The disclosure required by the Accounting Standard – 24, in respect of the said 'Discontinued Operation' is given below:

(Rs. in '000)

Particulars	2009-10	2008-09
Revenue from discontinuing operations	6,613	9,546
Expenses from discontinuing operations	6,263	10,063
Pre-tax Profit/(loss) from activities attributable to discontinuing operations	350	(516)
Carrying amount of assets as at balance sheet date	2,000	21,660
Carrying amount of liabilities as at balance sheet date	Nil	174
Net cash flows attributable to the discontinuing operation	9,946	(17,080)

**SPML INFRA LIMITED & ITS SUBSIDIARIES (formerly Subhash Projects and Marketing Limited)**

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

17. 1,32,73,800 No. of Shares of Subhash Kabini Power Corporation Limited (SKPCL), 250,000 No. of shares of Luni Power Company (P) Limited and 1,293,000 No. of shares of Neogal Power Company (P) Limited, subsidiaries of the Company, are pledged with Banks against loans obtained by the respective Companies. The Company has also given an undertaking to the Bank not to sell its share holding till the full repayment of the Loan by the subsidiaries.
18. Certain subsidiaries are in the process of construction and no commercial activity has yet started from the date of their incorporation to 31st March, 2010. Accordingly no Profit & Loss Account has been prepared with respect to these Companies. However, the particulars of Project Development expenses incurred so far, are given below which are pending allocation to various fixed assets and would be capitalized on the commissioning of the respective plants/projects.

(Rs. in '000)

Particular of Expenses	As at March 31, 2010	As at March 31, 2009
<b>a) Employee Expenses</b>		
Salaries, Wages and Allowance	33,454	24,508
Gratuity	384	251
<b>b) Administration, Selling &amp; Other Expenses</b>		
Rent	2,605	1,896
Rates and Taxes	12,807	10,652
Insurance	4,231	2,304
Repairs & Maintenance		
- Others	454	200
Travelling & Conveyance	12,500	10,554
Professional Charges & Consultancy Fees	21,054	16,434
Communication Expenses	764	579
Advertisement	390	382
Charity & Donation	663	644
Miscellaneous Expenses	17,888	14,178
Water & Electricity	1,007	632
Equipment Hire Charges	1,942	1,942
Depreciation	1,167	348
<b>c) Interest &amp; Finance Expenses</b>		
Interest & Finance Expenses	101,656	23,403
<b>Total</b>	<b>212,966</b>	<b>108,907</b>
Less: Income		
Tender Application Money	875	876
Interest on Fixed Deposit	287	60
Profit on Sale of Assets	-	1
<b>Total</b>	<b>211,804</b>	<b>107,970</b>

**SPML INFRA LIMITED & ITS SUBSIDIARIES (formerly Subhash Projects and Marketing Limited)**  
**SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND PROFIT & LOSS ACCOUNT**

19. Previous Year Figures including those given in brackets have been regrouped / rearranged wherever considered necessary.

As per our report of even date

**For S. R. BATLIBOI & CO.**

Firm Registration No.: 301003E  
CHARTERED ACCOUNTANTS

**Per R K Agrawal**

Partner  
Membership No.16667  
Place : Kolkata  
Date : 31st July, 2010

**For SUNIL KUMAR GUPTA & CO.**

Firm Registration No.: 003645N  
CHARTERED ACCOUNTANTS

**Per S. K. GUPTA**

Partner  
Membership No.82486  
Place: Kolkata  
Date: 31st July, 2010

For and on behalf of the Board

**Anil Kr. Sethi**  
Chairman

**Subhash Ch. Sethi**  
Vice Chairman and Managing Director

**Sushil Kr. Sethi**  
Managing Director

**B N Choudhary**  
Executive Vice President (Finance) &  
Company Secretary

SPML INFRA LIMITED & ITS SUBSIDIARIES (formerly Subhash Projects and Marketing Limited)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2010

	2009-10 Rs in "000"	2008-09 Rs in "000"
<b>A. Cash flow from operating activities</b>		
Net profit before taxation	524,982	800,224
<b>Adjustments for:</b>		
Depreciation	247,349	206,206
Loss on sale of fixed assets	14,379	711
Interest Expense (Net)	825,558	954,026
Provision for Diminution in Value of investments	-	17
Loss on Sale of Current Investments	1,950	-
Provision for doubtful debts	-	24,503
Bad Debts/Sundry Balances written off	16,032	9,840
Sundry Balances/Liabilities Written back	(2,102)	(46,891)
	<b>1,103,166</b>	<b>1,148,413</b>
<b>Operating profit before working capital changes</b>	1,628,148	1,948,637
Movements in working capital :		
Decrease / (Increase) in sundry debtors	424,178	(598,011)
Decrease / (Increase) in inventories	429,563	1,009,726
Decrease / (Increase) in Loan & Advances	(685,390)	(1,647,767)
Increase / (Decrease) in Current liabilities	(768,465)	89,531
Increase / (Decrease) in Provisions	10,624	8,357
	<b>(589,490)</b>	<b>(1,138,164)</b>
<b>Cash generated from / (used in) operations</b>	<b>1,038,658</b>	<b>810,473</b>
Direct taxes paid (net of refunds)	(303,754)	(217,527)
<b>Net cash from / (used in) operating activities</b>	<b>734,904</b>	<b>592,946</b>
<b>B. Cash flows from investing activities</b>		
Purchase of fixed assets	(770,257)	(1,201,443)
Proceeds from sale of fixed assets	41,813	15,220
Sales/(Purchase) of investments (Net)	(219,179)	36,885
Loans Given (Net)	(288,326)	(835,459)
Advance Against Share Application Money	26,326	(137,670)
Interest received	66,738	64,856
Investment in Bank Fixed Deposit	(92,264)	(11,476)
<b>Net cash from / (used in) investing activities</b>	<b>(1,235,148)</b>	<b>(2,069,087)</b>
<b>C. Cash flows from financing activities</b>		
Proceeds from contribution by Minorities	21,671	102,981
Repayment of long term loan	(334,630)	(210,920)

SPML INFRA LIMITED & ITS SUBSIDIARIES (formerly Subhash Projects and Marketing Limited)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2010 (Contd...)

	2009-10 Rs in "000"	2008-09 Rs in "000"
Proceeds from long term loan	1,842,596	616,015
Proceeds/(Repayment) of Short term loan (net)	(31,904)	1,831,862
Interest paid	(975,097)	(930,193)
Dividends paid including tax thereon	(51,129)	(51,665)
<b>Net cash from financing activities</b>	<b>471,507</b>	<b>1,358,081</b>
<b>Net increase in cash and cash equivalents (A + B + C)</b>	<b>(28,736)</b>	<b>(118,061)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>322,985</b>	<b>409,954</b>
<b>Effect of Foreign currency Translation</b>	<b>(20,864)</b>	<b>31,092</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>273,385</b>	<b>322,985</b>
<b>Components of Cash &amp; Cash Equivalents *</b>		
Cash-on-hand	36,682	53,870
Cheques on Hand	41,894	139,372
<b>Balances with Scheduled Banks on :</b>		
Current Accounts	168,589	125,375
Unpaid Dividend Account	651	326
Proportionate Share of Joint Ventures	25,666	4,042
	<b>273,482</b>	<b>322,985</b>
<b>Details of restricted cash:</b>		
Unpaid Dividend Account	651	326
* Excluding fixed deposits with banks having maturity of more than three months	644,638	552,374

**For S. R. BATLIBOI & CO.**

Firm Registration No. 301003E  
Chartered Accountants

**Per R. K. AGRAWAL**

Partner  
Membership No 16667  
Place: Kolkata  
Date: July 31, 2010

**For SUNIL KUMAR GUPTA & CO**

Firm Registration No. 003645N  
Chartered Accountants

**Per S. K. GUPTA**

Partner  
Membership No 82486  
Place: Kolkata  
Date: July 31, 2010

As Approved

For and behalf of the Board of Directors

**Anil Kr Sethi**

Chairman

**Subhash Ch. Sethi**

Vice Chairman and Managing Director

**Sushil Kr. Sethi**

Managing Director

**B. N. Choudhary**

Executive Vice President (Finance) &  
Company Secretary



## Building infrastructure for a better future !

And there will be a day, when every single individual of this country will have safe and sufficient water, every home will be illuminated by the power of an electric bulb, every village of this country will be well connected by roads, every soul will shine brightly with thousands rays of hope and every heart will have the power to fulfill a thousand dreams. And that will be the beginning. The beginning of a whole new India.

our people, our power



**SPML INFRA LIMITED**

(formerly Subhash Projects and Marketing Limited)

Head Office

SPML House, Plot No. 65, Sector - 32, Institutional Area

Gurgaon - 122 001, Haryana, Ph : +91 124 4204601

Fax : +91 124 4269139

Registered Office

F-27/2, Okhla Industrial Area, Phase - II

New Delhi - 110 020

Regional Offices : Bangalore | Kolkata | Mumbai

info@spml.co.in | www.spml.co.in





**SPML INFRA LIMITED**  
(formerly Subhash Projects and Marketing Limited)

Regd. Office : F - 27/2, Okhla Industrial Area, Phase II, New Delhi-110 020

**NOTICE OF TWENTY NINTH ANNUAL GENERAL MEETING**

**NOTICE OF TWENTY NINTH ANNUAL GENERAL MEETING**

Notice is hereby given that the Twenty Ninth Annual General Meeting of the Members of the Company will be held on Thursday, the 30th September, 2010 at 11.30 A.M at PHD Chamber of Commerce, PHD House, 4/2 Siri Institutional area, August Kranti Marg, New Delhi -110 016 to transact the following businesses :

**ORDINARY BUSINESS**

- 1) To receive, consider, approve and adopt the Audited Balance Sheet as at 31st March, 2010 and the Profit and Loss Account for the year ended on that date and the reports of the Directors and the Auditors thereon.
- 2) To declare dividend on 3,66,50,276 Equity Shares for the financial year ended 31st March, 2010.
- 3) To appoint a Director in place of Sri R.L.Gaggar, who retires by rotation and, being eligible, offers himself for re-appointment.
- 4) To appoint a Director in place of Sri Amalendu Bhattacharjee, who retires by rotation &, being eligible, offers himself for re-appointment.
- 5) To appoint Auditors and to fix their remuneration and in this regard to consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution :

"RESOLVED THAT M/s. S. R. Batliboi & Co., Chartered Accountants and M/s. Sunil Kumar Gupta & Company, Chartered Accountants be and are hereby re-appointed as Joint Auditors of the Company from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and that the Audit Committee of the Board of Directors be and is hereby authorized to determine the terms & conditions and remuneration payable to the Company's Auditors."

**SPECIAL BUSINESS**

To consider and if thought fit, to pass with or without modification(s), the following resolutions :

**6) As an Ordinary Resolution**

"RESOLVED THAT in accordance with the provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof, Sri Sarthak Behuria, who was appointed as Additional Director pursuant to the provisions of Section 260 of the Companies Act, 1956, be and is hereby appointed as Director of the Company."

- 7) "RESOLVED THAT pursuant to the provisions of Section 94 and other applicable provisions, if any, of the Companies Act, 1956, including any amendment, modification, variation or re-enactment thereof and the provisions of the Articles of Association of the Company and subject to requisite approvals, the equity shares of the Company having nominal face value of Rs.2 (Rupees Two) per equity share be sub-divided into equity shares having nominal face value of Re.1 (Rupee one) per equity share and the relevant capital clause in the Memorandum of Association of the Company be accordingly altered as proposed in the resolution No. 8 of this notice convening the 29th Annual General Meeting."

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things including issue of fresh share certificates of the nominal face value of Re.1 ( Rupee one) per equity share and execute all such agreements, documents, instruments and writings as may be required in the connection, with power to settle all questions, difficulties or doubts that may arise in regard to this resolution as it may in its sole discretion deem fit and to delegate any of its powers herein conferred to any committee of directors and/or director(s)/and/or officer(s) of the Company, to give effect to this resolution."

- 8) "RESOLVED THAT on the resolution for sub-division of the nominal face value of equity shares being duly passed and becoming effective as stated in the resolution set out at item No.7 of this notice convening the 29th Annual General Meeting , the existing clause V of the Memorandum of Association of the company be deleted and in place thereof the following new clause V be substituted-
- V. The authorized share capital of the Company is Rs. 50,00,00,000/- (Rupees Fifty crores) divided into
  - i) 40,00,00,000 - 'Equity Shares of Re.1/- each
  - ii) 10,00,000 - Preference Shares of Rs.100/- each.' "

**By Order of the Board**  
**Sd/-**

**B. N. Choudhary**  
**Executive Vice President (Finance) & Secretary**

Place : Kolkata

Date : 12th August, 2010

**NOTES :**

- (a) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself / herself, and such proxy need not be a Member of the Company. Proxy in order to be effective must be received by the Company not less than 48 hours before the commencement of meeting.
- (b) Register of Members and Transfer Books of the Company will remain closed from 29.09.2010 to 30.09.2010 (both days inclusive).
- (c) Members are requested to notify change of address, if any to the Company's Registrars and Share Transfer Agents, Maheshwari Datamatics Pvt. Ltd., 6, Mangoe Lane, 2nd Floor, Kolkata - 700 001 or to the Company at its Head Office.
- (d) The Company's equity shares are compulsorily traded in demat form. Members who are holding shares in physical form are requested to get them dematerialized.
- (e) Pursuant to Section 205A of the Companies Act, 1956 the unclaimed dividend for the final dividend for the year 1999-2000 were transferred to the "Investor Education & Protection Fund" of Central Government. Members who have not yet en-cashed dividend warrants for any subsequent year are advised to send the same to the Company for revalidation.

- (f) The Company's securities are listed at (1) The Stock Exchange, Mumbai, and (2) National Stock Exchange of India Ltd., The Annual listing fee as prescribed has been paid to each of these Stock Exchanges for the year 2010-11. The confirmation for delisting of Shares from Calcutta Stock Exchange Association Ltd. is awaited.
- (g) Members/Proxies should bring the attendance slip duly filled in for attending the meeting.

#### Annexure to the Notice

#### Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956.

##### Item No. 6

The Board of Directors of the Company has appointed pursuant to the provisions of Section 260 of the Companies Act, 1956 and Articles 41 of the Articles of the Association of the Company, Sri Sarthak Behuria as Additional Director of the Company with effect from 12.08.2010. In terms of Section 260 of the Companies Act, 1956, Sri Sarthak Behuria would hold office upto the date of this Annual General Meeting.

The Company has received a Notice in writing from a member along with a deposit of Rs.500/- proposing the candidature of Sri Sarthak Behuria for the office of Director of the Company under the provision of Section 257 of the Companies Act, 1956.

A brief resume of Sri. Sarthak Behuria , nature of expertise in specific functional area and details of other directorships and memberships / chairmanships of Board / Committees, as stipulated under Clause 49 of Listing agreement with the Stock Exchanges in India, is annexed hereto.

The Board recommends the Resolution for approval of the Members. Save and except Sri Sarthak Behuria , none of the other Directors of the Company is concerned or interested in the Resolution.

##### Item Nos. 7 & 8

Currently the nominal face value of the equity shares of the company is Rs. 2 per equity share . The equity shares of the company are listed on the National Stock Exchange Limited and Bombay Stock Exchange Limited. Many shareholders of the Company have been requesting the Company to sub-divide the nominal face value of its equity shares.

In order to increase the affordability of the company's shares for retail investors , which could lead to their greater participation and increase the liquidity of the company's equity share in the stock market , the Board of Directors of the Company in its meeting held on 12th August ,2010 proposed the sub-division of the nominal face value of the equity shares of the company fro Rs.2(Rupees Two) per equity share to Re.1 ( Rupee One) per equity share.

The resolution as set out at item No. 8 of this notice is to reflect the alteration to the Capital Clause in the Memorandum of Association and the consequential change in the nominal face value of the equity shares of the company from Rs.2 (Rupees Two) per equity share to Re. 1 (Rupee One) per equity share.

The Board recommends the passing of the resolutions as set at item Nos. 7 & 8 of this Notice , for approval of the Shareholders.

None of the Directors of the Company is in any way concerned or interested in the said resolutions, except to the extent of the shareholding in the Company.

**By Order of the Board**  
Sd/-

**B. N. Choudhary**  
**Executive Vice President (Finance) & Secretary**

Place : Kolkata

Date : 12th August,2010

#### Details of Directors Seeking Re-appointment at the forthcoming Annual General Meeting (in pursuance of Clause 49 of Listing Agreement)

Name of Director	Date of Birth	Date of Appointment	Qualification	List of other Directorship
Mr. R.L.Gaggar	01.12.1932	30.06.1994	B.A.(Hons) L.L.B.	<ol style="list-style-type: none"> <li>1. Somani Ceramics Limited (Formerly SPL Limited)</li> <li>2. Sarda Plywood Industries Limited</li> <li>3. TIL Limited</li> <li>4. Peria Karmalal Tea &amp; Produce Co. Ltd</li> <li>5. Paharpur Cooling Towers Limited</li> <li>6. International Combustion India Ltd,</li> <li>7. Machino Plastics Limited</li> <li>8. Sumedha Fiscal Service Ltd</li> <li>9. Shree Cement Limited</li> <li>10. Financial &amp; Management Services Ltd</li> <li>11. Machino Bassel India Limited</li> <li>12. Eastern Silk Industries Ltd</li> <li>13. Bhaskar Silicon Ltd</li> </ol>
Sri Amalendu Bhattacharjee	12.01.1936	08.11.2005	B.Com Chartered Accountant	<ol style="list-style-type: none"> <li>1. Dc Industrial Plant Services Pvt. Ltd</li> <li>2. Development Investors Ltd</li> <li>3. PCS Project Construction Services Pvt. Ltd</li> </ol>
Sri Sarthak Behuria	02.03.1952	12.08.2010	BA,MBA	Nil

# SPML INFRA LIMITED

(formerly Subhash Projects and Marketing Limited)

Regd. Office : F - 27/2, Okhla Industrial Area, Phase II, New Delhi-110 020

## PROXY FORM

Member's Folio No ..... Client ID ..... DP ID ..... No. of Shares .....

I/We ..... of ..... being a

Member/Members of the Company, hereby appoint ..... of

..... or failing him/her ..... of ..... as

my/our proxy to attend and vote for me/us on my/our behalf at the **29th Annual General Meeting** of the Company to be held on .....

....., the ....., 2010 at ..... A.M.

at ..... and at any adjournment thereof.

As witness my/our hand(s) this ..... day of ....., 2010.

Signed .....

Date .....



### NOTE : 2

1. The Proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting.
2. The Form should be signed across the stamp as per specimen signature registered with the Company.

# SPML INFRA LIMITED

(formerly Subhash Projects and Marketing Limited)

Regd. Office : F - 27/2, Okhla Industrial Area, Phase II, New Delhi-110 020

## ATTENDANCE SLIP

Name of Member (in Block Letters) ..... Member's Folio No .....

Client ID ..... DP ID ..... No. of Shares ..... Name of the

Proxy (in Block Letters) ..... I hereby record my presence at the **29th Annual General Meeting**

of the Company to be held on ..... the ....., 2010 at .....

New Delhi .....

### Signature of Member/Proxy

Shareholders attending the Meeting in person or by proxy are requested to complete the Attendance Slip & hand it over at the entrance of the meeting hall.